COVER SHEET

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S.E.C. Registration Number

PHILIPPINE REALTY AND HOLDINGS CORPORATION

(Company's Full Name)

ONE BALETE 1 BALETE DRIVE COR N DOMINGO ST BRGY KAUNLARAN QUEZON CITY

(Business Address: No. Street Company / Town / Province)

Contact Person	Company Telephone Number
MR. MARK ANTHONY M. RAMOS	8631-3179

Month	Day	FORM TYPE	DEFINITIVE	Month	Day
		20IS			

Annual Meeting

N/A

Secondary License Type, If Applicable

Dept. Requiring this Doc.

Amended Articles Number/Section

Total Amount of Borrowings

Total No. of Stockholders	Domestic	Foreign

To be accomplished by SEC Personnel concerned

NOTICE AND AGENDA OF ANNUAL STOCKHOLDERS' MEETING

Notice is hereby given that the Annual Stockholders' Meeting ("**ASM**" or "**Meeting**") of **PHILIPPINE REALTY AND HOLDINGS CORPORATION** (the "**Company**") will be held on **Friday, July 31, 2026, at 3:00 p.m.** The Meeting will be conducted virtually and there will no longer be a physical venue for the ASM.

The Agenda of the Meeting is as follows:

1. Call to Order;
2. Certification of Notice of Meeting and Determination of Quorum;
3. Approval of the Minutes of the Previous ASM held on June 27, 2025;
4. Report of the President and approval of the 2025 Annual Report and the 2025 Audited Financial Statements;
5. Election of the Members of the Board of Directors for the ensuing year;
6. Approval and Ratification of all Acts, Contracts, and Deeds of the Board of Directors, Board Committees, Management and Officers during their terms of office;
7. Appointment of External Auditor.
8. Other business that may properly be brought before the Meeting; and
9. Adjournment

Only stockholders of record as of June 08, 2026 are entitled to notice of, and to vote at, the said Meeting.

Pursuant to the Company's By-Laws, the Board of Directors during its special meeting on May 21, 2026, approved the conduct of the ASM to be held in a fully virtual format, hence, stockholders may only attend the meeting by remote communication, by voting *in absentia*, or through proxy. The conduct of the ASM will be streamed live, and stockholders may attend the Meeting by registering on or before 5:00 p.m. on July 16, 2026.

Stockholders who intend to participate in the virtual ASM may register by sending an email to asmregistration@philrealty.com.ph of their intention to participate on or before 5:00 p.m. of July 16, 2026, together with the requirements set forth in the Information Statement and published at the Company's website at http://www.philrealty.com.ph.

Upon successful registration and validation of the documents submitted through email above, the stockholder will receive an email confirmation containing the Zoom link and a code to log in and view the 2026 ASM.

Electronic copy of the Information Statement and the Management Report, and SEC Form

17-A and other relevant documents in relation to the ASM may also be accessed through the aforementioned website www.philrealty.com.ph/investor-relations/ and through the PSE EDGE portal.

Pasig, Metro Manila, July 03, 2026.

ATTY. REX P. BONIFACIO
Corporate Secretary

SECURITIES & EXCHANGE COMMISSION
SEC FORM 20-IS

Information Statement Pursuant to Rule 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

   PHILIPPINE REALTY AND HOLDINGS CORPORATION

3. Country of Incorporation: Philippines

4. SEC Identification: 99905

5. Tax Identification No.: 000-188-233-000

6. Address of Principal Office: One Balete, 1 Balete Drive Corner N. Domingo St. Brgy. Kaunlaran, District 4, Quezon City

   Address of Satellite Office: Unit E-1609 16th Floor, East Tower, Tektite Towers, Exchange Road, Ortigas Center, Pasig City, 1605

7. Registrant's telephone number, including area code:

   (02) 8631-3179

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

   Date: July 31, 2026
   Time: 3 p.m.
   Place: Livestream by accessing online Zoom link (for participation by remote communication)

9. Approximate date on which the Information Statement is first to be sent or given to security holders
   July 7, 2026

10. Securities registered pursuant to Sections 4 and 8 of the RSA:

    a. Shares of stock outstanding as of June 30, 2026

Title of each Class	Number of Shares of Common Stock Outstanding or amount of Debt Outstanding
Common	9,100,102,685 shares

11. 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:
The common stock of the Company is listed at The Philippine Stock Exchange, Inc. (PSE)

PLEASE NOTE THAT THE CORPORATION IS NOT SOLICITING PROXIES

A. GENERAL INFORMATION

Item 1. Date, Time and Place of Annual Stockholders' Meeting

The 2026 Annual Stockholders' Meeting ("**ASM**" or "**Meeting**" for brevity) of Philippine Realty and Holdings Corporation ("**RLT**" or the "**Company**") will be held on July 31, 2026 at 3 p.m. The Meeting will be conducted virtually and there will be no physical venue for the ASM.

The complete mailing address of the principal office of the Company is One Balete, 1 Balete Drive Corner N. Domingo Street, Barangay Kaunlaran, District 4, Quezon City and the address of the satellite office of the Company is Unit E-1609 16th Floor, East Tower, Tektite Towers, Exchange Road, Ortigas Center, Pasig City.

The approximate date on which the Information Statement is first to be sent and given to the security holders shall be July 07, 2026.

Item 2. Dissenter's Right of Appraisal

No corporate matters or action will be submitted in the Meeting that may call for the exercise of the Right of Appraisal under Title X of Republic Act No. 11232 or the "Revised Corporation Code of the Philippines" ("**Revised Corporation Code**").

Any shareholder of the Company shall have the right to dissent and demand payment of the fair value of his shares only in the following instances, as provided for in Section 80 of the Revised Corporation Code.

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

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

(c) In case of merger or consolidation; and

(d) In case of investment of corporate funds for any purpose other than the primary purpose of the corporation.

The appraisal right, when available, may be exercised by any stockholder who shall have voted against the proposed corporate action, by making a written demand on the corporation for the payment of the fair value of shares held within thirty (30) days from the date on which the vote was taken: *Provided*, That failure to make the demand within such period shall be deemed a waiver of the appraisal right. If the proposed corporate action is implemented, the corporation shall pay the stockholder, upon surrender of the certificate or certificates of stock representing the stockholder's shares, the fair value thereof as of the day before the vote was taken, excluding any appreciation or depreciation in anticipation of such corporate action.

If, within sixty (60) days from the approval of the corporate action by the stockholders, the withdrawing stockholder and the corporation cannot agree on the fair value of the shares, it shall be determined and appraised by three (3) disinterested persons, one of whom shall be named by the stockholder, another by the corporation, and the third by the two (2) thus chosen. The findings of the majority of the appraisers shall be final, and their award shall be paid by the corporation within thirty (30) days after such award is made: *Provided*, That no payment shall be made to any dissenting stockholder unless the corporation has unrestricted retained earnings in its books to cover such payment: *Provided*, *further*, That upon payment by the corporation of the agreed or awarded price, the stockholder shall forthwith transfer the shares to the corporation.

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

(a) No current director or officer of the Company, or nominee for election as 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.

(b) No director has informed the Company that he intends to oppose any action to be taken by the registrant at the Meeting.

B. CONTROL AND COMPENSATION INFORMATION

Item 4. Voting Securities and Principal Holders Thereof

a. Number of shares outstanding as of June 30, 2026

Common Shares: 9,100,102,685

Number of Votes Entitled: one (1) vote per share

b. All stockholders of record as of June 08, 2026 are entitled to receive notice of, and to vote at, the annual stockholders' meeting.

c. Manner of Voting

A stockholder entitled to vote at the Meeting shall have the right to vote in person, by proxy, through remote communication or *in absentia* the number of shares registered in his name in the stock and transfer book of the Company as of the record date, for as many persons as there are directors to be elected. Each stockholder shall have the right to cumulate said shares and give one candidate as many votes as the number of directors to be elected multiplied by the number of his shares, or he may distribute them on the same cumulative voting principle among as many nominees as he shall see fit; provided, that the whole number of votes cast by him shall not exceed the number of said shares multiplied by the whole number of directors to be elected.

Pursuant to Section 23 and 57 of the Revised Corporation Code which allow voting through remote communication or in absentia, stockholders intending to participate by remote communication should notify the Company by email to asmregistration@philrealty.com.ph on or before 5:00 PM of June 16, 2026. A stockholder voting remotely or in absentia shall be deemed present for purposes of quorum.

Please refer to Annex F on the Requirements and Procedures for the Voting and Participation in 2026 ASM for complete information on voting via remote communication or voting in absentia, as well as on how to join the livestream for the 2026 ASM.

d. Security Ownership of Certain Record and Beneficial Owners and Management

i. The following persons are known to the Company to be directly or indirectly the record or beneficial owner of more than 5% of the Company's voting security as of June 30, 2026.

Title of Class	Name and Address of Record Owner and Relationship with Issuer	Name and Address of Beneficial Owner and Relationship with Record Owner	Citizenship	Number of Shares Owned	% Owned
Common	Greenhills Properties, Inc. E-2002A East Tower, Tektite Towers, Exchange Road, Ortigas Center, Pasig City / Stockholder	Greenhills Properties, Inc. E-2002A East Tower, Tektite Towers, Exchange Road, Ortigas Center, Pasig City / Stockholder	Filipino	5,933,556,884 shares	65.20%
Common	Phil. Depository & Trust Corp. 37/F Tower I, The Enterprise Center, 6766 Ayala Avenue cor. Paseo de Roxas, Makati / PCD Nominee		Filipino / non-Filipino	2,260,313,684 shares	24.84%
Common	Campos, Lanuza & Co., Inc. E-2003B, Tektite Towers, Exchange Road, Pasig City / Stockholder	Campos, Lanuza & Co., Inc. E-2003B, Tektite Towers, Exchange Road, Pasig City / Stockholder	Filipino / American / Spanish / Other Alien	275,196,201 shares (net of shares under PCD)	3.02%

Note: Greenhills Properties, Inc. is represented by its President, Gerardo O. Lanuza, Jr. and Treasurer, Antonio O. Olbes.

Campos, Lanuza & Co., Inc. is represented by its President, Antonio U. Reyes-Cuerva.

PCD Nominee holds 24.84% interest. PCD Nominee is the registered owner of shares beneficially owned by participants in the PCD. Campos, Lanuza & Co., a participant of PCD has a total of 1,376,551,271 shares under PCD equivalent to 15.13% of the Company's voting securities.

Shares held by Directors and Executive Officers as of June 30, 2026:

ii. Security Ownership of Certain Record and Beneficial Owners and Management

Title of Class	Name of Beneficial Owner	Amount and Nature of Class		Citizenship	%age Owned
		Direct	Indirect		
Common	Gerardo Domenico Antonio V. Lanuza	226,786,043	65,083,203	Filipino	3.21
Common	Gerardo O. Lanuza, Jr.	2,174,024	204,911,203	Spanish/Filipino	2.28
Common	Edmundo C. Medrano	6,000,000	-	Filipino	0.07
Common	Antonio O. Olbes	506,388	-	Filipino	0.01
Common	Amador C. Bacani	229,980	-	Filipino	0.00
Common	Andrew C. Ng	84,000	-	Filipino	0.00
Common	Renato G. Nuñez	10,000	-	Filipino	0.00
Common	Jomark O. Arollado	10,000	-	Filipino	0.00
Common	Alfonso Martin E. Eizmendi	10,000	-	Filipino	0.00
Common	Chiara Rosario Julia L. Paredes	15,150,000	5,000,000	Filipino	0.22
Common	Rosalinda Y. Basas	10,000		Filipino	0.00
	Total	**250,970,435**	**274,994,406**		**5.79**

iii. Voting Trust Holders of 5% or more

The Company is not aware of any person holding more than 5% of common shares under a voting trust or similar agreement.

iv. Change in Control

At present, there is no change in control nor is the Company aware of any arrangement that may result in a change in control of the Company since the beginning of the last fiscal year.

e. Foreign ownership level as of June 30, 2026

Security	Total outstanding shares	Shares owned by Foreigners	Percent of Ownership
Common Shares	9,100,102,685	55,579,702	0.61%

Item 5. Directors and Executive Officers

The By-Laws provide in part:

Each director is chosen by the stockholders at the annual meeting, or at such subsequent Meeting as may then be determined and shall hold office for one year until his successor is duly elected and qualified. (Section 1, Article II, By-Laws).

The Management Committee members and other officers, unless removed by the Board, shall serve as such until their successors are elected or appointed.

(a) Information required of Directors and Executive Officers

i. Directors and Executive Officers

Pursuant to Section 38 of the new Securities Regulation Code (**SRC**) and SEC Memorandum Circular No. 16-02 (Guidelines on the Nomination and Election of Independent Directors), the By-Laws has been amended on October 30, 2003 to provide for the Nomination Committee and Election of Independent Directors under Article II, Sections 5 and 6, which reads:

> **"Section 5. Nomination Committee** - There shall be a Nomination Committee which shall be independent and shall have at least three (3) voting members, one of whom is an independent director. It shall promulgate guidelines or criteria to govern the conduct of the nomination. It shall pre-screen the qualifications and prepare a final list of candidates which shall contain all the information about all the nominees for Independent Directors.
>
> The Committee shall be constituted at least one month before the date set for the annual stockholders' meeting. The nomination of Independent Director/s shall be conducted by the Committee prior to a stockholders' meeting.

Only nominees whose names appear on the Final List of Candidates shall be eligible for election as Independent Director/s. No other nomination 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."

In 2019, the Company amended the Corporate Governance Manual and subsumed the function of the Nominations Committee to the Corporate Governance Committee to create a Corporate Governance and Nominations Committee.

"**Section 6. Election of Independent Directors** - The election of Independent Directors shall be made in accordance with the by-laws of the Corporation, except as otherwise provided in other parts of these by-laws and subject to pertinent existing laws, rules and regulations of the Commission.

Cumulative voting shall not apply to the election of an independent director. Single balloting for the regular and independent director/s shall be made. In case however of failure of election for independent director/s, the Chairman of the Meeting shall call a separate election during the same Meeting to fill up the vacancy.

In case of resignation, disqualification or cessation of independent directorship, the vacancy shall be filled by the vote of at least a majority of the remaining directors, if still constituting a quorum, upon the nomination of the Corporate Governance and Nomination Committee; otherwise, said vacancies shall be filled by the stockholders in a regular or special meeting called for that purpose. An independent director so elected to fill a vacancy shall serve only for the unexpired term of his predecessor in office."

Following the recommendations of SEC Memorandum Circular 19, Series of 2016, issued on 22 November 2016 that approved the Code of Corporate Governance for Publicly-Listed Companies, the Corporate Governance and Nomination Committee was constituted by the Board of Directors on 20 November 2018 to assist the Board in the performance of its corporate governance responsibilities, granting the said Committee the functions that were formerly assigned to the Nomination Committee. The charter of the Corporate Governance and Nomination Committee was approved by the Board of Directors also on 20 November 2018.

At the June 27, 2025 organizational meeting of the Board of Directors, the following directors were elected as members of the Corporate Governance and Nomination Committee: Mr. Alfonso Martin E. Eizmendi, Independent Director (as Chairman), Mr. Renato G. Nuñez, Lead Independent Director (Member), Mr. Jomark O. Arollado, Independent Director (Member), and Ms. Rosalinda Y. Basas Independent Director (Member).

The following persons, who constitute the final list of candidates presented and approved by the Corporate Governance and Nomination Committee have been nominated to the Board for the ensuing year and have accepted their nominations:

Gerardo Domenico Antonio V. Lanuza
Renato G. Nuñez
Gerardo O. Lanuza, Jr.
Antonio O. Olbes
Edmundo C. Medrano
Andrew C. Ng
Alfonso Martin E. Eizmendi
Chiara Rosario Julia L. Paredes
Rosalinda Y. Basas
Fernando L. Gaspar
Alicia C. Sy

Ms. Rosalinda Y. Basas, Mr. Fernando L. Gaspar and Ms. Alicia C. Sy were nominated as the three (3) Independent Directors to be elected at the Meeting. They were nominated by minority stockholders, Eduardo Lucero, Alfredo Alfonso and Patricia Sandejas, respectively.

Further, all the nominees possess all the qualifications and none of the disqualifications provided for in the SRC and its Implementing Rules and Regulations.

To the best of the Company's knowledge, no director/executive officer for election at the Meeting has been involved in any legal or administrative proceedings in his/her personal capacity during the past five (5) years up to the present date that would materially affect his/her ability and integrity to serve as a director or executive officer.

A summary of the qualifications of the incumbent directors, nominees for directors for election at the annual stockholders meeting and incumbent officers is set forth in **ANNEX "A"**.

ii. Significant Employees

Any director or officer who may be elected at the Meeting is expected to make significant contributions to the operations and business of the Company. Likewise, each employee is expected to do his share in achieving the Company's set goals.

iii. Family Relationships

Mr. Gerardo O. Lanuza, Jr. (Chairman Emeritus), is the father of Mr. Gerardo Domenico Antonio V. Lanuza (Chairman of the Board) and first cousin of Mr. Antonio O. Olbes (Vice Charman Emeritus).

Ms. Chiara Rosario Julia L. Paredes (Director) is the sister of Mr. Gerardo Domenico Antonio V. Lanuza (Chairman of the Board), and the daughter of Mr. Gerardo O. Lanuza, Jr. (Chairman Emeritus).

Aside from the relationships disclosed above, there are no other family relationships, up to the fourth civil degree, whether by consanguinity or affinity, among the Directors, Executive Officers, or persons nominated for election that are known to the Company.

iv. Involvement in Certain Legal Proceedings

None of the Directors or Executive Officers has been subject to any judgment of a competent court in a criminal or bankruptcy proceeding or barring or otherwise limiting his/her involvement in any type of business or has been found to have violated any securities law during the past five (5) years and up to the latest date.

In addition, RLT, its subsidiaries, and its affiliates, are not involved in any litigation regarding an event that occurred during the past five (5) years that they consider material.

(b) Certain Relationships and Related Party Transactions

The Parent Company and its subsidiaries, in their ordinary conduct of business, have engaged in transactions with associates and other related parties principally consisting of advances and reimbursement of expenses. Purchase of services to and from related parties are made on an arm's length basis and at current market prices at the time of the transactions. Material related party transactions are reviewed and approved by the Related Party Transactions Review Committee and approved by the Board of Directors in accordance with the Company's Related Party Transactions Policy.

However, no other transaction, without proper disclosure, was undertaken by the Group in which any director or executive officer, any nominee for election as director, any beneficial owner of more than 5% of the Company's outstanding shares (direct or indirect) or any member of his immediate family was involved or had a direct or indirect material interest.

The Company's Directors and employees are required to promptly disclose any business and family-related transactions with the Company to ensure that potential conflicts of interests are surfaced and brought to the attention of management. None of the Company's directors have entered into self-dealing and related party transactions with or involving the Company in 2025

The table below sets out principal ongoing transactions of the Company with related parties as of December 31, 2025. Additional information on RLT Related Party Transactions can be found on Note 15 of the RLT Consolidated and Note 16 of the RLT Separate Audited Financial Statements

RELATED PARTY RECEIVABLES	NATURE OF TRANSACTION	AMOUNT (In ₱ Millions)	RELATIONSHIP
Greenhills Properties, Inc.	Sales of condominium units to related parties are based on the effective price list and terms that would be available to third parties. Titles to the units remain with the Company and are not transferred until they are fully paid.	₱ 4.6	Principal Shareholder

RELATED PARTY RECEIVABLES	NATURE OF TRANSACTION	AMOUNT (In ₱ Millions)	RELATIONSHIP
Alexandra (USA), Inc.	Advances to subsidiaries and associates are unsecured, non-interest-bearing and to be settled in cash.	Cost - ₱ 132 Allowance for Impairment loss (132) Total ₱ -	Associate
Sultan's Power, Inc	Advances to subsidiaries and associates are unsecured, non-interest bearing and to be settled in cash	Cost - ₱ 76.6 Allowance for Impairment loss (66.8) Total ₱ 9.8	Subsidiary
PRHC Property Managers, Inc.	Advances to subsidiaries and associates are unsecured, non-interest bearing and to be settled in cash	Cost - ₱ 12.4 Allowance for Impairment loss (0.0) Total ₱ 12.4	Subsidiary
Universal Travel Corporation	Advances to subsidiaries and associates are unsecured, non-interest bearing and to be settled in cash	Cost - ₱ 29.0 Allowance for Impairment loss (29.0) Total ₱ -	Subsidiary
Three Corners Realty Corporation	Advances to subsidiaries and associates are unsecured, non-interest bearing and to be settled in cash	Cost - ₱ 28.6 Allowance for Impairment loss - Total ₱28.6	

Property-for-share swap by and between Philippine Realty and Holdings Corporation and Greenhills Properties, Inc.

The Board of Directors approved on April 18, 2018 the amendment of the Parent Company's Articles of Incorporation (**AOI**) for the purpose of increasing RLT's Authorized Capital Stock (**ACS**) that was necessary to accommodate the issuance of new, primary shares from the increased capital stock in favor of Greenhills Properties, Inc. (**GPI**), a corporation incorporated under the laws of the Philippines, in exchange for prime real properties that GPI will contribute into RLT as capital.

The property-for-share swap transaction involves GPI contributing into RLT two (2) vacant lots located in ~~the~~ Bonifacio Global City (**BGC**) more particularly described as follows: 1) Lot 1 Block 8 containing 1,600 sq.m., located at the corner of 6th Avenue and 24th Street; and 2) Lot 4 Block 8 also containing 1,600 sq.m., located at 6th Avenue corner 25th Street. Lot 1 Block 8 is registered under the name of GPI. GPI also acquired Lot 4 Block 8 from its wholly owned subsidiary, Lochinver Assets Inc. (**LAI**), by way of merger approved by the SEC on 28 November 2012, with GPI as the Surviving Corporation and LAI as the Absorbed Corporation.

The said transaction also involves RLT issuing 4,177,777,778 new common shares from the increase in its ACS, in favor of GPI in exchange for the two (2) vacant lots in BGC that GPI will contribute into RLT as capital.

In the above-described transaction, RLT engaged the services of a PSE-accredited firm to come up with a Valuation and Fairness Opinion Report. The said PSE-accredited firm expressed the opinion that the method employed by RLT is a fair basis in determining the transaction price (and the transaction value) for the issuance of new shares from an increase in the ACS.

On May 14, 2019, the SEC approved the increase in the Parent Company's ACS from ₱4,000,000,000.00 divided into 8,000,000,000 shares with par value of ₱0.50 per share to ₱8,000,000,000.00 divided into 16,000,000,000 shares with par value of ₱0.50 per share. This was after the approval by a majority of the Board of Directors on April 18, 2018 and by the vote of the stockholders owning or representing at least two-thirds (2/3) of the outstanding capital stock on July 23, 2018.

On 22 June 22, 2021, the tax-free exchange of properties for shares transaction by and between RLT and GPI was completed.

On 22 June 22, 2021, RLT, through its external legal counsels, received from the Registry of Deeds for Taguig City, the land titles covering the two (2) vacant lots located in the BGC as described above, contributed by GPI as equity into RLT, already registered under the name of RLT.

Also on 22 June 22, 2021, in exchange for the two (2) BGC vacant lots, RLT issued 4,177,777,778 new common shares from its increased capital stock, in favor of GPI.

With the issuance of new shares in its favor, GPI now owns 5,933,556,844 shares in RLT, bringing its percentage ownership to 65.20% from 35.67%. The remaining shares of RLT are owned by various individuals and institutional stockholders.

As of June 08, 2026, 9,100,102,685 shares are subscribed and outstanding.

Property-for-share swap transaction by and between Philippine Realty and Holdings Corporation and Three Corners Realty Corporation

During the year, RLT (the Parent Company) completed a tax-free asset exchange (property-for-share swap) with its subsidiary, Three Corners Realty Corporation (**TCRC**), under which RLT exchanged a certain property in exchange for shares of stock.

In 2025, a parcel of land located in BGC, identified as Lot 4 Block 8, containing an area of 1,600 sq.m. located at 6th Avenue corner 25th Street, registered under the name of RLT with a carrying value and fair value amounting to ₱1,584,000,000, was transferred to TCRC in exchange for the latter's 144,000,000 redeemable preferred shares with a par value of ₱1.00 per share with a subscription price of ₱1,584,000,000. Costs capitalized as part of land amounted to ₱25,044,982.

For accounting purposes, the acquired shares of stock were initially recognized at fair value of ₱1,584,000,000. In accordance with the initial recognition exemption, no deferred tax liability has been recognized in respect of the resulting taxable temporary difference. However, the existing deferred tax liability associated with the property at the time of the transaction was carried over to the acquired shares of stock.

(c) Ownership Structure and Parent Company

As of June 30, 2026, Greenhills Properties Inc. (**GPI**) owns 65.20% of the total outstanding voting shares of the Company.

(d) Resignation of Directors

None of the directors have resigned or declined to stand for re-election to the Board of Directors since the date of the last annual meeting of security holders due to disagreement with the Company on any matter relating to the Company's operations, policies, or practices.

Item 6. Compensation of Directors and Executive Officers

(a) Executive Compensation

	Year	Salary	Bonus	Per Diem	Other Annual Compensation	Total
(i). The Chairman, the President and all individuals acting in a similar capacity as a CEO during the last completed fiscal year.						
Gerardo Domenico	2024 - Actual	16.0M	None	0.07M	None	16.07M
Antonio V. Lanuza	2025 - Actual	16.4M	None	0.07M	None	16.47M
Edmundo C. Medrano	2026 - Projected	16.4M	None	0.07M	None	16.47M
(ii) the Registrant's four most highly compensated executive officers (other than the equivalent of a CEO) who were serving as executive officers at the end of the last completed fiscal year						
Erwin V. Ciar (VP Project and Construction Mgt); Marissa S. Bontogon (VP Controller); Richard Nicolas K. Go (VP	2024 - Actual 2025 – Actual 2026 - Projected	 15.71M 12.91M	 None None	 None None	 None None	 15.71M 12.91M

	Year	Salary	Bonus	Per Diem	Other Annual Compensation	Total
Sales)		8.28M	None	None	None	8.28M
(iii) All other officers and directors as a group unnamed	2024 - Actual 2025 – Actual 2026- Projected	2.11M 2.11M 2.11M	None None None	None None None	None None None	2.11M 2.11M 2.11M

The Executive Officers are elected annually by the Board of Directors at its first meeting following the annual stockholders' meeting. Every officer, including the President, is subject to removal at any time by the Board of Directors. All officers hold office for one year and until their successors are duly elected and qualified; provided that any officer elected to fill any vacancy shall hold office only for the unexpired term of the office filled.

The compensation of the Company's executive officers is fixed by the Board of Directors. They are covered by contracts of employment and as such they are entitled to all the benefits accruing to salaried employees of the Company. The executive officers are receiving Salaries and allowances monthly and 13th month benefits annually. The Salary column on the table above consists already of Salaries, allowances, and annual 13th month benefits.

(b) Compensation of Directors

Directors are entitled to a per diem of ₱6,000 and ₱4,000 allowance for meals and transportation for board meetings attended except for Independent Directors who receive per diem of ₱20,000.00 for board meetings attended. In addition, the members of the Board of Directors are entitled to a portion of the 5% of Net Income before Tax as profit-sharing incentive for directors, officers and staff.

The directors of the Registrant received per diem in the amount of ₱1,530,000, ₱1,220,000, and ₱1,254,000, for 2025, 2024, and 2023, respectively.

Item 7. Independent Public Accountants

(a) The principal accountant and external auditor of the Company is Maceda Valencia & Co. The same accounting firm is recommended for re-appointment at the annual stockholders' meeting.

(b) Representatives of Maceda Valencia & Co. for the current year and for the most recently completed fiscal year 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.

(c) **Changes in, and Disagreements with, Accountants on Accounting and Financial Disclosures**

Pursuant to the General Requirements of SRC Rule 68, Par. 3 (Qualifications and Reports of Independent Auditors), the Company has engaged Maceda Valencia & Co. as external auditor, and Mr. Jose T. Valencia is the Partner-in-Charge for the audit years 2023 to 2025. while Mr. Antonio O Maceda, Jr. was the Partner-in-Charge for the preceding three (3) years or from 2020 to 2022. There were no disagreements with the Maceda Valencia & Co. on any matter of accounting and financial disclosure.

(d) **Audit and Audit-Related Fees**

The professional fees of independent auditors Maceda Valencia & Co. for 2025 and 2024 amounted ₱1,250,000 and ₱1,125,000 exclusive of VAT, respectively. Out of pocket expenses are pegged at 15% of audit fees for 2025 and for 2024.

In addition to tax consultation services, Maceda Valencia & Co. was also engaged to provide Transfer Pricing Study.

(e) **Tax fees**

In 2025, the Parent Company did not engage the services of Maceda Valencia & Co. for tax consulting services.

(f) **All other fees**

For the years 2024 and 2025, the Parent Company did not engage the services of Maceda Valencia & Co. for other services

(g) **The Audit Committee's approval of policies and procedures for the above services**

The Audit Committee approves the terms of engagement and scope of services of the independent auditors as endorsed by Management. For non-audit services, Management is required to disclose to the Audit Committee any non-audit engagement for the appointed independent auditors to ensure that their independence will not be compromised.

The Chairman of the Audit Committee is Renato G. Nuñez (Vice Chairman of the Board and Lead Independent Director). The members are Alfonso Martin E. Eizmendi (Independent Director), Jomark O. Arollado (Independent Director), and Amador C. Bacani (Director).

Item 8. Compensation Plans

No matters or actions with respect to any compensation plan pursuant to which cash or noncash compensation may be paid or distributed will be taken up during the Meeting.

C. ISSUANCE AND EXCHANGE OF SECURITIES

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

No matters or actions concerning authorization or issuance of securities will be taken up during the Meeting.

Item 10. Modification or Exchange of Securities

The Company will not be presenting any matter or act involving the modification of any class of the Company's securities or the issuance or authorization for issuance of one class of the Company's securities in exchange for outstanding securities of another class during the Meeting.

Item 11. Financial and Other Information

The audited financial statements as of December 31, 2025, Management's Discussion and Analysis, Market Price of Shares and Dividends and other data related to the Company's financial information are attached hereto as **ANNEX "B"**. The Schedules required under Part II(7)(D)(Annex 68 J) of Revised SRC Rule 68 will be included in the Annual Report (SEC Form 17-A).

Item 12. Mergers, Consolidations, Acquisitions and Similar Matters

There is no proposed merger, consolidation, acquisition by sale, or liquidation of the Company that will be presented during the Meeting.

Item 13. Acquisition or Disposition of Property

There are no matters or actions to be taken up in the annual stockholders' meeting with respect to acquisition or disposition of any property by the Company requiring stockholders' approval under the Revised Corporation Code.

Item 14. Restatement of Accounts

As used herein and in other sections of this Information Statement, unless the context otherwise requires, the Group refers to the Company and its subsidiaries where the Company has control pursuant to Part II Item 10 of the Revised SRC Rule 68 (Consolidated Financial Statements).

The accounting policies adopted are consistent with those of the previous financial year except for the adoption of the new and amended Philippine Financial Reporting Standards (**PFRS**) and the Philippine Interpretations of International Financial Reporting Interpretation Committee (**IFRIC**) which became effective beginning January 1, 2018.

Please refer to Note 30 of the attached Company's audited financial statements on the Summary of Significant Accounting Policies for the accounting of the new PFRS and IFRIC which became effective in 2025.

D. OTHER MATTERS

Item 15. Action with respect to Reports

The following matters were submitted to the stockholders for approval/ratification in the last Annual Stockholders' Meeting:

(a) Approval of the Minutes of the Stockholders Meeting held on June 27, 2025
(b) Approval of the Annual Report of the Board of Directors and Audited Financial Statements as of December 31, 2024
(c) Ratification of acts and proceedings of the Board of Directors, Board committees and officers since the last Annual Stockholders' Meeting held on June 27, 2025

(d) Appointment of External Auditor for 2025; and
(e) Other matters that may require consideration by the stockholders.

The Minutes of the 2025 Stockholders' Meetings are uploaded on the Company's website and may be viewed through the following link: https://www.philrealty.com.ph/investor-relations/#investor-relations. It is also attached in this report the Minutes of the 2025 Stockholders' Meetings as **ANNEX "K"**.

The Minutes contain the following information:

(a) A description of the voting and vote tabulation procedures used in the previous meeting
(b) A description of the opportunity given to the stockholders to ask questions and a record of the questions asked and answers given;
(c) The matters discussed and resolutions reached;
(d) A record of the voting results for each agenda item; and
(e) A list of the directors, officers, and stockholders who attended the meeting.

Dividend Policy

Dividends may be declared out of a corporation's unrestricted retained earnings which shall be payable in cash, in property, or in stocks based on outstanding stock held by them. The amount of retained earnings available for declaration as dividends may be determined pursuant to regulations issued by the SEC. The approval of the Board of Directors is generally sufficient to approve the distribution of dividends, except in the case of stock dividends which requires the approval of stockholders representing not less than 2/3 of the outstanding capital stock at a regular or special meeting duly called for the purpose.

Subject to the preferential dividend right of the Preferred Shares, each holder of a Common Share is entitled to such dividends. Aside from what is stated in the Company's amended by-laws and as provided in existing laws, the Company does not have a specific dividend policy. The Company's amended by-laws provide that the Board of Directors shall have the power and authority to fix and determine and from time to time vary, the amount to be reserved as working capital, to meet contingencies, to provide for the utilization of dividends and/or for other purposes, to such extent, in such manner and upon such terms as the Board of Directors shall deem expedient in order to determine the part of nets profits or surplus which shall be declared and paid as dividends; and generally to fix and determine the use and disposition of any net profits or surplus.

The Company has not declared dividends since its last declaration on October 24, 1995.

A director or trustee attendance report

The record of attendance of the directors at the meetings of the Board of Directors (the "**Board**") held from June 2025 to May 2026 is as follows:

Directors	No. of Meetings Attended/Held	Percent Present
Gerardo Domenico Antonio V. Lanuza	10/12	83%
Renato G. Nuñez	12/12	100%
Gerardo O. Lanuza Jr.	7/12	58%

Directors	No. of Meetings Attended/Held	Percent Present
Antonio O. Olbes	11/12	92%
Edmundo C. Medrano	12/12	100%
Chiara Rosario Julia Lanuza Paredes	10/12	83%
Andrew C. Ng	12/12	100%
Amador C. Bacani	12/12	100%
Jomark O. Arollado	12/12	100%
Alfonso Martin E. Eizmendi	12/12	100%
Rosalinda Y. Basas	11/12	92%

Director disclosures on self-dealings and related party transaction

To the best of the Company's knowledge, there is no undisclosed transaction that was undertaken by the Company involving any director, executive officer, or any nominee for election as director with which such director, executive officer, or nominee for director was involved or had material interest.

Directors and members of the Management are required to disclose any business or family-related transactions with the Company to ensure that the Board of Directors and Management are apprised of any possible conflict of interest.

For further information on the Group's related party transactions, please refer to Note 15 of the RLT Consolidated Audited Financial Statements and Note 16 of the RLT Separate Audited Financial Statements.

Appraisals and performance reports for the board and the criteria and procedure for assessment.

The Company did not conduct in 2025, formal self-assessment for the whole board, individual members, the Chairman, and the Committees. However, the Company remains committed to conduct self-assessment for the whole board, individual members, the Chairman, and the Committees as mentioned in Sec. 6.6 of the Company's Corporate Governance Manual that "The Board shall conduct an annual self-assessment of its performance, including the performance of the Chairman, individual members and committees. Every three years, the assessment shall be supported by an external facilitator. The external facilitator can be any independent third party such as, but not limited to, a consulting firm, academic institution, or professional organization."

The Company discussed and explored possible assistance from the Nasdaq Governance Solutions for Board self-assessment and peer assessment modules, but the price quoted by the said organization was prohibitive.

With this, the Company undertakes to develop a formal self-assessment that can be used in the years to come.

Item 16. Matters Not Required to be Submitted

There are no matters or actions to be taken up in the Meeting that will not require the vote of the stockholders as of the record date.

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

There are no matters or actions to be taken up in the Meeting that is related to amendment of Charter, By-Laws, or Other Documents.

Item 18. Other Proposed Action

(a) Ratification of the acts of the Board of Directors and Officers

Major acts of the board of directors, board committees and officers from July 2025 to May 2026 to be ratified in the forthcoming Meeting of the stockholders on 31 July 2026.

1. **Election of Retirement Plan Committee Members:** Elected the members of the Retirement Plan Committee and granted authority to the Committee to implement the Corporation's Retirement Plan.

2. **Appointment of Second Trustee for Retirement Fund:** Appointed Philippine Bank of Communications – Trust and Wealth Management Group (PBCOM-Trust) as the Second Trustee of the Corporation's Retirement Trust Fund, and authorized the Retirement Plan Committee to execute the corresponding Retirement Fund Trust Agreement

3. **Renewal of PNB Credit Lines:** Approved the renewal of the Corporation's PHP 450,000,000.00 Revolving Credit and PHP 10,000,000.00 Domestic Bills Purchase Lines with the Philippine National Bank (PNB).

4. **Designation of Authorized Bank and Property Signatories:** Appointed authorized signatories for the Corporation's dealings with various banks and financial institutions, including the sale of corporate properties and the execution of contracts and deeds involving acts of ownership (such as Reservation Agreements, Contracts to Sell, and Deeds of Absolute Sale).

5. **Cancellation of Property Annotation (La Union):** Appointed an authorized representative for the processing of documents to effect the court approvals to cancel the Section 7 RA 26 annotations on the Corporation's properties located in San Fernando, La Union.

6. **Appointment of Attorney-in-Fact for eCAR Application:** Designated an Attorney-in-Fact for the Corporation's application and issuance of Electronic Certificates Authorizing Registration (eCAR) relative to corporate property transfers.

7. **Expansion of Authority for eCAR transactions:** Extended the authorized representative's mandate for eCAR transactions to encompass all necessary dealings with the Registry of Deeds and other relevant government agencies.

8. **Disposal of Motor Vehicles:** Approved the sale of motor vehicles and designated an authorized representative to execute the corresponding deeds of sale.

9. **Filing of Total Loss Insurance Claim:** Appointed an authorized representative to handle and process the Corporation's total loss insurance claim application concerning

a motor vehicle with Prudential Guarantee and Assurance Inc.

10. **Engagement of Legal Counsel for HSAC Case:** Engaged the legal services of Bernardo Placido & Lasam Law Offices to represent the Corporation in Human Settlements Adjudication Commission (HSAC) Case No. NCR-REM-250731-01566 and all related proceedings.

11. **Conduct of Corporate Governance Seminar:** Approved the conduct of the Annual Corporate Governance Seminar via Zoom for the directors and key officers of the Corporation.

12. **Lease of Safety Deposit Boxes with Union Bank:** Availed the services of Union Bank of the Philippines for the Corporation's safety deposit box requirements and appointed an authorized representative for the said transaction.

13. **Designation of Representative for BIR Tax Refund:** Granted authority to Mr. Mark Ramos, Vice President, to represent the Corporation to receive the PHP 12.6 million cash refund of the Corporation from the Bureau of Internal Revenue (BIR) for the year 2022, and to do all acts necessary to implement the authority granted by the Board.

14. **Appointment of Representatives for Service of Summons:** Designated authorized representatives for the service of the Summons in the civil case filed by the Corporation against a delinquent installment sale buyer before the Regional Trial Court of Quezon City, Branch 304.

15. **Engagement of Legal Counsel for Icon Residences Dispute:** Engaged the legal services of Bernardo Placido & Lasam Law Offices to represent the Corporation in the Human Settlements Adjudication Commission (HSAC) Case No. NCR No. REM-251106-01709 and all related proceedings.

16. **Application for Business Permits:** Authorized corporate officers and representatives to apply for and secure the necessary business permits for the Corporation.

17. **Retrieval of Settled Auto Loan Documents:** Granted authority to an authorized representative for the retrieval of all documents pertaining to the Corporation's fully paid auto loan/s..

18. **PPSR Registration of Security Interests:** Authorized the registration of security interests under the Personal Property Security Registry (PPSR) and appointed an authorized representative therefor.

19. **Availment of PNB Revolving Credit Line for Auto Loans:** Authorized the availment of a Revolving Credit Line for Auto Loans with the Philippine National Bank (PNB) and designated authorized signatories to execute all relevant agreements

20. **Approval and Renewal of PBCOM Credit Lines:** Approved the establishment of Credit Line 3 in the amount of PHP 300,000,000.00, the renewal of Credit Line 1 in the amount of PHP 300,000,000.00, and the renewal of the Bills Purchase Line in the amount of PHP 10,000,000.00 with the Philippine Bank of Communications (PBCOM), and granted authority to designated officers to execute all documents related thereto.

21. **Scheduling of Annual Stockholders' Meeting:** Approved the holding of the Annual Stockholders' Meeting on June 30, 2026, at 3:00 PM to be conducted virtually, including the setting of the record date and the closing of the stock and transfer books.

22. **Approval of 2025 Audited Financial Statements:** Approved the Audited Financial Statements of the Corporation for the year ended December 31, 2025, as presented to the Board and endorsed by the Audit Committee, and granted authority to the Company's officers to perform all acts necessary or incidental to the issuance, filing, and submission of the Audited Financial Statements to relevant government agencies, regulatory bodies, and other concerned entities.

23. **Authority to Receive 2023 BIR Cash Refund:** Granted authority to Mr. Mark Ramos, Vice President, to represent the Corporation to receive the cash refund of the Corporation from the Bureau of Internal Revenue (BIR) for the year 2023, and to do all acts necessary to implement the authority granted by the Board.

24. **Appointment of Directors to Andrea North Condominium Corporation:** Approved the designation and appointment of Directors to the Andrea North Condominium Corporation in accordance with the provisions of the Master Deed with Declaration of Restrictions of the condominium project.

25. **Acceptance of Resignation of Mr. Carlos Miguel T. Paca:** Accepted the resignation of Mr. Carlos Miguel T. Paca from all his positions in the Corporation and in the Group effective March 31, 2026, and acknowledged his significant contributions and dedicated service to the Corporation and its affiliates

26. **Ratification of PHP 5.3 Billion PBCOM Loan:** Confirmed the validity of the Corporation's PHP 5.3 billion loan with the Philippine Bank of Communications (PBCOM), updated the Corporation's authorized representatives and signatories, and ratified all acts performed by such officers in connection with the said loan.

27. **Updating of Authorized Signatories for Banking and Property Transactions:** Approved the updating of the authorized signatories of the Corporation with respect to its dealings with various banks and financial institutions, including but not limited to the sale of properties owned by the Corporation, as well as the execution of contracts and deeds involving acts of ownership (including but not limited to Reservation Agreements, Contracts to Sell, and Deeds of Absolute Sale of said properties).

28. **Postponement and Rescheduling of the 2026 Annual Stockholders' Meeting:** Approved the postponement of the Annual Stockholders' Meeting originally scheduled on June 30, 2026, and its rescheduling to July 31, 2026, at 3:00 p.m. via remote communication, to allow additional time to evaluate and complete the nomination process for Independent Directors in compliance with SEC Memorandum Circular No. 7, Series of 2026; and approved the setting of a new record date on June 8, 2026, the closure of the Stock and Transfer Books from June 9 to 11, 2026, and the authorization of designated corporate officers to execute and file all required regulatory disclosures and documents.

29. **Updating of Authorized Signatories and Signing Authorities:** Approved the updating

of the authorized signatories of the Corporation and the amendment of existing signing authorities for banking, financing, investment, and other corporate transactions, in view of the Board's approval of the promotion of certain officers of the Corporation and the resulting changes in their positions and designations

Item 19. Voting Procedures

Voting in the 2026 ASM will be conducted virtually. The procedures for registration, participation and voting in the 2026 Annual Stockholders Meeting of the Company are detailed in **ANNEX "F**" of the Information Statement.

In the election of directors, the (11) nominees with the greatest number of votes will be elected directors. If the number of nominees for election as directors does not exceed the number of directors to be elected, the Secretary of the Meeting shall be instructed to cast all votes represented at the Meeting equally in favor of all such nominees.

For corporate matters that will be submitted for approval and for such other matters as may properly come before the Meeting, a vote of the majority of the shares present at the Meeting is necessary for their approval.

All agenda items indicated in the Notice of Meeting will be included in the Online Stockholder Voting System and the registered stockholder may vote as follows:

i. For items other than election of the Directors, the stockholder may vote: "For", "Against", or "Abstain". The vote shall be considered as cast for all the stockholder's shares.

ii. For the election of Directors, the stockholder may vote for all the nominees, not vote for any of the nominees, or vote for some of the nominees only, in such number of shares as the stockholder may see fit, 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 Company undertakes to provide, free of charge, SEC Form 17-A (Annual Report) and SEC Form 17-Q ending March 31, 2026, should the stockholders will request for them. The written request should be forwarded by mail to Atty. Rex P. Bonifacio, Corporate Secretary, Philippine Realty and Holdings Corporation at Pastelero Law Office, Unit E-1503, 15th Floor, East Tower, Tektite Towers, Exchange Road, Ortigas Center, Pasig City, or via email at corporatesecretary@philrealty.com.ph. At the discretion of management, a charge may be made for exhibits, provided such charge is limited to reasonable expenses incurred by the Registrant in furnishing such exhibits.

This information statement and the Annual Report in SEC Form 17-A will also be posted at the Company's website at http://www.philrealty.com.ph/

SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, and based on available records, I certify that the information set forth in this report is true, complete, and correct. This report is signed in the City of Pasig on July 03, 2026

PHILIPPINE REALTY AND HOLDINGS CORPORATION
Issuer

ATTY. REX P. BONIFACIO
Corporate Secretary

ANNEX “A”

DIRECTORS AND KEY OFFICERS

The write-ups below include positions held as of December 31, 2025 and in the past five years, and personal data as of December 31, 2025 of directors and executive officers.

Board of Directors

Gerardo Domenico Antonio V. Lanuza	Chairman
Renato G. Nuñez	Vice-Chairman / Independent Director
Gerardo O. Lanuza, Jr.	Chairman Emeritus
Antonio O. Olbes	Vice-Chairman Emeritus
Edmundo C. Medrano	Member
Andrew C. Ng	Member
Amador C. Bacani	Member
Chiara Rosario Julia L. Paredes	Member
Jomark O. Arollado	Independent Director
Alfonso Martin E. Eizmendi	Independent Director
Rosalinda Y. Basas	Independent Director

Gerardo Domenico Antonio V. Lanuza / 42 – Filipino

Chairman of the Board of Philippine Realty and Holdings Corporation since June 2019 and a member of the Board of Directors since January 2009. He was Executive Vice President and Chief Operating Officer of Philippine Realty and Holdings Corporation from 2014 to 2019 and was Vice President for Special Projects in 2010. He is also a Director and President of Three Corners Realty Corporation. He is a director at various companies such as Greenhills Properties Inc., British United Automotive Corp., A. Brown Co. Inc., Klassik Motors Corp., and Campos, Lanuza & Co. Inc., where he also serves as the Vice President for Sales. He earned his Bachelor of Science degree in Legal Management at the De La Salle University, Manila in 2006.

Renato G. Nuñez / 56 (Independent Director) - Filipino

Vice-Chairman and Independent Director of Philippine Realty and Holdings Corporation since 2015. Mr. Nuñez is also the current Chairman and Independent Director of PRHC Property Managers Inc. He was President of CATS Motors, Inc. until June 30, 2023. He is currently the President of Techglobal Data Center, Inc., Techzone Philippines, Inc., LIA Philfoods, Inc., and Everland Estate Development Corp. Moreover, he is also a current Director of All British Cars, Inc., Cambie Property, Inc. Coventry Motors Corp., and Total Consolidated Asset Management, Inc. Previously, he served as Vice President of Leisure & Resorts World Corp., as well as Vice President of Midas Hotel & Casino. He was once the Managing Director of Blue Chip Gaming & Leisure Corp., Vice President and Director of AB Leisure Global, Inc., President of Arwen Gaming & Leisure Specialist, Inc., Vice President for Finance of Binondo Leisure and Resort Corp., and Vice President of AB Leisure Exponent., Inc. He completed his BS Industrial Management Engineering degree Minor in Mechanical Engineering at De La Salle University in 1991.

Gerardo Lanuza, Jr. / 79 – Spanish / Filipino

Chairman Emeritus of the Board of Philippine Realty and Holdings Corporation. Mr. Lanuza has been a Director of Philippine Realty and Holdings Corporation since 1981. He is the Chairman and President of Greenhills Properties Inc. He is also the Chairman of Three Corners Realty Corporation. He sits as a Director in the following corporations: Gerzon Management Corporation, Broadford Property Holdings Inc., Merdom Corporation, Al Husn Manila, Inc., Domera Trading Corporation, Chiamil Trading Corporation, Nicora Trading Corporation, Xcell Property Ventures Inc., Julnad Assets Holdings Inc., Mernic Assets Holdings Inc., La Bodequita del Medio Inc., Merlan Holdings Inc., Peridot Asset Holdings Inc., Penzance Properties Holdings Corporation, Ju-Lan Assets Holdings Co. Inc., and Stonehaven Realty Services Inc. He is the nominee of Campos Lanuza & Co. Inc. to the Philippine Stock Exchange. He also serves as Treasurer of Lanuza Asset Holding Co. He was formerly Chairman of International Exchange Bank (**IBank**), Vice Chairman of Philippine Racing Club Inc., Vice President and Director of Makati Stock Exchange, Inc. and Director of Vulcan Industrial & Mining Corporation, Golden Arrow Mining Co., Inc., Apex Mining Co. Inc., Concrete Aggregates Corp., Philippine Overseas Drilling and Oil Development Corp., Surigao Consolidated Mining Co., Inc. and A. Brown Company, Inc. He is a member of the Pasay-Makati Realtors Board, Inc. and Chamber of Real Estate and Builders Association, Inc. He graduated from De La Salle College with a degree in Bachelor of Science in Mechanical Engineering in 1969.

Antonio O. Olbes / 79 - Filipino

Vice-Chairman Emeritus of the Philippine Realty and Holdings Corporation. Mr. Olbes has been a Director of RLT since 1986. He is also a Director of Three Corners Realty Corporation. He had previously served as Chairman and President of Meridian Assurance Corp. from 1994-2008, and President of Raco Trading Phils., Inc. He was formerly a manager at Sycip, Gorres, Velayo & Co., and was Executive Vice President, in charge of trading, at Francisco de Asia and Co. He held a number of directorships, which includes seats in the following groups: PRHC Property Managers, Inc., Greenhills Properties Inc. (Treasurer), Universal Travel Corporation (Vice-Chairman), ICON Tower Residences, Green Vista Development Corporation, SEBLO Business Holdings Corporation, and Xcell Properties. He was also named Honorary Consul General (in the Philippines) for the Republic of Nicaragua. He earned his Bachelor of Arts degree in Economics at Holy Cross College, Massachusetts, USA, and his master's degree in business administration from Bobson College, Massachusetts, USA. He completed his Advanced Management Program at Oxford University, United Kingdom, in July 1995.

Edmundo C. Medrano / 72 – Filipino

Mr. Medrano has been a Director of Philippine Realty and Holdings Corporation since June 2019. He was appointed as President of the Company on June 30, 2023. Previously, he was appointed as Executive Vice President and Treasurer and Compliance Officer of the Company and prior to that, as Senior Vice President and Treasurer and Compliance Officer. He was elected in 2018 as an Independent Director at Credit Information Corporation representing the private sector and is the Chairman of its Audit Committee. He is currently a member of the Board of Directors of Greenhills Properties, Inc., Three Corners Realty Corporation, PRHC Property Managers, Inc., Universal Travel Corporation, Sultan's Power Inc., Recon-X Energy Corporation, Meridian Assurance Corporation and Phoenix Subdivision Homeowners

Association. He previously held the positions of Executive Vice President at Philtrust Bank; Vice Chairman, President and Chief Operating Officer at Producers Savings Bank Corporation; Senior Vice President at Asiatrust Development Bank; Senior Vice President at AB Capital and Investment Corporation and Head of Investment Banking and concurrently Director and General Manager of AB Leasing and Finance Corporation; and First Vice President and Head of Corporate Banking and the Financial Institutions Group at AsianBank Corporation. Mr. Medrano is the Company's representative at The American Chamber of Commerce of the Philippines, Inc., and he was a former Trustee at the Chamber of Thrift Banks. He took his Master of Business Management at the Asian Institute of Management from 1974 to 1976. He graduated from De La Salle College with a Degree of Bachelor of Science in Commerce major in Accounting in 1974, ***Cum Laude***, and Bachelor of Arts major in Economics in 1974, ***Cum Laude***.

Andrew C. Ng / 42 – Filipino

Mr. Ng was first elected as Director of RLT in August 2009. He is Vice President of Alpha Alleanza Manufacturing, Inc. Philippines since 2009. He was formerly the Assistant Operations Manager Trainee of Pinncale Foods, Inc., Philippines, serving from 2005 to 2009, and was a Management Trainee at Procter & Gamble Philippines in 2004. He earned his Bachelor of Science degree in Industrial Engineering at De La Salle University in 2005.

Amador C. Bacani / 77 – Filipino

Mr. Bacani has served as a Director of RLT since 1998. He was formerly the President of Philippine Realty and Holdings Corporation from 2002 to 2014. He also worked in the same Company as Executive Vice President from 1995 to 2002. He is currently the President of Xcell Property Ventures, Inc. (a joint venture partner of the Company). Previously, he was First Vice President and Head of Consumer Banking Group of Rizal Commercial Banking Corporation and served as First Vice President & Head of Branches Operations Support Division as well. He held several other high-level positions in Campos, Lanuza & Co. Inc., Decision Systems Corporation, Security Bank and Trust Company, Allied Banking Corporation, Asian Merchant Finance Inc., Bank of the Philippine Islands, Citibank, N.A. (Manila), and Procter & Gamble Phils., Inc. He graduated with a Bachelor of Science degree in Mechanical Engineering, ***Summa Cum Laude***, from De La Salle College in 1969, and earned his Master of Science in Industrial Administration degree at the Carnegie-Mellon, USA, in 1972.

Jomark O. Arollado / 42 (Independent Director) – Filipino

Mr. Arollado has been an Independent Director of RLT since June 2017. Served as Plant Manager and Strategic Business Unit (**SBU**) Head of Rapid Forming Corporation since 2013. Previously, he was also a Plant Manager of Silangan Philtrade Corporation, serving from 2011 to 2012. His first professional stint at Rapid Forming Corporation was in 2006 as the SBU Head. Prior to that, he worked as the ISO Document Controller at SGV & Co. in 2004. He graduated with a Bachelor of Science degree in Industrial Engineering at Dela Salle University Manila in 2005.

Alfonso Martin E. Eizmendi / 61 (Independent Director) - Filipino

Mr. Eizmendi has been an Independent Director of RLT since June 2017. President and CEO of Royal Link Industries Inc., Yields Financial Corporation, Park Cent Tower Realty Corp., and

WGP Villa Realty Corp. Aside from Philippine Realty and Holdings Corp., he is also a Director of Meridian Assurance Corp., Secret 6 Inc., CleanPro, Director and President of The Icon Plaza Condominium Corp., Frimar Realty and Frimar USA. He was formerly the Vice-Chairman of Vi@je Corp. from 2000 to 2001, and Chairman of Blue Star Insurance Brokerage from 1998 to 2001. He graduated from De La Salle University in 1986 with a bachelor’s degree in Political Science.

Chiara Rosario Julia L. Paredes /35 (Director) - Filipino

Ms. Paredes was elected as Director in the June 30, 2023 annual stockholders meeting. She is currently a member of the Board of Directors of Recon–X Energy Corporation and Vice President of Sultan’s Power Inc. She was formerly a Research Assistant at De La Salle University and she was an Assistant Instructor in the same university. She graduated with a Bachelor of Science in Physics with Specialization in Materials Science, ***Summa Cum Laude***, from De La Salle University in 2013, and earned her Master of Science in Physics at De La Salle University in 2016. She finished her Doctoral degree (Doctor of Philosophy in Physics) from De La Salle University in 2022.

Rosalinda Y. Basas / 76 (Independent Director) - Filipino

Ms. Basas was elected as Independent Director in a special Board Meeting on May 27, 2025. She was an accomplished educator and administrator with over five decades of leadership and teaching experience across local and international institutions. She served as the College President of Saint Pedro Poveda College and Executive Director of the Empowering Brilliant Minds Foundation. Ms. Basas held numerous executive roles, including President of the Teresian Association Asia (Japan, Taiwan, and Philippines), Executive Vice-President and Board Secretary at the Sangguniang Laiko ng Pilipinas. She was a former Chairman of the Board of Trustees and Board Secretary at the Institucion Teresiana de Educacion y Cultura. Her educational initiatives have led her to contribute globally at the Teresian Association as a General Council Member in Italy and as a Supervisor for Schools and Projects in Central Africa and Europe. Her academic background includes a B.S. in Pre-Med from the University of San Agustin in 1969, a master’s degree in Educational Administration from Philippine Normal University in 1992, and postgraduate studies in the same field.

NOMINEES FOR INDEPENDENT DIRECTOR

Fernando L. Gaspar / 75 (Independent Director) – Filipino

Mr. Gaspar is a seasoned business executive with extensive leadership experience spanning corporate management, aviation, finance, food manufacturing, logistics, and non-profit organizations. He is currently the Chairman of the Board of the Ortoll Group of Companies since January 2017. He currently holds several key positions, including Independent Director of Alliance Select Foods International, Inc. (since April 2023), Member of the Board of Radiowealth Finance Corporation (since April 2024), and President of Sociedad Española Beneficencia (since June 2025). From July 2022 to June 2025, he served as President and CEO of Falconer Aircraft Management Inc. and Aviation Concepts Technical Services Inc. Prior to this, he was President and CEO of Kerry Group Philippines Foundation Inc. from 2020 to 2022 and President and CEO of Roxas and Company, Inc. from 2016 to 2020. Earlier in his career, he served as Senior Vice President and Chief Administration Officer of International Container Terminal Services, Inc. from 2008 to 2016. He also held executive roles as an Asian Restructuring Officer with Alvarez & Marsal, CEO of the Kuok Group of Companies in the

Philippines, and various senior management positions with San Miguel Corporation. He earned a Bachelor of Science degree in Chemical Engineering from De La Salle College in 1973.

<u>Alicia C. Sy / 57 (Independent Director) – Filipino</u>

A seasoned media and lifestyle publishing professional, Ms. Sy currently serves as Lifestyle Editor of Robb Report Philippines starting in 2024 up to present. Prior to this role, she was the Executive Editor of Town & Country Philippines from 2012 to 2020. She earned her Bachelor of Arts in Interdisciplinary Studies from the Ateneo de Manila University in 1989.

Key Executive Officers

Gerardo Domenico Antonio V. Lanuza	Chairman of the Board
Edmundo C. Medrano	President
Erwin V. Ciar	First Vice President and Head, Project Construction and Management
Richard Nicolas K. Go	Vice President and Head, Sales
Marissa S. Bontogon	Vice President and Treasurer and Risk Officer
Atty. Rex P. Bonifacio	Corporate Secretary
Mark Anthony M. Ramos	Vice President and Controller and Compliance Officer

<u>Erwin V. Ciar / 51 – Filipino</u>

First Vice President and Head, Project Construction and Management of Philippine Realty and Holdings Corporation, Mr. Ciar has been with the Company since September 2014. He is a Member of Board of Directors and Treasurer of PRHC Property Managers Inc. He is also a Director at Andrea North Condominium Corporation, and Recon-X Energy Corporation. Mr. Ciar has extensive work experience for twenty-three years in the fields of project and construction management, construction supervision and contract management. He was the Vice Director for PCMD at Bitexco Group of Companies from 2008 to 2014. He graduated from the Pamantasan ng Lungsod ng Maynila in 1996 with a Bachelor of Science Degree in Civil Engineering.

<u>Richard Nicolas K. Go / 43 – Filipino</u>

Mr. Go is currently the Vice President and Head of Sales of Philippine Realty and Holdings Corporation. He held this position since June 2017. He previously worked as Sales Manager at Arthaland Corporation. He graduated from De La Salle University College of Saint Benilde in 2004 with a degree in Hotel, Restaurant and Institution Management.

<u>Marissa S. Bontogon / 53 – Filipino</u>

Vice President and Treasurer and Risk Officer of Philippine Realty and Holdings Corporation. She held her position as Vice President since August 2020 and as Treasurer and Risk Officer since June 30, 2023. She is a Certified Public Accountant and Certified Financial Consultant. She received her Bachelor of Science in Accountancy Degree from De La Salle University in 1992.

<u>Atty. Rex P. Bonifacio / 54 – Filipino</u>

Atty. Bonifacio is the current Corporate Secretary of Philippine Realty and Holdings Corporation. Concurrently, he is also the Corporate Secretary of Philippine Stock Exchange Centre Condominium Corporation and a Partner at Pastelero Law Office. He finished his Prelaw at San Sebastian College Recoletos Manila in 1992 with a degree of AB Political Science, ***Cum Laude***. In 1996, he completed his Bachelor of Laws degree in San Sebastian College of Law.

<u>Mark Anthony M. Ramos / 42 – Filipino</u>

Mr. Ramos concurrently holds the positions of Vice President and Controller and Compliance Officer. He is a Certified Public Accountant and Certified Internal Auditor. He earned his Masters in Business Administration from Ateneo Graduate School of Business. He graduated from the Philippine School of Business Administration with a Degree of Bachelor of Science in Accountancy in 2003, ***Cum Laude.*** He was appointed by the Board of Directors of the Company for the positions of Vice President and Controller and Compliance Officer on June 30, 2023. Mr. Ramos is also a Director in PRHC Property Managers Inc.

ANNEX "B"

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The financial results for the first three (3) months of 2026 of Philippine Realty and Holdings Corporation (interchangeably referred to by its PSE trading symbol "**RLT**" or "**Parent Company**" or as the "**RLT Group**" or "**Group**") reflected a consolidated net loss after tax of ₱50 million. But in spite of this, the Group still maintained acceptable and very conservative liquidity and solvency ratios.

A. REVIEW OF 1st QUARTER 2026 OPERATIONS vs. 2025

I. REVIEW OF CONSOLIDATED STATEMENT OF INCOME FOR THE PERIOD ENDING MARCH 31, 2026 vs. MARCH 31, 2025

For the period ended March 31 (In millions)				
	2026 (Unaudited)	**2025 Unaudited)**	**Change in Peso**	**Change in Percentage**
REVENUES				
Rent	₱20	₱20	₱ -	₱ -
Management fees	9	10	(1)	(10%)
Interest income	-	3	(3)	(100%)
Commission	1	4	(3)	(75%)
Other income	5	1	4	400%
TOTAL	**35**	**38**	(3)	(8%)
COSTS AND EXPENSES				
Cost of services	19	22	(3)	(14%)
General and administrative expenses	49	50	(1)	(2%)
Finance cost	16	19	(3)	(16%)
Equity in net loss of associate	-	1	(1)	(100%)
TOTAL	**84**	**92**	(8)	(9%)
LOSS BEFORE INCOME TAX	(49)	(54)	5	(9%)
INCOME TAX EXPENSE	1	1	-	-
NET LOSS AFTER TAX	**(₱50)**	**(₱55)**	₱5	(9%)
OTHER COMPREHENSIVE INCOME (LOSS)	(3)	(1)	(2)	(200%)
TOTAL COMPREHENSIVE LOSS	**(₱53)**	**(₱56)**	**₱3**	(5%)

1. **Consolidated net loss after tax**. The RLT Group posted a net loss after tax of ₱50 million for the three (3) months ended 31 March 2026.

   The RLT Group's lower net loss after tax was primarily attributable to the decrease in the total costs and expenses incurred by the Group. However, this improvement was slightly offset by the decline in total revenue during the first three (3) months of 2026 compared to the same period last year.

   a. **Income**

   1) **Management Fee.** This account decreased by ₱1 million or by 10% due

to lower income from the Group's property management subsidiary.

2) **Interest Income.** This account declined by 100% due primarily to the absence of interest income from sublease by the Parent Company. The contract of sublease covering a parcel of land in Bonifacio Global City (**BGC**) was pre-terminated by the Parent Company's lessor at the end of the previous year, and thus, the Parent Company had to also pre-terminate the contract of sublease.

3) **Commission.** This account decreased by ₱3 million, mainly due to the lower commission bookings by the Group's insurance agency subsidiary.

4) **Other income.** This account increased by ₱4 million, primarily due to the dividends received by the Parent Company and rental income from the Group's property management subsidiary compared to the previous year.

b. Costs and Expenses

1) **Cost of Services.** Cost of Services decreased by ₱3 million or by 14% during the first three (3) months of 2026. This decline was primarily due to lower expenses incurred by the Parent Company, including lower Commission expenses and depreciation costs resulting from the cancellation of sublease at the end of 2025. Additionally, the property management subsidiary also contributed to the overall decrease in the cost of services.

2) **Finance Cost**. Finance Cost decreased by ₱3 million from ₱19 million last year, marking a 16% drop, due to the repayment of non-project related loans (or non-Unico Project related loans).

3) **Equity in net loss of associate.** This account improved by ₱1 million.

4) **Other Comprehensive income.** This account decreased by ₱2 million. This is primarily due to the mark-to-market unrealized losses attributable to the Parent Company's stock investments.

II. Review of Consolidated Statement of Financial Position for the Period Ending 31 March 2026 vs. 31 December 2025

As of 31 March 2026 vs. 31 December 2025				
	March 31, 2026 (Unaudited)	**December 31, 2025 (Audited)**	**Change in Peso**	**Change in Percentage**
Assets				
Cash and cash equivalents	₱64	₱68	(₱4)	(6%)
Financial assets	45	49	(4)	(8%)
Trade and other receivables – net	261	257	4	2%
Real estate inventories	3,118	2,948	170	6%
Prepayments and other assets – net	971	971	-	-
Investments in and advances to associates – net	53	53	-	-
Property and equipment – net	69	72	(3)	(4%)
Investment properties – net	5,451	5,451	-	-
TOTAL ASSETS	**₱10,032**	**₱9,869**	**₱163**	**2%**
Liabilities				
Trade and other payables	₱490	₱446	₱44	10%
Loans and notes payable	2,383	2,210	173	8%
Retirement benefit obligation	99	95	4	4%
Other liabilities	648	653	(5)	(1%)
Total Liabilities	**3,620**	**3,404**	**216**	**6%**
Equity				
Capital stock	5,053	5,053	-	-
Reserves	69	72	(3)	(4%)
Retained earnings	1,445	1,495	(50)	(3%)
Treasury stock	(110)	(110)	-	-
Equity attributable to non-controlling interest	(45)	(45)	-	-
Total Equity	**₱6,412**	**₱6,465**	**(₱53)**	**(1%)**
TOTAL LIABILITIES AND EQUITY	**₱10,032**	**₱9,869**	**₱163**	**2%**

1. **Total Assets**. The RLT Group's Total Assets stood at ₱10 billion as of 31 March 2026, higher by ₱163 million compared to the Total Assets reported by the Group as of 31 December 2025. The RLT Group's Real Estate Assets accounted for 85% of the Total Assets of the Group as of 31 March 2026.

   Cash and Cash Equivalents decreased by ₱4 million or by 6%. The decrease was mainly due to the payments made by the Parent Company to the contractors of its upscale Unico residential tower project in BGC.

   Financial Assets decreased by ₱4 Million or by 8% due to the unrealized fair value losses attributable to the Parent Company's stock investments.

   Real Estate Inventories increased by ₱170 million or 6%, mainly due to additional construction costs capitalized to the Parent Company's Unico residential tower project.

2. **<u>Total Liabilities</u>.** Total Liabilities as of 31 March 2026 increased by ₱216 million or by 6% compared to 31 December 2025. The increase was due to new bank loans by the Parent Company for the construction and development of its luxury Unico residential tower project in BGC, and in the Group's Trade and Other Payables.

   Trade and other payables increased by ₱44 million or by 10% due to the increase in payables to suppliers and contractors of the Unico residential tower project.

   Loans and Notes Payable increased by ₱173 million or by 8% due to the additional loans availed by the Parent Company for the construction and development of its Unico residential tower project during the period.

3. **<u>Total Equity</u>.** Total Equity as of 31 March 2026 decreased by ₱53 million compared to 31 December 2025. This is attributable to the net loss incurred by the Group amounting to ₱50 million as of 31 March 2026 and Unrealized holding loss on financial assets at Fair Value through Other Comprehensive Income (**FVOCI**) amounting to ₱3 million.

III. **<u>Performance Indicators</u>**

The table below presents the comparative performance indicators of the RLT Group as of 31 March 2026 compared to 31 December 2025.

Performance Indicators	31 March 2026 Unaudited	31 December 2025 Audited
Current ratio[1]	3.36:1	3.84:1
Debt-to-equity ratio[2]	0.56:1	0.53:1
Asset-to-equity ratio[3]	1.56:1	1.53:1
Book value per share[4]	₱0.72	₱0.75
Earnings per share[5]	(₱0.01)	(₱0.01)

[1] *Current assets / current liabilities*
[2] *Total debt / consolidated stockholders' equity*
[3] *Total assets / Total stockholders' equity*
[4] *Total stockholders' equity plus Subscriptions receivable / No. of shares outstanding*
5 Net income attributable to equity holders of Parent Company / Weighted average no. of common shares issued and outstanding

The table above reflects the continuing conservative stance of the RLT Group in terms of the Group's liquidity and solvency positions. The steady performance of the Debt-to-Equity and Asset-to-Equity Ratios of the Group for the periods under review clearly demonstrate that the Group's conservative solvency position and low debt level.

1. **<u>Current Ratio</u>.** The Group's Current ratio remained at a very conservative and acceptable level at 3.36:1 despite a slight deterioration from 3.84:1 as of 31 December 2025.

2. **<u>Debt-to-Equity Ratio</u>.** Similarly, the RLT Group's Debt-to-Equity Ratio remained very conservative at 0.56:1 for the period under review.

3. **<u>Asset-to-Equity Ratio</u>.** The Asset-to-Equity Ratio for the period under review reflected a slight increase at 1.56:1 from 1.53:1 from December 31, 2025.

4. **Book Value per Share.** The performance of the Company's Book Value per Share has also been steady at ₱0.72 per share.

There are no known events, trends or uncertainties that have material impact on liquidity and will trigger direct or contingent financial obligations including any default or acceleration of an obligation for the three months ended period March 31, 2024. Moreover, for this period there is also no known material:

i. Off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the company with unconsolidated entities or other persons;
ii. Commitments for capital expenditures, general purpose of such commitments, expected sources of funds for such expenditures;
iii. Events, trends or uncertainties that have material impact on Sales;
iv. Any significant elements of income or loss that did not arise from the registrant's continuing operations;
v. Seasonal aspects that have material effect on the financial statements.

B. REVIEW OF 2025 OPERATIONS vs. 2024

I. REVIEW OF CONSOLIDATED STATEMENT OF INCOME FOR THE PERIOD ENDING DECEMBER 31, 2025 vs. DECEMBER 31, 2024

For the years ended December 31 (In millions)				
	2025 (Audited)	**2024 (Audited)**	**Change in Peso**	**Change in Percentage**
REVENUES				
Sales of real estate	₱23	₱54	(₱31)	(57%)
Rent	86	78	8	10%
Management fees	38	43	(5)	(12%)
Interest income	11	11	-	-
Commission	7	10	(3)	(30%)
Other income	106	187	(81)	(43%)
TOTAL	**271**	**383**	**(112)**	**(29%)**
COSTS AND EXPENSES				
Cost of real estate sold	2	34	(32)	(94%)
Cost of services	80	79	1	1%
General and administrative	226	260	(34)	(13%)
Finance cost	81	89	(8)	(9%)
Equity in net loss of associates	1	2	(1)	(50%)
Other expenses	93	-	93	100%
TOTAL	**482**	**464**	**18**	**4%**
INCOME (LOSS) BEFORE INCOME TAX	(211)	(81)	130	160%
INCOME TAX EXPENSE (BENEFIT)	(148)	40	188	470%
NET INCOME (LOSS)	**(₱63)**	**(₱121)**	**₱58**	**₱48%**
OTHER COMPREHENSIVE INCOME (LOSS)	18	8	10	125%
TOTAL COMPREHENSIVE INCOME (LOSS)	**(₱45)**	**(₱113)**	**₱68**	**60%**

1. **<u>Consolidated net loss after tax</u>**. The RLT Group posted net loss after tax of **₱63 Million** for the 12 months ended December 31, 2025 compared to ₱121 Million net loss after tax for the same period last year. The decrease in the Company's net loss is explained below.

   a. **<u>Income</u>**

      1. **<u>Sales of real estate</u>.** Sales of real estate decreased by ₱31 Million or by 57% for the 12 months ended December 31, 2025, compared to the sales of real estate for the same period in 2024. Sales of real estate pertains to units sold at the Skyline and SkyVillas Towers located in Quezon City, and at The Icon Plaza located in Bonifacio Global City.

      2. **<u>Rent</u>.** Rental Income increased by ₱8 Million or 10% due to the origination of new lease contracts.

      3. **<u>Management fees</u>.** Property management fees decreased by ₱5 Million or by 12% due to the termination by PRHC Property Managers, Inc. (**PPMI**) of its property management contract with one of its clients during the year.

      4. **<u>Commission income.</u>** Commission income decreased by ₱3 Million or by 30% due to the decrease in the number of clients of Tektite Insurance Agency, Inc. (**TIAI**).

      5. **<u>Other income.</u>** Other income for the twelve months ended December 31, 2025, decreased by ₱81 million or by 43% compared to the twelve months ended December 31, 2024. Other income consists largely of Gain on fair value changes in Investment Properties that decreased by ₱60 million in 2025 or by 38% compared to 2024. Investment Properties consist largely of land, commercial, office, storage condominium units as well as office and residential parking spaces held to earn rentals or for capital apprecia-tion (or both). The Group's office/commercial units, storage units and parking spaces located in the Tektite Towers, residential and office/commercial units as well as parking spaces in The Icon Plaza and Icon Residences, both located in the BGC, The El Retiro Mansion in Baguio City, and commercial lots in San Fernando City, La Union, are all classified as Investment Properties.

   b. **<u>Costs and Expenses</u>**

      1. **<u>Cost of real estate sold</u>**. In terms of percentage to Sales of real estate, Cost of real estate sold decreased to 9% in 2025 whereas it was at 63% of Sales of real estate for the same period in 2024 as the units sold in 2025 had very low carrying value.

      2. **<u>Cost of services</u>.** The cost of service increased to ₱80 million from ₱79 million in 2025 compared to the same period last year due to higher expenses incurred by the Parent Company and its property management subsidiary in terms of Condominium dues, Utilities, and Commissions.

      3. **<u>General and administrative expenses</u>.** General and administrative expenses decreased by ₱34 million or by 13%, mainly due to decrease in

Provision for impairment loss on trade and other receivables, Repairs and maintenance, Marketing expense, Representation and entertainment, and implementation of cost rationalization measures.

4. **Finance cost.** The decrease in Finance Cost in the amount of ₱8 million was due to reduced amount of borrowings that are not related to the Unico Project.

5. **Equity in net loss of associates.** The 50% decrease in this account was due to lower Net loss by the Associate company of the Parent Company.

6. **Other expenses.** The ₱93 million increase in Other Expenses was due mainly to the early termination in 2025 of the sublease contracts on the properties located along 5th Avenue in the BGC.

   The Parent Company entered into a sublease contract relating to one of the parcels of land being leased in BGC. This agreement was assessed by the management to be of a finance lease and is renewable at the end of the lease term of initially fifteen (15) years upon mutual consent of the parties.

   During the reporting period, the Parent Company, as lessee, experienced the early termination of the non-cancellable head lease for a parcel of land located in BGC by the property owner. The lease was originally set to expire in 2032. As a result of the termination, the right-of-use asset with a carrying amount of ₱63.4 million and the lease liability of ₱66.2 million were derecognized. The net effect of these derecognitions, after accounting for any compensation paid or received, resulted in a loss of ₱2.8 million, which was recognized in profit or loss within Other expenses.

   As mentioned, the head lease for this parcel of land was terminated. Consequently, the related sublease agreement with the sublessee was also terminated. As a result of the termination, the net investment in sublease with a carrying amount of ₱153.5 million and the lease liability of ₱63.4 million were derecognized. The net effect of these derecognitions, after accounting for any compensation paid or received, resulted in a loss of ₱90.1 million, which was recognized in profit or loss within other expenses.

7. **Income Tax expense (benefit).** The decrease in Income Tax Expense by ₱188 Million was due to the following adjustments:

   a. Reduction of Deferred Tax Liability because of the reduction in the tax rate on the transfer of the Parent Company's BGC property to Investment in Subsidiary (via Redeemable Preferred shares in a property-for-share swap transaction).

   b. Recognition of Deferred Tax Assets relating to Net Operating Loss Carry-Over.

   c. Reversal of Deferred Tax Liability due to early termination of the non-cancellable head lease for a parcel of land located in BGC by the property owner and consequently the termination of the related sublease agreement of the Parent Company with the sublessee.

c. **Other Comprehensive income (loss).** The increase in Other comprehensive income was due to remeasurement gain on retirement benefit obligations and unrealized holding gain on financial assets at Fair Value through Other Comprehensive Income (FVOCI).

d. **Subsidiaries.**

The contributions of the Parent Company's subsidiaries to revenues and net income are shown below.

1. **PRHC Property Managers, Inc. (PPMI)**. The Parent Company's property management subsidiary registered a Total Comprehensive loss of ₱8.0 million for the twelve months ended December 31, 2025. It is lower by ₱17 million compared to the Total Comprehensive income of ₱9 million registered by PPMI for the same period last year.

2. **Tektite Insurance Agency, Inc. (TIAI)**. The Group's insurance brokerage firm posted Total Comprehensive Income of ₱1.9 million for the twelve months ended December 31, 2025, which is lower by ₱2.4 million compared to the ₱4.3 million Total Comprehensive Income registered by TIAI for the same period last year.

II. REVIEW OF CONSOLIDATED STATEMENT OF FINANCIAL POSITION FOR THE PERIOD ENDING DECEMBER 31, 2025 vs. DECEMBER 31, 2024

As of December 31 (In millions)				
	2025 (Audited)	2024 (Audited)	Change in Peso	Change in Percentage
Assets				
Cash and cash equivalents	₱68	₱212	(₱144)	(68%)
Financial assets	49	35	14	40%
Trade and other receivables – net	257	379	(122)	(32%)
Real estate inventories	2,948	2,396	552	23%
Prepayments and other assets – net	971	995	(24)	2%
Investments in and advances to associates - net	54	54	-	-
Property and equipment – net	72	84	(12)	(14%)
Investment properties – net	5,451	5,326	125	2%
Other Assets	-	249	(249)	(100%)
TOTAL ASSETS	**₱9,870**	**₱9,730**	**₱140**	**1%**
Liabilities				
Trade and other payables	₱446	₱306	₱140	46%
Loans and Notes Payable	2,210	1,842	368	20%
Retirement benefit obligation	95	91	4	4%
Other liabilities	655	975	(320)	(33%)
TOTAL	**3,406**	**3,214**	**192**	**6%**
Equity				
Capital stock	5,053	5,056	3	0%
Reserves	72	54	18	33%
Retained Earnings	1,494	1,557	(63)	(4%)
Treasury Stock	(110)	(110)	-	-
Equity attributable to equity holders of the parent	**6,509**	**6,557**	**(48)**	**(1%)**
Minority interest	(45)	(41)	(3)	(7%)
TOTAL	**₱6,464**	**₱6,516**	**(₱52)**	**1%**
TOTAL LIABILITIES AND EQUITY	**₱9,870**	**₱9,730**	**₱140**	**1%**

1. **Total assets**. The Group's Total assets stood at ₱9.9 billion as of December 31, 2025, higher by ₱140 million compared to the ₱9.7 Billion level of Total assets as of December 31, 2024.

   Cash and cash equivalents decreased by ₱144 million due to the payment of loans, advances made to Contractors for the ongoing construction of Unico, an upscale condominium project of the Parent Company, Finance Costs paid, etc.

   Financial Assets increased by ₱14 million or by 40% due to the fair value gains attributable to the Parent Company's stock investments.

   Trade and Other Receivables – Net decreased by ₱122 million or by 32% due to the collection of turnover balances on the sale of real estates.

   Real Estate Inventories increased by ₱552 million or 23% mainly due to additional construction costs charged to the Parent Company's Unico residential tower project.

Property and equipment – Net decreased by ₱12 million, or 14%, due to the Annual depreciation recorded by the Group.

Other assets decreased by 100% due to the early termination of the non-cancellable head lease for a parcel of land located in BGC by the property owner and consequently the related cancellation of the sublease agreement with the sublessee. As a result of the termination, the Right-of-Use Asset and Net Investment in Sublease were derecognized.

2. **Total liabilities.** Total liabilities increased by ₱192 million largely due to additional loans acquired by the Parent Company, and increase in trade payables, due to the ongoing construction of RLT's Unico project in the BGC.

   Trade and other payables increased by ₱140 million due to the increase in the Parent Company's obligations to contractors in connection with the Unico project.

   Loans and notes payable increased by 20% due to the additional loans availed by the Parent Company for the construction and development of its Unico residential tower project during the period.

   Other Liabilities are comprised of Lease Liability and Deferred Tax Liability. The decrease of ₱320 million was mainly due to the following:

   - The early termination of the non-cancellable head lease for a parcel of land located in BGC by the property owner and consequently the related cancellation of the sublease agreement with the sublessee. As a result of the termination, the lease liability was derecognized.
   - The reduction in Deferred Tax Liability was also caused by the reduction in the tax rate on the transfer of the Parent Company's Investment Property (a BGC property) to Investment in Subsidiary (via Redeemable Preferred shares) in a property-for-share swap transaction.

3. **Total Equity.** Total equity was recorded at ₱6.46 billion as of December 31, 2025, lower by ₱52 million compared to ₱6.52 billion as of December 31, 2024.

   Reserves increased by ₱18 million due to the fair value gains attributable to the Parent Company's stock investments.

   Retained Earnings decreased by ₱63 million due mainly to the Net loss reported by the Parent Company.

III. Performance Indicators

The table below presents the comparative performance indicators of the Parent Company and its subsidiaries.

Performance Indicators	31 December 2025 Audited	31 December 2024 Audited
Current ratio[1]	3.84:1	3.28:1
Debt-to-equity ratio[2]	0.53:1	0.49:1
Asset-to-equity ratio[3]	1.53:1	1.49:1

Performance Indicators	31 December 2025 Audited	31 December 2024 Audited
Book value per share[4]	₱0.75	₱0.75
Earnings (loss) per share[5]	(₱0.01)	(₱0.01)

[1] *Current assets / current liabilities*
[2] *Total debt / consolidated stockholders' equity*
[3] *Total assets / Total stockholders' equity*
[4] *Total stockholders' equity plus Subscriptions receivable / No. of shares outstanding*
[5] *Net income attributable to equity holders of Parent Company / Weighted average no. of common shares issued and outstanding*

The table above reflects the consistent favorable performance of the RLT Group in terms of solvency, liquidity, and profitability. The steady performance of debt-to-equity ratios and asset-to-equity ratios of the RLT Group for the periods under review demonstrate that the Parent Company's real estate business is currently being managed prudently.

1. **<u>Current ratio</u>. T**he Group's current ratio improved to 3.84:1 in December 2025 from 3.28:1 in December 2024.

2. **<u>Debt-to-equity ratio</u>.** The RLT Group's debt-to-equity ratio in spite of incurring additional loans remained acceptable and very conservative at 0.53:1 as of end-2025 and 0.49: 1 as of end-2024.

3. **<u>Asset-to-equity ratio</u>.** Similarly, the asset-to-equity ratio of the Company still remained very conservative at 1.53:1 in December 2025 from 1.49:1 as of December 2024.

4. **<u>Book value per share</u>.** The performance of the RLT Group's Book value per share remained steady at ₱0.75 per share as of end-December 2025 and 2024.

   There was no issuance, repurchase or payment/repayment of either debt and equity securities nor dividends during the year 2024.

   As of this report, there is no other known event that will trigger direct or contingent financial obligation that is material to the Company. Moreover, there is no material off-balance sheet transaction, arrangement, obligation, and other relationship of the Company with unconsolidated entities or other persons created during this period.

5. **<u>Earnings (loss) per share</u>**. The Company registered a ₱0.01 loss per share as of year-end 2025.

There are no known events, trends or uncertainties that have material impact on liquidity and will trigger direct or contingent financial obligations including any default or acceleration of an obligation for the twelve months ended period December 31, 2024. Moreover, for this period there is also no known material:

i. Off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the company with unconsolidated entities or other persons;
ii. Commitments for capital expenditures, general purpose of such commitments, expected sources of funds for such expenditures;
iii. Events, trends or uncertainties that have material impact on Sales;

iv. Any significant elements of income or loss that did not arise from the registrant's continuing operations;
v. Seasonal aspects that have material effect on the financial statements.

C. REVIEW OF 2024 OPERATIONS vs. 2023

I. <u>REVIEW OF CONSOLIDATED STATEMENT OF INCOME FOR THE PERIOD ENDING DECEMBER 31, 2024 vs. DECEMBER 31, 2023</u>

For the years ended December 31 (In millions)				
	2024 (Audited)	**2023 (Audited)**	**Change in Peso**	**Change in Percentage**
<u>Revenue</u>				
Sales of real estate	₱54	₱175	(₱121)	(69%)
Rent	78	65	13	20%
Management fees	43	41	3	7%
Interest income	11	14	(3)	(21%)
Commission	10	5	5	100%
Other income	187	427	(240)	(56%)
TOTAL	**383**	**727**	**(344)**	**(47%)**
<u>Costs and Expenses</u>				
Cost of real estate sold	34	90	(56)	(62%)
Cost of services	79	75	4	5%
General and administrative	260	308	(48)	(16%)
Finance cost	89	70	19	27%
Equity in net loss of associates	2	2	0	0%
Other expenses	-	5	(5)	(100%)
TOTAL	**464**	**550**	**(86)**	**(17%)**
INCOME (LOSS) BEFORE INCOME TAX	(81)	177	(258)	(146%)
INCOME TAX EXPENSE	40	64	(24)	(38%)
NET INCOME (LOSS)	**(₱121)**	**₱113**	**(₱234)**	**(₱207%)**
OTHER COMPREHENSIVE INCOME (LOSS)	8	(9)	17	189%
TOTAL COMPREHENSIVE INCOME (LOSS)	**(₱113)**	**₱104**	**(₱217)**	**(209%)**

1. **<u>Consolidated net income after tax</u>**. Philippine Realty and Holdings Corporation posted net loss after tax of ₱113 million for the 12 months ended December 31, 2024 compared to ₱104 million net income after tax for the same period last year. The decrease in the Company's profitability is explained below.

   a. **<u>Income</u>**

      1. **<u>Sales of real estate</u>.** Sales of real estate decreased by ₱121 million or by 69% for the 12 months ended December 31, 2024 compared to the sales of real estate for the same period in 2023. Sales of real estate pertains to units sold at the Skyline and SkyVillas Towers located in Quezon City, and at The Icon Plaza located in Bonifacio Global City.

      2. **<u>Rent</u>.** Rental Income increased by ₱13 million or 20% due to the origination

of new lease contracts.

3. **Management fees.** Property management fees increased by ₱3 million or by 7% due to the higher fees earned PRHC Property Managers, Inc. (**PPMI**) during the year.

4. **Interest income.** Interest income decreased by 21% due to lower interest income and late payment penalties collected in 2024 from buyers compared to last year.

5. **Commission income.** Commission income increased by ₱5 million or 100% due to the increase in the number of clients of Tektite Insurance Brokers, Inc. (**TIBI**).

6. **Other income.** Other Income for the twelve months ended December 31, 2024 decreased by ₱240 million or by 56% compared to the twelve months ended December 31, 2023. Other Income consists largely of Gain on Fair Value Changes in Investment Properties that decreased by ₱101 million in 2024 or by 39% compared to 2023. Investment Properties consist largely of land, commercial, office, storage condominium units as well as office and residential parking spaces held to earn rentals or for capital appreciation, or both. The Group's properties that are located in the Tektite Towers, a vacant lot in the Bonifacio Global City (**BGC**), residential and office/commercial units in The Icon Plaza located in the BGC, The El Retiro Mansion in Baguio City, and commercial lots in San Fernando City, La Union, are classified as Investment Properties.

b. **Costs and Expenses**

1. **Cost of real estate sold**. In terms of percentage to Sales of real estate, Cost of real estate sold increased to 63% in 2024 whereas it was at 51% of Sales of real estate for the same period in 2023.

2. **Cost of services.** The cost of service increased to ₱79 million from ₱75 million for the same period last year due to higher expenses incurred by the Parent Company and its property management subsidiary such as Repairs and Maintenance, Condominium Dues, Real Property Taxes, and Other Costs in the year 2024.

3. **General and administrative expenses.** General and Administrative Expenses decreased by ₱48 million or by 16%, mainly due to decrease in Commission Expense and implementation of cost rationalization measures.

4. **Finance cost.** The increase in Finance Cost in the amount of ₱19 million was due to full charging of Interest Expense to operations compared to previous years where part of interest payments was capitalized to real estate projects considered as qualifying assets.

5. **Other expenses.** The ₱5 million decrease in Other Expenses is explained by the loss on repossession of real estate properties recorded in 2023 and whereas none was incurred in 2024.

6. **Income Tax expense.** The decrease in Income Tax Expense by ₱24 million was due to the lower fair value gain in 2024 that resulted as well in lower deferred tax liability in 2024.

c. **Other Comprehensive income (loss).** The increase in Other Comprehensive Income was due to remeasurement gain on retirement benefit obligations and unrealized holding gain on financial assets at Fair Value through Other Comprehensive Income (**FVOCI**).

d. **Subsidiaries.**

The contributions of the Parent Company's subsidiaries to revenues and net income are shown below.

1. **PRHC Property Managers, Inc. (PPMI)**. The Parent Company's property management subsidiary registered a Total Comprehensive income of ₱9.0 million for the twelve months ended December 31, 2024. It is higher by ₱10.9 million compared to the Total Comprehensive loss of ₱1.9 million registered by PPMI for the same period last year.

2. **Tektite Insurance Brokers, Inc. (TIBI)**. The Group's insurance brokerage firm posted a Total Comprehensive Income of ₱4.3 million for the twelve months ended December 31, 2024 which is higher by ₱4.03 million compared to the ₱0.3 million Total Comprehensive Income registered by TIBI for the same period last year.

II. REVIEW OF CONSOLIDATED STATEMENT OF FINANCIAL POSITION FOR THE PERIOD ENDING DECEMBER 31, 2024 vs. DECEMBER 31, 2023

As of December 31 (In millions)				
	2024 (Audited)	**2023 (Audited)**	**Change in Peso**	**Change in Percentage**
Assets				
Cash and cash equivalents	₱212	₱283	(₱71)	(25%)
Financial assets	35	42	(7)	(17%)
Trade and other receivables – net	379	563	(184)	(33%)
Real estate inventories	2,396	2,074	372	(18%)
Prepayments and other assets – net	995	463	532	115%
Investments in and advances to associates - net	54	56	(2)	(4%)
Property and equipment – net	84	92	(8)	(9%)
Investment properties – net	5,326	5,164	162	3%
Other Assets	249	275	(26)	(9%)
TOTAL ASSETS	**₱9,730**	**₱9,012**	**₱718**	**8%**
Liabilities				
Trade and other payables	₱306	₱139	₱167	120%
Loans and Notes Payable	1,842	1,202	640	53%
Retirement benefit obligation	91	86	5	6%
Other liabilities	975	956	19	2%
TOTAL	**3,214**	**2,383**	**831**	**35%**
Equity				
Capital stock	5,056	5,056	-	0%
Reserves	55	56	(1)	(2%)
Retained Earnings	1,557	1,669	112	7%
Treasury Stock	(110)	(110)	-	0%
Equity attributable to equity holders of the parent	**6,558**	**6,671**	**(113)**	**(2%)**
Minority interest	(42)	(42)	-	0%
TOTAL	**₱6,516**	**₱6,629**	**(₱113)**	**2%**
TOTAL LIABILITIES AND EQUITY	**₱9,730**	**₱9,012**	**₱718**	**8%**

1. **Total assets**. The Group's Total assets stood at ₱9.7 billion as of December 31, 2024, higher by ₱718 million compared to the ₱9.0 billion level of Total assets as of December 31, 2023.

   Cash and cash equivalents decreased by ₱71 million due to the payment of loans, advances made to Contractors for the ongoing construction of Project Unico, Finance Costs paid, and net operating costs paid.

   Financial assets decreased by ₱7 million due to sale of Investments during the year.

   Trade and other receivables – net decreased to ₱379 million from ₱563 million or 33% due to collections from customers and clients during the year.

Prepayments and Other Assets increased by 115% due to the payment of taxes and advance payments made to contractors in accordance with contracts executed.

Property and Equipment decreased by 9% due to depreciation expenses.

Investment properties increased by ₱162 million or from ₱5.2 billion in 2023 to ₱5.3 billion in 2024 largely due to recognition of Gain on fair value on the Group's existing Investment Properties.

Other assets decreased by 9% due to various adjustments made pertaining to the adoption of new accounting standards.

2. **Total liabilities.** Total liabilities increased by ₱831 million largely due to additional loans acquired by the Parent Company, and increase in trade payables, due to the ongoing construction of RLT's Unico Project in the BGC.

   Trade and other payables increased by ₱167 million due to the increase in the Parent Company's obligations to contractors in connection with the Unico Project.

   Loans and notes payable increase by 53% because of additional Loans availed by the Parent Company in 2024.

   Retirement benefit obligation increased to ₱91 million from ₱86 million due to the increase in the present value of the Group's defined retirement benefit obligations.

   Other Liabilities are comprised of Lease Liability and Deferred Tax Liability. The increase was mainly due to the higher Deferred tax liabilities caused by the additional recognition of Gain on Change in Fair Value of the Group's Investment Properties.

3. **Total Equity.** Total equity was recorded at ₱6.52 billion as of December 31, 2024, lower by ₱113 million compared to ₱6.33 billion as of December 31, 2023.

   Retained Earnings decreased by ₱113 million due to the Net loss reported by the Parent Company.

III. Performance Indicators

The table below presents the comparative performance indicators of the Parent Company and its subsidiaries.

Performance Indicators	31 December 2024 Audited	31 December 2023 Audited
Current ratio[1]	3.28:1	3.52:1
Debt-to-equity ratio[2]	0.49:1	0.36:1
Asset-to-equity ratio[3]	1.49:1	1.36:1
Book value per share[4]	₱0.75	₱0.76
Earnings (loss) per share[5]	(₱0.01)	₱0.01

[1] *Current assets / current liabilities*
[2] *Total debt / consolidated stockholders' equity*
[3] *Total assets / Total stockholders' equity*

[4] *Total stockholders' equity plus Subscriptions receivable / No. of shares outstanding*
[5] *Net income attributable to equity holders of Parent Company / Weighted average no. of common shares issued and outstanding*

The table above reflects the consistent favorable performance of the RLT Group in terms of solvency, liquidity, and profitability. The steady performance of debt-to-equity ratios and asset-to-equity ratios of the RLT Group for the periods under review demonstrate that the Parent Company's real estate business is currently being managed prudently.

1. **Current ratio. T**he Group's current ratio remains healthy despite showing a decrease from 3.52:1 in December 2023 to 3.28:1 in December 2024.

2. **Debt-to-equity ratio.** The RLT Group's debt-to-equity ratio in spite of incurring additional loans remained acceptable and very conservative at 0.49:1 as of end-2024 and 0.36: 1 as of end-2023.

3. **Asset-to-equity ratio.** Similarly, the asset-to-equity ratio of the Company also remained very conservative at 1.49:1 in December 2024 from 1.36:1 as of December 2023.

4. **Book value per share.** The performance of the RLT Group's Book value per share has also been a very encouraging as it showed decrease from ₱0.76 per share as of end-December 2023 to ₱0.75 per share as of 31 December 20244.

5. **Earnings (loss) per share**. The Company registered a (₱0.01) loss per share as of year-end 2024.

There was no issuance, repurchase or payment/repayment of either debt and equity securities nor dividends during the year 2024.

As of this report, there is no other known event that will trigger direct or contingent financial obligation that is material to the Company. Moreover, there is no material off-balance sheet transaction, arrangement, obligation, and other relationship of the Company with unconsolidated entities or other persons created during this period.

There are no known events, trends or uncertainties that have material impact on liquidity and will trigger direct or contingent financial obligations including any default or acceleration of an obligation for the twelve months ended period December 31, 2024. Moreover, for this period there is also no known material:

i. Off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the company with unconsolidated entities or other persons;
ii. Commitments for capital expenditures, general purpose of such commitments, expected sources of funds for such expenditures;
iii. Events, trends or uncertainties that have material impact on Sales;
iv. Any significant elements of income or loss that did not arise from the registrant's continuing operations;
v. Seasonal aspects that have material effect on the financial statements.

D. REVIEW OF 2023 OPERATIONS vs. 2022

I. <u>REVIEW OF CONSOLIDATED STATEMENT OF INCOME FOR THE PERIOD ENDING DECEMBER 31, 2023 vs. DECEMBER 31, 2022</u>

For the years ended December 31 (In millions)				
	2023 (Audited)	**2022 (Audited)**	**Change in Peso**	**Change in Percentage**
REVENUES				
Sales of real estate	₱175	₱225	(₱50)	(22%)
Rent	65	56	9	16%
Management fees	41	35	6	17%
Interest income	14	16	(2)	(13%)
Commission	5	6	(1)	(17%)
Other income	427	540	(113)	(21%)
TOTAL	**727**	**878**	**(151)**	**(17%)**
COSTS AND EXPENSES				
Cost of real estate sold	90	106	(16)	(15%)
Cost of services	75	63	12	19%
General and administrative	308	339	(31)	(9%)
Finance cost	70	64	6	9%
Equity in net loss of associates	2	1	1	100%
Other expenses	5	0	5	100%
TOTAL	**550**	**573**	**(23)**	**(4%)**
INCOME BEFORE INCOME TAX	177	305	(128)	(42%)
INCOME TAX EXPENSE	64	125	(61)	(49%)
NET INCOME	**₱113**	**₱180**	**(₱67)**	**(₱37%)**
OTHER COMPREHENSIVE INCOME (LOSS)	(9)	13	(22)	(169%)
TOTAL COMPREHENSIVE INCOME	**₱104**	**₱193**	**(₱89)**	**(46%)**

1. <u>Consolidated net income after tax</u>. Philippine Realty and Holdings Corporation posted net income after tax of ₱113 million for the 12 months ended December 31, 2023 compared to ₱180 million net income after tax for the same period last year. The decrease in the Company's profitability is explained below.

a. **<u>Income</u>**

1. **<u>Sales of real estate</u>.** The sales of real estate decreased by ₱50 million or by 22% for the 12 months ended December 31, 2023 compared to the sales of real estate for the same period in 2022. Sales of real estate pertain to units sold at the Skyline and SkyVillas Towers located in Quezon City, and at The Icon Plaza located in Bonifacio Global City.

2. **<u>Rent</u>.** Rental Income increased by ₱9 million or 16% due to improving lease rates and origination of new lease contracts.

3. **<u>Management fees</u>.** Property management fees increased by ₱6 million or by 17% due to the increase in the number of clients of PRHC Property Managers,

Inc. (**PPMI**).

4. **Interest income.** Interest income decreased by 13% due to lower interest and penalties collected in 2023 from buyers due to late payments compared to last year.

5. **Commission income.** Commission income decreased by ₱1 million or 17% due to the decrease in clients by the Company's Insurance brokerage firm.

6. **Other income.** Other income for the twelve months ended December 31, 2023 decreased by ₱113 million or by 21% compared to the twelve months ended December 31, 2022. Other income consists largely of Gain on Fair Value Changes in Investment Properties that decreased by ₱258 million in 2023 or by 50% compared to 2022. Investment Properties consist largely of land, commercial, office, storage condominium units as well as office and residential parking spaces held to earn rentals or for capital appreciation (or both). The Group's properties that are located in the Tektite Towers, a vacant lot in the Bonifacio Global City (**BGC**), residential and office/commercial units in The Icon Plaza located in the BGC, The El Retiro Mansion in Baguio City, and commercial lots in San Fernando City, La Union, are classified as Investment Properties.

   In 2023, the Parent Company sold an Investment Property in La Union that generated a Gain on sale amounting to ₱128 million.

b. **Costs and Expenses**

1. **Cost of real estate sold**. In terms of percentage to Sales of Real Estate, Cost of Real Estate Sold increased to 52% in 2023, whereas it was at 47% of Sales of real estate for the same period in 2022.

2. **Cost of services.** The Cost of Service increased to ₱75 million from ₱63 million for the same period last year due to higher expenses incurred by the Parent Company and its property management subsidiary such as condominium dues, Real property taxes, and Other costs in the year 2023.

3. **General and administrative expenses.** General and Administrative Expenses decreased by ₱31 million or by 9%, mainly due to a ₱25 million decrease in Provision for Impairment Loss on Trade and Other Receivables.

4. **Finance cost.** The ₱6 million increase in Finance Cost was due to full charging of Interest Expense to operations compared to previous years where part of interest payments was capitalized to real estate projects considered as qualifying assets.

5. **Equity in net loss of associates.** The 100% increase was due to the increase in the Net Loss from operations of the Parent Company's Associate Company.

6. **Other expenses.** The ₱5 million increase in Other Expenses is explained by the loss on repossession of real estate properties recorded in 2023.

7. **Income Tax expense.** The decrease in Income Tax Expense by ₱61 million was due to the reduction in taxable income in 2023.

8. **Other Comprehensive income (loss).** The decrease was due to remeasurement loss on retirement benefit obligations on the Group's Retirement Fund.

c. **Subsidiaries.**

The contributions of the Parent Company's subsidiaries to revenues and net income are shown below.

1. **PRHC Property Managers, Inc. (PPMI)**. The Parent Company's property management subsidiary registered a Total Comprehensive Loss of ₱1.9 million for the twelve months ended December 31, 2023. It is lower by ₱10.7 million compared to the Total Comprehensive income of ₱8.8 million registered by PPMI for the same period last year.

2. **Tektite Insurance Brokers, Inc. (TIBI)**. The Group's insurance brokerage firm posted a Total Comprehensive Income of ₱0.27 million for the twelve months ended December 31, 2023, which is lower by ₱0.73 million compared to the ₱0.999 million Total Comprehensive income registered by TIBI for the same period last year.

II. REVIEW OF CONSOLIDATED STATEMENT OF FINANCIAL POSITION FOR THE PERIOD ENDING DECEMBER 31, 2023 vs. DECEMBER 31, 2022

As of December 31 (In millions)				
	2023 (Audited)	**2022 (Audited)**	**Change in Peso**	**Change in Percentage**
Assets				
Cash and cash equivalents	₱283	₱164	₱119	73%
Financial assets	42	43	(1)	(2%)
Trade and other receivables – net	563	542	21	4%
Real estate inventories	2,074	2,086	(12)	(1%)
Prepayments and other assets – net	463	413	50	12%
Investments in and advances to associates - net	56	58	(2)	(3%)
Property and equipment – net	92	60	32	53%
Investment properties – net	5,164	4,927	237	5%
Other Assets	275	300	(25)	(8%)
TOTAL ASSETS	**₱9,012**	**₱8,593**	₱419	**5%**
Liabilities				
Trade and other payables	₱139	₱195	(₱56)	(29%)
Loans and Notes Payable	1,202	894	308	34%
Retirement benefit obligation	86	67	19	28%
Other liabilities	956	911	45	5%
TOTAL	**2,383**	**2,067**	316	15%
Equity				
Capital stock	5,056	5,056	-	0%
Reserves	56	66	(10)	(15%)

As of December 31 (In millions)				
	2023 (Audited)	2022 (Audited)	Change in Peso	Change in Percentage
Retained Earnings	1,669	1,556	113	7%
Treasury Stock	(110)	(110)	-	0%
Equity attributable to equity holders of the parent	**6,671**	**6,568**	**103**	**2%**
Minority interest	(42)	(42)	-	0%
TOTAL	**₱6,629**	**₱6,526**	**₱103**	**2%**
TOTAL LIABILITIES AND EQUITY	**₱9,012**	**₱8,593**	**₱419**	**5%**

1. **Total assets**. The Group's Total assets stood at ₱9.0 billion as of December 31, 2023, higher by ₱419 million compared to the ₱8.6 billion level of Total assets as of December 31, 2022.

   Cash and cash equivalents increased by ₱119 million due to the combined effects of additional loans availed and proceeds from sale of Investment properties in the remaining days of 2023.

   Prepayments and Other Assets increased by 12% due to taxes and advance payments to contractors.

   Property and Equipment increased by 53% due to the acquisition of new transportation vehicles in 2023.

   Investment properties increased by ₱237 million or from ₱4.9 billion in 2022 to ₱5.2 Billion in 2023 largely due to recognition of Gain on Fair Value on the Parent Company's existing Investment Properties.

   Other assets decreased by 8% due to various adjustments made pertaining to the adoption of new accounting standards.

2. **Total liabilities.** Total liabilities increased by ₱316 million largely due to additional loans acquired by the Parent Company and increase in Deferred tax liabilities arising from fair value gains on Investment properties.

   Trade and other payables decreased by ₱56 million due to payments made to several suppliers and contractors.

   Loans and notes payable increased by 34% because of additional Loans availed by the Parent Company in the year 2023.

   Retirement benefit obligation increased to ₱86 million from ₱67 million due to the increase in the present value of the defined retirement benefit obligation.

   Other Liabilities are comprised of Lease Liability and Deferred Tax Liability. The increase was due to higher Deferred tax liabilities because of the recognition of Gain on Change in Fair Value of the Group's Investment Properties.

3. **Total Equity.** Total equity was recorded at ₱6.63 billion as of December 31, 2023, higher by ₱103 million compared to ₱6.53 billion as of December 31, 2022.

Reserves decreased by 15% due to lower market value in 2023 of the Parent Company's investments classified as Financial Asset Through Other Comprehensive Income, compared to 2022.

Retained Earnings increased by ₱113 million due largely to the Net Income reported by the Parent Company.

III. Performance Indicators

The table below presents the comparative performance indicators of the Company and its subsidiaries.

Performance Indicators	31 December 2023 Audited	31 December 2022 Audited
Current ratio[1]	3.52:1	3.61:1
Debt-to-equity ratio[2]	0.36:1	0.32:1
Asset-to-equity ratio[3]	1.36:1	1.32:1
Book value per share[4]	₱0.76	₱0.75
Earnings per share[5]	₱0.01	₱0.02

[1] *Current assets / current liabilities*
[2] *Total debt / consolidated stockholders' equity*
[3] *Total assets / Total stockholders' equity*
[4] *Total stockholders' equity plus Subscriptions receivable / No. of shares outstanding*
[5] *Net income attributable to equity holders of Parent Company / Weighted average no. of common shares issued and outstanding*

The table above reflects the consistent favorable performance of the RLT Group in terms of solvency, liquidity, and profitability. The steady performance of debt-to-equity ratios and asset-to-equity ratios of the RLT Group for the periods under review demonstrate that the Parent Company's real estate business is currently being managed prudently.

1. **Current ratio. T**he Group's current ratio remains healthy despite showing a decrease from 3.61:1 in December 2022 to 3.52:1 in December 2023.

2. **Debt-to-equity ratio.** The RLT Group's debt-to-equity ratio remained acceptable and very conservative at 0.36:1 as of end-2023 and 0.32: 1 as of end-2022.

3. **Asset-to-equity ratio.** Similarly, the asset-to-equity ratio of the Company also remained very conservative at 1.36:1 in December 2023 from 1.32:1 as of December 2022.

4. **Book value per share.** The performance of the RLT Group's Book value per share has also been a very encouraging as it showed increase from ₱0.75 per share as of end-December 2022 to ₱0.76 per share as of 31 December 2023.

   There was no issuance, repurchase or payment/repayment of either debt and equity securities nor dividends during the year 2023.

   As of this report, there is no other known event that will trigger direct or contingent financial obligation that is material to the Company. Moreover, there is no material off-balance sheet transaction, arrangement, obligation, and other relationship of the

Company with unconsolidated entities or other persons created during this period.

5. **Earnings per share**. The RLT Group's Earnings per share remained at ₱0.01 in year 2023.

There are no known events, trends or uncertainties that have material impact on liquidity and will trigger direct or contingent financial obligations including any default or acceleration of an obligation for the twelve months ended period December 31, 2023. Moreover, for this period there is also no known material:

i. Off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the company with unconsolidated entities or other persons;
ii. Commitments for capital expenditures, general purpose of such commitments, expected sources of funds for such expenditures;
iii. Events, trends or uncertainties that have material impact on Sales;
iv. Any significant elements of income or loss that did not arise from the registrant's continuing operations;
v. Seasonal Aspects that have material effect on the financial statements.

TOP CONTRIBUTORS TO REVENUE

The table below presents the top contributors to revenue (before elimination of intercompany transactions) for the 1st quarter ended March 31, 2026, and for the years ended December 31, 2025, December 31, 2024, and December 31, 2023.

(In millions)

SUBSIDIARIES	March 2026 Unaudited	Dec 2025 Audited	Dec 2024 Audited	Dec 2023 Audited
PRHC Property Managers, Inc. (**PPMI**)	₱11	₱39	₱44	₱45
Tektite Insurance Agency, Inc. (**TIAI**)	₱1	₱7	₱10	₱6

Key Financial Ratios of the Top Majority-Owned Subsidiaries

PRHC Property Managers, Inc. (PPMI)

Performance Indicators	31 March 2026 Unaudited	31 December 2025 Audited	31 December 2024 Audited	31 December 2023 Audited
Current ratio[1]	5.52:1	5.77:1	5.75:1	2.25:1
Debt-to-equity ratio[2]	0.66:1	0.67:1	0.51:1	0.59:1
Asset-to-equity ratio[3]	1.66:1	1.67:1	1.48:1	1.59:1
Book value per share[4]	₱12.25	₱12.07	₱13.74	₱12.00
Earnings per share[5]	₱0.18	(₱1.73)	₱1.51	(₱0.44)

[1] *Current assets / current liabilities*
[2] *Total debt / consolidated stockholders' equity*
[3] *Total assets / Total stockholders' equity*
[4] *Total stockholders' equity plus Subscriptions receivable / No. of shares outstanding*
[5] *Net income attributable to equity holders of Parent Company / Weighted average no. of common shares issued and outstanding*

Tektite Insurance Agency, Inc. (TIAI)

Performance Indicators	31 March 2026 Unaudited	31 December 2025 Audited	31 December 2024 Audited	31 December 2023 Audited
Current ratio[1]	35.74:1	7.88:1	5.25:1	3.99:1
Debt-to-equity ratio[2]	0.30:1	0.44:1	0.68:1	1.32:1
Asset-to-equity ratio[3]	1.30:1	1.44:1	1.68:1	2.32:1
Book value per share[4]	₱0.84	₱0.85	₱0.71	₱0.40
Earnings per share[5]	(₱0.001)	₱0.12	₱0.28	₱0.02

[1] *Current assets / current liabilities*
[2] *Total debt / consolidated stockholders' equity*
[3] *Total assets / Total stockholders' equity*
[4] *Total stockholders' equity plus Subscriptions receivable / No. of shares outstanding*
[5] *Net income attributable to equity holders of Parent Company / Weighted average no. of common shares issued and outstanding*

ANNEX "C"

MARKET PRICE AND DIVIDENDS ON THE REGISTRANT'S COMMON EQUITY

A. Principal Market where the Registrant's common equity is traded

Market Information

Principal market for the Registrant's Common shares: The Philippine Stock Exchange

High and Low Sales Prices for each quarter for years 2024, 2025, 2026 based on Philippine Stock Exchange's Daily Quotation Report:

	2024		2025		2026	
	High	High	High	Low	High	Low
1st Quarter	0.14	0.14	0.14	0.12	0.14	0.12
2nd Quarter	0.16	0.16	0.12	0.12	0.11	0.11
3rd Quarter	0.14	0.14	0.12	0.11		
4th Quarter	0.13	0.13	0.11	0.11		

The market capitalization of the Company as of December 31, 2025 based on the closing price of ₱0.11 per share was ₱1,001,011,295.

The price information as of the close of the latest practicable trading date June 30, 2026 was ₱0.10 per share.

B. Holders

As of June 30, 2026, the Company has 2,295 stockholders. The list of the top twenty (20) stockholders of the Company as of June 30, 2026 is as follows:

Name of Stockholder	Citizenship	No. of Shares	Percentage (%)
Greenhills Properties, Inc.	Filipino	5,933,556,844	65.20%
PCD Nominee Corporation	Filipino	2,260,313,684	24.84%
Campos, Lanuza & Co., Inc.	Filipino	275,196,201	3.02%
Gerardo Domenico Antonio Lanuza	Filipino	219,843,366	2.42%
Belson Securities, Inc.	Filipino	30,580,956	0.34%
Socorro C. Ramos	Filipino	21,291,750	0.23%
Vulcan Industrial & Mining Corp.	Filipino	15,159,434	0.17%
Ramon de Leon	Filipino	11,810,854	0.13%
Ricardo Leong	Filipino	11,810,854	0.13%
Calixto Laureano	Filipino	11,810,854	0.13%
Brisot Economic Dev. Corp	Filipino	7,528,021	0.08%
Oscar S. Cu ITF Anthony Cu	Filipino	7,390,000	0.08%
Meridian Securities	Filipino	6,269,888	0.07%
Guoco Sec (Phils) Inc.	Filipino	5,961,532	0.07%
Guild Securities	Filipino	5,598,162	0.06%
E. Chua Chiaco Securities, Inc.	Filipino	5,538,016	0.06%
Citisecurities, Inc.	Filipino	5,408,078	0.06%
National Bookstore, Inc.	Filipino	5,393,450	0.06%
Wellington Chan	Filipino	5,185,801	0.06%
Madrigal Maria Susana Abad-Santos	Filipino	4,600,000	0.05%

Name of Stockholder	Citizenship	No. of Shares	Percentage (%)
Gustav P. Warns Vicente	Filipino	4,600,000	0.05%
Oscar Cu	Filipino	4,550,750	0.05%
Cualoping Securities	Filipino	4,335,974	0.05%
Total		**8,863,734,469**	**97.40%**

C. Dividends

No dividend was declared by the Company since its last declaration on October 24, 1995. In 1996, the Board of Directors approved the appropriation of ₱250 million of the Company's Retained earnings for the purchase of its own capital stock. In 2018, the Board approved the reclassification of ₱140 million Appropriated retained earnings to Unappropriated retained earnings.

D. Recent sales of unregistered securities

For the year 2025, the Company had no sales of unregistered securities.

E. Corporate Governance

The Company, its directors, officers and employees complied with the leading practices and principles on good corporate governance as embodied in the Company's Manual on Corporate Governance ("Manual"). The Company accomplished the PSE Corporate Governance Guidelines for Listed Companies: Disclosure Survey for 2016. On August 28, 2012, the Company's Board of Directors approved the Audit Committee Charter in compliance with SEC Memorandum Circular No. 4, Series of 2012. Pursuant thereto, the Company created an Internal Audit Unit and has engaged the services of an Accountant for the Internal Auditor post.

The Company has complied with all leading practices of good governance. An evaluation system has been established to measure the level of compliance with the Manual by Directors and top-level management. The Company has undertaken minor revisions in its internal control system and adopted a strict implementation of the provisions of its Manual including the adoption of appropriate penalties for non-compliance. Since the last Annual Meeting, there has been no deviation from the Company's Manual that would require a report or disclosure.

Last May 2017, the Company revised the Corporate Governance Manual in accordance with the SEC Memorandum Circular No. 19 which contained the Code of Corporate Governance for Publicly Listed Companies.

On June 13, 2019, the Company amended its Manual on Corporate Governance.

ANNEX "D"

NATURE AND SCOPE OF BUSINESS

Philippine Realty and Holdings Corporation was incorporated on July 13, 1981 with an initial capitalization of ₱2 million. In 1986, the Company's capitalization was increased to ₱100 million to accommodate the entry of new stockholders. In September 1987, the Company became a public corporation. Its present authorized capital stock is ₱8 billion, divided into 8 billion shares, of which 4.92 billion shares are outstanding and subscribed.

The Company's main real estate activity since it started operations has been the development and sale of residential/office condominium projects and to a limited extent, the lease of commercial and office spaces.

It has developed unique and trend setting projects: *The Alexandra*, the first to offer consumers the combination of high-rise condominium and subdivision living; *The Tektite Towers*, once the official headquarters of the Philippine Stock Exchange, Inc. and home of the country's corporate and financial stalwarts; *The Alexis*, a low-rise condominium within an upscale subdivision; the exclusive *La Isla;* and *Casa Miguel*, a 4-storey walk-up residential condominium in San Juan, Metro Manila.

After the completion of the Philippine Stock Exchange Centre in January 1996, the Company launched its Andrea North project in the 2.8-hectare former Pepsi Cola property in New Manila, Quezon City. This project is an Alexandra-type upscale and high-rise condominium complex, which consists of five residential towers.

On November 16, 2012 the Company held the Ceremonial Concrete Pouring for its second tower in the Andrea North Complex named the SkyVillas Tower. The Company also completed the construction of its Showroom which showcases the model units of The SkyVillas Tower and an area dedicated for retail shops. Construction of the joint venture project, Icon Plaza at the Bonifacio Global City with Xcell Property Ventures, Inc. commenced in mid-2010 and is 74.28% completed as of year-end.

In 2002, the Company filed with the court a petition for corporate rehabilitation with prayer for suspension of payments. The Company settled its loan obligations with all the five creditor banks through *dacion-en-pago*, cash payments from the sale of assets and loan restructuring. The Company has completed another major component of the rehabilitation plan which is the completion of construction of the Andrea North Skyline Tower. In February 2011, the Company filed a Motion to terminate rehabilitation proceedings on account of successful implementation of the Rehabilitation Plan. However, in November 2012 the court denied the Company's motion on the basis that it has still substantial obligations to pay in accordance with the court-approved rehabilitation plan.

As of December 2013, the Company's liabilities to its contractors, Andrea North Skyline buyers, and unsecured creditors were already paid, such that, the Company filed a motion to terminate the rehabilitation proceedings on account of the successful implementation of the rehabilitation plan, which was granted by the Court in March 2014.

On February 9, 2016, the SEC approved the Company's application for quasi-reorganization reducing the par value of its shares from P1.00 to P0.50 and the additional paid-in capital arising from the reduction of the par value was subsequently applied to the Company's accumulated deficit.

On January 4, 2017, the Regional Trial Court Branch 93 of Quezon City issued a Certificate of Finality to certify that the order issued dated March 18, 2014 has become final and executory.

The Company plans to leverage its key understanding of the property market through its Medium-Term Business and Financial plan. The objective of the plan is to serve as a roadmap which will drive the Company's profitability primarily by operating income from recurring revenue sources and the proposed projects to be undertaken. First, major properties owned by the Company and GPI, who has undertaken to provide operational and financial support to the Company, will be developed for sale and lease. The Company plans to also maximize the utilization of all its existing developments and Investment Properties. The Company is likewise looking to grow its business through acquisition of revenue generating assets or developments in key cities within and outside Metro Manila. Lastly, aside from internally-generated funds, the Company will continue to consider securing necessary and sufficient funding from various financial sources.

The Board of Directors approved on April 18, 2018 the amendment of the Parent Company's Articles of Incorporation (**AOI**) for the purpose of increasing RLT's Authorized Capital Stock (**ACS**) that was necessary to accommodate the issuance of new, primary shares from the increased capital stock in favor of Greenhills Properties, Inc. (**GPI**), a corporation incorporated under the laws of the Philippines, in exchange for prime real properties that GPI will contribute into the Parent Company as capital.

The property-for-share swap transaction involves GPI contributing into the Parent Company two (2) vacant lots located in the BGC more particularly described as follows: 1) Lot 1 Block 8 containing 1,600 sq.m., located at the corner of 6th Avenue and 24th Street; and 2) Lot 4 Block 8 also containing 1,600 sq.m., located at 6th Avenue corner 25th Street. Lot 1 Block 8 is registered under the name of GPI. GPI also acquired Lot 4 Block 8 from its wholly owned subsidiary, Lochinver Assets Inc. (**LAI**), by way of merger approved by the SEC on 28 November 2012, with GPI as the Surviving Corporation and LAI as the Absorbed Corporation.

The said transaction also involves the Parent Company issuing 4,177,777,778 new common shares from the increase in its ACS, in favor of GPI in exchange for the two (2) vacant lots in BGC that GPI will contribute into the Parent Company as capital.

In the above-described transaction, the Parent Company engaged the services of a PSE-accredited firm, R. G. Manabat & Co., the Philippine member firm of KPMG International, to come up with a Valuation and Fairness Opinion Report. The said PSE-accredited firm expressed the opinion that the method employed by the Parent Company is a fair basis in determining the transaction price (and the transaction value) for the issuance of new shares in favor of GPI from the increase in the ACS.

On May 14, 2019, the SEC approved the increase in the Parent Company's ACS from ₱4,000,000,000.00 divided into 8,000,000,000 shares with par value of ₱0.50 per share to ₱8,000,000,000.00 divided into 16,000,000,000 shares with par value of ₱0.50 per share. This was after the approval by a majority of the Board of Directors on April 18, 2018 and by the vote of the stockholders owning or representing at least two-thirds (2/3) of the outstanding capital stock on July 23, 2018.

On 22 June 22, 2021, the tax-free exchange of properties for shares transaction by and between the Parent Company and GPI was completed.

On 22 June 22, 2021, the Parent Company, through its external legal counsels, received from the Registry of Deeds for Taguig City, the land titles covering the two (2) vacant lots located in the BGC as described above, contributed by GPI as equity into the Parent Company, already registered under the name of the Parent Company.

Also on 22 June 22, 2021, in exchange for the two (2) BGC vacant lots, the Parent Company issued 4,177,777,778 new common shares from its increased capital stock, in favor of GPI.

With the issuance of new shares in its favor, GPI now owns 5,933,556,844 shares in the Parent Company, bringing its percentage ownership to 65.20% from 35.67%. The remaining shares of the Parent Company are owned by various individuals and institutional stockholders.

As of June 30, 2026, 9,100,102,685 shares are subscribed and outstanding.

Significant Subsidiaries

The Parent Company has organized/invested in the following subsidiaries and affiliates (the Parent Company together with its subsidiaries and affiliates are referred herein as "**RLT Group of Companies**" or simply "**RLT Group**").

Three Corners Realty Corporation (100% owned)

In May 2024, the Board of Directors of the Parent Company approved the formation or incorporation of a wholly owned subsidiary, Three Corners Realty Corporation (**TCRC**) that will handle the development of one of the Parent Company's lots in BGC. The intention was, after incorporation, TCRC will issue shares in favor of RLT in exchange for Lot 4 Block 8 located at the corner of 6th Avenue and 25th Street, Bonifacio Global City, containing an area of 1,600 sq. m. more or less (the "**Property**"), that will be transferred by RLT in favor of TCRC.

On November 20, 2025, TCRC, thru the Parent Company, received from the Registry of Deeds for Taguig City the land title covering the Property already registered under the name of TCRC with the substituted basis annotated on the reverse side of the land title covering the Property pursuant to Section 40(c)(5) of the National Internal Revenue Code of 1997. The transfer of the Property from the Company to TCRC was by virtue of a tax-free exchange.

In exchange for the Property with a carrying value and fair value amounting to ₱1,584,000,000, TCRC will issue in favor of the Parent Company 144,000,000 voting redeemable preferred shares of stock, with par value of P1.00 per share with a subscription price of ₱1,584,000,000. Costs capitalized as part of the Property amounted to ₱25,044,982.

PRHC Property Managers, Inc. (100% owned)

PRHC Property Managers, Inc. (**PPMI**) was incorporated in May 1991 to oversee the administration, operation and monitoring of RLT's growing number of real estate properties. Its clients include: Philippine Stock Exchange Centre Condominium Corporation, Casa Miguel Condominium Corporation, Andrea North Condominium Corporation, Nobel Plaza Condominium, LTA Condominium, The Pinnacle Condominium and Greenrich Mansion Condominium, , and Seibu Tower Condominium Corporation, among others.

PPMI ensures that the properties are managed according to the established requirements and standards in the industry.

PPMI also leases the recently renovated, heritage El Retiro Mansion property from the Parent Company and operates the same as a vacation home or as a venue for various exclusive events. El Retiro sits on a 1.6 ha. property along Outlook Drive.

Tektite Insurance Agency, Inc. (100% owned)

Tektite Insurance Brokers, Inc. (**TIAI**) was incorporated in January 1989 as Philrealty Insurance Agency. Due to increasing demand, it was reorganized to become an insurance brokerage firm in 1994. Major clients include: RLT Group of Companies, RG Meditron, Philippine Stock Exchange Centre Condominium Corporation, Icon Plaza Condominium Corporation and Develop Dimension Inc.

Universal Travel Corporation (81.53% owned)

Universal Travel Corporation (**UTC**) was incorporated in October 1993 and was engaged in the business of travel services by providing, arranging, marketing, engaging or rendering advisory and consultancy services relating to tours and tour packages. UTC catered principally to the offices at the Philippine Stock Exchange Centre (**PSEC**). In August 2018, the Company announced that it ceased its travel agency business operations on a voluntary basis due to continuing losses and increasing capital deficiency. The terminated employees of UTC were all paid their separation benefits and all creditors were also paid prior to the temporary cessation of its business operations. This move is part of the business rationalization process presently being undertaken by the Parent Company where it seeks to explore new investment/business opportunities while at the same time lightening up on existing unrelated or unprofitable investments.

Sultan Power Inc. (100% owned)

Sultan Power, Inc. (**SPI**) was incorporated under Philippine laws and registered with the SEC on March 19, 2015 as a holding company. SPI achieved majority ownership in Recon-X Energy Corporation (**Recon-X**) by acquiring 51% of the total issued and outstanding shares of the latter company.

<u>Product/Services</u>

A. Sale of Condominium units

RLT develops and sells high-end condominium units located at One Balete Drive corner N. Domingo Street, Quezon City, and is now developing a new luxury residential towers in the BGC, in addition to the completed Skyline Tower and the SkyVillas Tower in One Balete.

In addition, the Parent Company entered into two (2) joint venture arrangements with Xcell Property Ventures Inc. (**Xcell**) for the development of the Icon Residences (a 2-tower residential condominium building) and Icon Plaza (residential/commercial condominium building). RLT contributed the parcels of land located at the Bonifacio Global City (**BGC**) where the Icon Residences Towers and the Icon Plaza Tower were constructed thereon. Xcell provided the funds for the construction of the condominium towers. The Parent Company has several units for lease at Icon Residences and at Icon Plaza.

B. Leasing

RLT has investment properties, such as residential and commercial office and storage units and parking slots, for lease at the following locations: 1) Philippine Stock Exchange Centre located at Exchange Road, Ortigas Center Pasig City; 2) Icon Plaza located at 5th Avenue, BGC, Taguig City; 3) Icon Residences Tower 1; 4) Skyline Tower; and 5) SkyVillas Tower. The latter two (2) towers are located at the One Balete Compound, One Balete Drive corner N. Domingo Street, Quezon City. The contracts of lease are renewable for periods ranging from six months to five years.

Up until 31 December 2025, the Company was sub-leasing two parcels of land with total area of 3,200 square meters located along 5th Avenue BGC, Taguig City, where one parcel of land houses commercial units for lease.

RLT is also leasing to tenants approximately 500 sq.m. of the Ground Floor space of the One Balete Building located at One Balete Drive corner N. Domingo Street, Quezon City.

C. Property Management

The property management subsidiary, PRHC Property Managers, Inc. (**PPMI**) oversees the administration, operation and monitoring of real estate assets of the Parent Company and other Companies.

On December 16, 2020, the Parent Company and PPMI entered into a Lease and Hotel Management Services Agreement, wherein PPMI proposed to lease, operate and manage the Parent Company's "El Retiro Mansion" property located in Baguio City.

D. Insurance Agency

Tektite Insurance Agency, Inc. (**TIAI**) operates as the insurance brokerage arm of the Parent Company and for the benefit of other Companies.

ANNEX "E"

SEC form 17A and CONSOLIDATED FINANCIAL STATEMENTS

SECURITIES AND EXCHANGE COMMISSION

Form 17-A

PHILIPPINE REALTY AND HOLDINGS CORPORATION

Annual Report Pursuant to Section 17
of the Securities Regulation Code and Section 141
of the Corporation Code of the Philippines

1. For the fiscal year ended: 31st December 2025

2. SEC Identification No.: 99905

3. BIR Tax Identification No.: 116-000-188-233

4. Registrant: Philippine Realty and Holdings Corporation

5. Country of Incorporation: Philippines

6. Industry Classification Code: Real Estate Developer

7. Address of principal office: One Balete, 1 Balete Drive corner N. Domingo St., Brgy. Kaunlaran Quezon City
   Satellite Office: Unit No. 1609, 16th Floor PSE Centre East Tower, Exchange Road, Ortigas Center Pasig City

8. Registrant's telephone no.: 8631-3179

9. The Registrant has not changed its corporate name and fiscal year.

10. Securities registered pursuant to Sections 4 and 8 of the RSA

Title of Class	No. of shares of common stock outstanding	Debt Outstanding
Common	9,100,102,685 shares	₱0.00

11. The Registrant's common shares are listed on the Philippine Stock Exchange

12. The Registrant has filed all reports required to be filed by Section 17 of the Securities Regulation Code and RSA Rule 11(a)-1 thereunder, and Sections 26 and 141 of the Corporate Code during the preceding 12 months.

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

13. The aggregate market value of voting stocks held by non-affiliates representing 2,624,237,480 of outstanding common shares is ₱288,666,123 computed on the basis of ₱0.11 per common share as of close of December 31, 2025.

14. The Registrant has filed all documents and reports required to be filed by Section 17 of the Code.

TABLE OF CONTENTS

PART I

BUSINESS AND GENERAL INFORMATION

Item 1. Business

Philippine Realty and Holdings Corporation (hereinafter referred to by its trading symbol **RLT** or the "**Parent Company**") was incorporated and registered with the Philippine Securities and Exchange Commission (**SEC**) on July 13, 1981 with a corporate life of fifty (50) years, and an initial capitalization of ₱2,000,000.00.

On September 7, 1987, the Parent Company was listed in the Philippine Stock Exchange (**PSE**).

The Board of Directors approved on April 18, 2018 the amendment of the Parent Company's Articles of Incorporation (**AOI**) for the purpose of increasing RLT's Authorized Capital Stock (**ACS**) that was necessary to accommodate the issuance of new, primary shares from the increased capital stock in favor of Greenhills Properties, Inc. (**GPI**), a corporation incorporated under the laws of the Philippines, in exchange for prime real properties that GPI will contribute into RLT as capital.

The property-for-share swap transaction involved the contribution by GPI into RLT of two (2) vacant lots located in the Bonifacio Global City (**BGC**) more particularly described as follows: 1) Lot 1 Block 8 containing 1,600 sq.m., located at the corner of 6th Avenue and 24th Street; and 2) Lot 4 Block 8 also containing 1,600 sq.m., located at 6th Avenue corner 25th Street. Lot 1 Block 8 is registered under the name of GPI. GPI also acquired Lot 4 Block 8 from its wholly owned subsidiary, Lochinver Assets Inc. (**LAI**), by way of merger approved by the SEC on 28 November 2012, with GPI as the Surviving Corporation and LAI as the Absorbed Corporation.

The said transaction also involved the issuance by RLT of 4,177,777,778 new common shares from the increase in its ACS, in favor of GPI in exchange for the two (2) vacant lots in BGC that GPI contributed into RLT as capital.

In the above-described transaction, RLT engaged the services of a PSE-accredited firm to come up with a Valuation and Fairness Opinion Report. The said PSE-accredited firm expressed the opinion that the method employed by RLT is a fair basis in determining the transaction price (and the transaction value) for the issuance of new shares from the increase in the ACS.

On May 14, 2019, the SEC approved the increase in the Parent Company's ACS from ₱4,000,000,000.00 divided into 8,000,000,000 shares with par value of ₱0.50 per share to ₱8,000,000,000.00 divided into 16,000,000,000 shares with par value of ₱0.50 per share. This was after the approval by a majority of the Board of Directors on April 18, 2018, and by the vote of the stockholders owning or representing at least two-thirds (2/3) of the outstanding capital stock on July 23, 2018.

On June 22, 2021, the tax-free exchange of properties for shares transaction by and between RLT and GPI was completed.

On June 22, 2021, RLT, through its external legal counsels, received from the Registry of Deeds for Taguig City, the land titles covering the two (2) vacant lots located in the BGC as described above, contributed by GPI as equity into RLT, already registered under the name of RLT.

Also on June 22, 2021, in exchange for the two (2) BGC vacant lots, RLT issued 4,177,777,778 new common shares from its increased capital stock, in favor of GPI.

With the issuance of new shares in its favor, GPI now owns 5,933,556,844 shares in RLT, bringing its percentage ownership to 65.20% from 35.67%. The remaining shares of RLT are owned by various individuals and institutional stockholders.

As of December 31, 2025, 9,100,102,685 shares are subscribed and outstanding.

The principal activities of the Parent Company include the acquisition, development, sale and lease of all kinds of real estate and personal properties, and as an investment and holding company.

The Parent Company's registered office address is at One Balete, 1 Balete Drive Corner N. Domingo Street, Barangay Kaunlaran, District 4, Quezon City 1111, Philippines.

Subsidiaries

RLT has organized/invested in the following subsidiaries and affiliates (RLT together with its subsidiaries and affiliates are referred herein as "**RLT Group of Companies**" or simply "**RLT Group**").

PRHC Property Managers, Inc. (100% owned)

PRHC Property Managers, Inc. (**PPMI**) was incorporated in May 1991 to oversee the administration, operation and monitoring of RLT's growing number of real estate properties. Its clients include, among others, The Philippine Stock Exchange Centre Condominium Corporation, Andrea North Condominium Corporation, The Nobel Plaza Condominium Corporation, LTA Condominium Corporation, Seibu Tower Condominium Corporation, etc.

PPMI ensures that the properties are managed according to the established requirements and standards in the industry. PPMI is also engaged in the management, operation and lease of real estate properties.

Tektite Insurance Agency, Inc. (100% owned)

Tektite Insurance Agency, Inc. (**TIAI**) was incorporated in January 1989 as Philrealty Insurance Agency. TIBI's major clients include, but not limited to: The RLT Group of Companies, RG Meditron, Philippine Stock Exchange Centre Condominium Corporation, and Icon Plaza Condominium Corporation, etc.

Universal Travel Corporation (81.53% owned)

Universal Travel Corporation (**UTC**) was incorporated in October 1993 and was engaged in the business of travel services by providing, arranging, marketing, engaging or rendering advisory and consultancy services relating to tours and tour packages. UTC catered principally to the offices at the Tektite Towers (formerly Philippine Stock Exchange Centre). In August 2018, the Company announced that it ceased its travel agency business operations on a voluntary basis due to continuing losses and increasing capital deficiency. The terminated employees of UTC were all paid their separation benefits and all creditors were also paid prior to the temporary cessation of its business operations. This move is part of the business rationalization process presently being undertaken by RLT wherein the Parent Company sought to explore new investment/business opportunities while at the same time lightening up on existing unrelated or unprofitable investments.

Sultan Power Inc. (100% owned)

Sultan Power, Inc. (**SPI**) was incorporated under Philippine laws and registered with the SEC on March 19, 2015 as a holding company. SPI achieved majority ownership in Recon-X Energy Corporation ("**Recon-X**") by acquiring 51% of the total issued and outstanding shares of the latter company.

RECON-X was incorporated under Philippine laws and registered with the SEC on June 27, 2014 to engage in the business of recycling and converting plastics into fuel (gasoline, diesel and kerosene) using patented technology. The process was duly certified on November 2, 2015, by the Intellectual Property Office of the Philippines ("**IPOPHL**") for "Improved Method of Converting Land-Filled Plastic Wastes into Hydrocarbon Fuel", certified by the Department of Science and Technology (**DOST**) and by the Department of Energy (**DOE**). As of December 31, 2021, Recon-X was able to procure the additional catalysts and materials needed for the plastic diesel conversion plant to be used to process wastes into fuel. In 2023, Recon-X has started introduction of feedstocks, performance testing and testing of fuel compliance with National Standards and securing plastic waste supply from a plastic waste aggregator, that can provide the plant production requirements. Recon-X has yet to commence commercial operations.

Three Corners Realty Corporation (100% owned)

Three Corners Realty Corporation was incorporated under Philippine laws and registered with the SEC on September 16, 2024 primarily to invest in, purchase, or otherwise dispose of real or personal property. The Company is a wholly-owned subsidiary of Philippine Realty and Holdings Corporation (**RLT**).

The Company's registered office, which is also its principal place of business, is located at Unit No. 10A, Podium 10th Level, The Icon Plaza (Retail.Office.Residences), 26th Street, Bonifacio Global City, Taguig City

Products and Services

The principal products or services of RLT, which are derived from domestic sales and their relative contribution to total revenues, are as follows:

	2025	2024	2023
Sale of Condominium Units	8.64%	14.16%	24.00%
Leasing	31.55%	20.41%	8.97%
Property Management	13.96%	11.20%	5.67%
Insurance Agency	2.54%	2.69%	0.72%
Other Income	43.31%	51.54%	60.60%
Total	100%	100%	100%

Sale of Condominium units

RLT develops and sells high-end condominium units located at One Balete Drive corner N. Domingo Street, Quezon City and is now developing an upscale residential tower in the Bonifacio Global City (**BGC**) , in addition to the completed Skyline Tower and the SkyVillas Tower.

In addition, the Parent Company entered into two (2) joint venture arrangements in the past with Xcell Property Ventures Inc. (**Xcell**) for the development of the Icon Residences (a 2-tower residential condominium building) and Icon Plaza (residential/commercial condominium building). RLT contributed the parcels of land located in BGC where the Icon Residences Towers and the Icon Plaza Tower were constructed thereon. Xcell provided the funds for the construction of the condominium towers. The Parent Company has several units for lease at Icon Residences and at Icon Plaza at the BGC.

Leasing

RLT has investment properties, such as residential commercial office and storage units and parking slots, for lease at the following locations: 1) Tektite Towers (formerly Philippine Stock Exchange Centre) located at Exchange Road, Ortigas Center Pasig City; 2) Icon Plaza located at 26^{th} Street, BGC, Taguig City; 3) Icon Residences Tower 1; 4) Skyline Tower; 5) SkyVillas Tower; and 6) the “El Retiro” compound in Baguio City. The Skyline and SkyVillas Towers are located at the One Balete Compound, Balete Drive corner N. Domingo Street, Quezon City.

Until the end of 2025, the Parent Company was sub-leasing two (2) parcels of land with total area of 3,200 square meters located along 5^{th} Avenue BGC, Taguig City where one (1) parcel of land houses commercial units.

RLT is also leasing to tenants more than 706 sq.m. of the Ground Floor space of the One Balete Building located at One Balete Drive corner N. Domingo Street, Quezon City.

On December 16, 2020, RLT and PPMI entered into a Lease and Hotel Management Services Agreement, wherein the latter agreed to lease, operate, and manage RLT’s “El Retiro” property located in Baguio City.

Property Management

RLT's Property Management Department oversees the administration, management and monitoring of the real estate assets. While RLT's property management subsidiary, PPMI, oversees the administration, operation and monitoring of real estate assets of other companies.

Insurance Agency

TIAI operates as an insurance agency firm for RLT and other companies.

Employees

RLT has a total workforce of 56 employees as of December 31, 2025, classified as follows:

Staff	31
Managerial	14
Executive	11
Total	**56**

The Company expects to more or less maintain its number of employees in the next 12 months. There is no existing Collective Bargaining Agreement (**CBA**) between the Company and its employees as there is no labor union in the Company. The Parent Company has the following supplemental benefits for its employees: (a) Health Care; (b) Group Life Insurance; (c) Retirement Plan and (d) Profit-sharing based on the Parent Company's By-Laws.

Item 2. Properties and Projects

The Parent Company's Projects

RLT has developed unique and trend setting projects, such as the following:

1. ***The Alexandra***. The Alexandra was the first to offer consumers the combination of high-rise condominium and subdivision living. It is a luxury mid-rise development with a ratio of one sq.m. of land for every two sq.m. of sold floor area. As the first gated vertical community in Metro Manila, The Alexandra was one of the most coveted addresses in its heyday. The community is composed of 11 buildings that range from 5- to 14-storeys high. There are only 360 units in the 4.2 ha. property, all of which are 3-bedroom apartments with floor areas ranging from 182 to 250 sq.m. The narra flooring, marble baths, landscaped gardens, and the ratio of space to the number of occupants, all right in the Ortigas Center central business district made this a community like no other.

2. ***Tektite Towers (formerly Philippine Stock Exchange Centre)***. Launched as Tektite Towers in 1989 and fully completed in January 1996, it was renamed The Philippine Stock Exchange Centre (**PSEC**) and held that name for several years. The buildings reverted back to the name Tektite Towers upon the request of the Philippine Stock Exchange Inc. (**PSE**) when the offices of the PSE transferred to BGC. Tektite Towers held the title as the **largest office building complex for decades after its completion** with its twin towers consisting of 33 stories each, more than 1,700 parking spaces,

wide hallways, spacious offices, combine to encompass more than 18 has. of covered space. Bridging the East and West Towers is the 4-storey former official headquarters of the PSE until it moved to its new location in BGC in 2018. On the ground floor, directly beneath what used to be the PSE trading floor is a multi-purpose auditorium with a 400-person capacity.

3. ***La Isla Condominium***. La Isla Condominium has only 28 units ranging from 270 sq.m. 2-bedroom units to 580 sq.m. loft apartments, 2 units per floor, with elevators that open directly to the unit owner's own foyer. Solid narra floors, marble baths, 2 to 4 parking spaces per unit, and extra storage space in the basement. La Isla Condominium is still among the most exclusive residential development in the metropolis, with units still in great demand close to two decades after its completion. The building was named for its 360^{o} view, never to be impeded by a neighboring building. It is an island in the heart of the Ortigas Central Business District (**CBD**).

4. ***The Alexis***. A low-rise condominium within an upscale subdivision.

5. ***Casa Miguel***. A 4-storey walk-up residential condominium in San Juan, Metro Manila.

6. ***One Balete Compound***. Formerly known as Andrea North Complex, RLT's One Balete Compound, located in a 2.8 ha. property in New Manila, Quezon City, which used to be the Pepsi Cola complex, was launched after the full completion of Tektite Towers in January 1996. It is situated at the corner of Balete Drive and N. Domingo Street. The Complex will be comprised of a 5-tower luxury development. This project is an Alexandra-type upscale and high-rise condominium complex.

   The first tower, Skyline Tower, was completed in September 2011, and the second tower, started on November 16, 2012, also completed, is SkyVillas Tower, a 31-storey luxury condominium that features only 2 to 8 units per floor.

7. ***The Icon Residences***. A completed 2-Tower condominium joint venture project with Xcell located in the BGC, consists of minimum saleable areas (excluding parking) of 18,640 sq.m. and 219 parking units.

8. ***The Icon Plaza***. A completed mixed-use condominium building which was started in mid-2010, is comprised of commercial/retail spaces, office suites and residential units with a minimum saleable area (excluding parking) of 28,043 sq.m. and parking spaces of 350 units. The Icon Plaza was another joint venture project with Xcell located in the BGC.

9. ***El Retiro, Baguio City***. El Retiro is a premier luxury serviced residence and events venue in Baguio, offering an exclusive and luxurious way for families and large groups to spend a relaxing vacation in the City of Pines. El Retiro is a project of RLT and PPMI, and is located at 20 Outlook Drive, Barangay Outlook, Baguio City. El Retiro provides easy access to restaurants, shops, and popular tourist landmarks such as The Mansion, Wright Park, Mines View, St. Joseph's Church, Camp John Hay, Baguio Country Club, and everything else Baguio has to offer.

   With a rich history, El Retiro retains the charms of a heritage home combined with modern conveniences and a traditional farmhouse interior. The beautifully restored mid-century mansion preserved its original structure and natural surroundings. The

1.6-hectare property is also home to one of the oldest trees in Baguio. Once the ancestral home of affluent families, El Retiro provides visitors a glimpse into the past, creating a sense of nostalgia.

The Parent Company's Properties

Land bank

The Parent Company's land bank are as follows:

Properties	Location	Area in sqm.
One Balete Compound	Quezon City, Metro Manila	8,968.87
El Retiro Estate	Baguio City	16,158.00
Lot 1 Block 8	BGC, Taguig City	1,600.00
San Fernando City, La Union	San Fernando City, La Union	33,122.00

Leased Properties

Until the end of 2025, the Parent Company had an existing lease contract with GPI that allowed RLT to sublease two parcels of land located along 5^{th} Avenue in BGC, with a total area of 3,200 sq.m. more or less. The lease agreement was for a period of 15 years but was terminated early.

Rental Properties

The Parent Company's properties for lease are largely office and storage units, parking slots, commercial spaces, commercial strips and residential condominium units. These are as follows:

Tektite Towers condominium units located at Ortigas Center, Pasig City

Units for Lease	Number of units
Office condominium units	30
Commercial condominium units	16
Storage spaces	60
Parking spaces	328

Icon Plaza condominium units located at BGC, Taguig City

Units for Lease	Number of units
Condominium units	10
Storage spaces	2

Icon Residence condominium units located at BGC, Taguig City

Units for Lease	Number of units
Condominium units	1
Parking space	1

Majority of the units in Tektite Towers, Icon Plaza, Skyline Tower, Icon Showroom Building and SkyVillas Tower as well as a portion of the One Balete Building are leased out to individuals and corporate entities. In 2025, the Parent Company generated a total of ₱78.50 Million lease income from these properties.

El Retiro property in Baguio City

On December 16, 2020, RLT and PPMI entered into a Lease and Hotel Management Services Agreement, wherein the latter leased the said property from the former, with the end in view of operating and managing El Retiro into a luxury, serviced residence and to cater to special events and functions such as weddings and baptisms.

Mortgage, lien or encumbrance over some properties

The Parent Company has some parcels of land and condominium units in Skyline tower, SkyVillas Tower and in Tektite Towers that are mortgaged with the Philippine Bank of Communications (**PBCOM**) and with the Philippine National Bank (**PNB**).

Item 3. Legal Proceedings

The Parent Company is involved in certain claims and pending lawsuits arising in the ordinary course of business which are either pending decision by the courts or under negotiation.

Certain subsidiaries are defendants or parties in various lawsuits and claims involving civil and labor cases. In the opinion of the subsidiaries' management, these lawsuits and claims, if decided adversely, will not involve sums having material effect on the subsidiaries' financial position or results of operations.

Management believes that the final settlement, if any, of the foregoing lawsuits or claims would not adversely affect the Parent Company's financial position or results of operations.

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

There were no matters submitted to a vote of security holders during the fourth quarter of the calendar year covered by this report.

Part II
SECURITIES OF THE REGISTRANT

Item 5. <u>Market for Registrant's Common Shares and Related Stockholder Matters</u>

<u>Market Information</u>

Principal market for the Registrant's Common shares: Philippine Stock Exchange

High and Low Sales Prices for each quarter for years 2023, 2024, and 2025 based on Philippine Stock Exchange's Daily Quotation Report

	2023		2024		2025	
	High	**High**	**High**	**Low**	**High**	**Low**
1st Quarter	0.21	0.19	0.14	0.14	0.14	0.12
2nd Quarter	0.14	0.13	0.16	0.15	0.12	0.12
3rd Quarter	0.19	0.18	0.14	0.13	0.12	0.11
4th Quarter	0.14	0.14	0.13	0.12	0.11	0.11

<u>Holders</u>

As of December 31, 2025, the Parent Company has 2,303 stockholders. The list of the top 20 stockholders of the Parent Company as of December 31, 2025 appears below:

Name of Stockholder	Citizenship	No. of Shares	Percentage (%)
Greenhills Properties, Inc.	Filipino	5,933,556,844	65.20%
PCD Nominee Corporation	Filipino	2,182,509,843	23.98%
Campos, Lanuza & Co., Inc.	Filipino	275,196,201	3.02%
Gerardo Domenico Antonio V. Lanuza	Filipino	219,843,366	2.42%
PCD Nominee Corporation - NF	Filipino	69,598,972	0.76%
Belson Securities, Inc.	Filipino	30,580,956	0.34%
Socorro C. Ramos	Filipino	21,291,750	0.23%
Brisot Economic Dev. Corp	Filipino	15,280,621	0.17%
Vulcan Industrial & Mining Corp.	Filipino	15,159,434	0.17%
Ramon de Leon	Filipino	11,810,854	0.13%
Calixto Laureano	Filipino	11,810,854	0.13%
Ricardo Leong	Filipino	11,810,854	0.13%
Oscar S. Cu ITF Anthony Cu	Filipino	7,390,000	0.08%
Meridian Securities	Filipino	6,269,888	0.07%
Guoco Sec (Phils) Inc.	Filipino	5,961,532	0.07%
Guild Securities	Filipino	5,598,162	0.06%
E. Chua Chiaco Securities, Inc.	Filipino	5,538,016	0.06%
Citisecurities, Inc.	Filipino	5,408,078	0.06%
National Bookstore, Inc.	Filipino	5,393,450	0.06%
Wellington Chan	Filipino	5,185,801	0.06%
Total		**8,845,195,476**	**97.20%**

Dividends

No dividend was declared by the Parent Company since its last declaration on October 24, 1995. There have been no unappropriated retained earnings distributed to stockholders since 1997. In 1996, the Board of Directors approved the appropriation of ₱250 Million of the Parent Company's retained earnings for the purchase of its own capital stock. In 2018, the Board of Directors approved the reclassification of ₱140.3 Million Appropriated Retained Earnings for Treasury Stock Acquisitions to Unappropriated Retained Earnings.

Recent Sales of Unregistered Securities

For the year 2025, the Parent Company had no sales of unregistered securities.

Part III
FINANCIAL INFORMATION

Item 6. Management's Discussion and Analysis of Financial Condition or Results of Operation

I. REVIEW OF CONSOLIDATED STATEMENT OF INCOME FOR THE PERIOD ENDING DECEMBER 31, 2025 vs. DECEMBER 31, 2024

For the years ended December 31 (In millions)				
	2025 (Audited)	**2024 (Audited)**	**Change in Peso**	**Change in Percentage**
Revenue				
Sales of real estate	₱23	₱54	(₱31)	(57%)
Rent	86	78	8	10%
Management fees	38	43	(5)	(12%)
Interest income	11	11	-	-
Commission	7	10	(3)	(30%)
Other income	106	187	(81)	(43%)
TOTAL	**271**	**383**	**(112)**	**(29%)**
Costs and Expenses				
Cost of real estate sold	2	34	(32)	(94%)
Cost of services	80	79	1	1%
General and administrative	226	260	(34)	(13%)
Finance cost	81	89	(8)	(9%)
Equity in net loss of associates	1	2	(1)	(50%)
Other expenses	93	-	93	100%
TOTAL	**482**	**464**	**18**	**4%**
LOSS BEFORE INCOME TAX	(211)	(81)	130	160%
INCOME TAX EXPENSE (BENEFIT)	(148)	40	188	470%
NET LOSS	**(₱63)**	**(₱121)**	**₱58**	**₱48%**
OTHER COMPREHENSIVE INCOME	18	8	10	125%
TOTAL COMPREHENSIVE LOSS	**(₱45)**	**(₱113)**	**₱68**	**60%**

1. **Consolidated net loss after tax**. Philippine Realty and Holdings Corporation posted net loss after tax of **₱63 Million** for the 12 months ended December 31, 2025 compared to ₱121 Million net loss after tax for the same period last year. The decrease in the Company's net loss is explained below.

   a. **Income**

      1. **Sales of real estate.** Sales of real estate decreased by ₱31 Million or by 57% for the 12 months ended December 31, 2025 compared to the sales of real estate for the same period in 2024. Sales of real estate pertains to units sold at the Skyline and SkyVillas Towers located in Quezon City, and at The Icon Plaza located in Bonifacio Global City.

      2. **Rent.** Rental Income increased by ₱8 Million or 10% due to the origination of new lease contracts.

3. **Management fees.** Property management fees decreased by ₱5 Million or by 12% due to the termination by PRHC Property Managers, Inc. (**PPMI**) of its property management contract with one of its clients during the year.

4. **Commission income.** Commission income decreased by ₱3 Million or by 30% due to the decrease in the number of clients of Tektite Insurance Agency, Inc. (**TIAI**).

5. **Other income.** Other income for the twelve months ended December 31, 2025 decreased by ₱81 Million or by 43% compared to the twelve months ended December 31, 2024. Other income consists largely of Gain on fair value changes in Investment Properties that decreased by ₱60 Million in 2025 or by 38% compared to 2024. Investment Properties consist largely of land, commercial, office, storage condominium units as well as office and residential parking spaces held to earn rentals or for capital appreciation (or both). The Group's office/commercial units, storage units and parking spaces located in the Tektite Towers, residential and office/commercial units as well as parking spaces in The Icon Plaza and Icon Residences, both located in the BGC, The El Retiro Mansion in Baguio City, and commercial lots in San Fernando City, La Union, are all classified as Investment Properties.

b. Costs and Expenses

1. **Cost of real estate sold**. In terms of percentage to Sales of real estate, Cost of real estate sold decreased to 9% in 2025 whereas it was at 63% of Sales of real estate for the same period in 2024 as the units sold in 2025 had very low carrying value.

2. **Cost of services.** The cost of service increased to ₱80 Million from ₱79 Million in 2025 compared to the same period last year due to higher expenses incurred by the Parent Company and its property management subsidiary in terms of Condominium dues, Utilities, and Commissions.

3. **General and administrative expenses.** General and administrative expenses decreased by ₱34 Million or by 13%, mainly due to decrease in Provision for impairment loss on trade and other receivables, Repairs and maintenance, Marketing expense, Representation and entertainment, and implementation of cost rationalization measures.

4. **Finance cost.** The decrease in Finance Cost in the amount of ₱8 million was due to reduced amount of borrowings that are not related to the Unico Project.

5. **Equity in net loss of associates.** The 50% decrease in this account was due to lower Net loss by the Associate company of the Parent Company.

6. **Other expenses.** The ₱93 million increase in Other Expenses was due mainly to the early termination in 2025 of the sublease contracts on the properties located along 5th Avenue in the BGC.

The Parent Company entered into a sublease contract relating to one of the parcels of land being leased in BGC. This agreement was assessed by the management to be of a finance lease and is renewable at the end of the lease term of initially fifteen (15) years upon mutual consent of the parties.

During the reporting period, the Parent Company, as lessee, experienced the early termination of the non-cancellable head lease for a parcel of land located in BGC by the property owner. The lease was originally set to expire in 2032. As a result of the termination, the right-of-use asset with a carrying amount of ₱63.4 million and the lease liability of ₱66.2 million were derecognized. The net effect of these derecognitions, after accounting for any compensation paid or received, resulted in a loss of ₱2.8 million, which was recognized in profit or loss within Other expenses.

As mentioned, the head lease for this parcel of land was terminated. Consequently, the related sublease agreement with the sublessee was also terminated. As a result of the termination, the net investment in sublease with a carrying amount of ₱153.5 million and the lease liability of ₱63.4 million were derecognized. The net effect of these derecognitions, after accounting for any compensation paid or received, resulted in a loss of ₱90.1 million, which was recognized in profit or loss within other expenses.

7. **Income Tax expense (benefit).** The decrease in Income Tax Expense by ₱188 Million was due to the following adjustments:

    a. Reduction of Deferred Tax Liability because of the reduction in the tax rate on the transfer of the Parent Company's BGC-property to Investment in Subsidiar (via Redeemable Preferred shares in a property-for-share swap transaction).

    b. Recognition of Deferred Tax Assets relating to Net Operating Loss Carry-Over.

    c. Reversal of Deferred Tax Liability due to early termination of the non-cancellable head lease for a parcel of land located in BGC by the property owner and consequently the termination of the related sublease agreement of the Parent Company with the sublessee.

c. **Other Comprehensive income (loss).** The increase in Other comprehensive income was due to remeasurement gain on retirement benefit obligations and unrealized holding gain on financial assets at Fair Value through Other Comprehensive Income (FVOCI).

d. **Subsidiaries.**

The contributions of the Parent Company's subsidiaries to revenues and net income are shown below.

1. **PRHC Property Managers, Inc. (PPMI)**. The Parent Company's property management subsidiary registered a Total Comprehensive loss of ₱8.0

Million for the twelve months ended December 31, 2025. It is lower by ₱17 Million compared to the Total Comprehensive income of ₱9 Million registered by PPMI for the same period last year.

2. **<u>Tektite Insurance Agency, Inc. (TIAI)</u>**. The Group's insurance brokerage firm posted Total Comprehensive Income of ₱1.9 Million for the twelve months ended December 31, 2025 which is lower by ₱2.4 Million compared to the ₱4.3 Million Total Comprehensive Income registered by TIAI for the same period last year.

II. REVIEW OF CONSOLIDATED STATEMENT OF FINANCIAL POSITION FOR THE PERIOD ENDING DECEMBER 31, 2025 VS. DECEMBER 31, 2024

As of December 31 (In millions)				
	2025 (Audited)	2024 (Audited)	Change in Peso	Change in Percentage
Assets				
Cash and cash equivalents	₱68	₱212	(₱144)	(68%)
Financial assets	49	35	14	40%
Trade and other receivables – net	257	379	(122)	(32%)
Real estate inventories	2,948	2,396	552	23%
Prepayments and other assets – net	971	995	(24)	2%
Investments in and advances to associates - net	54	54	-	-
Property and equipment – net	72	84	(12)	(14%)
Investment properties – net	5,451	5,326	125	2%
Other Assets	-	249	(249)	(100%)
TOTAL ASSETS	**₱9,870**	**₱9,730**	**₱140**	**1%**
Liabilities				
Trade and other payables	₱446	₱306	₱140	46%
Loans and Notes Payable	2,210	1,842	368	20%
Retirement benefit obligation	95	91	4	4%
Other liabilities	655	975	(320)	(33%)
TOTAL	**3,406**	**3,214**	**192**	**6%**
Equity				
Capital stock	5,053	5,056	3	0%
Reserves	72	54	18	33%
Retained Earnings	1,494	1,557	(63)	(4%)
Treasury Stock	(110)	(110)	-	-
Equity attributable to equity holders of the parent	**6,509**	**6,557**	**(48)**	**(1%)**
Minority interest	(45)	(41)	(3)	(7%)
TOTAL	**₱6,464**	**₱6,516**	**(₱52)**	**1%**
TOTAL LIABILITIES AND EQUITY	**₱9,870**	**₱9,730**	**₱140**	**1%**

1. **Total assets**. The Group's Total assets stood at ₱9.9 Billion as of December 31, 2025, higher by ₱140 Million compared to the ₱9.7 Billion level of Total assets as of December 31, 2024.

   Cash and cash equivalents decreased by ₱144 Million due to the payment of loans, advances made to Contractors for the ongoing construction of Unico, an upscale condominium project of the Parent Company, Finance Costs paid, etc.

   Financial Assets increased by ₱14 Million or by 40% due to the fair value gains attributable to the Parent Company's stock investments.

   Trade and Other Receivables – Net decreased by ₱122 Million or by 32% due to the collection of turnover balances on the sale of real estates.

Real Estate Inventories increased by ₱552 million or 23% mainly due to additional construction costs charged to the Parent Company's Unico residential tower project.

Property and equipment – Net decreased by ₱12 million, or 14%, due to the Annual depreciation recorded by the Group.

Other assets decreased by 100% due to the early termination of the non-cancellable head lease for a parcel of land located in BGC by the property owner and consequently the related cancellation of the sublease agreement with the sublessee. As a result of the termination, the Right-of-Use Asset and Net Investment in Sublease were derecognized.

2. **Total liabilities.** Total liabilities increased by ₱192 Million largely due to additional loans acquired by the Parent Company, and increase in trade payables, due to the ongoing construction of RLT's Unico project in the BGC.

Trade and other payables increased by ₱140 million due to the increase in the Parent Company's obligations to contractors in connection with the Unico project.

Loans and notes payable increased by 20% due to the additional loans availed by the Parent Company for the construction and development of its Unico residential tower project during the period.

Other Liabilities are comprised of Lease Liability and Deferred Tax Liability. The decrease of ₱320 million was mainly due to the following:

- The early termination of the non-cancellable head lease for a parcel of land located in BGC by the property owner and consequently the related cancellation of the sublease agreement with the sublessee. As a result of the termination, the lease liability was derecognized.
- The reduction in Deferred Tax Liability was also caused by the reduction in the tax rate on the transfer of the Parent Company's Investment Property (a BGC property) to Investment in Subsidiary (via Redeemable Preferred shares) in a property-for-share swap transaction.

3. **Total Equity.** Total equity was recorded at ₱6.46 Billion as of December 31, 2025, lower by ₱52 Million compared to ₱6.52 Billion as of December 31, 2024.

Reserves increase by ₱18 million due to the fair value gains attributable to the Parent Company's stock investments.

Retained Earnings decreased by ₱63 million due mainly to the Net loss reported by the Parent Company.

III. Performance Indicators

The table below presents the comparative performance indicators of the Parent Company and its subsidiaries.

Performance Indicators	31 December 2025 Audited	31 December 2024 Audited
Current ratio[1]	3.84:1	3.28:1
Debt-to-equity ratio[2]	0.53:1	0.49:1
Asset-to-equity ratio[3]	1.53:1	1.49:1
Book value per share[4]	₱0.75	₱0.75
Earnings (loss) per share[5]	(₱0.01)	(₱0.01)

[1] *Current assets / current liabilities*
[2] *Total debt / consolidated stockholders' equity*
[3] *Total assets / Total stockholders' equity*
[4] *Total stockholders' equity plus Subscriptions receivable / No. of shares outstanding*
[5] *Net income attributable to equity holders of Parent Company / Weighted average no. of common shares issued and outstanding*

The table above reflects the consistent favorable performance of the RLT Group in terms of solvency, liquidity, and profitability. The steady performance of debt-to-equity ratios and asset-to-equity ratios of the RLT Group for the periods under review demonstrate that the Parent Company's real estate business is currently being managed prudently.

1. **Current ratio. T**he Group's current ratio improved to 3.84:1 in December 2025 from 3.28:1 in December 2024.

2. **Debt-to-equity ratio.** The RLT Group's debt-to-equity ratio in spite of incurring additional loans remained acceptable and very conservative at 0.53:1 as of end-2025 and 0.49: 1 as of end-2024.

3. **Asset-to-equity ratio.** Similarly, the asset-to-equity ratio of the Company also remained very conservative at 1.53:1 in December 2025 from 1.49:1 as of December 2024.

4. **Book value per share.** The performance of the RLT Group's Book value per share remained steady at ₱0.75 per share as of end-December 2025 and 2024.

   There was no issuance, repurchase or payment/repayment of either debt and equity securities nor dividends during the year 2024.

   As of this report, there is no other known event that will trigger direct or contingent financial obligation that is material to the Company. Moreover, there is no material off-balance sheet transaction, arrangement, obligation, and other relationship of the Company with unconsolidated entities or other persons created during this period.

5. **Earnings (loss) per share**. The Company registered a (₱0.01) loss per share as of year-end 2025.

There are no known events, trends or uncertainties that have material impact on liquidity and will trigger direct or contingent financial obligations including any default or acceleration of an obligation for the twelve months ended period December 31, 2024. Moreover, for this period there is also no known material:

i. Off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the company with unconsolidated entities or other persons;
ii. Commitments for capital expenditures, general purpose of such commitments, expected sources of funds for such expenditures;
iii. Events, trends or uncertainties that have material impact on Sales;
iv. Any significant elements of income or loss that did not arise from the registrant's continuing operations;
v. Seasonal aspects that have material effect on the financial statements.

Item 7. 2025 Consolidated Financial Statements of Philippine Realty and Holdings Corporation and its Subsidiaries.

Please refer to ANNEX B.

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

The auditing and accounting firm of Maceda Valencia & Co. is the Parent Company’s and the RLT Group’s Independent Certified Public Accountants appointed in the 2025 Annual Stockholders’ Meeting. There was no event where Maceda Valencia & Co. and the Company had any disagreement regarding any matter relating to accounting principles or practices, financial statement disclosure or auditing scope or procedures.

Audit and Audit Related Fees

The professional fees of independent auditors Maceda Valencia & Co. for 2025 and 2024 amounted ₱1,250,000 and ₱1,125,000 exclusive of VAT, respectively. Out of pocket expenses are pegged at 15% of audit fees for 2025 and for 2024.

Tax Fees

In 2025, the Parent Company did not engage the services of Maceda Valencia & Co. for tax consulting services.

PART IV
MANAGEMENT AND CERTAIN SECURITY HOLDERS

Item 9. Directors and Executive Officers of the Registrant

The write-ups below include positions held as of December 31, 2025 and in the past five years, and personal data as of December 31, 2025 of directors and executive officers.

Board of Directors

Gerardo Domenico Antonio V. Lanuza	Chairman
Renato G. Nuñez	Vice-Chairman / Independent Director
Gerardo O. Lanuza, Jr.	Chairman Emeritus
Antonio O. Olbes	Vice-Chairman Emeritus
Edmundo C. Medrano	Member
Andrew C. Ng	Member
Amador C. Bacani	Member
Chiara Rosario Julia V. Lanuza-Paredes	Member
Jomark O. Arollado	Independent Director
Alfonso Martin E. Eizmendi	Independent Director
Rosalinda Y. Basas	Independent Director

Gerardo Domenico Antonio V. Lanuza / 42 – Filipino

Chairman of the Board of Philippine Realty and Holdings Corporation since June 2019 and a member of the Board of Directors since January 2009. He was Executive Vice President and Chief Operating Officer of Philippine Realty and Holdings Corporation from 2014 to 2019 and was Vice President for Special Projects in 2010. He is also a Director and President of Three Corners Realty Corporation. He is a director at various companies such as Greenhills Properties Inc., British United Automotive Corp., A. Brown Co. Inc., Klassik Motors Corp., and Campos, Lanuza & Co. Inc., where he also serves as the Vice President for Sales. He earned his Bachelor of Science degree in Legal Management at the De La Salle University, Manila in 2006.

Renato G. Nuñez / 56 (Independent Director) - Filipino

Vice-Chairman and Independent Director of Philippine Realty and Holdings Corporation since 2015. Mr. Nuñez is also the current Chairman and Independent Director of PRHC Property Managers Inc. He was the President of CATS Motors, Inc. until June 30, 2023. He is currently the President of Techglobal Data Center, Inc., Techzone Philippines, Inc., LIA Philfoods, Inc., and Everland Estate Development Corp. Moreover, he is also a current Director of All British Cars, Inc., Cambie Property, Inc. Coventry Motors Corp., and Total Consolidated Asset Management, Inc. Previously, he served as Vice President of Leisure & Resorts World Corp., as well as Vice President of Midas Hotel & Casino. He was once the Managing Director of Blue Chip Gaming & Leisure Corp., Vice President and Director of AB Leisure Global, Inc., President of Arwen Gaming & Leisure Specialist, Inc., Vice President for Finance of Binondo Leisure and Resort Corp., and Vice President of AB Leisure Exponent., Inc. He completed his BS Industrial Management Engineering degree Minor in Mechanical Engineering at De La Salle University in 1991.

Gerardo Lanuza, Jr. / 79 – Spanish / Filipino

Chairman Emeritus of the Board of Philippine Realty and Holdings Corporation. Mr. Lanuza has been a Director of Philippine Realty and Holdings Corporation since 1981. He is the Chairman and President of Greenhills Properties Inc. He is also the Chairman of Three Corners Realty Corporation. He sits as a Director in the following corporations: Gerzon Management Corporation, Broadford Property Holdings Inc., Merdom Corporation, Al Husn Manila, Inc., Domera Trading Corporation, Chiamil Trading Corporation, Nicora Trading Corporation, Xcell Property Ventures Inc., Julnad Assets Holdings Inc., Mernic Assets Holdings Inc., La Bodequita del Medio Inc., Merlan Holdings Inc., Peridot Asset Holdings Inc., Penzance Properties Holdings Corporation, Ju-Lan Assets Holdings Co. Inc., and Stonehaven Realty Services Inc. He is the nominee of Campos Lanuza & Co. Inc. to the Philippine Stock Exchange. He also serves as Treasurer of Lanuza Asset Holding Co. He was formerly Chairman of International Exchange Bank (**IBank**), Vice Chairman of Philippine Racing Club Inc., Vice President and Director of Makati Stock Exchange, Inc. and Director of Vulcan Industrial & Mining Corporation, Golden Arrow Mining Co., Inc., Apex Mining Co. Inc., Concrete Aggregates Corp., Philippine Overseas Drilling and Oil Development Corp., Surigao Consolidated Mining Co., Inc. and A. Brown Company, Inc. He is a member of the Pasay-Makati Realtors Board, Inc. and Chamber of Real Estate and Builders Association, Inc. He graduated from De La Salle College with a degree in Bachelor of Science in Mechanical Engineering in 1969.

Antonio O. Olbes / 79 - Filipino

Vice-Chairman Emeritus of the Philippine Realty and Holdings Corporation. Mr. Olbes has been a Director of RLT since 1986. He is also a Director of Three Corners Realty Corporation. He had previously served as Chairman and President of Meridian Assurance Corp. from 1994-2008, and President of Raco Trading Phils., Inc. He was formerly a manager at Sycip, Gorres, Velayo & Co., and was Executive Vice President, in charge of trading, at Francisco de Asia and Co. He held a number of directorships, which includes seats in the following groups: PRHC Property Managers, Inc., Greenhills Properties Inc. (Treasurer), Universal Travel Corporation (Vice-Chairman), ICON Tower Residences, Green Vista Development Corporation, SEBLO Business Holdings Corporation, and Xcell Properties. He was also named Honorary Consul General (in the Philippines) for the Republic of Nicaragua. He earned his Bachelor of Arts degree in Economics at Holy Cross College, Massachusetts, USA, and his master’s degree in business administration from Bobson College, Massachusetts, USA. He completed his Advanced Management Program at Oxford University, United Kingdom, in July 1995.

Edmundo C. Medrano / 72 – Filipino

Mr. Medrano, a Director of Philippine Realty and Holdings Corporation since June 2019. He was appointed as President of the Company on June 30, 2023. Previously, he was appointed as Executive Vice President and Treasurer and Compliance Officer of the Company and prior to that, as Senior Vice President and Treasurer and Compliance Officer. He was elected in 2018 as an Independent Director at Credit Information Corporation representing the private sector and Chairman of its Audit Committee. He is currently a member of the Board of Directors of Three Corners Realty Corporation, Greenhills Properties, Inc., PRHC Property Managers, Inc., Universal Travel Corporation, Sultan’s Power Inc. and Recon-X Energy Corporation. He previously held the positions of Executive Vice President at Philtrust Bank; Vice Chairman, President and Chief Operating Officer at Producers Savings Bank

Corporation; Senior Vice President at Asiatrust Development Bank; Senior Vice President at AB Capital and Investment Corporation and Head of Investment Banking and concurrently General Manager of AB Leasing and Finance Corporation; and First Vice President at AsianBank Corporation. He took his Master of Business Management at the Asian Institute of Management from 1974 to 1976. He graduated from De La Salle College with a Degree of Bachelor of Science in Commerce major in Accounting in 1974, ***Cum Laude***, and Bachelor of Arts major in Economics in 1974, ***Cum Laude***.

Andrew C. Ng / 42 – Filipino

Mr. Ng was first elected as Director of RLT on August 2009. He is Vice President of Alpha Alleanza Manufacturing, Inc. Philippines since 2009. He was formerly the Assistant Operations Manager Trainee of Pinncale Foods, Inc., Philippines, serving from 2005 to 2009, and was a Management Trainee at Procter & Gamble Philippines in 2004. He earned his Bachelor of Science degree in Industrial Engineering at De La Salle University, Manila in 2005.

Amador C. Bacani / 77 – Filipino

Mr. Bacani has served as a Director of RLT since 1998. He was formerly the President of Philippine Realty and Holdings Corporation from 2002 to 2014. He also worked in the same Company as Executive Vice President from 1995 to 2002. He is currently the President of Xcell Property Ventures, Inc. (a joint venture partner of the Company). Previously, he was First Vice President and Head of Consumer Banking Group of Rizal Commercial Banking Corporation and served as First Vice President & Head of Branches Operations Support Division as well. He held several other high-level positions in Campos, Lanuza & Co. Inc., Decision Systems Corporation, Security Bank and Trust Company, Allied Banking Corporation, Asian Merchant Finance Inc., Bank of the Philippine Islands, Citibank, N.A. (Manila), and Procter & Gamble Phils., Inc. He graduated with a Bachelor of Science degree in Mechanical Engineering, ***Summa Cum Laude***, from De La Salle College in 1969, and earned his Master of Science in Industrial Administration degree at the Carnegie-Mellon, USA, in 1972.

Jomark O. Arollado / 42 (Independent Director) – Filipino

Mr. Arollado has been an Independent Director of RLT since June 2017. Served as Plant Manager and Strategic Business Unit (**SBU**) Head of Rapid Forming Corporation since 2013. Previously, he was also a Plant Manager of Silangan Philtrade Corporation, serving from 2011 to 2012. His first professional stint at Rapid Forming Corporation was in 2006 as the SBU head. Prior, he worked as the ISO Document Controller at SGV & Co. in 2004. He graduated with a Bachelor of Science degree in Industrial Engineering at Dela Salle University Manila in 2005.

Alfonso Martin E. Eizmendi / 61 (Independent Director) - Filipino

Mr. Eizmendi has been an Independent Director of RLT since June 2017. President and CEO of Royal Link Industries Inc., Yields Financial Corporation, Park Cent Tower Realty Corp., and WGP Villa Realty Corp. Aside from Philippine Realty and Holdings Corp., he is also a Director of Meridian Assurance Corp. Secret 6 Inc., CleanPro, Director and President of The Icon Plaza Condominium Corp., Frimar Realty and Frimar USA. He was formerly the Vice-Chairman of Vi@je Corp. from 2000 to 2001, and Chairman of Blue Star Insurance

Brokerage from 1998 to 2001. He graduated from De La Salle University in 1986 with a bachelor's degree in Political Science.

Chiara Rosario Julia L. Paredes /35 (Director) - Filipino

Ms. Paredes was elected as Director in the June 30, 2023 annual stockholders meeting. She is currently a member of the Board of Director of Recon–X Energy Corporation and Vice President of Sultan's Power Inc. She is currently a Research Assistant at De La Salle University and she was an Assistant Instructor in the same university. She graduated with a Bachelor of Science in Physics with Specialization in Materials Science, ***Summa Cum Laude***, from De La Salle University in 2013, and earned her Master of Science in Physics at De La Salle University in 2016. She finished her Doctoral degree (Doctor of Philosophy in Physics) from De La Salle University in 2022.

Rosalinda Y. Basas / 76 (Director)- Filipino

Ms. Basas was elected as Independent Director on special Board Meeting on May 27, 2025. She was an accomplished educator and administrator with over five decades of leadership and teaching experience across local and international institutions. She currently serves as the College President at Saint Pedro Poveda College and Executive Director of the Empowering Brilliant Minds Foundation. Ms. Basas has held numerous executive roles, including President of the Teresian Association Asia (Japan, Taiwan, and Philippines), Executive Vice-President and Board Secretary at the Sangguniang Laiko ng Pilipinas. She was a former Chairman of the Board of Trustees and Board Secretary at the Institucion Teresiana de Educacion y Cultura. Her educational initiatives have led her to contribute globally at the Teresian Association as a General Council Member in Italy and as a Supervisor for Schools and Projects in Central Africa and Europe. Her academic background includes a B.S. in Pre-Med from the University of San Agustin in 1969, a master's degree in Educational Administration from Philippine Normal University in 1992, and postgraduate studies in the same field.

Key Executive Officers

Gerardo Domenico Antonio V. Lanuza	Chairman of the Board
Edmundo C. Medrano	President
Erwin V. Ciar	Vice President and Head, Project Construction and Management
Carlos Miguel T. Paca[1]	Vice President and Head, Business Development and Investment Relations Officer
Richard Nicolas K. Go	Vice President and Head, Sales
Marissa S. Bontogon	Vice President and Treasurer and Risk Officer
Mark Anthony M. Ramos	Vice President and Controller and Compliance Officer

Erwin V. Ciar / 51 – Filipino

Vice President and Head, Project Construction and Management of Philippine Realty and Holdings Corporation since September 2014. He is a Director and the President, of Charcoal Food Services Inc. He is also Member of Board of Directors and Treasurer of PRHC Property Managers Inc. He is a Director at Andrea North Condominium Corporation, and Recon-X

[1] Resigned effective March 31, 2026

Energy Corporation. Mr. Ciar has extensive work experience for twenty-three years in the fields of project and construction management, construction supervision and contract management. He was the Vice Director for PCMD at Bitexco Group of Companies from 2008 to 2014. He graduated from the Pamantasan ng Lungsod ng Maynila in 1996 with a Bachelor of Science Degree in Civil Engineering.

Richard Nicolas K. Go / 43 – Filipino

Mr. Go is currently the Vice President and Head of Sales of Philippine Realty and Holdings Corporation. He held this position since June 2017. He previously worked as Sales Manager at Arthaland Corporation. He graduated from De La Salle University College of Saint Benilde in 2004 with a degree in Hotel, Restaurant and Institution Management.

Marissa S. Bontogon / 53 – Filipino

Vice President and Treasurer and Risk Officer of Philippine Realty and Holdings Corporation. She held her position as Vice President since August 2020 and as Treasurer and Risk Officer since June 30, 2023. She is a Certified Public Accountant and Certified Financial Consultant. She received her Bachelor of Science in Accountancy Degree from De La Salle University in 1992.

Atty. Rex P. Bonifacio / 54 – Filipino

Atty. Bonifacio is the current Corporate Secretary of Philippine Realty and Holdings Corporation. Concurrently, he is also the Corporate Secretary of Philippine Stock Exchange Centre Condominium Corporation and a Partner at Pastelero Law Office. He finished his Pre law at San Sebastian College Recoletos Manila in 1992 with a degree of AB Political Science, ***Cum Laude***. In 1996, he completed his Bachelor of Laws degree in San Sebastian College of Law.

Mark Anthony M. Ramos / 42 – Filipino

Mr. Ramos concurrently holds the positions of Vice President and Controller and Compliance Officer. He was appointed by the Board of Directors of Philippine Realty and Holdings Corporation to the positions of Vice President and Controller and Compliance Officer on June 30, 2023. He is a Certified Public Accountant and Certified Internal Auditor. He earned his Masters in Business Administration from Ateneo Graduate School of Business. He graduated from the Philippine School of Business Administration with a Degree of Bachelor of Science in Accountancy in 2003, ***Cum Laude.***

Significant Employees

Any director or officer who may be elected is expected to make significant contributions to the operations and business of the Corporation. Likewise, each employee is expected to do his share in achieving the Company's set goals.

Family Relationships

Mr. Gerardo Lanuza, Jr., Chairman Emeritus of the Board, is the first cousin of Mr. Antonio O. Olbes, and father of Chairman of the Board, Mr. Gerardo Domenico Antonio V. Lanuza, as well as of Director Chiara Rosario Julia L. Paredes.

Involvement in Certain Legal Proceedings (over the past five years)

None of the Directors or Executive Officers is involved in any material pending legal proceedings in any court or administrative agency of the government as of December 31, 2025.

Item 10. <u>Executive Compensation</u>

	Year	Salary	Bonus	Per Diem	Other Annual Compensation	Total
(i). CEO and all individuals serving as the registrant's CEO or acting in a similar capacity during the last completed fiscal year.						
*Gerardo Domenico Antonio V. Lanuza **Alfredo S. Del Rosario, Jr. ***Edmundo C. Medrano	2023- Actual 2024- Actual 2025- Actual	₱19.5M 16.0M 16.4M	None None None	₱0.07M 0.07M 0.07M	None None None	₱19.57M 16.07M 16.47M
(ii) the registrant's four most highly compensated executive officers other than the CEO who were serving as executive officers at the end of the last completed fiscal year						
Carlos T. Paca (VP Business Development); Erwin V. Ciar (VP Project and Construction Mgt); Marissa S. Bontogon (VP Controller); Susan S. Carag (VP Property Management)	2023- Actual 2024- Actual 2025- Actual	₱13.37M 13.51M 10.70M	None None None	None None None	None None None	₱13.37M 13.51M 10.70M
(iii) All other officers and directors as a group unnamed	2023-Actual 2024- Actual 2025- Actual	₱4.01M 4.31M 4.32M	None None None	None None None	None None None	₱4.01M 4.31M 4.32M

**On February 21, 2023, the Board of Directors approved the resignation of Mr. Alfredo S. Del Rosario, Jr. as Director, President and Chief Executive Officer for health reasons effective February 28, 2023;*
***Election of Mr. Gerardo Domenico Antonio V. Lanuza as President to serve the unexpired term of Mr. Del Rosario Jr.;*
**** Mr. Edmundo C. Medrano was elected as President vice Mr. Gerardo Domenico Antonio V. Lanuza on June 30, 2023.*

The Executive Officers are elected annually by the Board of Directors, at its first meeting following the annual stockholders' meeting. Every officer, including the President, is subject to removal at any time by the Board of Directors. All officers hold office for one year and until their successors shall have been duly elected and qualified; *Provided* that any officer elected to fill any vacancy shall hold office only for the unexpired term of the office filled.

The compensation of the Company's executive officers is fixed by the Board of Directors. They are covered by contract of employment and as such they are entitled to all the benefits accruing to salaried employees of the Company.

Compensation of Directors

Directors are entitled to a per diem of ₱6,000 and ₱4,000 allowance for meals and transportation for board meetings attended except for Independent Directors who receive per diem of ₱20,000.00. In addition, the Board of Directors is entitled to a portion of the 5% of Net Income before Tax as profit-sharing incentive for directors, officers and staff.

The directors of the Registrant received per diem in the amount of ₱1,530,000 ₱1,220,000, and ₱1,254,000, for 2025, 2024, and 2023, respectively.

Item 11. <u>Security Ownership of Certain Beneficial Owners and Management</u>

a. The following persons are known to the Company to be directly or indirectly the record or beneficial owner of more than 5% of the Company's voting security as at December 31, 2025.

Title	Name and Address of Record / Beneficial Owner	Record / Beneficial Ownership	Citizenship	Number of Shares Owned	% Owned
Common	Greenhills Properties, Inc. E-2003B, PSE Centre Exchange Road, Pasig City	"B"	Filipino	5,933,556,844 shares	65.20%
Common	PCD Nominee Corp. MSE Bldg., Ayala Avenue, Makati	"R"	Filipino / Non-Filipino	2,182,509,843 shares	23.98%
Common	Campos, Lanuza & Co., Inc E-2003B, PSE Centre Exchange Road, Pasig City	"R" / "B"	Filipino / American / Spanish / Others	1,664,584,872 shares	18.29%

Note: Greenhills Properties, Inc. is represented by its President, Gerardo O. Lanuza, Jr. and Treasurer, Antonio O. Olbes.

Campos, Lanuza & Co., Inc. is represented by its Chairman, Corazon V. Lanuza and its President and CEO, Antonio U. Reyes-Cuerva.

PCD Nominee holds 23.98% interest. PCD Nominee is the registered owner of shares beneficially owned by participants in the PCD. Campos, Lanuza & Co. Inc., is a participant of PCD owning 18.29% of the Parent Company's voting securities.

b. Shares held by Directors and Executive Officers as reported by Transfer Agent as of 31st December 2025

Title of Class	Name of Beneficial Owner	Amount and Nature of Class		Citizenship	% Owned
		Direct	Indirect		
Common	Gerardo O. Lanuza, Jr.	2,174,024	204,911,203	Spanish/Filipino	2.28
Common	Antonio O. Olbes	506,388		Filipino	0.00
Common	Gerardo Domenico Antonio V. Lanuza	226,786,043	65,083,203	Filipino	3.21

Common	Edmundo C. Medrano	6,000,000	-	Filipino	0.07
Common	Andrew C. Ng	84,000	-	Filipino	0.00
Common	Amador C. Bacani	229,980	-	Filipino	0.00
Common	Renato G. Nuñez	10,000	-	Filipino	0.00
Common	Jomark O. Arollado	10,000	-	Filipino	0.00
Common	Alfonso Martin E. Eizmendi	10,000	-	Filipino	0.00
Common	Chiara Rosario Julia L. Paredes	15,150,000	5,000,000	Filipino	0.22
Common	Rosalinda Y. Basas	10,000	-	Filipino	0.00
	Total	**250,970,435**	**274,994,406**		**5.78**

c. Voting Trust Holders of 5% or more

RLT does not know of any person/s holding more than 5% of RLT common shares under a voting trust or similar arrangement.

d. Change in Control

At present, there is neither change in control nor is the Parent Company aware of any arrangement that may result in a change in control of the Parent Company since the beginning of the last fiscal year.

Item 12. Certain Relationships and Related Transaction

Related Party Transactions

The Parent Company and its subsidiaries, in their regular conduct of business, have entered into transactions with associates and other related parties principally consisting of advances and reimbursement of expenses. These transactions with subsidiaries, management, leasing and administrative service agreements, purchase of services to and from related parties are made on an arm's length basis and at current market prices at the time of the transactions.

The RLT Group's related party transactions were made in an arm's length basis. There was no special pricing policy between related parties. Further disclosures were made in the Notes to Financial Statements in Note No. 18. The Parent Company is leasing the "El Retiro" property to its subsidiary, PPMI. PPMI, on the other hand, purchased a condominium unit back in 1996 from the Parent Company, which is fully paid as of this date. The Parent Company also secures insurance through subsidiary, TIBI. The Parent Company is given 90-day period within which to settle the premiums, the same period granted to other customers. Also, the Parent Company extends financial assistance to its subsidiary, PPMI for working capital purposes from time to time.

In the transaction involving the exchange of prime real properties of GPI for shares in RLT, two (2) independent property appraisal companies accredited with both the SEC and the PSE were used (and not just one property appraisal company) to determine the fair market values of the properties to be exchanged. Also, the valuation of the RLT common shares was based on the historical 120-day arithmetic average (and not just based on a couple of days) of the Volume Weighted Average Price (**VWAP**) of RLT obtained on a daily basis. Daily volume weighted average prices were used, and 120 days data set was used, to smoothen the peaks and valleys in the said data set.

R. G. Manabat & Co. was also engaged to render a Valuation and Fairness Opinion Report. The result of the Valuation and Fairness Opinion Report prepared for RLT by R. G. Manabat

& Co. determined that the transaction price (and the transaction value) for the issuance of new shares from an increase in the authorized capital stock in favor of GPI in exchange for properties that the GPI will infuse into RLT, is fair.

In the transaction involving the exchange of prime real properties of the Parent Company, RLT for shares in TCRC, an independent property appraisal company accredited with both the SEC and the PSE was used to determine the fair market value of the property to be exchanged.

The Company has not entered into any material transaction nor is it a party to any transaction in which any director, executive officer or significant shareholder of the Company or any member of the immediate family of any of the persons mentioned in the foregoing had or is to have a direct or indirect material interest.

Suppliers

The Company has a broad base of suppliers, contractors and consultants, both local and foreign. The Company is not dependent on one or a limited number of suppliers.

Customers

The Company sells its condominium units to natural and juridical persons.

Government Regulations

Condominium development is governed primarily by P.D. 957 as amended (Regulating the Sales of Subdivision Lots and Condominiums), R.A. No. 4726 (Condominium Act) and R.A. No. 7160 (Local Government Code). Projects are subject to zoning laws of the city or municipality where they are located. Developers are also required to obtain a development permit from the Housing and Land Use Regulatory Board which is also in charge of issuing License to Sell and Certificate of Registration. An Environmental Clearance Certificate must also be secured from the Department of Environment and Natural Resources. The Company has complied with all governmental requirements and there is no pending application with any government agency that requires approval.

Compliance with Corporate Governance (deleted pursuant to SEC Memorandum Circular No. 5 Series of 2013)

PART V
EXHIBITS AND SCHEDULES

Item 13. <u>Exhibits and Reports on SEC Form 11- C</u>

1. **Exhibits/Annex**

   A. 2025 Sustainability report
   B. 2025 Consolidated Financial Statements of Philippine Realty and Holdings Corporation and its Subsidiaries
   C. Subsidiaries of the Registrant

2. **Reports on SEC Form 17-C**

1.	February 18, 2025	RLT's notice on the Annual Stockholder's Meeting for year 2025.
2.	May 27, 2025	Acceptance by the Board of Directors of the resignation of Mr. Gregory G. Yang as director of the Company and election of Rosalinda Y. Basas as Independent Director, to serve the unexpired term of Mr. Gregory G. Yang.
3.	May 22, 2024	Board approval of the formation or incorporation of a wholly owned subsidiary that, shortly after incorporation, will issue shares in favor of RLT in exchange for Lot 4 Block 8 located at the corner of 6th Avenue and 25th Street, Bonifacio Global City, containing an area of 1,600 sq. m. more or less, that will be transferred by RLT in its favor.
4.	June 27, 2025	Result of Annual Stockholders Meeting and new set of Directors for ensuing year.
5.	November 17, 2025	Resignation of Ms. Adeline Susan C. Carag as Vice President and Head, Property Management Service
6.	November 20, 2025	Completion of the tax-free exchange of property for shares transaction by and between Philippine Realty and Holdings Corporation ("RLT" or the "Company") and Three Corners Realty Corporation ("TCRC"), a wholly owned subsidiary. The transaction involved the transfer from the Company of one (1) vacant lot located in Bonifacio Global City ("BGC") in favor of TCRC in exchange for 144,000,000 voting redeemable preferred shares of stock.

SIGNATURES

Pursuant to Section 17 of the SRC and Section 141 of the Corporation Code the Registrant has duly caused this report to be signed in behalf of the undersigned, thereunto duly authorized in Quezon City on MAY 12 2026, 2026.

PHILIPPINE REALTY AND HOLDINGS CORPORATION
Registrant

Pursuant to the requirements of the SRC, this Annual Report has been signed by the following persons in the capacities indicated.

EDMUNDO C. MEDRANO
Director and President

MARISSA S. BONTOGON
Vice President and Treasurer and Risk Officer

MARK ANTHONY M. RAMOS
Vice President and Controller and Compliance Officer

REX P. BONIFACIO
Corporate Secretary

SUBSCRIBED AND SWORN to before me this MAY 12 2026 day of ________, 2026, affiants exhibiting to me their government-issued identification cards, as follows:

Names	ID Number	Date of Issue	Place of Issue
Edmundo C. Medrano	TIN: 134-515-229		
Marissa S. Bontogon	TIN: 162-411-720		
Mark Anthony M. Ramos	TIN: 232-385-404		
Rex P. Bonifacio	TIN: 236-070-936		

NOTARY PUBLIC

ATTY. BRYAN G. PEKAS
NOTARY PUBLIC FOR QUEZON CITY
ADM. MATTER NO. NP-171 VALID UNTIL DEC. 31, 2…
ROLL OF ATTORNEY NO. 66893/TIN 259-467-753
IBP NO. 570403 DECEMBER 10, 2025, QUEZON CITY
MCLE NO. VIII-0013554, VALID UNTIL 14/APR/2028
PTR NO. 10439501, JANUARY 5, 2026, MARIKINA CITY
603 EDSA DIAMOND FINANCE, CUBAO, Q.C.

Doc. No. 220;
Page No. 45;
Book No. XLVII;
Series of 2026.

ANNEX C

SUBSIDIARIES OF THE REGISTRANT
(as of December 31, 2024)

Name	% of Ownership
Tektite Insurance Brokers, Inc.	100.00%
PRHC Property Managers, Inc.	100.00%
Sultan's Power Inc.	100.00%
Three Corners Realty Corporation	100.00%
Universal Travel Corporation	81.53%
Le Cheval Holdings, Inc.	45.00%
Alexandra (U.S.A.), Inc.	45.00%

Annex A: 2025 Sustainability Report

Contextual Information

Company Details	
Name of Organization	Philippine Realty and Holdings Corporation (**RLT** or the "**Company**")
Location of Headquarters	One Balete Building, 1 Balete Drive corner N. Domingo Street, Barangay Kaunlaran, District 4, Quezon City 1111, Philippines
Location of Operations	▪ New Manila, Quezon City ▪ Ortigas Center, Pasig City ▪ Bonifacio Global City, Taguig City
Report Boundary: Legal entities (e.g. subsidiaries) included in this report*	▪ PRHC Property Managers, Inc. (**PPMI**) ▪ Tektite Insurance Brokers Inc. (**TIBI**) ▪ Sultan's Power Inc. (**SPI**) ▪ Universal Travel Corporation (**UTC**) ▪ Three Corners Realty Corporation (**TCRC**)
Business Model, including Primary Activities, Brands, Products, and Services	To act as a holding company and to invest in, acquire, develop, utilize and dispose of real properties and all kinds of personal property. Specifically, RLT is engaged in: ▪ Investments in businesses ▪ Real estate acquisition and development of premium residential and commercial condominium units for sale or for lease
Reporting Period	1 January 2025 to 31 December 2025
Highest Ranking Person responsible for this report	Edmundo C. Medrano President

**If you are a holding company, you could have an option whether to report on the holding company only or include the subsidiaries. However, please consider the principle of materiality when defining your report boundary.*

Materiality Process

Explain how you applied the materiality principle (or the materiality process) in identifying your material topics.[1]
Philippine Realty and Holdings Corporation ("**RLT**" or the "**Company**") is a premium property development company in the Philippines. The topics of material importance deal with enhancing equitable and fair return to shareholders, delivering excellent customer value by way of sustainable and energy-efficient development, giving just and equitable compensation to employees. RLT values enduring relationship with its stakeholders and commits to assist underprivileged sectors of society in improving the quality of their lives. With this mission in mind and for purposes of sustainability report, the management team has carefully identified relevant topics and have been evaluated using the global standards/frameworks on materiality assessment which take into consideration the following:

[1] See GRI 102-46 (2016) for more guidance.

- Influence on stakeholder assessments and decisions; and
- Significance of economic, environmental and social impacts

These sustainability issues have been analyzed using the materiality matrix in the guidelines (for sustainability reporting) provided by SEC in its Memo No. 4 Series of 2019.

The material topics selected (*see table above*) were arranged from low, medium and high as assessed by the Company's management team. RLT believes that these issues are most likely to affect our business with respect to economic, environmental, social and governance matters.

ECONOMIC

Economic Performance

Direct Economic Value Generated and Distributed

Disclosure	Amount	Units
Direct economic value generated (revenue)	**154 million**	₱
Direct economic value distributed:		
a. Operating costs	**82 million**	₱
b. Employee wages and benefits	75 million	₱
c. Payments to suppliers, other operating costs	86 million	₱
d. Dividends given to stockholders and interest payments to loan providers	**80 million**	₱
e. Taxes given to government	**25 million**	₱
f. Investments to community (e.g. donations, CSR)	0	₱

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
RLT is a property development which is engaged primarily in development of real estate properties, sale of premium residential units and commercial condominium units and leasing. It is also invested in enterprises engaged in property management and insurance agency. RLT's activities impacts the following: ▪ Direct and indirect employment of people ▪ Support of SMEs among its suppliers and service providers ▪ Advance payment of income and other taxes in its operations as required by existing regulations	▪ Employees ▪ Contractors ▪ Suppliers ▪ Service Providers ▪ Customers ▪ Stockholders ▪ Creditors ▪ Government ▪ General Public ▪ Communities	RLT has for its objective to continue to provide premium / upscale residential condominium units and commercial units. Its residential condominium units are ideal as home replacement alternatives. RLT makes every effort to ensure that its customers are satisfied in the units that they purchase or lease in terms of quality and property management. The Company also recognizes the risks associated in its activities such as industry competitors, economic trends, events, etc., which may affect the ability of the Company to sustain revenues. Thus, RLT ensures that it is also able to also expand its portfolio of properties for lease to eventually achieve a balance between

		revenues contributed by sales and revenues contributed by leases. RLT aims to be ahead of the industry in terms of product design, which involves research and development and is managed by a team of seasoned professionals that adheres to the principles of best practices and/or business ethics.
What is the Risk/s Identified?	**Which stakeholders are affected?**	**Management Approach**
Risk of calamities such as major typhoon, earthquake, fire, global and local health crisis such as pandemics, etc., global disruptions in supply chain caused by wars, etc., rising prices and volatility in foreign exchange rates, etc., that may cause disruption of business operations, damages to building structures, accidents or illness to significant number of its employees, residents and tenants in its projects.	▪ Employees, ▪ Customers, ▪ Suppliers, ▪ Contractors	To mitigate the possible impact of the risk, RLT put in place programs/policies such as: ▪ Continuity of business and disaster recovery plan ▪ Cloud-based Computerized Accounting System ("**CAS**") ▪ Set-up work from home video conferencing protocols to be able to continue to function remotely. ▪ Set up pertinent policies and employee trainings/seminars on handling emergency situations. ▪ Emergency first-aid facilities and a full-time Company nurse and Company doctor. ▪ Strict adherence to health protocols prescribed by health authorities and best practices. ▪ In place building and equipment maintenance program. ▪ Property all-risk insurance.
Reputational risk that may result in negative publicity, public perception	▪ Stockholders ▪ Management ▪ Employees ▪ Suppliers ▪ Contractors ▪ Customers	To mitigate and minimize possible impact of reputational risk, RLT ensures that: ▪ The BOD maintains effective oversight over the operations of the Company ▪ The BOD and Management maintains high ethical conduct in line with set corporate values

		▪ Employees are required to maintain high level of professionalism in dealing with other stakeholders (i.e. customers and suppliers/contractors) ▪ Customer feedback and complaints are seriously taken as feedback mechanism to improve the Company's business. ▪ Reputable suppliers/contractors are being engaged as "partners" in the development of its projects. ▪ The marketing and sales teams of RLT spearhead drive to promote community programs. ▪ Data privacy (as required by law) is in place and observed by RLT employees.
Uncontrollable events that may have an adverse impact on RLT's operations and revenue generating capability, such as the COVID-19 pandemic, global disturbances that disrupt supply chains and cause sharp price increases of construction materials, as well as rise in interest rates, etc.	▪ Stockholders ▪ Management ▪ Employees ▪ Suppliers ▪ Contractors ▪ Customers	▪ RLT set in motion and activated its continuity of business plan. ▪ Prioritized the health of its employees and the residents in its projects. ▪ The Company retained all its employees in spite of very challenging business conditions. ▪ Closed its positions in foreign exchange to manage volatility.
What is the Opportunity/ies Identified?	**Which stakeholders are affected?**	**Management Approach**
The opportunities identified are: ▪ Prioritize development in areas and markets where there is need for RLT's products. ▪ Repackage commercial areas for lease to cater to companies looking for alternative office sites and/or offsite disaster recovery sites in the event of city-wide lockdowns.	▪ Customers (existing and potential) ▪ Suppliers ▪ Contractors	▪ RLT's management approach is consultative. ▪ It is very customer-centric. ▪ Because it has a lean organization, it is a very nimble organization and is able to generate consensus very quickly.

Climate-related risks and opportunities[2]

Governance Disclose the organization's governance around climate-related risks and opportunities	
a.) Describe the board's oversight of climate-related risks and opportunities	RLT's Board Risk Oversight Committee shall be responsible for the development and oversight of the risk management program. It shall be composed of at least three (3) members of the BOD including one (1) independent director, and a chairperson who is a non-executive member. RLT's Board Risk Oversight Committee Charter (**BROC**) are disclosed in its website: http://www.philrealty.com.ph/wp-content/uploads/2019/01/Board-Committee-Charters.pdf Currently, the BROC is composed of five (5) members, three (3) of which are independent directors, including the Chairman. RLT's BROC duties and responsibilities are disclosed in the latest Manual on Corporate Governance: http://www.philrealty.com.ph/wp-content/uploads/2019/06/Manual-on-Corporate-Governance-Amended-compressed.pdf The Board has mandated that subject to cost-reward considerations, future projects should be energy-efficient and preferably certified as "green-certified" buildings especially for commercial buildings. At the very least, the Company is very committed to strictly comply with the requirements of The Philippine Green Building Code.
b.) Describe management's role in assessing and managing climate-related risks and opportunities	RLT's management team conducts regular discussions/meetings which include monitoring of compliance with government regulations such as in the case of sewage treatment facilities for its buildings that are mostly managed by RLT's subsidiary. RLT's management is also very conscious of the Board's preference for "green" buildings in the projects that are being planned for construction, development and sale (or lease).

[2] Adopted from the Recommendations of the Task Force on Climate-Related Financial Disclosures. The TCFD Recommendations apply to non-financial companies and financial-sector organizations, including banks, insurance companies, asset managers and asset owners.

Strategy Disclose the actual and potential impacts[3] of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning where such information is material	
a.) Describe the climate-related risks and opportunities the organization has identified over the short, medium and long term	For the Company's new projects, it is ensured that the location/s is not prone to flooding given historical rainfall records. Earthquake, wind, ventilation and glass curtain consultants are engaged to improve the safety and comfort of future occupants. Climate risks such as very strong typhoons, flooding, earthquakes, strong wind and wind tunnels, extreme heat, etc. that may cause property damage and damage to the building occupants, are being studied seriously.
b.) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy and financial planning	▪ Mitigation of climate-related risks must be built-in into the architectural and engineering and construction planning. ▪ A well-designed and building structure enhances marketability of the units for sale. ▪ A "green-certified" building enhances attractiveness for investors, buyers and lenders (for project financing and end-user buyer consumer loans).
c.) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios including a 2°C or lower scenario	These are built into the project planning. Being a developer of high-end to luxury condominium units, top caliber foreign and local architects and topnotch, mostly foreign MEPF consultants are engaged to ensure the safety, luxury and environmentally-efficient designs, construction and materials are used.

Risk Management Disclose how the organization identifies, assesses, and manages climate-related risks	
a.) Describe the organization's processes for identifying and assessing climate-related risks	RLT's management and those charged with governance (BOD) has an Enterprise Risk Management plan which contains (1) well-defined risk management goals, objectives and goals, (2) designing and implementing risk management strategies, and (3) continuing assessments to improve risk strategies, processes and measures.
b.) Describe the organization's processes for managing climate-related risks	RLT's identified risks are reviewed at least annually, for risk appetite levels and risk tolerance limits based on changes and developments in the business, the regulatory framework, the external economic and business environment, and when major events occur **(climate-related risks)** that are considered that may have major impacts on the Company.
c.) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management	Identification, assessments, and management of risks (including **climate-related**) are integrated in the Company's Enterprise Risk Management plan. The Risk Officer, assisted by the Compliance Officer, reviews and assesses compliance and effectiveness of the ERM system and submits an assessment to the Audit Committee and the Board Risk Oversight Committee.

Procurement Practices

Proportion of spending on local suppliers

Disclosure	Quantity	Units
Percentage of procurement budget used for significant locations of operations that is spent on local suppliers	25% (75% of budget are for foreign brands or supplied materials but purchased from domestic outlets)	%

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
The impact is in the Company's major consultants, contractors, suppliers of labor and materials and equipment and providers of services and materials sourced from locally based companies but are carrying imported equipment and materials.	▪ Consultants ▪ Contractors ▪ Suppliers of labor and materials and equipment	▪ RLT follows strict prequalification and bidding procedures in dealing with its architects, consultants, suppliers and contractors. ▪ RLT has established terms of references and database of reputable architects, consultants, suppliers and contractors that can perform the necessary services with high standards and ensure that materials sourced are of first-class quality.
What are the Risks Identified?	**Which stakeholders are affected?**	**Management Approach**
Poor project management of suppliers/contractors/sub-contractors in terms of delayed delivery of services and/or materials that would result in increases in project costs and/or delayed project completion.	Customers	To address this risk, RLT decided to monitor projects using well-established, reputable and experienced construction manager and quality control / quality assurance manager, as well as its in-house project management and monitoring team to ensure quality management.
What are the Opportunities Identified?	**Which stakeholders are affected?**	**Management Approach**
Performance is assured in contract management and penalties are imposed for	▪ Architects ▪ Consultants ▪ Contractors	▪ Most of the architects, consultants, suppliers and contractors of RLT are well known to the Company as

[3] For this disclosure, impact refers to the impact of climate-related issues on the Company.

non-performance or delayed performance	▪ Suppliers	reliable, having been its partners from past projects. ▪ In spite of this, prudent contract management is being observed to protect the interest of the Company

Anti-corruption

Training on Anti-corruption Policies and Procedures

Disclosure	Quantity	Units
Percentage of employees to whom the organization's anti-corruption policies and procedures have been communicated to	100	%
Percentage of business partners to whom the organization's anti-corruption policies and procedures have been communicated to	100	%
Percentage of directors and management that have received anti-corruption training	0	%
Percentage of employees that have received anti-corruption training	0	%

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
The impact occurs at the primary business operations level in terms of obtaining permits, licenses, payments of taxes, property registrations, etc.	▪ Employees ▪ Customers	▪ RLT has established code of conduct and behavior which include provisions on anti-corruption guidelines. ▪ The BOD and Management ensures that all RLT personnel perform their duties in accordance with best practices and with integrity. ▪ A policy on conflict of interest and related party transactions have been formulated and approved by the Board.
What are the Risks Identified?	**Which stakeholders are affected?**	**Management Approach**
Delays in obtaining requisite documents, licenses, clearances, approvals, permits, tax clearances, registration	▪ Stockholders ▪ Management ▪ Employees ▪ Customers ▪ Suppliers ▪ Contractors	▪ RLT ensures that its documentation is always complete. ▪ Employees are required to observe business ethics with its dealings with government agencies, customers and suppliers/contractors. ▪ A feedback mechanism is in place so that our employees will abide with

		best practices in the performance of their duties. ▪ Employees are made aware that the Company will have zero tolerance with regards to corruption activities.
What are the Opportunities Identified?	**Which stakeholders are affected?**	**Management Approach**
Provide seminars, trainings and workshop to strengthen awareness among employees relative to anti-corruption programs	Employees	▪ RLT has a policy on the development of its employees which include strengthening professional standard of conduct and behavior. ▪ A "no gifts" policy will be instituted to prohibit employees from accepting gifts of any kind directly or indirectly from customers and/or suppliers/contractors.

Incidents of Corruption

Disclosure	Quantity	Units
Number of incidents in which directors were removed or disciplined for corruption	0	#
Number of incidents in which employees were dismissed or disciplined for corruption	0	#
Number of incidents when contracts with business partners were terminated due to incidents of corruption	0	#

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
Issue of personal integrity in the reporting of attendance. The offense was uncovered by the audit process.	▪ Employees ▪ Management	▪ Reiteration of policy on the importance of integrity ▪ All possible incidence of corruption will ultimately be discovered and shall be dealt with accordingly subject to observance of laws and regulations and due process.
What are the Risks Identified?	**Which stakeholders are affected?**	**Management Approach**
No significant risks identified		
What are the Opportunities Identified?	**Which stakeholders are affected?**	**Management Approach**

▪ Emphasis on importance of integrity and honesty in day-to-day operations ▪ Reiteration of the adage "crime does not pay"	▪ Employees ▪ Management	▪ RLT is committed to subscribe to all applicable laws and regulations, ethical standards and industry best practices in its operations. ▪ RLT expects no less from its Board of Directors, Management, employees and business partners.

ENVIRONMENT

Resource Management

Energy consumption within the organization:

Disclosure	Quantity	Units
Energy consumption (renewable sources)	0	GJ
Energy consumption (gasoline)	0	GJ
Energy consumption (LPG)	4.33	GJ
Energy consumption (diesel)	2.88	GJ
Energy consumption (electricity)	362,400	kWh

Reduction of energy consumption

Disclosure	Quantity	Units
Energy reduction (gasoline)	-	GJ
Energy reduction (LPG)	-	GJ
Energy reduction (diesel)	-	GJ
Energy reduction (electricity)	Not readily available	kWh
Energy reduction (gasoline)	-	GJ

RLT has no comparable data available for year-on-year comparison.

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
▪ The business model of RLT involves the construction, development and sale of condominium units. In the process, RLT transfers unto the condominium corporations formed the titles to the land and all the common areas of the project. The buildings/projects are then managed by the said condominium corporations that are independent from the influences of RLT. ▪ Thus, RLT has no influence in the management of the condominium buildings that it constructs, once	▪ Customers ▪ Condominium corporations ▪ Suppliers ▪ Contractors (in terms of workmanship warranties)	▪ RLT shall seriously consider renewable sources of energy and environmentally friendly and sustainable ways of generating and conserving power in its projects.

the buildings/projects are already turned over. ▪ However, before the common areas are turned over to the condominium corporations, all the requirements imposed by laws and regulations, such as compliant sewage treatment plants, standby power generators, etc. are properly put in place.		
What are the Risks Identified?	**Which stakeholders are affected?**	**Management Approach**
▪ Less than adequate monitoring of power consumption and vital facilities by the condominium corporations ▪ Lack of regular performance audit of key personnel of the condominium corporations	▪ Customers / residents of RLT's developments ▪ Condominium corporations ▪ Employees, consultants, suppliers, contractors of the condominium corporations	▪ As unit owner, RLT can work on having a representative/s elected to the boards of trustees of the condominium corporations to be able to provide advice on proper management of facilities leading to more efficient use of energy. ▪ Introduce its contractors who may be very familiar with the workings of the facilities installed in the buildings/projects
What are the Opportunities Identified?	**Which stakeholders are affected?**	**Management Approach**
Raise awareness within the RLT projects to conserve energy consumption	▪ Customers / residents of RLT's developments ▪ Condominium corporations ▪ Employees, consultants, suppliers, contractors of the condominium corporations	▪ RLT to exert influence on its property management subsidiary to ensure that optimal and efficient use of energy is observed in the developments/buildings that it is managing. ▪ For future projects, serious efforts shall be exerted to design use of indigenous, renewable and green energy sources in its developments

Water consumption within the organization

Disclosure	Quantity	Units
Water withdrawal	0	Cubic meters
Water consumption	4,533	Cubic meters
Water recycled and reused	0	Cubic meters

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
▪ The business model of RLT involves the construction, development and sale of condominium units. In the process, RLT transfers unto the condominium corporation formed the titles to the land and all the common areas of the project. The buildings/projects are then managed by the said condominium corporations that are independent from the influences of RLT. ▪ Thus, RLT has no influence in the management of the condominium buildings that it constructs, once the buildings/projects are already turned over. ▪ However, before the common areas are turned over to the condominium corporations, all the requirements imposed by laws and regulations, such as compliant sewage treatment plants, standby power generators, etc. are properly put in place.	▪ Customers ▪ Condominium corporations ▪ Suppliers ▪ Contractors (in terms of workmanship warranties)	▪ In the future, RLT shall seriously consider renewable sources of energy and environmentally friendly and sustainable ways of generating and conserving water in its projects.
What are the Risks Identified?	**Which stakeholders are affected?**	**Management Approach**
No significant risks identified		
What are the Opportunities Identified?	**Which stakeholders are affected?**	**Management Approach**
No significant opportunities identified		

Materials used by the organization

Disclosure	Quantity	Units
Materials used by weight or volume	Negligible	
▪ renewable	Negligible	kg/liters
▪ non-renewable	Negligible	kg/liters
Percentage of recycled input materials used to manufacture the organization's primary products and services	Negligible	%

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
RLT's market niche is high-end, luxury residential condominium units. Thus, for its past/completed projects, its choice of materials had to be of high quality and not coming from recycled materials.	▪ Customers ▪ Architects ▪ Contractors ▪ Suppliers ▪ Sales personnel	For future projects, RLT will very seriously consider the use of renewable energy sources in its projects.
What are the Risks Identified?	**Which stakeholders are affected?**	**Management Approach**
No significant risks identified		
What are the Opportunities Identified?	**Which stakeholders are affected?**	**Management Approach**
▪ The opportunities are in being able to make use of sustainable design principles to include the ability to: ○ optimize site potential; ○ minimize non-renewable energy consumption; ○ use environmentally preferable products; ○ protect and conserve water; ○ enhance indoor environmental quality;	▪ Stockholders ▪ Management ▪ Customers ▪ Architects ▪ Consultants	▪ To explore possibilities in constructing and offering for sale environmentally friendly buildings and facilities ▪ To achieve more attractive financing terms for its projects by making use of "green" and sustainable design principles

○ optimize operational and maintenance practices. ▪ Obtaining more favorable terms for financing projects that will quality for "green" projects.		

Ecosystems and biodiversity (whether in upland/watershed or coastal/marine)

Disclosure	Quantity	Units
Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	None	
Habitats protected or restored	None	Has.
IUCN[4] Red List species and national conservation list species with habitats in areas affected by operations	None	

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
Not applicable at this time	Not applicable at this time	Not applicable at this time
What are the Risks Identified?	**Which stakeholders are affected?**	**Management Approach**
No significant risks identified		
What are the Opportunities Identified?	**Which stakeholders are affected?**	**Management Approach**
No significant opportunities identified		

Environmental impact management

Air Emissions

GHG

Disclosure	Quantity	Units
Direct (Scope 1) GHG Emissions	0	Tonnes CO_2e
Energy indirect (Scope 2) GHG Emissions	0	Tonnes CO_2e
Emissions of ozone-depleting substances (ODS)	0	Tonnes

[4] International Union for Conservation of Nature

What is the impact and where does it occur? What is the organization’s involvement in the impact?	Which stakeholders are affected?	Management Approach
Not applicable at this time	Not applicable at this time	Not applicable at this time
What are the Risks Identified?	**Which stakeholders are affected?**	**Management Approach**
No significant risks identified		
What are the Opportunities Identified?	**Which stakeholders are affected?**	**Management Approach**
No significant opportunities identified		

Air pollutants

Disclosure	Quantity	Units
NO_x	0	kg
SO_x	0	kg
Persistent organic pollutants (POPs)	0	kg
Volatile organic compounds (VOCs)	0	kg
Hazardous air pollutants (HAPs)	0	kg
Particulate matter (PM)	0	kg

What is the impact and where does it occur? What is the organization’s involvement in the impact?	Which stakeholders are affected?	Management Approach
Not applicable at this time	Not applicable at this time	Not applicable at this time
What are the Risks Identified?	**Which stakeholders are affected?**	**Management Approach**
No significant risks identified		
What are the Opportunities Identified?	**Which stakeholders are affected?**	**Management Approach**
No significant opportunities identified		

Solid and Hazardous Wastes

Solid Waste

Disclosure	Quantity	Units
Total solid waste generated	0	kg
Reusable	0	kg
Recyclable	0	kg
Composted	0	kg
Incinerated	0	kg
Residuals/Landfilled	0	kg

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
▪ RLT itself does not generate solid wastes. ▪ The independent condominium corporations possibly generate solid waste but there are regular contractors hauling these solid wastes.	▪ Community ▪ Condominium corporations ▪ Residents ▪ Garbage contractors	▪ To provide assistance to property management subsidiary insofar as hauling of plastic wastes are concerned in the properties that the latter is managing. ▪ These plastic waste products can be used as raw material by Recon-X Energy Corporation ("Recon-X"), a subsidiary of RLT's subsidiary, Sultan's Power Corp., in converting plastics to diesel using a patented process.
What are the Risks Identified?	**Which stakeholders are affected?**	**Management Approach**
There are no significant risks identified insofar as RLT itself is concerned.		
What are the Opportunities Identified?	**Which stakeholders are affected?**	**Management Approach**
The identified opportunities for RLT concerns the subsidiary of its subsidiary, Recon-X Energy Corporation that hopes to convert plastics to diesel using a patented process.	▪ Condominium corporations ▪ Recon-X Energy Corporation	To formalize arrangements between PRHC Property Managers Inc. ("PPMI") and Recon-X for the latter to haul solid wastes (plastic) for conversion to fuel which should redound to the benefit of both Recon-X and the condominium projects that PPMI is managing.

Hazardous Waste

Disclosure	Quantity	Units
Total weight of hazardous waste generated	0	kg
Total weight of hazardous waste transported	0	kg

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
Not applicable at this time	None at this time	None at this time
What are the Risks Identified?	**Which stakeholders are affected?**	**Management Approach**
There are no significant risks identified insofar as RLT itself is concerned.		
What are the Opportunities Identified?	**Which stakeholders are affected?**	**Management Approach**
There are also no significant opportunities identified insofar as RLT itself is concerned.		

Effluents

Disclosure	Quantity	Units
Total volume of water discharges	0	Cubic meters
Percent of wastewater recycled	0	%

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
▪ RLT itself does not generate solid wastes. ▪ The turned-over projects/buildings managed by independent condominium corporations possibly generate solid waste but there are regular contractors hauling these solid wastes.	▪ Community ▪ Condominium corporations ▪ Residents	To provide assistance to PPMI for the projects/condominium corporations being managed by PPMI as Property Manager, if necessary.
What are the Risks Identified?	**Which stakeholders are affected?**	**Management Approach**

There are no significant risks identified insofar as RLT itself is concerned.		
What are the Opportunities Identified?	**Which stakeholders are affected?**	**Management Approach**
There are also no significant opportunities identified insofar as RLT itself is concerned.		

Environmental compliance

Non-compliance with Environmental Laws and Regulations

Disclosure	Quantity	Units
Total amount of monetary fines for non-compliance with environmental laws and/or regulations	0	₱
No. of non-monetary sanctions for non-compliance with environmental laws and/or regulations	0	#
No. of cases resolved through dispute resolution mechanism	0	#

What is the impact and where does it occur? What is the organization's involvement in the impact?	Which stakeholders are affected?	Management Approach
RLT's construction of projects are impacted by various environmental regulations; RLT fully understands that any noncompliance will result to financial and non-financial penalties, stoppage of operations on its on-going projects.	▪ Board of Directors ▪ Management ▪ Suppliers ▪ Contractors ▪ Government ▪ Community	▪ RLT ensures that it observes and complies with all governmental and regulatory requirements in its projects. Prior to any project development, all environmental clearances are secured and/or complied with such as the Environmental Clearance Certificate (ECC), Laguna Lake Development Authority (LLDA) Clearance and others, as deemed necessary. ▪ Our Project Construction Management Group (PCMG) ensures and monitors compliance calendar in all of the Company's on-going projects. ▪ For 2021, RLT has complied with all environmental regulations.
What are the Risks Identified?	**Which stakeholders are affected?**	**Management Approach**
Violation of any regulations such as local ordinances and national laws with respect to the environment may result in	▪ Board of Directors ▪ Management ▪ Suppliers ▪ Contractors	RLT ensures compliance with all existing and new regulations that are imposed by local and national

penalties and/or suspension of business activities.	▪ Government ▪ Community	authorities which would have an impact on business activities
What are the Opportunities Identified?	**Which stakeholders are affected?**	**Management Approach**
Environmental regulations imposed by local and national regulatory agencies tend to improve overall quality of a building structure and improve sustainability.	▪ Board of Directors ▪ Management ▪ Suppliers ▪ Contractors ▪ Government ▪ Community	As mentioned, RLT is committed to follow the rules and regulations imposed by government and subscribe to industry best practices for the purpose of improving the buildings that it builds and will build in the future.

SOCIAL

Employee Management

Employee Hiring and Benefits

Employee data

Disclosure	Quantity	Units
Total number of employees[5]		
a. Number of female employees	26	#
b. Number of male employees	30	#
Attrition rate[6]	4	rate
Ratio of lowest paid employee against minimum wage	0	ratio

Employee benefits

List of Benefits	Y/N	% of female employees who availed for the year	% of male employees who availed for the year
SSS	Y	22%	4%
PhilHealth	Y	11%	0%
Pag-IBIG	Y	11%	0%
Parental leaves	Y	4%	0%
Vacation leaves	Y	100%	100%
Sick leaves	Y	100%	100%
Medical benefits (aside from PhilHealth))	Y	100%	100%
Housing assistance (aside from Pag-IBIG)	N	NA	NA
Retirement fund (aside from SSS)	Y	4%	4%
Further education support	N	NA	NA
Company stock options	Y	0	0
Telecommuting	N	NA	NA
Flexible-working Hours	Y	100%	100%
(Others)	-	-	-

[5] Employees are individuals who are in an employment relationship with the organization, according to national law or its application (GRI Standards 2016 Glossary)

[6] Attrition are = (no. of new hires – no. of turnover)/(average of total no. of employees of previous year and total no. of employees of current year)

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
The Company understands that its Employees/Workforce are its most important resource in achieving its goals. Thus, RLT provides its employees with competitive compensation package, performance bonuses and an extremely generous retirement plan as a way of motivating them to be productive.	RLT's benefits to its employees are: ▪ Competitive salary packages including performance bonuses and performance-based salary increments ▪ HMO health benefits (including at least one qualified dependent) ▪ Allowances for meals and transportation ▪ Rice subsidy and laundry allowance ▪ Annual credit leaves (Vacation and Sick Leave) ▪ Extremely generous Retirement Plan ▪ Car Plan for senior officers and Subsidized Car Loan for junior to middle level officers
RLT also promotes wellness among its employees	RLT has instituted policies that give our employees additional benefits, as follows: ▪ Access to basic medical supplies, including consultations with Company doctor. ▪ Company nurse who attends to basic health needs of our employee such as blood pressure monitoring, sugar count monitoring and others. ▪ Complete annual physical examination (APE) including eye check-up ▪ Annual reimbursement of dental expenses up to a certain amount ▪ Group life insurance ▪ Pays for seminars to be attended by our directors, senior officers and professionals (i.e., Annual Continuing Professional Development, Annual Corporate Governance Seminars, Anti-Money Laundering Seminars, etc.) ▪ Free parking ▪ Company outings and/or team building and sports activities to promote camaraderie among employees.
What are the Risks Identified?	**Management Approach**
Employee retention of trained and reliable experts due to better opportunities especially outside of the country	Succession planning is practiced not only to address possibility of employee turnover but also to manage continuity and in the event the Company undertakes simultaneous projects

	Identified potential successors are given mentorship trainings and allowed to assume greater job responsibilities. Annual performance evaluation is a significant component in communicating Management's plan/s for key managers/employees so their career paths can be laid out clearly for them.
What are the Opportunities Identified?	**Management Approach**
Employee turnover rate is quite low. Thus, opportunities for implementing succession plan or for manning lateral organizational growth is present in case of simultaneous commencement of projects.	The Company shall continue its programs designed to retain "must keep" employees, such as: ▪ Service awards to honor loyal employees ▪ Recognition and incentives to qualified employees (i.e., sales personnel) ▪ Performance-based promotions for deserving employees ▪ Flexible work arrangements to accommodate employees who may be taking higher academic degrees

Employee Training and Development

Disclosure	Quantity	Units
Total training hours provided to employees		
a. Female employees	13	hours
b. Male employees	36	hours
Average training hours provided to employees		
a. Female employees	0.5	hours/employee
b. Male employees	1.3	hours/employee

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
The impact is improved knowledge of directors, senior management and employees that translate to better quality work and overall performance.	▪ RLT spends for the training of its directors, senior management and professional employees. A sample of this are as follows: ▪ Annually, the Company sponsors a Corporate Governance seminar for its directors and key officers ▪ In 2021, the senior officers of the Company and those who will be involved in reporting covered and suspicious transactions attended an Anti-Money Laundering

	Seminar conducted by the Anti-Money Laundering Council (and in 2022, the Company sponsored an Anti-Money Laundering Seminar for all its directors, senior officers and senior officers of its subsidiaries and associate companies). ▪ The Company also shoulders the costs of seminars relating to Continuing Professional Development of its licensed professionals such as Certified Public Accountants, Engineers, etc. ▪ RLT also encourages its key officers and employees to attend seminars that will keep them abreast with developments, such as the periodic Listing and Disclosures Seminars conducted by the Philippine Stock Exchange, Inc., etc. ▪ Our Department Heads and Managers conduct trainings to improve the skills of our employees (e.g., improving proficiency in Excel, oral and written communication skills, etc.) ▪ Fire and Safety seminars and drills are regularly conducted
What are the Risks Identified?	**Management Approach**
There are no significant risks identified.	
What are the Opportunities Identified?	**Management Approach**
There are no significant opportunities identified.	

Labor-Management Relations

Disclosure	Quantity	Units
% of employees covered with Collective Bargaining Agreements	0	%
Number of consultations conducted with employees concerning employee-related policies	Town Hall meetings are conducted regularly	#

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
RLT has no labor union. Thus, it has no Collective Bargaining Agreement with the representatives of its employees. The employees have found no reason to establish a labor union. Nevertheless, the Company always seek to create equitable and fair labor practices, ensuring that our employees' welfare and rights are protected.	▪ In spite of the absence of a labor union, the Company is committed to protect the welfare and rights of its employees. ▪ RLT ensures that it observes DOLE advisories on labor and labor-related matters (i.e., compensation, work hours, increases in minimum wage, etc.). ▪ The Company always seeks to create equitable and fair labor practices, ensuring that our employees' welfare and rights are protected. A case in point is the recent COVID-19 pandemic. The Company instituted work-from-home arrangements and looked after the welfare of the employees by not terminating a single employee and paying their salaries and without reducing their leave credits. ▪ For employee concerns, these can be ventilated during Town Hall meetings. ▪ The Company gives priority to hiring relatives of retiring employees, as what recently happened when a long-time messenger of the Company retired. His vacated post was given to his son.
What are the Risks Identified?	**Management Approach**
Discontent among the employees due to unfair labor practices will lead to a formation of a labor union.	▪ Due to the initiatives of Management as expounded above, and the genuine concern of the Board of Directors and senior management for the welfare of the employees, RLT's employees have found no reason to establish a labor union.
What are the Opportunities Identified?	**Management Approach**
The opportunities are in the area of continued industrial peace that allows our employees and Management to concentrate on their work.	To continue Management practices as they are working perfectly well.

Diversity and Equal Opportunity

Disclosure	Quantity	Units
% of female workers in the workforce	46	%
% of male workers in the workforce	54	%
Number of employees from indigenous communities and/or vulnerable sector*	3	#

**Vulnerable sector includes, elderly, persons with disabilities, vulnerable women, refugees, migrants, internally displaced persons, people living with HIV and other diseases, solo parents, and the poor or the base of the pyramid (BOP; Class D and E).*

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
▪ The impact is in its primary business operations. ▪ In RLT's senior management, one (1) is a senior citizen ▪ Several key departments are headed by women, including in the area of engineering. ▪ RLT has also hired LGBTs, including solo parents and those coming from poorer communities provided qualified.	▪ RLT does not discriminate against any employee or job applicant because of race, color, religion, national origin, sex, physical or mental disability, or age. ▪ In short, RLT is an equal opportunity employer. ▪ Promotion is strictly based on merit and performance.
What are the Risks Identified?	**Management Approach**
Reputational risk if the Company discriminates in its hiring of applicants (and in the promotion of existing employees) as a result of race, color, religion, national origin, sex, physical or mental disability, or age.	RLT is exercising due care in dealing with individuals or group of individuals (that includes those in the employ of its suppliers, contractors and business partners) so as not to perceived as prejudicial against other people.
What are the Opportunities Identified?	**Management Approach**
Hiring is improved as the best qualified can be hired without having to be confined to certain choices due to set limitations.	Continue and adhere to the principle of being an equal opportunity employer.

Workplace Conditions, Labor Standards, and Human Rights

Occupational Health and Safety

Disclosure	Quantity	Units
Safe Man-Hours	0	Man-hours
No. of work-related injuries	0	#
No. of work-related fatalities	0	#
No. of work-related ill-health	0	#
No. of safety drills	0	#

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
▪ In general, any construction work is done by outside contractors. ▪ However, the employees of the contractors might be involved in any work-related accidents/injury. As a result, disruption of business operations or certain construction activity might be imposed.	▪ RLT and its Management ensure that safe environment, workplace and working conditions are observed by its contractors and consultants. ▪ RLT requires its contractors to observe DOLE and local government orders and ordinances with respect to occupational safety and health standards.
What are the Risks Identified?	**Management Approach**
▪ For the workers, the risks they face are accidents and getting contaminated by illnesses of fellow workers (such as COVID-19). ▪ Lack of training and experience could be the causes of accidents.	▪ RLT in its prequalification of contractors require observance of safety standards in the work areas and for workers. ▪ RLT also ascertains that appropriate insurance coverage (such as Contractors All Risk Insurance) is procured by the contractor/s to cover any eventuality ▪ In the case of the COVID-19 pandemic, RLT requires its contractors to adhere fully to the requirements set by the DOH, the DOLE, the DPWH, the municipality/city government and the barangay concerned.
What are the Opportunities Identified?	**Management Approach**
There are no significant opportunities identified.	

Labor Laws and Human Rights

Disclosure	Quantity	Units
No. of legal actions or employee grievances involving forced or child labor	0	#

Do you have policies that explicitly disallows violations of labor laws and human rights (e.g. harassment, bullying) in the workplace?

Topic	Y/N	If Yes, cite reference in the Company policy
Forced labor	N	None
Child labor	N	None
Human Rights	N	None

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
Forced labor, child labor and violation of human rights are not specifically mentioned in Company policies as they are presumed not to be allowed at any instance.	These will be explicitly included in Company policies
What are the Risks Identified?	**Management Approach**
There are no significant risks identified.	
What are the Opportunities Identified?	**Management Approach**
There are no significant opportunities identified.	

Supply Chain Management

Do you have a supplier accreditation policy? If yes, please attach the policy or link to the policy:

RLT does not have a formal supplier accreditation policy. However, terms of reference for each undertaking are clearly issued to potential bidders and prequalification procedures are being followed as part of best practices to ensure acceptability of suppliers/contractors.

Do you consider the following sustainability topics when accrediting suppliers?

Topic	Y/N	If yes, cite reference in the supplier policy
Environmental performance	N	
Forced labor	N	
Child labor	N	
Human rights	N	
Bribery and corruption	Y	RLT observes industry best practices when dealing with its suppliers/contractors. Our employees when dealing with our suppliers/contractors are properly advised, guided and mindful that bribery and corruption will not be tolerated in the Company.

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
RLT engages the services of well-known, reputable suppliers that do not engage in forced labor, child labor and other illegal practices.	RLT is into development of premium condominium buildings. As such it also deals with premium and quality suppliers and contractors. Most of them are repeat contractors and suppliers. Over time, RLT is able to assure itself that it is dealing with reputable suppliers and contractors.
What are the Risks Identified?	**Management Approach**
No significant risks are identified.	
What are the Opportunities Identified?	**Management Approach**
No significant opportunities are identified.	

Relationship with Community

Significant Impacts on Local Communities

Operations with significant (positive or negative) impacts on local communities (exclude CSR projects; this has to be business operations)	Location	Vulnerable groups (if applicable)*	Does the particular operation have impacts on indigenous people (Y/N)?	Collective or individual rights that have been identified that or particular concern for the community	Mitigating measures (if negative) or enhancement measures (if positive)
The premium projects completed by RLT improved the community in terms of aesthetic considerations and enhancement of the property values in the surrounding areas.	Projects are located in premium locations that allows for easier accessibility	Residential condominium projects of RLT have provisions for senior assisted living. This is because RLT's residential condominium buildings are meant to be home-replacement	No.	Condominium corporations are conscious about taking care of its residents, especially senior citizens.	Not applicable

		alternatives for senior citizens.			

**Vulnerable sector includes children and youth, elderly, persons with disabilities, vulnerable women, refugees, migrants, internally displaced persons, people living with HIV and other diseases, solo parents, and the poor or the base of the pyramid (BOP; Class D and E)*

For operations that are affecting IPs, indicate the total number of Free and Prior Informed Consent (FPIC) undergoing consultations and Certification Preconditions (CPs) secured and still operational and provide a copy or link to the certificates if available: _____________

Certificates	**Quantity**	**Units**
FPIC process is still undergoing	TBD	#
CP secured	None yet	#

RLT operations do not have significant impact on vulnerable groups in the society.

What are the Risks Identified?	**Management Approach**
No significant risks are identified.	
What are the Opportunities Identified?	**Management Approach**
No significant opportunities are identified.	

Customer Management

Customer Satisfaction

Disclosure	**Score**	**Did a third party conduct the customer satisfaction study (Y/N)?**
Customer satisfaction	Not available	N

What is the impact and where does it occur? What is the organization's involvement in the impact?	**Management Approach**
Being a developer-seller of premium condominium units, RLT is very concerned about customer satisfaction, ensuring that units delivered / transferred to its buyers are based on specifications.	▪ RLT employees, particularly our Sales Group, Sales Support Group and most especially our Property Management Group and Project Construction Management Group, are trained to ensure quality of work at RLT developments. ▪ Buyers of units of RLT projects are given a one-year warranty period, and all repairs and workmanship re-work are done free-of-charge. ▪ Our Sales Group and Sales Support Group assist customers complete documentary

	requirements to fast-track transfer of ownerships to the said customers. ▪ Our Property Management Group and Project Construction Management Group ensure that installed appliances in the units are of good quality and in good working condition. ▪ Maintenance in the common areas of the condominium buildings are properly monitored i.e. lightings, elevators, etc., by the Condominium Corporation.
What are the Risks Identified?	**Management Approach**
Customer satisfaction is a very key element in successful selling of high-end condominium units as negative news gets around very fast, especially with the advent of social media. Thus, it must be taken very seriously because of the harm that can be caused by negative publicity.	The Company treats customer satisfaction very seriously as can be shown by the fact that there have been a lot of repeat buyers of RLT's projects over the years. This is in spite of very limited marketing collateral in the selling of the units in RLT's projects.
What are the Opportunities Identified?	**Management Approach**
Satisfied customers have been the best "sales agents" of RLT. Word of mouth and positive responses insofar as customer satisfaction is concerned have helped in the marketing of RLT's projects.	Customer service is a serious matter in RLT. Residents' complaints, issues or requests for repairs are taken up in weekly meetings of the Project Committee for those units still under a one-year warranty period and in the board meetings of the Condominium Corporations.

Health and Safety

Disclosure	Quantity	Units
No. of substantiated complaints on product or service health and safety*	0	#
No. of complaints addressed	0	#

**Substantiated complaints include complaints from customers that went through the organization's formal communication channels and grievance mechanisms as well as complaints that were lodged to and acted upon by government agencies.*

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
▪ RLT ensures that all its contractors follow strict policies, rules and regulations on safety imposed by regulatory agencies in the construction of its projects (residential or commercial condominium buildings).	▪ RLT believes in the principle of protecting the health and safety of its employees as well as those of the employees of its consultants, contractors and suppliers. ▪ RLT fully subscribes to all applicable rules and regulations imposed by regulatory agencies in

▪ In terms of the COVID-19 pandemic, RLT is strictly following the protocols prescribed by the DOH, DOLE, DPWH, the local government units covering RLT's areas of operations, including but not limited to the following: o Requirement on returning employees or workers of contractors of presenting either results of rapid tests conducted on them or barangay health certification prior to allowing them entry to office or building premises; o Constructing an isolation tent for employees, residents or workers of contractors who may be exhibiting symptoms of COVID-19; o Presence of a full-time nurse for consultation and as liaison to hospitals and testing centers	making sure that its contractors comply with building construction safety protocols. ▪ RLT's concern for the health and safety of its employees and those of its contractors extends to making them safe from COVID-19.
What are the Risks Identified?	**Management Approach**
▪ Accidents in building construction site/s due to negligence or non-conformance to prescribed rules and regulations imposed by regulatory authorities ▪ Property damages as a result of substandard workmanship ▪ Major damages caused by lack of adequate testing (e.g., caused by earthquakes, etc.)	RLT ensures that its projects are designed by world-class architects and consultants specializing in earthquakes (e.g., design can withstand globally acceptable/tolerable earthquake intensity), wind flows, building heat management, energy efficiency, etc., to prevent damages due to the elements or disasters.
What are the Opportunities Identified?	**Management Approach**
▪ Enhanced reputation for quality products (condominium units) and services ▪ Growing the Company's loyal customer base	Continue to turn out value-for-money premium developments that are well thought-out and exquisitely designed that in the future will make use of sustainable design principles

Marketing and labelling

Disclosure	Quantity	Units
No. of substantiated complaints on marketing and labelling*	0	#
No. of complaints addressed	0	#

**Substantiated complaints include complaints from customers that went through the organization's formal communication channels and grievance mechanisms as well as complaints that were lodged to and acted upon by government agencies.*

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
RLT advertises subtly through billboards, brochures, online ads and makes use of social media page	▪ RLT's marketing is subtle and low-key in approach. ▪ It is focused more on getting prospective buyers to see the actual product being offered for sale. ▪ For those who express interest, a soft copy of the units for sale is provided the prospective buyer as well as classy brochures. ▪ RLT has engaged consultants to help the Company further enhance its brand image and well-conceived overall marketing plan.
What are the Risks Identified?	**Management Approach**
Making commitments or promises that cannot be delivered enhance reputational risk.	RLT fully subscribes to "truth in advertising".
What are the Opportunities Identified?	**Management Approach**
No significant opportunities are identified.	

Customer privacy

Disclosure	Quantity	Units
No. of substantiated complaints on customer privacy*	0	#
No. of complaints addressed	0	#
No. of customers, users and account holders whose information is used for secondary purposes	More than 100 but less than 250	#

**Substantiated complaints include complaints from customers that went through the organization's formal communication channels and grievance mechanisms as well as complaints that were lodged to and acted upon by government agencies.*

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
The impact is in the customer base of the Company.	RLT is committed to protect the privacy of the Company's employees, consultants, contractors, suppliers and most especially its active customers. This is contained in the Company's Data Privacy Manual.

	http://www.philrealty.com.ph/wp-content/uploads/2019/06/PRHC_Data_Privacy_Manual_min-1.pdf Under the said manual – ▪ Collection of information/data from customers are with consent. ▪ Storing of data are kept secured. ▪ All data obtained from customers are kept confidential.
What are the Risks Identified?	**Management Approach**
The risk is the release of information on the Company's data subjects without their prior consent.	▪ The Board has appointed a Data Protection Officer. ▪ The Data Protection Officer oversees the compliance of the Company with the Data Privacy Act, its IRR, and other related policies, including the implementation of security measures, security incident and data breach protocol, and the inquiry and complaints procedure.
What are the Opportunities Identified?	**Management Approach**
No significant opportunities are identified.	

Data Security

Disclosure	Quantity	Units
No. of data breaches, including leaks, thefts and losses of data	0	#

What is the impact and where does it occur? What is the organization's involvement in the impact?	Management Approach
The impact is in the security of the information on the customer base of the Company.	RLT is committed to protect the privacy of the Company's employees, consultants, contractors, suppliers and most especially its active customers. This is contained in the Company's Data Privacy Manual. http://www.philrealty.com.ph/wp-content/uploads/2019/06/PRHC_Data_Privacy_Manual_min-1.pdf

	Under the said manual – ▪ Collection of information/data from customers are with consent. ▪ Storing of data are kept secured. ▪ All data obtained from customers are kept confidential.
What are the Risks Identified?	**Management Approach**
The risk is the release of information on the Company's data subjects without their prior consent due to lack of security protocols.	▪ The Board has appointed a Data Protection Officer. ▪ The Data Protection Officer oversees the compliance of the Company with the Data Privacy Act, its IRR, and other related policies, including the implementation of security measures, security incident and data breach protocol, and the inquiry and complaints procedure.
What are the Opportunities Identified?	**Management Approach**
Feeling of comfort and security of the Company's data subjects would tend to attract more customers for RLT, both from prospective buyers of condominium units or prospective lessees.	Full compliance and adherence to laws and regulations; in this instance the Data Privacy Act.

UN SUSTAINABLE DEVELOPMENT GOALS

Product or Service Contribution to UN SDGs

Key products and services and its contribution to sustainable development.

Key Products and Services	Societal Value / Contribution to UN SDGs	Potential Negative Impact of Contribution	Management Approach to Negative Impact
Property Development	**SDG 8** "Decent Work and Economic Growth" **SDG 9** "Industry Innovation and Infrastructure" **SDG 12** "Responsible Consumption and Production"	▪ Underage laborers from our third-party contractors. ▪ Risk of accidents and injury. ▪ Impact on environment due to industry and infrastructure development. ▪ Increase consumption of energy and water due to project development.	▪ Ensure that contractors are observing laws and government directives. ▪ Ensure that contractors are practicing responsible and safe construction methodologies (i.e., safety protocols are observed). ▪ Ensure that necessary environmental clearances are obtained prior to start of project construction. ▪ Ensure that developments are able to attain efficiencies in terms of energy consumption and optimization of use of water resources.
Sale and lease of property (residential and commercial)	**SDG 6** "Clean Water and Sanitation" **SDG 11** "Sustainable Cities and Community"	▪ Increased water and energy consumption as a direct consequence of increases in units constructed and sold ▪ Potential increase in pollution and waste matter due to increased no. of households	▪ Use of efficient sewage treatment facilities ▪ For future projects, the Company will make use of sustainable design principles to include the ability to: ○ optimize site potential; ○ minimize non-renewable energy consumption; ○ use environmentally preferable products;

			○ protect and conserve water; ○ enhance indoor environmental quality; ○ optimize operational and maintenance practices.

** None/Not Applicable is not an acceptable answer. For holding companies, the services and products of its subsidiaries may be disclosed.*

COVER SHEET
for
AUDITED FINANCIAL STATEMENTS

SEC Registration Number

0	0	0	0	0	9	9	0	5	

Company Name

PHILIPPINE REALTY AND HOLDINGS CORPORATION AND SUBSIDIARIES

Principal Office (No./Street/Barangay/City/Town)Province)

ONE BALETE, 1 BALETE DRIVE CORNER N. DOMINGO ST. BRGY. KAUNLARAN DISTRICT 4, QUEZON CITY

Form Type	Department requiring the report	Secondary License Type, If Applicable
AAFS	SEC	N/A

COMPANY INFORMATION

Company's Email Address	Company's Telephone Number/s	Mobile Number
mark.ramos@philrealty.com.ph	02-86313179	0917-509-6326

No. of Stockholders	Annual Meeting Month/Day	Calendar Year Month/Day
2,300	2nd week of June	December 31

CONTACT PERSON INFORMATION

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

Name of Contact Person	Email Address	Telephone Number/s	Mobile Number
Mark Anthony A. Ramos	mark.ramos@philrealty.com.ph	02-86313179	0917-509-6326

Contact Person's Address

One Balete, 1 Balete Drive cor. N. Domingo Street Brgy. Kaunlaran District 4, Quezon City

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

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

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From Mark Anthony Ramos <MARK.RAMOS@PHILREALTY.COM.PH>
Date Tue 4/28/2026 3:03 PM
To Amyleen Joy Dayrit <joy.dayrit@philrealty.com.ph>; Lovely Quilantang <lovely.quilantang@philrealty.com.ph>; Kristel Turot <kristel.turot@philrealty.com.ph>

Thanks and best regards

MARK ANTHONY M. RAMOS
Vice President and Controller and Compliance Officer
PHILIPPINE REALTY AND HOLDINGS CORPORATION
Head Office (632) 8631 3179 / Satellite Office (632) 532 7538
mark.ramos@philrealty.com.ph
www.philrealty.com.ph

From: eafs@bir.gov.ph <eafs@bir.gov.ph>
Sent: Tuesday, April 28, 2026 3:03 PM
To: Mark Anthony Ramos <MARK.RAMOS@PHILREALTY.COM.PH>
Cc: Mark Anthony Ramos <MARK.RAMOS@PHILREALTY.COM.PH>
Subject: Your BIR AFS eSubmission uploads were received

Hi PHILIPPINE REALTY AND HOLDINGS CORPORATION,

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Transaction Code: **AFS-0-XVXX4WN0CGG99FA9NZQSNQ2W03Q44M1VM**
Submission Date/Time: **Apr 28, 2026 03:02 PM**
Company TIN: **000-188-233**

Please be reminded that you accepted the terms and conditions for the use of this portal and expressly agree, warrant and certify that:

- The submitted forms, documents and attachments are complete, truthful and correct based on the personal knowledge and the same are from authentic records;
- The submission is without prejudice to the right of the BIR to require additional document, if any, for completion and verification purposes;
- The hard copies of the documents submitted through this facility shall be submitted when required by the BIR in the event of audit/investigation and/or for any other legal purpose.

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PHILIPPINE REALTY AND HOLDINGS CORPORATION AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2025, 2024 and 2023

Philippine Realty & Holdings Corporation

STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The management of **PHILIPPINE REALTY AND HOLDINGS CORPORATION** 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, 2024 and 2023, in accordance with the prescribed financial reporting framework indicated therein, 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 and error.

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

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

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

Maceda Valencia and Co., the independent auditor appointed by the stockholders, has audited the financial statements of the Company in accordance with Philippine Standards on Auditing, and in its report to the stockholders, has expressed its opinion on the fairness of presentation upon completion of such audit.

GERARDO DOMENICO ANTONIO V. LANUZA
Chairman

EDMUNDO C. MEDRANO
President

MARISSA S. BONTOGON
Vice President and Treasurer and Risk Officer

Signed this 17th day of March 2026. MAR 3 0 2026

SUBSCRIBED AND SWORN to before me this ______ day of ______________, 2026, affiants exhibiting to me their Tax Identification Nos., as follows: MAR 3 0 2026

Name	Tax Identification No.
Gerardo Domenico Antonio V. Lanuza	243-616-771
Edmundo C. Medrano	134-515-229
Marissa S. Bontogon	162-411-720

DOC NO. 68
PAGE NO. 15
BOOK NO. V
SERIES OF 2026

ATTY. BRYAN G. PEKAS
NOTARY PUBLIC FOR QUEZON CITY
NP 171 VALID UNTIL DEC. 31, 2026
ROLL OF ATTORNEY NO. 60398/TIN 289 467-753
DECEMBER 30, 2025, QUEZON CITY
VALID UNTIL
PTR NO. 50438501, JANUARY 5, 2026, MARIKINA CITY
EDSA DIAMOND FINANCE, CUBAO, Q.C.

MVCo
Member of Nexia

5F Don Jacinto Building
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Fax +63 (2) [illegible]

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www.nexia.com

REPORT OF INDEPENDENT AUDITORS
TO ACCOMPANY FINANCIAL STATEMENTS FOR FILING WITH THE
SECURITIES AND EXCHANGE COMMISSION

The Shareholders and Board of Directors
Philippine Realty and Holdings Corporation and Subsidiaries
One Balete, 1 Balete Drive corner N. Domingo Street
Brgy. Kaunlaran District 4
Quezon City

We have audited the consolidated financial statements of Philippine Realty and Holdings Corporation and Subsidiaries as at and for the year ended December 31, 2025, on which we have rendered our report dated March 17, 2026.

In compliance with Revised Securities Regulation Code Rule 68 and based on the certification received from the Parent Company's corporate secretary and the results of our work done, as at December 31, 2025, we are stating that the said Parent Company has two thousand two hundred forty-five (2,245) shareholders owning one hundred (100) or more shares.

MACEDA VALENCIA & CO.

JOSE T. VALENCIA
Partner
CPA License No. 32659
Tax Identification No. 119-894-676-000
PTR No. 10788596
Issued on January 23, 2026 at Makati City
BOA/PRC Reg. No. 4748 valid until August 7, 2027
BIR Accreditation No. 08-005063-000-2024 (firm); 08-005063-001-2024 (individual)
Issued on March 26, 2024; valid until March 25, 2027

March 17, 2026
Makati City

MVCo
Member of Nexia

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Fax +63 (2) 8553 4909

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www.nexia.com

REPORT OF INDEPENDENT AUDITORS

The Shareholders and Board of Directors
Philippine Realty and Holdings Corporation and Subsidiaries
One Balete, 1 Balete Drive corner N. Domingo Street
Brgy. Kaunlaran District 4
Quezon City

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Philippine Realty and Holdings Corporation and Subsidiaries (the "Group"), which comprise the consolidated statements of financial position as at December 31, 2025 and 2024, and the consolidated statements of total comprehensive income, consolidated statements of changes in equity and consolidated statements of cash flows for the three years in the period ended December 31, 2025, and notes to the consolidated financial statements, including a summary of material accounting policies and other explanatory 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 three years in the period ended December 31, 2025 in accordance with Philippine Financial Reporting Standards (PFRS) Accounting Standards.

Basis for Opinion

We conducted our audits in accordance with Philippine Standards on Auditing (PSAs). Our responsibilities under those standards are further described in the Auditor's 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 financial statements of public interest entities, together with the ethical requirements that are relevant to audits of the financial statements of public interest entities in the Philippines. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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

Valuation of Investment Properties

The Risk

Investment properties is considered to be a matter of significance as it requires the application of valuation judgment and use of assumptions by management. As of December 31, 2025, Investment property has a total carrying amount of P5.45 billion contributing 55% to the Group's total assets.

Our Response

To determine fair value adjustments, we obtained the latest appraisal report and evaluated appropriateness of assumptions and valuation method, and completeness of the information used.

We also assessed the competence, capabilities, and objectivity of the external appraiser engaged by management by confirming that the appraiser is duly accredited by the Securities and Exchange Commission (SEC).

Valuation of Real Estate Inventories

The Risk

Real estate inventories constitute a material component in the Group's consolidated statements of financial position. Real estate inventories amounted to P2.95 billion representing 30% of the total assets as at December 31, 2025. Real estate inventories include completed units, properties under construction and land held for development. Real estate inventories are valued at the lower of cost or market and net realizable value.

The valuation of real estate inventories is influenced by assumptions and estimates regarding construction costs to be incurred. and future selling prices. Weak demand and the consequential over supply of residential units might exert downward pressure on transaction volumes and selling prices of residential properties.

Our Response

Based on the controls over cost recognition process, we examined supporting documents of transactions of the ongoing projects to ensure that costs are complete and accurate and relates to that project and any spending noted outside the budgeted costs, including capitalized interest, are explained.

We compared cost against net realizable values of inventories through inspection of most recent sales contracts and expected sales proceeds from the remaining properties.

Recoverability of Deferred Tax Assets and Measurement of Deferred Tax Liabilities

The Risk

As disclosed in Note 24 to the consolidated financial statements, the Group has recognized deferred tax assets of P159.18 million and deferred tax liabilities of P801.87 million as at December 31, 2025. The recognition, measurement, and recoverability of these deferred tax balances involve significant management judgment and estimation, particularly in assessing the probability of sufficient future taxable profits, determining the expected timing of reversal of temporary differences, and applying the appropriate tax rates and rules under the National Internal Revenue Code (including the impact of any enacted changes in tax laws).

Our Response

We obtained an understanding of management's process for identifying, measuring, and assessing the recoverability of deferred tax assets and the measurement of deferred tax liabilities. Our substantive audit procedures included the following:

- Reviewing the completeness and accuracy of the underlying temporary differences by agreeing them to the tax computations, financial statement balances, and supporting tax schedules;
- Evaluating the reasonableness of management's forecasts of future taxable profits, including key assumptions such as revenue growth rates, operating margins, capital expenditures, and other relevant factors. These assumptions were compared against historical performance and approved budgets;
- Testing the mathematical accuracy of the deferred tax calculations and assessing the appropriateness of the periods over which the temporary differences are expected to reverse;
- Assessing the appropriateness of the tax rates applied in the calculations and their compliance with relevant tax laws and regulations, involving our internal tax specialists as necessary; and
- Evaluating the adequacy and completeness of the disclosures in Notes 24 and 31 in accordance with PAS 12, Income Taxes. This included assessing the disclosure of the nature and amount of temporary differences, expiry periods of unused tax losses and credits, and the significant judgments and key assumptions used by management.

Presentation of Loans and Capitalization of Borrowing Costs

The Risk

The Group has a significant loan balance of P2.21 billion as of December 31, 2025, which is material to the financial statements. Interest costs of P87.60 million have been capitalized during the year in relation to the ongoing project. The capitalization of interest is accounted for under PAS 23, Borrowing Costs. We identified this as a key audit matter due to the magnitude of the loan and capitalized interest relative to the Group's financial position, the complexity involved in determining the amount of interest eligible for capitalization, and the significant judgments required. These judgments include assessing which expenditures qualify for capitalization, determining the appropriate capitalization rate, and ensuring the capitalization period aligns with the construction timeline of the related assets. There is an inherent risk of misstatement if these judgments are not appropriately applied or if the underlying assumptions are unreasonable.

Our Response

We reviewed loan agreements and the terms and conditions such as but not limited to debt covenants, guarantees, payment, schedule and interest, and determined appropriateness of disclosures in the financial statements.

We obtained an understanding of the terms of the loan agreement and management's process for identifying qualifying assets and calculating capitalized interest.
We tested the accuracy of the interest capitalization calculation, including the interest rate applied and the period of capitalization, by agreeing inputs to loan documentation and project timelines.

We evaluated the appropriateness of management's judgments regarding the eligibility of assets for interest capitalization, including corroborating the status of construction projects with supporting evidence such as progress reports and contractor invoices.

Allowance for Impairment Losses on Trade and Other Receivables

The Risk

The allowance for impairment losses on trade and other receivables is considered to be a matter of significance as it requires the application of judgment and use of subjective assumptions by management. As of December 31, 2025, trade and other receivables amounted to of P256.69 million, contributing 2.6% to the Group's total assets.

Our Response

We tested the calculation methodology which is based on cash flows of future payments considering historical date of collections and defaults including the value of repossessed inventories and possible refunds. We also tested the assumptions including interest rates used in computing for the expected credit loss.

Real Estate Revenue Recognition

The Risk

Although revenue from real estate sales amounted to P23.45 million, representing only 8.6% of Revenues and Other Income for the year ended December 31, 2025, the recognition of such revenue involves areas susceptible to fraud risk. Specifically, the process requires the application of management judgment and estimation in determining the timing and conditions under which a contract qualifies for revenue recognition. Errors or intentional misapplication of these judgments could result in material misstatements in the financial statements.

The Group's accounting policies for revenue recognition on real estate sales are disclosed in Note 30, while the significant judgments and estimates applied by management are disclosed in Note 31 to the consolidated financial statements.

Our Response

We obtained an understanding of the Group's revenue recognition process for real estate sales, including related controls. We performed risk assessment procedures to evaluate the design and implementation of relevant controls and conducted walkthroughs to identify areas where fraud risk could arise.
In particular, we tested the operating effectiveness of controls over:

- Initiation: ensuring sales reservations and payment schemes are based on valid transactions, and cancellations are issued in accordance with policy.
- Authorization: verifying that contracts (Reservation Agreements, Contracts to Sell, Deeds of Absolute Sale) and cancellations are approved by authorized officers.
- Recording and processing: confirming that sales are system-generated at the point of recognition, counterchecked by finance officers, and cancellations are manually recognized only upon approval.

We also tested controls over the financial reporting close process, including preparation and review of disclosures by authorized finance officers.

In addition, we performed substantive procedures on selected sales and cancellation transactions during the year. This included examining supporting documents (approved payment schemes, Contracts to Sell, Deeds of Absolute Sale, Notices of Cancellation) and reperformance of calculations to validate the amounts recognized.

Responsibilities of Management and Those Changed with Governance for the Financial Statements

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

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company 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.

Auditor's 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with PSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these separate financial statements.

As part of an audit in accordance with PSAs, 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 Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast material doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- 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 material audit findings, including any material 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 to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

The engagement partner on the audit resulting in this independent auditor's report is Jose T. Valencia.

MACEDA VALENCIA & CO.

JOSE T. VALENCIA
Partner
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Tax Identification No. 119-894-676-000
PTR No. 10788996
Issued on January 23, 2026 at Makati City
BOA/PRC Reg. No. 4748 valid until August 7, 2027
BIR Accreditation No. 08-005063-000-2024 (firm); 08-005063-001-2024 (individual)
Issued on March 26, 2024; valid until March 25, 2027

March 17, 2026
Makati City

PHILIPPINE REALTY AND HOLDINGS CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2025 AND 2024

	Note	2025	2024
ASSETS			
Current Assets			
Cash and cash equivalents	*3*	**P67,956,349**	P212,525,104
Financial assets at fair value through profit or loss (FVPL)	*4*	**6,750,000**	6,750,000
Trade and other receivables - current portion	*6*	**223,262,566**	310,056,766
Real estate inventories	*7*	**2,948,523,289**	2,395,612,671
Prepayments and other current assets – net	*8*	**971,186,310**	995,291,809
Investment in finance lease – current portion	*12*	–	16,798,904
Total Current Assets		**4,217,678,534**	3,937,035,254
Non-current Assets			
Financial assets at fair value through other comprehensive income (FVOCI)	*5*	**41,867,434**	27,925,315
Trade and other receivables – net of current portion	*6*	**33,424,563**	68,744,092
Investments in and advances to associates – net	*9*	**53,577,532**	54,301,261
Investment properties	*10*	**5,451,388,370**	5,326,432,281
Property and equipment – net	*11*	**71,629,190**	63,892,120
Right-of-use assets – net	*12*	-	76,909,906
Investment in finance lease – net of current portion	*12*	-	155,173,275
Other non-current assets		**53,386**	53,386
Total Non-current Assets		**5,651,940,480**	5,793,431,636
Total Assets		**P9,869,619,014**	P9,730,466,890
LIABILITIES AND EQUITY			
LIABILITIES			
Current Liabilities			
Trade and other payables - current portion	*13*	**P336,992,014**	P201,192,447
Loans and note payable - current portion	*14*	**760,651,466**	984,428,257
Lease liability - current portion	*12*	-	16,367,703
Total Current Liabilities		**1,097,643,480**	1,201,988,407
Non-current Liabilities			
Trade and other payables - net of current portion	*13*	**108,849,648**	104,872,422
Loans and note payable - net of current portion	*14*	**1,448,970,595**	857,491,696
Retirement benefit obligation	*16*	**95,136,266**	90,759,285
Deferred tax liabilities – net	*24*	**642,690,108**	790,887,733
Lease liability – net of current portion	*12*	-	126,725,111
Deferred rent income	*12*	**11,879,904**	41,405,086
Total Non-current Liabilities		**2,307,526,521**	2,012,141,333
Total Liabilities		**P3,405,170,001**	P3,214,129,740

Forward

PHILIPPINE REALTY AND HOLDINGS CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2025 AND 2024

	Note	**2025**	2024
EQUITY			
Equity Attributable to Equity Holders of the Parent Company			
Capital stock	*25*	**P4,275,721,448**	P4,275,721,448
Additional paid-in capital	*25*	**777,487,084**	780,630,029
Reserves	*26*	**72,021,276**	54,362,518
Retained earnings		**1,494,456,768**	1,557,228,901
Treasury stock	*25*	**(110,049,633)**	(110,049,633)
		6,509,636,952	6,557,893,263
Equity Attributable to Non-Controlling Interests	*27*	**(45,187,940)**	(41,556,113)
		6,464,449,013	6,516,337,150
		P9,869,619,014	P9,730,466,890

See Notes to the Consolidated Financial Statements.

PHILIPPINE REALTY AND HOLDINGS CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF TOTAL COMPREHENSIVE INCOME (LOSS)
FOR THE YEARS ENDED DECEMBER 31, 2025, 2024 AND 2023

	Notes	2025	2024	2023
INCOME				
Sales of real estate		P23,446,542	P54,281,940	P174,460,724
Rent	*12*	85,599,189	78,226,430	65,161,614
Management fees	*17*	37,870,945	42,928,666	41,203,464
Interest	*19*	10,943,084	10,840,037	14,050,801
Commission	*18*	6,891,196	10,313,645	5,215,928
Other income	*20*	106,527,998	186,653,703	476,546,957
		271,278,954	383,244,421	726,639,488
COSTS AND EXPENSES				
Cost of real estate sold	*7*	2,000,000	33,972,600	90,154,100
Cost of services	*21*	80,001,584	79,262,634	74,604,569
General and administrative expenses	*22*	225,892,695	259,703,091	307,660,262
Loss on lease cancellation	*23*	93,027,404	-	-
Finance costs	*12,14*	80,769,427	89,057,427	70,157,474
Equity in net loss of an associate	*9*	723,730	2,135,489	1,799,381
Other expenses	*23*	203,517	200,543	4,898,497
		482,617,357	464,351,784	549,274,283
INCOME (LOSS) BEFORE INCOME TAX		(211,338,403)	(81,107,363)	177,365,205
INCOME TAX EXPENSE (BENEFIT)	*24*	(147,775,176)	40,132,029	64,496,247
NET INCOME (LOSS)		(P63,563,227)	(P121,239,392)	P112,868,958
Attributable to:				
Equity holders of the parent	*28*	(P62,772,133)	(P121,235,533)	P112,880,755
Non-controlling interest	*27*	(791,094)	(3,859)	(11,796)
		(P63,563,227)	(P121,239,392)	P112,868,959
OTHER COMPREHENSIVE INCOME (LOSS)				
Items that will not be reclassified to profit or loss				
Remeasurement gain (loss) on defined benefit obligation, net of tax	*26*	P4,511,119	P3,510,610	(P8,521,221)
Unrealized holding gain (loss) on financial assets at FVOCI	*5,26*	13,942,119	4,852,614	(878,903)
		18,453,238	8,363,224	(9,400,124)
TOTAL COMPREHENSIVE INCOME (LOSS)		(P45,109,989)	(P117,876,168)	P103,468,835
BASIC EARNINGS (LOSS) PER SHARE	*28*	(P0.01)	(P0.01)	P0.01

See Notes to the Consolidated Financial Statements.

PHILIPPINE REALTY AND HOLDINGS CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

	Equity Attributable to Equity Holders of the Parent Company							
	Capital Stock (Note 25)	Additional Paid-in Capital (Note 25)	Reserves (Note 26)	Retained Earnings	Treasury Stock (Note 26)	Total	Non-controlling Interests (Note 27)	Total Equity
Balance at January 1, 2023	P4,275,721,448	P780,630,029	P65,530,662	P1,555,405,651	(P110,049,633)	P6,567,238,157	(P41,540,458)	P6,525,697,699
Comprehensive income (loss)								
Net income (loss) for the year	-	-	-	112,880,755	-	112,880,755	(11,796)	112,868,959
Other comprehensive loss for the year	-	-	(9,400,124)	-	-	(9,400,124)	-	(9,400,124)
Adjustments	-	-	46,784	-	-	46,784	-	46,784
Total comprehensive income (loss) for the year	-	-	(9,353,340)	112,880,755	-	103,527,415	(11,796)	103,515,619
Balance at December 31, 2023	P4,275,721,448	P780,630,029	P56,177,322	P1,668,286,406	(P110,049,633)	P6,670,765,572	(P41,552,254)	P6,629,213,318
Comprehensive income (loss)								
Net loss for the year	-	-	-	(121,235,533)	-	(121,235,533)	(3,859)	(121,239,392)
Other comprehensive income for the year	-	-	8,363,224	-	-	8,363,224	-	8,363,224
Total comprehensive income (loss) for the year	-	-	8,363,224	(121,235,533)	-	(112,872,309)	(3,859)	(112,876,168)
Disposal of Financial Asset at FVOCI	-	-	(10,178,028)	10,178,028	-	-	-	-
Balance at December 31, 2024	P4,275,721,448	P780,630,029	P54,362,518	P1,557,228,901	(P110,049,633)	P6,557,893,263	(P41,556,113)	P6,516,337,150
Comprehensive income (loss)								
Net loss for the year	-	-	-	(62,772,133)	-	(62,772,133)	(791,094)	(63,563,227)
Other comprehensive income for the year	-	-	18,453,238	-	-	18,453,238	-	18,453,238
Adjustments	-	-	(794,480)	-	-	(794,480)	(2,840,733)	(3,635,213)
Total comprehensive income (loss) for the year	-	-	17,658,758	(62,772,133)	-	(45,113,375)	(3,631,827)	(48,745,202)
Share transaction cost (*see Note 35*)	-	(3,142,935)	-	-	-	(3,142,935)	-	(3,142,935)
Balance at December 31, 2025	P4,275,721,448	P777,487,094	P72,021,276	P1,494,456,768	(P110,049,633)	P6,509,636,953	(P45,187,940)	6,464,449,013

See Notes to the Consolidated Financial Statements

PHILIPPINE REALTY AND HOLDINGS CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF TOTAL CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2025, 2024 AND 2023

	Notes	2025	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES				
Income before (loss) income tax		**(P211,338,403)**	(P81,107,363)	P177,365,206
Adjustments for:				
Loss on cancellation of lease	*23*	**93,027,404**	-	
Finance costs	*12,14*	**80,768,427**	89,057,427	70,157,474
Depreciation and amortization	*21,22*	**25,624,459**	25,964,742	19,410,315
Provision for retirement benefits	*16,20,22*	**15,796,958**	12,157,585	14,813,508
Equity in net loss of an associate	*9*	**723,730**	2,135,489	1,799,380
Gain on change in fair value of investment properties	*10,20*	**(98,114,332)**	(158,384,893)	(259,380,144)
Interest income	*19*	**(10,943,084)**	(10,840,037)	(14,050,801)
Reversal of impairment loss on trade and other receivables	*6,20,22*	**(1,306,448)**	(7,130,236)	(22,136,446)
Foreign exchange loss (gain) – net	*20,23*	**(300,890)**	(812,642)	402,230
Loss (gain) on repossession of real estate inventories	*23*	**-**	-	3,524,627
Gain on sale of investment properties	*20*	**-**	-	(128,065,333)
Dividend income	*5,20*	**-**	(1,637,722)	-
Operating loss before working capital changes		**(106,062,179)**	(130,597,650)	(136,159,984)
Decrease (increase) in:				
Trade and other receivables		**120,807,256**	384,404,755	47,982,799
Prepayments and other current assets		**21,479,714**	(534,071,280)	(48,950,129)
Real estate inventories		**(465,307,733)**	(289,515,518)	35,211,279
Increase (decrease) in:				
Trade and other payables		**139,776,793**	177,994,362	(57,931,774)
Other non-current liabilities		**(29,525,184)**	(2,205,252)	2,601,128
Cash absorbed by operations		**(318,831,333)**	(593,988,603)	(157,246,681)
Collection of lease receivables		**28,486,539**	24,449,084	23,672,896
Interest received	*19*	**2,692,913**	1,719,953	14,050,801
Contributions to retirement fund	*16*	**(5,500,000)**	(2,500,000)	(7,000,000)
Net cash used in operating activities		**(295,151,881)**	(570,319,562)	(126,522,984)
CASH FLOWS FROM INVESTING ACTIVITIES				
Proceeds from disposal of property and equipment		**574,349**	244,482	776,528
Additions to property and equipment	*11*	**(3,270,515)**	(7,954,948)	(40,698,040)
Additions to investment properties	*10*	**(26,841,757)**	-	(3,939,456)
Proceeds from sale of investment in stock	*5*	**-**	12,124,501	-
Dividends received	*20*	**-**	1,637,722	-
Proceeds from sale of investment properties		**-**	-	62,036,427
Net cash from (used in) investing activities		**(29,537,923)**	6,051,757	18,174,959

Forward

PHILIPPINE REALTY AND HOLDINGS CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF TOTAL CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2025, 2024 AND 2023

	Notes	2025	2024	2023
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from availment of loans	*14*	P2,755,083,200	P3,132,611,060	P2,018,581,702
Transaction costs paid on the issuance of shares	*25,35*	(3,142,935)	-	-
Lease liability payments		(22,920,362)	(22,972,049)	(22,972,049)
Finance cost paid		(161,818,652)	(124,093,584)	(56,615,119)
Payments of loans and note payable	*14*	(2,387,381,092)	(2,492,710,836)	(1,710,985,337)
Net cash from financing activities		179,820,159	492,834,591	228,009,197
EFFECTS OF EXCHANGE RATE CHANGES IN CASH AND CASH EQUIVALENTS		300,890	912,642	(402,230)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		(144,568,755)	(70,620,572)	119,258,942
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	*3*	212,525,104	283,145,676	163,886,734
CASH AND CASH EQUIVALENTS AT END OF YEAR	*3*	P67,956,349	P212,525,104	P283,145,676

See Notes to the Consolidated Financial Statements.

1. Corporate Information

Philippine Realty and Holdings Corporation (the "Parent Company") was incorporated and registered with the Philippine Securities and Exchange Commission (SEC) on July 13, 1981. The principal activities of the Parent Company include the acquisition, development, sale and lease of all kinds of real estate and personal properties, and as an investment and holding company.

The Parent Company was listed with the Philippine Stock Exchange (PSE) on September 7, 1987.

The Parent Company is 65.20% owned by Greenhills Properties, Inc., a company registered under the laws of the Philippines.

The Parent Company's registered office is at One Balete, 1 Balete Drive corner N. Domingo St. Brgy. Kaunlaran, District 4, Quezon City 1111, Philippines.

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

	Principal Activities	Ownership Interest		
			2025	2024
PRHC Property Managers, Inc. (PPMI)	Property Management	Direct	100%	100%
Taktite Insurance Agency, Inc. (TIAI)	Insurance Agency (2025)/Insurance Brokerage (2024 and prior years)	Direct	100%	100%
Sultan's Power, Inc. (SPI)	Holding Company	Direct	100%	100%
Three Corners Realty Corporation (TCRC)	Real Estate	Direct	100%	100%
Universal Travel Corporation (UTC)	Travel and Tours Agency	Direct	81.53%	81.53%
Recon-X Energy Corporation	Waste Management	Indirect	51%	51%

2. Basis of Preparation

Statement of Compliance
The consolidated financial statements of Philippine Realty and Holding Corporation and Subsidiaries, (the "Group") have been prepared in accordance with Philippine Financial Reporting Standards (PFRS) Accounting Standards. PFRS Accounting Standards includes all applicable PFRS, Philippine Accounting Standards (PAS), and interpretations of the Philippine Interpretations Committee (PIC), Standing Interpretations Committee (SIC) and International Financial Reporting Interpretations Committee (IFRIC), as approved by the Philippine Financial Sustainability Reporting Standards Council (FSRSC) and adopted by the SEC.

Approval of Financial Statements
The accompanying consolidated financial statements as at and for the year ended December 31, 2025 were approved and authorized for issuance by the Board of Directors (BOD) of the parent company on March 17, 2026.

Basis of Measurement
The consolidated financial statements have been prepared under the historical cost convention, except for the following which are measured using alternative basis at each reporting date:

Financial assets at FVPL	Fair value
Financial assets at FVOCI	Fair value
Investment properties	Fair value
Retirement benefit obligation	Present value of the defined benefit obligation less fair value of plan assets

Functional and Presentation Currency
The consolidated financial statements are presented in Philippine peso, which is the presentation and functional currency of the Group. All financial information presented have been rounded to the nearest peso, unless otherwise stated.

Use of Estimates and Judgments
The preparation of the consolidated financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

In particular, information about material areas of estimation uncertainty and critical judgments in applying accounting policies that have the most material effect on the amounts recognized in the consolidated financial statements are described in Notes 30 and 31.

3. Cash and Cash Equivalents

This account consists of:

	2025	2024
Cash on hand	**P51,000**	P1,051,000
Cash in banks	**28,061,387**	41,728,474
Cash equivalents	**39,843,962**	169,745,630
	P67,956,349	P212,525,104

Cash in banks earned an average annual interest of 0.12% and 0.04% in 2025 and 2024. Cash equivalents represent money market placements or short-term investments with maturities up to three months and annual interests ranging from 2.50% to 4.50% and 2.25% to 5.12% in 2025 and 2024, respectively.

Interest income recognized amounted to P2.62 million, P1.00 million and P1.33 million in 2025, 2024 and 2023, respectively (see Note 19).

4. Financial Assets at Fair Value Through Profit or Loss (FVPL)

This account is composed of listed equity securities that are held for trading. The fair values of these securities totaling P6,750,000 are based on quoted market prices.

5. **Financial Assets at Fair Value Through Other Comprehensive Income (FVOCI)**

As at December 31, financial assets at FVOCI consist of investments in:

		December 31, 2025 and 2024		
	Note	Listed shares of stock	Golf and country club shares	Total
Cost				
Beginning balance		₱56,386,335	₱3,350,000	₱59,736,335
Accumulated unrealized holding gain (loss)				
January 1, 2024		(25,535,606)	(950,000)	(26,485,606)
Unrealized holding gain (loss)		(1,747,386)	6,600,000	4,852,614
Disposals	*26*	(10,178,028)	-	(10,178,028)
December 31, 2024		(37,461,020)	5,650,000	(31,811,020)
Unrealized holding gain (loss)	*26*	15,342,119	(1,400,000)	13,942,119
December 31, 2025		**(22,118,901)**	**₱4,250,000**	**(17,868,901)**
Carrying amount December 31, 2024		₱18,925,315	₱9,000,000	₱27,925,315
Carrying amount December 31, 2025		**₱34,267,434**	**₱7,600,000**	**₱41,867,434**

The investments in shares of stock of various listed equity securities present the Parent Company with opportunity for return through dividend income. The above investments in equity instruments are not held for trading and the Group irrevocably elected to present subsequent changes in fair values in OCI.

The fair values of these investments are based on quoted market prices. Unrealized holding gains or losses from market value fluctuations are recognized as part of the Group's reserves.

In 2024, the Parent Company sold its shares in Premium Leisure Corporation with carrying amount of ₱10,178,028.

Unrealized holding gain (loss) recognized in other comprehensive income from financial assets at FVOCI amounted to ₱13.94 million in 2025, ₱4.85 million in 2024 and (₱0.88) million in 2023 (see Note 26).

Dividend income recognized in profit or loss amounted to nil, ₱1.64 million and nil in 2025, 2024 and 2023, respectively (see Note 20).

6. Trade and Other Receivables

This account is composed of:

	Note	2025	2024
Trade:			
Sale of real estate		**P280,827,537**	P405,485,246
Lease		**31,226,399**	29,571,731
Management fees		**6,518,275**	8,726,074
Commission		**5,731,893**	8,484,851
Advances		**7,427,769**	3,857,475
Premiums receivable		**5,605,992**	3,637,023
Other receivables	*15*	**37,270,627**	38,266,244
		374,608,492	498,028,644
Less: allowance for impairment loss		**117,921,338**	119,227,786
		256,687,154	378,800,858
Less: non-current portion		**33,424,568**	68,744,092
Trade and other receivables - current portion		**P223,262,586**	P310,056,766

Trade receivables from sale of real estate include amounts due from buyers of the Parent Company's condominium projects, generally over a period of two (2) to three (3) years. The condominium certificates of title remain in the possession of the Parent Company until full payment has been made by the customers. Trade receivables for restructured accounts carry yield-to-maturity interest rates of 1.5% per month in 2025 and 2024. Total interest income recognized from trade receivables amounted to P74,334, P718,376 and P3,134,708 in 2025, 2024 and 2023, respectively (see Note 19). Certain trade receivables with total carrying value of P18 million and P95 million as at December 31, 2025 and 2024, respectively, are pledged to a local bank as collateral to the Company's loans payable (see Note 14).

Advances consist mainly of advances to officers and employees that are settled either through liquidation or salary deduction.

Other receivables mainly consist of receivables from multiple parties for reimbursable expenses paid by the Group in behalf of these parties.

Receivables amounting to P117.92 million and P119.23 million as of December 31, 2025 and 2024 respectively, were fully provided with allowance. The movements in the allowance for Expected Credit Losses (ECL) on receivables are as follows:

2025	Sale of real estate	Lease	Management fees	Premiums receivable	Advances	Other receivables	Total
Beginning balance	P68,658,315	P7,054,694	P3,189,750	P2,899,963	P862,891	P36,562,373	P119,227,786
(Reversals)	(1,306,448)	-	-	-	-	-	(1,306,448)
	P67,351,867	P7,054,694	P3,189,750	P2,899,963	P862,891	P36,562,373	P117,921,338

2024	Sale of real estate	Lease	Management fees	Premiums receivable	Advances	Other receivables	Total
Beginning balance	P73,462,530	P4,787,074	P3,189,750	P2,899,963	P862,891	P41,155,714	P126,358,022
Provisions	-	2,267,620	-	-	-	1,033,518	3,301,138
(Reversals)	(4,804,215)	-	-	-	-	(5,626,859)	(10,431,074)
	P68,658,315	P7,054,694	P3,189,750	P2,899,963	P862,891	P36,562,373	P119,227,786

7. Real Estate Inventories

This account consists of:

	2025	2024
In progress:		
BGC Project	P2,607,523,057	P2,052,612,439
Andrea North Estate	-	117,572,442
	2,607,523,057	2,170,184,881
Completed units:		
Andrea North SkyVillas Tower	35,678,000	37,678,000
Andrea North Skyline Tower	14,362,111	14,362,111
The Icon Plaza	38,020,766	38,020,766
	88,060,877	90,060,877
Land held for development:		
New Manila, Quezon City	252,939,355	135,366,913
	P2,948,523,289	P2,395,612,671

BGC Project pertains to the Unico Project, a 40-storey upscale residential condominium located in Bonifacio South District in Taguig City. The project broke ground on March 5, 2024. The carrying amount represents the cost of the land, and all other costs incurred in the planning and preparation, site preparation, foundation and structural framework. Accumulated cost also includes capitalized interest.

In 2025, the Company reclassified costs amounting to P117.57 million related to the Andrea North Estate project, previously presented as 'In Progress,' to 'Land Held for Development,' as management determined this classification more appropriately reflects that the costs pertain to land development.

Certain real estate inventories are mortgaged as collaterals to loans (see Note 14).

The cost of real estate inventories sold recognized in the consolidated statements of total comprehensive income amounted to P2,000,000, P33,972,600 and P90,154,100 in 2025, 2024 and 2023, respectively.

8. Prepayments and Other Current Assets

This account consists of:

	2025	2024
Prepaid expenses	P427,864,955	P493,584,701
Creditable withholding tax	320,176,463	303,612,516
Input tax	101,215,102	65,652,616
Prepaid taxes	59,865,093	78,576,033
Investment in escrow	31,552,471	31,552,471
Others	30,512,226	22,313,472
	P971,186,310	P995,291,809

Prepaid expenses consist of advance payment to contractors, rent, real property tax, insurance premium and membership dues.

Creditable withholding tax pertains to taxes withheld by the Group's customers in accordance with tax regulations which remained unutilized as at the end of the reporting period. This can be utilized by the Group as a deduction from future income tax obligations.

Input tax refers to the value-added tax (VAT) that a Company pays on goods or services purchased for its operations.

Prepaid taxes include unutilized creditable withholding taxes which the Company opted for refund with the Bureau of Internal Revenue and tax certificates.

Investment in escrow pertains to the Parent Company's account in PBCom in connection with the escrow agreement with Department of Human Settlements and Urban Development for the construction of Project Unico.

9. Investments in and Advances to Associates

Details of the ownership interests in associates as at December 31 are as follows:

	2025	2024
Meridian Assurance Corporation (MAC)	**30%**	30%
Le Cheval Holdings, Inc. (LCHI)	**45%**	45%
Alexandra (USA), Inc. (AUI)	**45%**	45%

Details of investments in and advances to associates are as follows:

	2025	2024
Meridian Assurance Corporation		
Investment - acquisition cost	**P81,829,858**	P81,829,858
Accumulated equity in net loss:		
Balance at beginning of year	**(27,653,746)**	(25,518,258)
Equity in net loss for the year	**(723,730)**	(2,135,489)
Balance at end of year	**(28,377,476)**	(27,653,747)
	P53,452,382	P54,176,111
Le Cheval Holdings, Inc.		
Investment - acquisition cost	**P11,250**	P11,250
Allowance for impairment loss	**(11,250)**	(11,250)
	P -	P -
Accumulated equity in net loss:		
Balance at end of year	**P125,150**	P125,150

	2025	2024
Alexandra (USA), Inc.		
Investment - acquisition cost	**P14,184,150**	P14,184,150
Allowance for impairment loss	**(14,184,150)**	(14,184,150)
	-	-
Advances to AUI	**132,417,765**	132,417,765
Allowance for unrecoverable advances	**(132,417,765)**	(132,417,765)
	-	-
	P53,577,532	P54,301,261

Allowance for impairment loss pertains to the company's investments in associates that have ceased operations or in process of liquidation.

Aggregated amounts relating to associates are as follows:

	2025	2024
Meridian Assurance Corporation (MAC)		
Total assets	**P350,700,561**	P351,969,981
Total liabilities	**(28,502,616)**	(27,149,697)
Net assets	**322,197,945**	324,820,284
Income	**4,220,536**	659,480
Cost and expenses	**(6,626,812)**	(7,777,777)
Net loss	**(P2,406,276)**	(P7,118,297)
Le Cheval Holdings, Inc. (LCHI)		
Total assets	**P45,362**	P45,362
Total liabilities	**(142,248)**	(142,248)
Net liabilities	**(96,886)**	(96,886)
Income	-	-
Cost and expenses	-	-
Net loss	**P -**	P -

The following are the principal activities of the Group's Associates:

<u>Meridian Assurance Corporation</u>

MAC was incorporated and registered with the SEC on March 16, 1960, renewed on November 13, 2007, primarily to engage in the business of insurance and guarantee of any kind and in all branches except life insurance, for consideration, to indemnify any person, firm or corporation against loss, damage or liability arising from any unknown or contingent event, and to guarantee liabilities and obligations of any person, firm or corporation and to do all such acts and exercise all such powers as may be reasonably necessary to accomplish the above purposes which may be incidental.

On July 7, 2021, MAC received a letter from the Insurance Commission (IC) confirming MAC's withdrawal from the insurance business. It is also stated in the letter that MAC is no longer required to submit annual financial statements and other documentary requirements to the commission starting financial year-end 2021. As at December 31, 2022, MAC is in the process of preparing the necessary documents for the amendment of its Articles of Incorporation and By-laws for filing with the SEC and IC. Thereafter, the Company plans to engage in the business of asset management. As of December 31, 2025 and 2024, the Company's application for amendment of its Articles of Incorporation and By-laws is still in process with SEC.

The registered office of MAC is Unit E-2003B East Tower, Tektite Towers (formerly Philippine Stock Exchange Centre), Exchange Road, Ortigas Center, Pasig City.

Le Cheval Holdings, Inc.
LCHI, which was incorporated and registered with the SEC on August 30, 1994 as a holding company is inactive.

Alexandra (USA), Inc.
AUI was incorporated in the United States of America (USA). AUI is involved in property development in Florida, USA. AUI is jointly owned with GPI (45%) and Warrenton Enterprises Corporation (10%) of William Cu-Unjieng. AUI is in the process of liquidation.

10. Investment Properties

Investment properties consist of:

	2025	2024
Cost		
Land – BGC	**P871,044,982**	P846,000,000
Land – La Union	**33,859,578**	33,859,578
Land and building	**402,443,016**	402,443,016
Condominium units and parking slots	**791,364,312**	789,567,537
	2,098,711,888	2,071,870,131
Accumulated unrealized holding gain	**3,352,676,482**	3,254,562,150
	P5,451,388,370	P5,326,432,281

Land – BGC
In 2025 the parcel of land located in BGC with carrying value amounting to P1,584,000,000 was transferred to TCRC in exchange for the latter's preferred shares. Costs capitalized as part of land amounted to P25,044,982.

Land – La Union
This pertains to a lot in San Fernando, La Union which is presently being held for capital appreciation.

Land and building
This property pertains to land and building located in Baguio which is being leased to PPMI under a lease agreement which is renewed annually. PPMI oversees the property and leases it to individuals and corporate clients for short-term accommodations, functions, and events.

Condominium units and parking slots
These are condominium units and parking spaces at the East Tower, West Tower of Tektite Towers and Skyvillas Towers held for rental.

Details of the accumulated unrealized fair value gain are as follows:

	2025	2024
Accumulated unrealized holding gain		
Land – BGC	**P738,000,000**	P728,120,000
Land – La Union	**331,707,822**	331,707,822
Land and building	**176,720,984**	161,143,984
Condominium units and parking slots	**2,106,247,676**	2,033,590,344
	P3,352,676,482	P3,254,562,150

The movements in accumulated unrealized fair value gain in 2025 and 2024 are as follows:

	Note	2025	2024
Beginning balance		**P3,254,562,150**	P3,096,177,257
Changes in fair value during the year	*20*	**98,114,332**	158,384,893
Total		**P3,352,676,482**	P3,254,562,150

Details of the carrying amount of investment properties are as follows:

	2025	2024
Carrying amount of investment properties		
Land	**P1,974,612,382**	P1,939,687,400
Land and building	**579,164,000**	563,587,000
Condominium units and parking slots	**2,897,611,988**	2,823,157,881
	P5,451,388,370	P5,326,432,281

An independent valuation of the Company's investment properties was performed by Asian Appraisal Company, Inc. on November 26 to 28, 2025 to determine their fair values. The external independent appraiser used sales comparison approach in arriving at the value of the properties. In this approach, the values of the properties were determined based on sales and listings of comparable properties. This is done by adjusting the differences between the subject property and those actual sales and listings regarded as comparable. The properties used as bases of comparison are situated within the immediate vicinity or at a different floor level of the same building. Comparison would be premised on factors such as location, size and physical attributes, selling terms, facilities offered and time element.

Rental income recognized from the investment properties in 2025, 2024 and in 2023 amounted to P85,599,189, P78,226,430 and P65,161,614, respectively. Real property taxes attributable to the investment properties in 2025, 2024 and 2023 amounted to P6,933,713, P7,027,242 and P6,970,788, respectively and are included as part of taxes and licenses in cost of services and general and administrative expenses. Condominium dues are attributable to the investment properties in 2025, 2024 and 2023 amounted to P11,679,808, P8,797,869 and P10,254,996, respectively and are included also in cost of services (see Note 21).

Certain investment properties are mortgaged as collateral to loans (see Note 14).

11. Property and Equipment

The details of the carrying amounts of property and equipment, the gross carrying amounts, and accumulated depreciation and amortization of property and equipment are shown below:

	For the Years Ended December 31, 2025 and 2024				
	Condominium Units, Building and Building Improvements	Office Furniture, Fixtures and Equipment	Transportation, Machinery and Other Equipment	Leasehold and Office Improvements	Total
Cost					
January 1, 2024	P100,987,980	P37,358,677	P85,438,557	P1,221,181	P225,006,395
Additions	2,184,552	1,107,700	4,662,696	-	7,954,948
Disposals	-	(6,937,431)	(26,620,700)	-	(33,558,131)
December 31, 2024	103,172,532	31,528,946	63,480,553	1,221,181	199,403,212
Additions	-	1,001,444	2,137,071	132,000	3,270,515
Disposals	-	(271,250)	(6,108,125)	-	(6,379,375)
December 31, 2025	**103,172,532**	**32,259,140**	**59,509,499**	**1,353,181**	**196,294,352**
Accumulated depreciation					
January 1, 2024	48,830,981	34,087,342	49,385,858	1,221,180	133,525,361
Provision	4,828,108	1,922,359	8,548,913	-	15,299,380
Disposals	-	(6,930,109)	(26,383,540)	-	(33,313,649)
December 31, 2024	53,659,089	29,079,592	31,551,231	1,221,180	115,511,092
Provision	4,854,746	1,529,413	8,555,138	19,800	14,959,097
Disposals	-	(271,250)	(5,533,777)	-	(5,805,027)
December 31, 2025	**58,513,835**	**30,337,755**	**34,572,592**	**1,240,980**	**124,665,162**
Carrying Amount					
December 31, 2024	P49,513,443	P2,449,354	P31,929,322	P1	P83,892,120
December 31, 2025	**P44,658,697**	**P1,921,385**	**P24,936,907**	**P112,201**	**P71,629,190**

Certain transportation equipment of the Group with total carrying value of P24.94 million and P31.89 million as at December 31, 2025 and 2024, respectively are pledged as security under chattel mortgage (see Note 14).

12. Leases

A. Rights-of-use assets

The Parent Company leases two parcels of land located at 5th Avenue corner 24th Street and 5th avenue corner 25th Street, Bonifacio Global City, Taguig City. These contracts have a term of fifteen (15) years, renewable for another ten (10) years upon submission of a written notice to renew at least ninety days prior to the expiration of the original term, with terms and conditions mutually agreed by both parties.

The Parent Company also leases Unit 10A in Icon Plaza located at 26th Street, Bonifacio Global City, Taguig City. The contract has a term of five (5) years and is renewable upon mutual agreement of both parties.

Early Termination of Lease

During the reporting period, the Parent Company, as lessee, experienced the early termination of the non-cancellable head lease for a parcel of land located in BGC by the property owner. The lease was originally set to expire in 2032.

As a result of the termination, the right-of-use asset with a carrying amount of P63.4 million and the lease liability of P66.2 million were derecognized. The net effect of these derecognitions, after accounting for any compensation paid or received, resulted in a loss of P2.8 million, which has been recognized in profit or loss within other expenses. The compensation arrangements did not result in any additional contingent liabilities. No further rights or obligations remain under lease agreements post-termination.

The carrying amount of right-of-use assets as at December 31, 2025 and 2024 is shown below:

	2025	2024
Right-of-use assets	P133,796,186	P133,796,186
Accumulated depreciation	(67,551,642)	(56,886,280)
Derecognition	(66,244,544)	-
	P -	P76,909,906

B. Investment in finance leases

The Parent Company entered into a sublease contract relating to one of the parcels of land being leased in BGC as discussed above. This agreement was assessed by the management to be of a finance lease and is renewable at the end of the lease term of initially fifteen (15) years upon mutual consent of the parties.

As mentioned, the head lease for this parcel of land was terminated. Consequently, the related sublease agreement with the sublessee was also terminated.

As a result of the termination, the net investment in sublease with a carrying amount of P153.5 million and the lease liability of P63.4 million were derecognized. The net effect of these derecognitions, after accounting for any compensation paid or received, resulted in a loss of P90.1 million, which has been recognized in profit or loss within other expenses. The compensation arrangements did not result in any additional contingent liabilities. No further rights or obligations remain under either the head lease or sublease agreements post-termination.

The movements in the lease receivables are shown below:

	2025	2024
Balance at beginning of year	P24,449,088	P23,672,896
Collection for the year	2,037,451	776,192
Balance at end of year	P26,486,539	P24,449,088

Amounts receivable under finance lease	2025	2024
Year 1	P -	P24,856,576
Year 2	-	25,671,552
Year 3	-	26,099,392
Year 4	-	26,955,072
Year 5	-	27,404,352
Onwards	-	76,889,472
Undiscounted lease payments	-	207,876,416
Present value of minimum lease payments receivable	-	P171,972,179
Less: current portion	-	16,798,904
Investment in finance lease – net of current portion	P -	P155,173,275

Interest income recognized in profit or loss amounted to P8,022,332, P8,843,737 and P9,573,151 in 2025, 2024 and 2023, respectively (see Note 19).

C. Lease liabilities

The movements in the lease liabilities are shown below:

	2025	2024
Balance at beginning of year	P143,092,814	P157,762,978
Accretion of interest	6,552,660	7,401,885
Payments during the year	(22,920,362)	(22,072,049)
Lease termination	(126,725,112)	-
Balance at end of year	P –	P143,092,814

A maturity analysis of lease liabilities under both lessee and lessor based on the total cash flows is reported in the table below:

	2025		2024	
	Undiscounted	Discounted	Undiscounted	Discounted
Right-of-use assets				
Less than 1 year	P -	P -	P11,844,653	P8,521,596
More than 1 year	-	-	74,400,000	63,362,555
	-	-	86,244,653	71,884,151
Finance lease				
Less than 1 year	–	–	11,160,000	7,846,107
More than 1 year	–	–	74,400,000	63,362,556
	–	–	85,560,000	71,208,663
	P -	P -	P171,804,653	P143,092,814

Amounts recognized in profit or loss:

	Notes	2025	2024	2023
Depreciation expense	*21,22*	**P10,665,362**	P10,665,362	P10,647,871
Interest expense		**6,552,660**	7,401,885	8,131,867

D. Short-term operating leases as lessor

As lessor
The Group entered into short-term lease agreements including condominium units, office spaces, food plaza spaces and parking spaces. The lease contracts between the Group and its lessees have a term of one (1) year which are renewable annually.

Total rental income earned in 2025, 2024 and 2023 amounted to P85,590,189, P78,226,430 and P65,161,614, respectively.

Deferred rental income amounting to P31,879,904 and P41,405,086 as of December 31, 2025 and 2024, respectively, pertains to advance rent received from lessees to be applied on the last three (3) months of the lease contract.

Refundable deposits on these lease agreements amounted to P19,187,697 and P19,389,920 in 2025 and 2024, respectively, and are included as part of trade and other payables (see Note 13).

As lessee
The Group entered into short-term lease agreement for a machine amounting to P50,544, P40,909, and 40,909 in 2025, 2024, and 2023, respectively.

13. Trade and Other Payables

This account consists of:

	Note	2025	2024
Customers' deposits		**P253,184,762**	P11,504,762
Retention fee payable		**78,557,203**	38,664,663
Non-trade payables		**47,470,751**	44,914,260
Accrued expenses		**31,842,534**	32,801,182
Refundable deposits	*12*	**19,187,697**	19,389,920
Trade payables		**7,762,650**	149,981,540
Due to government agencies		**6,408,832**	8,223,796
Others		**1,429,233**	584,746
		445,841,662	306,064,869
Less: non-current portion		**108,849,648**	104,872,422
		P336,992,014	P201,192,447

Customers' deposits consist of down payments representing less than 25% of the contract price of the condominium units sold which are deductible from the total contract price.

Retention fee payable pertains to retention fees withheld from the contractors of ongoing projects.

Non-trade payables consist of transfer fees and retention commission payable.

Accrued expenses consist of accrual for costs of outside services, insurance, supplies, tax and other legal expenses.

Trade payables consist mainly of amounts due to contractors and suppliers relating to the Unico Project.

Due to government agencies consist mainly of payable to the Bureau of Internal Revenue, SSS, HDMF and PhilHealth.

14. Loans and Note Payable

The movements in the loans and note payable are summarized as follows:

	2025	2024
Balance at beginning of year	**P1,841,919,953**	P1,202,019,729
Availments of loan	**2,755,083,200**	3,132,611,060
Payments of principal	**(2,387,381,092)**	(2,492,710,836)
Balance at end of year	**P2,209,622,061**	P1,841,919,953

The loans and note payable are composed of the following:

	2025	2024
Payable within one year:		
Parent Company		
Philippine National Bank	**P353,304,267**	P355,784,313
Philippine Bank of Communications	**399,988,304**	621,391,611
Union Bank of the Philippines	**7,023,349**	6,773,656
RCBC Savings Bank	**335,546**	478,677
	760,651,466	984,428,257
Payable after one year:		
Parent Company		
Philippine Bank of Communications	**1,431,197,297**	833,346,880
Union Bank of the Philippines	**11,968,906**	19,975,771
Philippine National Bank	**5,202,831**	3,233,668
RCBC Savings Bank	**601,561**	935,377
	1,448,970,595	857,491,696
	P2,209,622,061	P1,841,919,953

Philippine National Bank (PNB)
In 2025, PNB renewed an interest-bearing P450 million Revolving Credit Line in favor of the Parent Company available for drawings by way of up to 180-day promissory notes (PNs) payable at maturity of the PNs and secured by certain real estate inventories with carrying amount of P135.4 million (see Note 7). Outstanding balances of the drawings were P353 million and P356 million in 2025 and 2024, respectively.

Philippine Bank of Communications (PBCom)
In 2019, the Parent Company entered into a long-term credit facility agreement with PBCom. PBCom approved an interest-bearing Term Loan under which the Parent Company drew down P500 million in 2019. These loans are payable within six (6) years from the date of drawdown payable quarterly in arrears and secured by certain investment properties mortgaged in favor of PBCom with the total carrying amount of P654.4 million and P633.8 million as of December 31, 2025 and 2024, respectively.

As at December 31, 2025, the said Term Loan was fully paid.

In 2020, PBCom approved an interest-bearing Loan Line amounting to P300 million available for drawings in the form of 180-day promissory notes (PNs) payable at maturity of the PNs. The principal payment is on the maturity date of the PNs. This was fully paid as of December 31, 2025.

In 2021, PBCom approved an interest-bearing Contract to Sell Financing line amounting to P300 million available for drawings. The Parent Company drew down nil and P64.72 million in 2025 and 2024, respectively, payable at maturity of the deed of undertaking and are secured by certain receivables assigned in favor of PBCom amounting to P18 million and P95 million as at December 31, 2025 and 2024, respectively (see Note 6).

In 2023, PBCom approved an interest-bearing Term Loan amounting to P3.8 billion. The Company drew P483 million and P640 million in 2025 and 2024, respectively, payable in 5 years. This loan was availed specifically to fund the Unico Project.

The loan includes a covenant in which the Parent Company shall maintain a maximum debt-to-equity ratio of 2:1 at all times. As at December 31, 2025 and 2024, the Parent Company is compliant with the loan covenant.

In 2023, PBCom approved an interest-bearing Loan Line amounting to P300 million available for drawings in the form of 180-day promissory notes (PNs) payable at maturity of the PNs.

In 2024, PBCom approved an interest-bearing Loan Line amounting to P300 million available for drawings. The Parent Company drew down P300 million and nil in 2025 and 2024, respectively. These loans are payable within three (3) years from the date of the drawdown payable quarterly in arrears and secured by certain investment properties with carrying amount of P920.4 million and P893.2 million as of December 31, 2025 and 2024, respectively.

Union Bank of the Philippines (UBP)
In 2024 and 2025, the Parent Company availed interest-bearing car loans from Union Bank payable in installment within sixty (60) months. These loans are secured by the vehicle acquired under this facility (see Note 11).

RCBC Savings Bank (RCBC)
Parent
In 2023, the Parent Company availed interest-bearing car loans from RCBC Savings Bank payable in installment within sixty (60) months. These loans are secured the vehicles acquired under this facility (see Note 11).

Total interest on the above loan agreements charged to profit or loss amounted to P74,215,767, P81,652,640 and P61,951,600 in 2025, 2024 and 2023, respectively. Interest on loans payable capitalized as part of the cost of real estate development amounted to P87,602,885 and P36,928,244 in 2025 and 2024, respectively. The capitalization rate used was 7.71% and 8.19% in 2025 and 2024, respectively.

Subsidiary
In 2019, PPMI availed of a five-year interest-bearing note payable amounting to P3,744,000 from a local bank to finance the purchase of transportation equipment. The loan was obtained in February 2019 and will mature in February 2024. The loan was fully paid on February 15, 2024.

Interest expense charged to profit or loss amounted to nil and P2,902 in 2025 and 2024, respectively.

15. Related Party Transactions

The details of related party transactions and balances are as follows:

As at and for the year ended December 31, 2025:	Transactions	Outstanding balance	Terms and conditions
Trade receivables			The receivables are secured with related units until full payment.
Principal Shareholder			
Greenhills Properties, Inc.			
Cancellation during the year	(P51,892,140)	P -	
Other receivables			Other receivables are secured with related units until full payment.
Affiliates			
Collections during the year	(207,987)	11,514,811	
Officers			
Addition during the year	336,689		
Collections during the year	(71,761)	885,650	
Principal Shareholder			
Greenhills Properties, Inc.			
Collections during the year	(658,868)	200	
Advances			Advances to associates are unsecured, non-interest bearing and to be settled in cash.
Associates			
Alexandra (USA), Inc.	-	132,417,765	
Le Cheval Holdings, Inc.	-	122,248	
Less: Allowance for impairment loss	-	132,540,013	
Balance, net	-	-	
Key management personnel			Key management includes directors (executive and non-executive) and executive officers. Short-term benefits are payable monthly and post-employment benefits are payable upon retirement
Short-term benefits			
Salaries and other short-term employee benefits	37,198,494		
Post-employment benefits			
Provision for retirement benefits/PVO	7,545,495		

As at and for the year ended December 31, 2024:	Transactions	Outstanding balance	Terms and conditions
Trade receivables			The receivables are secured with related units until full payment.
Principal Shareholder			
Greenhills Properties, Inc.			
Sale of parking space	P -		
Collections during the year	-	P51,892,140	

Forward

Other receivables			Other receivables are secured with related units until full payment.
Affiliates			
Addition during the year	(5,414,714)	11,722,798	
Officers			
Collections during the year	(896,186)	620,722	
Principal Shareholder			
Greenhills Properties, Inc.			
Addition during the year	(10,156,557)	659,068	

As at and for the year ended December 31, 2024:	Transactions	Outstanding balance	Terms and conditions
Advances			Advances to associates are unsecured, non-interest bearing and to be settled in cash.
Associates			
Alexandra (USA), Inc	-	132,417,765	
Le Cheval Holdings, Inc.	-	177,748	
Less: Allowance for impairment loss	-	132,540,013	
Balance, net	-	-	
Key management personnel			Key management includes directors (executive and non-executive) and executive officers. Short-term benefits are payable monthly and post-employment benefits are payable upon retirement.
Short-term benefits			
Salaries and other short-term employee benefits	P36,803,995		
Post-employment benefits			
Provision for retirement benefits/PVO	6,966,696		

Advances to related parties
The Parent Company's substantial receivables from AUI, an associate, which is intended to fund the latter's working capital requirement, represents non-interest-bearing advances with no fixed term with the option to convert to equity in case of increase in capital. Advances contributed by AUI's stockholders were in accordance with the percentage of ownership of the stockholders in AUI. As previously mentioned, AUI is in the process of liquidation (see Note 9).

Related party balances that were eliminated during consolidation

The following related party transactions and balances were eliminated for the purpose of preparing the consolidated financial statements:

	2025	2024	2023
At December 31			
Trade and other receivables	**P45,024,198**	P22,523,812	P22,970,115
Due to parent	**146,621,453**	127,029,298	126,996,926
For the years ended December 31			
Other income	**4,713,877**	-	-
Shared services	**2,696,259**	-	-
Professional fees	**768,580**	738,683	433,613
Rent income	**209,880**	271,350	537,600

16. Retirement Benefit Plans

The Group generally operates a funded, non-contributory, defined benefit retirement plans covering substantially all of their regular employees. The plans are administered by local banks as trustees and provide for a lump-sum benefit payment upon retirement. The benefits are based on the employees' monthly salary at retirement date multiplied by years of credited service. No other post-retirement benefits are provided.

Through their defined benefit retirement plans, the Group is exposed to a number of risks, the most material of which are detailed below:

- *Asset volatility* - The plan liabilities are calculated using a discount rate set with reference to corporate bond yields; if plan assets underperform this yield, this will create a deficit.
- *Inflation risk* - Some of the Group retirement obligations are linked to inflation, and higher inflation will lead to higher liabilities (although, in most cases, caps on the level of inflationary increases are in place to protect the plan against extreme inflation). The majority of the plans' assets are either unaffected by (fixed interest bonds) or loosely correlated with (equities) inflation, meaning that an increase in inflation will also increase the deficit.

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation were carried out by an independent actuary January 21, 2026, February 9, 2026 and February 10, 2026 for the year ended December 31, 2025 and February 5, 2025, February 19, 2025 and March 11, 2025 for the year ended December 31, 2024. The present value of the defined benefit obligation, and the related current service cost were measured using the Projected Unit Credit Method.

Key assumptions used are shown below:

	Valuation at	
	2025	2024
Discount rate	**5.88% - 6.51%**	6.08% - 6.19%
Future salary increase	**4.00% - 6.00%**	4.00% - 6.00%

Assumptions regarding future mortality and disability are set based on actuarial advice in accordance with published statistics and experience.

The reconciliation of the present value of the defined benefit obligation (DBO) and the fair value of the plan assets to the recognized liability presented as accrued retirement liability in the consolidated statements of financial position is as follows:

	2025	2024
Present value of defined benefit obligation	**P123,056,380**	P118,763,464
Fair value of plan assets	**(27,920,114)**	(28,004,179)
Recognized liability	**P95,136,266**	P90,759,285

A Plan amendment by PPMI during the year changed the benefit payable under the Plan, which resulted in the recognition of reversal of past service cost for the year.

The movements in the present value of defined benefit obligation are shown below:

	2025	2024
Liability at beginning of year	P118,763,464	P121,003,805
Current service cost	10,215,275	10,069,909
Interest cost	7,251,544	6,704,063
Remeasurement gains		
Changes in financial assumptions	(4,064,393)	(33,278)
Changes based on experience	(2,145,268)	(5,178,925)
Benefits paid from company reserves	(6,964,242)	(13,802,110)
Liability at end of year	P123,056,380	P118,763,464

The movements in the plan assets are shown below:

	2025	2024
Fair value of plan assets at beginning of year	P28,004,179	P35,368,121
Interest income	1,669,861	1,681,640
Actual contribution	5,500,000	2,500,000
Benefits paid	(6,964,242)	(11,067,363)
Remeasurement loss	(257,750)	(218,159)
Return on plan assets, excluding amounts included in interest income	(31,934)	(460,060)
Fair value of plan assets at end of year	P27,920,114	P28,004,179

The main categories of plan assets as at December 31, 2025 and 2024 are as follows:

	2025	2024
Cash and cash equivalents	P25,116,627	P22,938,086
Equity instruments	2,707,073	5,020,397
Accrued interest	129,330	94,333
Liabilities	(32,916)	(48,637)
	P27,920,114	P28,004,179

The retirement expense - net recognized in profit or loss consists of:

	2025	2024	2023
Current service cost	P10,215,275	P9,580,682	P10,309,836
Past service cost	-	(2,734,747)	-
Net interest on defined benefit liability	5,581,683	5,311,650	4,503,672
	P15,796,958	P12,157,585	P14,813,508

The reversal of provision for retirement benefits and provision for retirement benefits is recognized under other income and, general and administrative expenses, respectively, in the consolidated statements of total comprehensive income (see Notes 20 and 22).

The sensitivity analysis of the defined benefit obligation is:

	Increase (decrease) in basis points	Effect on defined benefit obligation
Discount rate	1.00%	(P11,446,153)
	(1.00%)	13,443,176
Future salary increase	1.00%	13,600,545
	(1.00%)	(11,774,267)

The above sensitivity analyses are based on changes in principal assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to material actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the retirement liability recognized in the consolidated statements of financial position.

The BOD reviews the level of funding required for the retirement fund for the Parent Company. This includes the asset-liability matching (ALM) strategy and investment risk management policy. The Group's ALM objective is to match maturities of the plan assets to the retirement benefit obligation as they fall due. The Group monitors how the duration and expected yield of the investments are matching the expected cash outflows arising from the retirement benefit obligation.

As of December 31, 2025, the weighted average duration of defined benefit obligation are 10.90 years, 10.30 years and 2.10 years for Parent Company, PPMI and TIAI, respectively (2024: 11.00 years, 11.30 years and 2.30 years, respectively).

17. Management Fees and Other Services Fees

The Group provides general management services and financial management and supervision over the janitorial and security services through PPMI. In consideration for the said services, PPMI charges the property owners a fixed monthly amount with a 10% escalation rate annually. These management contracts are renewable for a period of two (2) to three (3) years upon mutual agreement of both PPMI and the property owners. PPMI is entitled to fixed reimbursement of actual cost of the on-site staff. The total income from management fees and other services fees amounted to P37.87 million, P42.93 million and P41.20 million in 2025, 2024 and 2023, respectively.

18. Commission

The Group derives commission income from insurance brokerage through TIAI which amounted to P6.89 million, P10.31 million and P5.22 million in 2025, 2024 and 2023, respectively.

19. Interest Income

The Group's interest income was derived from the following:

	Note	2025	2024	2023
Sublease	*12*	**P8,022,332**	P8,843,737	P9,573,151
Cash and cash equivalents	*3*	**2,618,579**	1,001,577	1,327,085
Trade receivables	*6*	**74,334**	200,617	319,564
Penalty for late payments	*6*	**-**	517,759	2,815,144
Others		**227,839**	276,347	15,857
		P10,943,084	P10,840,037	P14,050,801

20. Other Income

The account consists of:

	Note	2025	2024	2023
Gain on change in fair value of investment properties	*10*	**P98,114,332**	P158,384,893	P259,380,144
Reversal of allowance for impairment losses on receivables	*6*	**1,306,448**	10,434,374	25,000,000
Foreign exchange gain		**300,890**	812,642	-
Gain from disposal of fixed assets		**247,221**	-	-
Dividend income	*5*	**-**	1,637,722	-
Reversal of retirement expense	*16*	**-**	909,560	-
Gain on sale of investment properties		**-**	-	128,065,333
Gain on money market investments		**-**	1,483	61,811
Others		**6,559,107**	14,473,029	14,039,669
		P106,527,998	P186,653,703	P426,546,957

Others mainly pertain to billings of the Parent Company to affiliates for shared service fee.

21. Cost of Services

The account consists of:

	Note	2025	2024	2023
Salaries, wages, and other benefits		**P22,612,543**	P22,963,870	P22,332,559
Condominium dues	*10*	**11,679,808**	8,797,869	10,254,996
Depreciation and amortization on ROU assets	*12*	**10,057,962**	10,057,962	9,937,930
Outside services		**5,204,817**	9,269,645	8,238,708
Utilities		**8,094,563**	6,115,060	6,405,401
Taxes and licenses		**6,916,827**	7,034,449	7,082,369
Commission		**4,067,985**	3,723,830	3,054,398
Repairs and maintenance		**3,468,296**	4,535,462	1,423,249
SSS, Pag-IBIG and other contributions		**2,455,062**	2,491,356	2,031,418
Insurance and bond premiums		**2,447,685**	2,491,399	2,155,302
Communication		**455,492**	471,709	492,331
Employees' welfare		**-**	35,882	53,753
Others		**2,540,344**	1,294,141	1,142,155
		P80,001,584	P79,282,634	P74,604,569

Others include various expenses that are individually immaterial.

22. General and Administrative Expenses

The account consists of:

	Note	2025	2024	2023
Salaries, wages, and other benefits		**P68,826,718**	P67,631,868	P65,670,871
Professional fees		**23,250,780**	22,691,261	28,917,983
Transportation and travel		**19,484,094**	19,387,636	16,694,189
Taxes and licenses		**18,158,491**	29,085,906	92,729,926
Depreciation and amortization				
Property and equipment	*11*	**14,959,097**	15,299,380	8,762,444
ROU assets	*12*	**607,400**	607,400	709,941
Provision for retirement benefits	*16*	**15,796,958**	13,067,145	14,813,508
Outside services		**14,822,417**	12,688,231	8,004,499
Insurance and bond premiums		**9,353,293**	9,370,547	8,012,471
SSS, Pag-IBIG, Medicare and other benefits		**6,123,522**	6,883,141	8,127,483
Provision for impairment loss on trade and other receivables	*6*	-	3,304,138	2,863,554
Repairs and maintenance		**5,486,520**	12,606,871	4,320,622
Marketing expense		**4,591,174**	13,572,046	26,435,882
Condominium dues		**4,220,491**	4,664,829	4,408,640
Postage and communication		**2,784,171**	2,438,410	2,459,827
Utilities		**2,636,173**	3,380,716	2,569,246
Supplies and materials		**873,257**	115,218	323,620
Representation and entertainment		**487,433**	10,586,080	870,586
Rental	*12*	**50,544**	40,909	40,909
Miscellaneous		**13,380,182**	12,281,359	10,924,061
		P225,892,695	P259,703,091	P307,660,262

23. Other Expenses

The account consists of:

	Note	2025	2024	2023
Loss on sublease	*12*	**P93,027,404**	P -	P -
Bank charges		**106,628**	200,543	971,640
Foreign exchange loss		**78,678**	-	-
Loss on money market investment		**18,211**	-	-
Loss on repossession of real estate properties		-	-	3,524,627
Unrealized foreign exchange loss		-	-	402,230
		P93,230,921	P200,543	P4,898,497

On June 30, 2023, the Company repossessed a condo unit and recognized a loss on repossession amounting to P3,524,627. It was then subsequently sold in June 2023 for P12,293,133.86.

24. Income Taxes

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

	2025	2024	2023
Current	P2,625,790	P3,700,533	P4,874,336
Deferred	(150,400,966)	36,431,496	59,621,911
	(P147,775,176)	P40,132,029	P64,496,247

The reconciliation of the provision for income tax expense (benefit) computed at the statutory rate to the provision shown in the consolidated statements of total comprehensive income is as follows:

	2025	2024	2023
Income (loss) before income tax	(P211,338,403)	(P81,107,363)	P177,365,206
Income tax expense (benefit) using statutory tax rate	(P52,774,139)	(P20,513,435)	P44,341,301
Additions to (reductions in) income tax resulting from the tax effects of:			
Non-deductible expenses	7,500,782	15,923,465	17,534,397
Loss on lease cancellation	7,175,426	-	-
Unrecognized net operating loss carry-over (NOLCO)	340,227	373,278	1,120,162
Limit on interest expense	153,738	55,215	78,884
Dividend income	-	(409,431)	-
Gain on changes in fair value of investment property of a subsidiary	(207,000)	(229,500)	(217,600)
Interest income subjected to final tax	(646,684)	(244,599)	(319,908)
Movement on unrecognized deferred tax assets	(109,317,326)	45,177,036	1,959,011
	(P147,775,176)	P40,132,029	P64,496,247

The components of the deferred income tax assets (liabilities) recognized by the Group are as follows:

	2025		2024	
	Tax Base	Deferred Tax	Tax Base	Deferred Tax
Deferred Tax Assets:				
Retirement benefit obligation	P110,992,491	P27,748,123	P87,231,212	P21,807,803
NOLCO	509,688,541	127,422,135	36,928,244	9,232,061
Deferred rent income	12,853,359	3,213,339	33,205,900	8,301,475
Book and tax basis difference under PFRS 16	-	-	12,944,144	3,236,036
Impairment loss on receivables	3,189,750	797,438	3,189,752	797,438
Unrealized foreign exchange loss	-	-	-	-
	636,724,141	159,181,035	173,499,252	43,374,813
Deferred Tax Liabilities:				
Gain on change in fair value of investment properties	(P2,616,676,571)	(P654,169,143)	(P3,211,797,991)	(P802,949,498)
Gain on sublease	-	-	(76,501,030)	(19,125,257)
Capitalized interest	(124,531,129)	(31,132,782)	(36,928,244)	(9,232,061)
Unrealized gain on repossession of real estate inventories	-	-	(9,244,982)	(2,311,246)
Retirement benefit obligation	(18,909,980)	(4,727,495)	-	-
Unrealized fair value gain on land exchanged for shares	(738,000,000)	(110,700,000)	-	-
Accrued rent receivable	(4,266,000)	(1,066,500)	(1,765,295)	(441,324)
Unrealized foreign exchange gain	(300,890)	(75,223)	(812,642)	(203,160)
	(3,502,684,570)	(801,871,143)	(3,337,050,184)	(834,262,546)
	(P2,865,960,429)	(P642,690,108)	(P3,163,550,932)	(P790,887,733)

During the year, the Parent Company completed a tax-free asset exchange (asset share swap) with TCRC, under which it exchanged certain property in exchange for shares of stock (see Note 10). For accounting purposes, the acquired shares of stock were initially recognized at fair value of P1,584,000,000. In accordance with the initial recognition exemption, no deferred tax liability has been recognized in respect of the resulting taxable temporary difference. However, the existing deferred tax liability associated with the property at the time of the transaction was carried over to the acquired asset, shares of stock.

Deferred tax assets of P159.18 million have been recognized at December 31, 2025. This includes P127.42 million relating to net operating carry-over amounting to P509.69 million in 2025. The deferred tax asset in respect of these unused tax losses has been recognized to the extent that it is probable that sufficient future taxable profits will be available against which the losses can be utilized, provided mainly by the income from the Unico Project (see Note 7) and other available tax planning opportunities.

No deferred tax asset has been recognized in respect of the remaining unused tax losses of P275.05 million in 2025 and P646.09 million in 2024, as it is not considered probable that future taxable profits will be available against which these losses can be utilized.

The recognized deferred tax assets were from the Parent Company and PPMI.

The Group's unrecognized deferred tax assets pertain to the following:

	2025		2024	
	Tax Base	Deferred Tax	Tax Base	Deferred Tax
NOLCO	P275,790,061	P68,910,533	P684,061,805	P170,963,719
Allowance for impairment loss on receivables	353,178,279	87,918,366	354,173,134	88,168,366
Allowance for impairment loss on investments in subsidiaries and associates	-	-	-	-
MCIT	6,336,936	6,336,936	6,800,699	6,800,699
Accrued retirement benefit expense	3,053,755	610,751	3,968,563	795,713
	P638,359,031	P163,776,586	P1,049,004,201	P266,726,497

Deferred tax assets have not been recognized by management in respect of the above items because it is not probable that future taxable profit will be available against which the Group can utilize the benefits therefrom.

Detail of the Group's NOLCO which can be claimed as deduction from future taxable income is as follows:

Year Incurred	Expiry date	Amount	Applied	Expired	Balance
2025	2028	P273,224,363	P -	P -	P273,224,363
2024	2027	185,765,907	-	-	185,765,907
2023	2026	31,902,967	(1,536,920)	-	30,366,047
2022	2025	95,688,923	-	(95,688,923)	-
2021	2026	255,773,127	-	-	255,773,127
2020	2025	112,815,045	-	(112,815,045)	-
		P955,170,332	(P1,536,920)	(P208,503,968)	P745,129,444

In accordance to Section 4 of Revenue Regulations No. 25-2020 issued on September 30, 2020, the business or enterprise which incurred net operating loss for taxable years 2020 and 2021 shall be allowed to carry over the same as a deduction from its gross income for the next five (5) consecutive taxable years immediately following the year of such loss.

Details of the Group's MCIT which can be claimed as deduction from future taxable income is as follows:

Year Incurred	Expiry date	Amount	Applied	Expired	Balance
2025	2028	P1,162,127	P -	P -	P1,162,127
2024	2027	1,453,903	-		1,453,903
2023	2026	3,995,993	(80,714)	-	3,915,279
2022	2025	1,625,890	-	(1,625,890)	-
		P8,237,913	(P80,714)	(P1,625,890)	P6,531,309

25. Capital and Treasury Stock

Movements in the Group's capital stock are as follows:

	2025	2024	2023
Authorized			
16,000,000,000 common shares at P0.50 par value	**P8,000,000,000**	P8,000,000,000	P8,000,000,000
Issued and outstanding			
7,866,647,523 shares	**3,933,323,762**	3,933,323,762	3,933,323,762
Subscribed			
1,314,711,262 shares	**657,355,632**	657,355,632	657,355,632
Subscriptions receivable – Capital Stock	**(157,478,973)**	(157,478,973)	(157,478,973)
Subscription receivable – APIC	**(157,478,973)**	(157,478,973)	(157,478,973)
	342,397,686	342,397,686	342,397,686
Capital Stock	**4,275,721,448**	4,275,721,448	4,275,721,448
Additional paid-in capital			
Beginning balance	**780,630,029**	780,630,029	780,630,029
Transaction cost (*see Note 35*)	**(3,142,935)**	-	-
	777,487,094	780,630,029	780,630,029
	P5,053,208,542	P5,056,351,477	P5,056,351,477

Details of the Group's treasury stock are as follows:

	2025	2024	2023
Treasury Stock			
82,049,497 common shares with average cost of P1.34 per share	**P110,049,633**	P110,049,633	P110,049,633

26. Reserves

This account consists of:

	Note	2025	2024	2023
Revaluation on FVOCI				
Balance at beginning of year		**(P31,811,020)**	(P26,485,605)	(P25,606,702)
Changes in fair value during the year	5	**13,942,119**	4,852,614	(878,903)
Disposal	5	**-**	(10,178,028)	-
Balance at end of year	5	**(17,868,901)**	(31,811,019)	(26,485,605)
Remeasurement gain (loss) on retirement benefit obligation				
Balance at beginning of year		**(23,538,901)**	(27,049,512)	(18,575,076)
Adjustment		**(794,480)**	-	46,784
Actuarial gain (loss) during the year – gross		**5,991,114**	4,543,955	(11,395,861)
Tax effect		**(1,479,995)**	(1,033,345)	2,874,640
Balance at end of year		**(19,822,262)**	(23,538,902)	(27,049,512)
Appropriated retained earnings		**109,712,439**	109,712,439	109,712,439
		P72,021,276	P54,362,518	P56,177,322

The Parent Company's retained earnings amounting to P109,712,439 is appropriated to cover the cost of treasury shares.

27. Non-controlling Interest

This pertains to equity in subsidiaries not attributable, directly or indirectly, to the parent.

Details are as follows:

	2025	2024	2023
Universal Travel Corporation			
January 1	**(P7,256,113)**	(P7,252,254)	(P7,240,458)
Share in net loss	**2,543**	(3,859)	(11,796)
December 31	**(P7,253,570)**	(P7,256,113)	(P7,252,254)
Recon-X Energy Corporation			
January 1	**(34,300,000)**	(34,300,000)	(34,300,000)
Adjustment	**(2,840,733)**	-	-
Share in net loss	**(793,637)**	-	-
December 31	**(37,934,370)**	(34,300,000)	(34,300,000)
	(P45,187,940)	(P41,556,113)	(P41,552,254)

Management has assessed Recon-X Energy Corporation as immaterial to the consolidated financial position and performance of the Group. Accordingly, unaudited financial information has been used in consolidation of the December 31, 2025 and 2024 financial statements Any adjustments arising from the completion of the current year audit of this subsidiary will be recognized in the consolidated financial statements of the following year. Management believes that such adjustments, if any, will not have a material impact on the consolidated financial statements of the Group as of and for the year ended December 31, 2025.

28. Basic Earnings Per Share

	2025	2024	2023
Net income (loss) attributable to equity holders of Parent Company	(P62,772,133)	(P121,235,533)	P112,880,755
Weighted average no. of common shares issued and outstanding	9,099,309,288	9,099,309,288	9,099,309,288
Basic earnings (loss) per share	(P0.01)	(P0.01)	P0.01

The weighted average number of common shares issued and outstanding was computed as follows:

	2025	2024	2023
Issued and outstanding shares	7,866,647,523	7,866,647,523	7,866,647,523
Subscribed shares	1,314,711,262	1,314,711,262	1,314,711,262
Treasury shares	(82,049,497)	(82,049,497)	(82,049,497)
Average number of shares	9,099,309,288	9,099,309,288	9,099,309,288

The Group has no potential dilutive shares as at December 31, 2025, 2024 and 2023.

29. Provisions and Contingencies

The Group is currently involved in various legal proceedings and tax assessments. Estimates of probable costs for the resolution of these claims have been developed in consultation with outside counsel handling the defense in these matters and is based upon an analysis of potential results. The Group currently does not believe these proceedings will have a material adverse effect on the consolidated financial position. It is possible, however, that future results of operations could be materially affected by changes in the estimates or in the effectiveness of the Group's strategies relating to these proceedings.

30. Material Accounting Policies

Adoption of Amendments to Standards
The accounting policies adopted in the preparation of the financial statements are consistent with those of the Company's financial statements for the year ended December 31, 2024 except for the adoption of the following amended PFRS Accounting Standards which became effective beginning January 1, 2025. Unless otherwise indicated, none of these had a material effect on the financial statements.

New and Amended Standards Not Yet Adopted
A number of new and amended standards are effective for annual periods beginning after January 1, 2025 and have not been applied in preparing the financial statements. The Company is currently assessing the impact of adopting this amendment. The Company will adopt the following new and amended standards and interpretations on the respective effective dates:

- Annual Improvements to PFRS Accounting Standards – Volume 11:
  - PFRS 7, *Financial Instruments: Disclosures.* The amendment addresses a potential confusion in paragraph B38 of PFRS 7 arising from an obsolete reference to a paragraph that was deleted from the standard when PFRS 13 Fair Value Measurement was issued. Implementation guidance was also amended to address: (a) an inconsistency between paragraph 28 of PFRS 7 and its accompanying implementation guidance that arose when a consequential amendment resulting from the issuance of PFRS 13 was made to paragraph 28, but not to the corresponding paragraph in the implementation guidance; and (b) a potential confusion by clarifying in paragraph IG1 that the guidance does not necessarily illustrate all the requirements in the referenced paragraphs of PFRS 7 and by simplifying some explanations.

  - PFRS 9, *Financial Instruments.* The amendment addresses a potential lack of clarity in the application of the requirements in PFRS 9 to account for an extinguishment of a lessee's lease liability that arises because paragraph 2.1(b)(ii) of PFRS 9 includes a cross-reference to paragraph 3.3.1, but not also to paragraph 3.3.3 of PFRS 9.

    An amendment was also made to address a potential confusion arising from a reference in Appendix A to PFRS 9 to the definition of 'transaction price' in PFRS 15, Revenue from Contracts with Customers while term 'transaction price' is used in particular paragraphs of PFRS 9 with a meaning that is not necessarily consistent with the definition of that term in PFRS 15.

  - PFRS 10, *Consolidated Financial Statements.* The amendment addresses a potential confusion arising from an inconsistency between paragraphs B73 and B74 of PFRS 10 related to an investor determining whether another party is acting on its behalf by aligning the language in both paragraphs.

  - PAS 7, *Statement of Cash Flows.* The amendment addresses a potential confusion in applying paragraph 37 of PAS 7 that arises from the use of the term 'cost method' that is no longer defined in PFRS Accounting Standards.

  The amendments are effective for annual periods beginning on January 1, 2026.

- PFRS 18, *Presentation and Disclosure in Financial Statements* will supersede PAS 1, Presentation of Financial Statements. The standard is effective for annual periods beginning on January 1, 2027.

New Standard and Amendments to Standards Effective on or after January 1, 2025 but Not Applicable to the Company

- PFRS 17, *Insurance Contracts*
- PAS 21, *Lack of Exchangeability*
- PFRS 9 and PFRS 7, *Contracts Referencing Nature-dependent Electricity*
- PFRS 1, *First-time Adoption of Philippine Financial Reporting Standards.*
- PFRS 19, *Subsidiaries without Public Accountability: Disclosures*

The accounting policies set out below have been applied consistently to all periods presented in the separate financial statements.

<u>Basis of Consolidation</u>
The consolidated financial statements incorporate the financial statements of the Parent Company and entities controlled by the Parent Company, the subsidiaries, up to December 31 each year. Details of the subsidiaries are shown in Note 35.

The consolidated financial statements were prepared using uniform accounting policies for like transactions and other events in similar circumstances. Inter-company balances and transactions, including inter-company profits and unrealized profits and losses, are eliminated.

Subsidiaries
Subsidiaries are all entities over which the Group has control. The Parent Company controls an entity when the Parent Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Parent Company. They are deconsolidated from the date that control ceases.

On acquisition, the assets and liabilities and contingent liabilities of a subsidiary are measured at their fair values at the date of acquisition. Any excess of the cost of acquisition over the fair values of the identifiable net assets acquired is recognized as goodwill. Any deficiency of the cost of acquisition below the fair values of the identifiable net assets acquired i.e. discount on acquisition is credited to profit and loss in the period of acquisition. The interest of minority shareholders is stated at the minority's proportion of the fair values of the assets and liabilities recognized. Subsequently, any losses applicable to the minority interest in excess of the minority interest are allocated against the interests of the Parent Company.

Acquisition-related costs are expensed as incurred.

Changes in ownership interests in subsidiaries without change of control
Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions - that is, as transactions with the owners in their capacity as owners. For purchases from non-controlling interests, the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

Associates
An associate is an entity over which the Parent Company is in a position to exercise material influence, but not control or joint control, through participation in the financial and operating policy decisions of the investee.

A joint arrangement is a contractual arrangement whereby two or more parties undertake an economic activity that is subject to joint control, and a joint venture is a joint arrangement that involves the establishment of a separate entity in which each venturer has an interest.

An investment is accounted for using the equity method from the day it becomes an associate or joint venture. The investment is initially recognized at cost. On acquisition of investment, the excess of the cost of investment over the investor's share in the net fair value of the investee's identifiable assets, liabilities and contingent liabilities is accounted for as goodwill and included in the carrying amount of the investment and not amortized. Any excess of the investor's share of the net fair value of the associate's identifiable assets, liabilities and contingent liabilities over the cost of the investment is excluded from the carrying amount of the investment and is instead included as income in the determination of the share in the earnings of the investees.

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

The Group discontinues applying the equity method when their investments in investee companies are reduced to zero. Accordingly, additional losses are not recognized unless the Group has guaranteed certain obligations of the investee companies. When the investee companies subsequently report net income, the Group will resume applying the equity method but only after its share of that net income equals the share of net losses not recognized during the period where the equity method was suspended.

The reporting dates of the investee companies and the Group are identical, and the investee companies' accounting policies conform to those used by the Group for like transactions and events in similar circumstances. Upon loss of material influence over the associate, the Group measures and recognizes any retaining investment at its fair value. Any difference between the carrying amount of the associate upon loss of material influence and the fair value of the retaining investment and proceeds from disposal is recognized in profit or loss.

Business Combination
Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any non-controlling interest in the acquiree. For each business combination, the acquirer measures the non-controlling interest in the acquiree at fair value of the acquiree's identifiable net assets. Acquisition costs incurred are expensed and included in administrative expenses. When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date.

If the business combination is achieved in stages, the acquisition date fair value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date through profit or loss.

Any contingent consideration to be transferred by the acquirer will be recognized at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is deemed to be an asset, or liability will be recognized in accordance with PAS 39 either in profit or loss or as a change to other comprehensive income. If the contingent consideration is classified as equity, it should not be remeasured until it is finally settled within equity.

Segment Information
The Group's operating segments are organized and managed separately according to the nature of the products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. Financial information on operating segments is presented in Note 35 to the financial statements. The Chief Executive Officer (the chief operating decision maker) reviews management reports on a regular basis.

The measurement policies the Group used for segment reporting under PFRS 8 are the same as those used in the financial statements. There have been no changes in the measurement methods used to determine reported segment profit or loss from prior periods. All inter-segment transfers are carried out at arm's length prices.
Segment revenues, expenses and performance include sales and purchases between business segments. Such sales and purchases are eliminated in consolidation.

For management purposes, the Group is currently organized into five business segments. These divisions are the basis on which the Group reports its primary segment formation.

The Group's principal business segments are as follows:

a. Sale of Real Estate and Leasing
b. Property Management
c. Insurance Brokerage
d. Holding Company
e. Travel Services (discontinued as of July 31, 2018)

The Group's resources producing revenues are all located in the Philippines. Therefore, geographical segment information is not presented.

Financial Assets and Liabilities

Financial Assets

Initial recognition and Measurement
The Group recognizes a financial asset in the consolidated statements of financial position when it becomes a party to the contractual provisions of a financial instrument. In the case of a regular way purchase or sale of financial assets, recognition is done using settlement date accounting. Financial assets are recognized initially at fair value of the consideration given. The initial measurement of financial assets, except for those designated as at FVPL, includes transaction costs.

Classification
The Group classifies its financial assets, at initial recognition, in the following categories: financial assets at amortized cost, financial assets at FVOCI and financial assets at FVPL. The classification depends on the business model of the Group for managing the financial assets and the contractual cash flow characteristics of the financial assets.

Financial assets are not reclassified subsequent to initial recognition unless the Group changes its business model for managing financial assets in which case all affected financial assets are reclassified on the first day of the reporting period following the change in the business model.

Financial Assets at Amortized Cost. A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVPL:

- It is held within a business model whose objective is to hold financial assets to collect contractual cash flows; and
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, the financial assets are subsequently measured at amortized cost using the effective interest method, less any allowance for impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition, and fees that are an integral part of the effective interest rate. Gains and losses are recognized in profit or loss when the financial assets are reclassified to FVPL, impaired or derecognized, as well as through the amortization process.

The Group's cash and cash equivalents, trade and other receivables and refundable deposits are included under this category.

Financial Assets at FVOCI (equity instruments). Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under PAS 32, Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognized as other income in the consolidated statement of total comprehensive income when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

The Group's financial assets at fair value through OCI include investments in quoted and unquoted equity instruments and proprietary club shares.

Financial Assets at FVPL. Financial assets at FVPL include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortized cost or at fair value through OCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or materialy reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are carried in the consolidated statements of financial position at fair value with net changes in fair value recognized in profit or loss.

The Group's investments in equity instruments at FVPL are classified under this category.

Derecognition
A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is primarily derecognized when:

- The right to receive cash flows from the asset has expired; or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay them in full without material delay to a third party under a "pass-through" arrangement; and either: (a) has transferred substantially all the risks and rewards of the asset; or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the Group continues to recognize the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognizes the associated liability. The transferred asset and the associated liability are measured on the basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group is required to repay.

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

For trade receivables on sale of real estate, the Group applies a general approach in calculating ECLs. Under the general approach, ECLs are recognized in three (3) stages as follows:

- Stage 1: For credit exposures for which there has not been a material increase in credit risk since initial recognition and there is no default that occurred, a 12-month ECL is provided for credit losses that result from default events that are possible within the next 12 months.
- Stage 2: For credit exposures for which there has been a material increase in credit risk since initial recognition and there is still no default that occurred, a loss allowance equivalent to lifetime ECL is required for credit losses expected over the remaining life of the exposure.
- Stage 3: For credit exposures for which there has been a material increase in credit risk since initial recognition and for which an actual default has also occurred, a loss allowance equivalent to lifetime ECL is required for credit losses expected over the remaining life of the exposure.

The key inputs in the model include the Group's definition of default and historical data of two (2) material projects with an average of five (5) years for the origination, maturity date and default date. The Group considers trade receivables on sale of real estate in default when contractual payment are 90 days past due, except for certain circumstances when the reason for being past due is due to reconciliation with customers of payment records which are administrative in nature which may extend the definition of default to 90 days and beyond. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before considering any credit enhancements held by the Group.

At each reporting date, the Group assesses whether there has been a material increase in credit risk for financial assets since initial recognition by comparing the risk of default occurring over the expected life between the reporting date and the date of initial recognition. The Group considers reasonable and supportable information that is relevant and available without undue cost or effort for this purpose. This includes quantitative and qualitative information and forward-looking analysis.

The Group considers that there has been a material increase in credit risk when contractual payments are more than 90 days past due.

An exposure will migrate through the ECL stages as asset quality deteriorates. If, in a subsequent period, asset quality improves and also reverses any previously assessed material increase in credit risk since origination, then the loss allowance measurement reverts from lifetime ECL to 12- months ECL.

For cash and cash equivalents, the Group applies the low credit risk simplification. The probability of default and loss given defaults are publicly available and are considered to be low credit risk investments. However, when there has been a material increase in credit risk since origination, the allowance will be based on the lifetime ECL. The Group uses the ratings from publicly available sources to determine whether the debt instrument has materially increased in credit risk and to estimate ECLs.

The Group considers a debt investment security to have low credit risk when its credit risk rating is equivalent to the globally understood definition of 'investment grade'.

For trade receivables on lease and other financial assets such as accrued receivable, receivable from related parties and advances to other companies, impairment provisions would be based on the assumption that the receivable is demanded at the reporting date, and it would reflect the losses (if any) that would result from this. Since the receivables are collectible on demand, the contractual period is the very short period needed to transfer the cash once demanded. Discounting would have immaterial effect in the balances.

Financial Liabilities

Initial recognition and measurement
Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, finance lease liability and loans payable.

Subsequent measurement
The measurement of financial liabilities depends on their classification, as described below:

Loans and borrowings
This is the category most relevant to the Group. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of total comprehensive income.

This category generally applies to short term and long-term debt.

Derecognition
A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the consolidated statements of total comprehensive income.

Determination of Fair Value
Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.
All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is material to the fair value measurement as a whole:

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

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Group determines whether transfers have occurred between Levels in the hierarchy by re-assessing the categorization at the end of each reporting period.

Offsetting Financial Instruments
Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statements of financial position if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

Prepayments
Prepayments represent expenses not yet incurred but already paid in cash. Prepayments are initially recorded as assets and measured at the amount of cash paid. Subsequently, these are charged to income as they are consumed in operations or expire with the passage of time.

Prepayments are classified in the consolidated statements of financial position as current asset when the cost of goods or services related to the prepayment are expected to be incurred within one (1) year or the Group's normal operating cycle, whichever is longer. Otherwise, prepayments are classified as non-current assets.

Investments in Associates
An associate is an entity over which the Company is in a position to exercise material influence, but not control or joint control, through participation in the financial and operating policy decisions of the investee.

In the separate financial statements of the Company, Investment in shares of stock of associates is accounted for using the cost method. The reporting dates of the investee companies and the Company are identical and the investee companies' accounting policies conform to those used by the Company for like transactions and events in similar circumstances. Upon loss of material influence over the associate, the Company measures and recognizes any retaining investment at its fair value. Any difference between the carrying amount of the associate upon loss of material influence and the fair value of the retaining investment and proceeds from disposal is recognized in profit or loss.

Real Estate Inventories

Property acquired or being developed for sale in the ordinary course of business, rather than to be held for rental or capital appreciation, is held as inventory and is measured at the lower of cost and net realizable value.

Cost includes amounts paid to contractors for construction, borrowing costs, planning and design costs, costs of site preparation, professional fees, property transfer taxes, construction overheads and other related costs.

Net realizable value is the estimated selling price in the ordinary course of the business, based on market prices at the reporting date, less costs to complete and the estimated costs to sell.

The cost of inventory recognized in profit or loss on disposal is determined with reference to the specific costs incurred on the property sold and an allocation of any non-specific costs based on the relative size of the property sold.

The provision account, if any, is reviewed on a monthly basis to reflect the reasonable valuation of the Group's inventories. Inventory items identified to be no longer recoverable is written-off and charged as expense for the period.

Real estate held for development is measured at lower of cost and NRV. Expenditures for development and improvements of land are capitalized as part of the cost of the land. Directly identifiable borrowing costs are capitalized while the development and construction is in progress.

Property and Equipment

Property and equipment are initially measured at cost which consists of its purchase price and costs directly attributable to bringing the asset to its working condition for its intended use and are subsequently measured at cost less any accumulated depreciation, amortization and impairment losses, if any.

Subsequent expenditures relating to an item of property and equipment that have already been recognized are added to the carrying amount of the asset when it is probable that future economic benefits, in excess of the originally assessed standard of performance of the existing asset, will flow to the Group. All other subsequent expenditures are recognized as expenses in the period in which those are incurred.

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

	Number of years
Condominium units	20
Building	25
Building improvements	5 to 10
Office furniture, fixtures and equipment	3 to 10
Transportation and other equipment	5
Leasehold and office improvements	5

The assets' residual values, estimated useful lives and depreciation and amortization methods are reviewed periodically to ensure that the amounts, periods and methods of depreciation and amortization are consistent with the expected pattern of economic benefits from items of property and equipment.

Fully depreciated assets are retained in the accounts until they are no longer in use and no further charge for depreciation is made in respect of those assets.

Derecognition
An item of property and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal at which time, the cost and their related accumulated depreciation are removed from the accounts. Gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.

Investment Properties
Investment properties comprise completed property and property under development or re-development that are held to earn rentals or capital appreciation or both and that are not occupied by the Group. Investment property is initially measured at cost incurred in acquiring the asset and subsequently stated at fair value. Revaluations are made with sufficient regularity by external independent appraisers to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the period. The external independent appraiser uses sales comparison approach in arriving at the value of the properties.

In this approach, the value of the properties is based on sales and listings of comparable properties. This is done by adjusting the differences between the subject property and those actual sales and listings regarded as comparable. The properties used as bases of comparison are situated within the immediate vicinity or at different floor levels of the same building. Comparison would be premised on factors such as location, size and physical attributes, selling terms, facilities offered and time element.

A gain or loss arising from a change in the fair value of investment property is recognized in profit or loss for the period in which it arises.

A transfer is made to investment property when there is a change in use, evidenced by ending of owner-occupation, commencement of an operating lease to another party or ending of construction or development. A transfer is made from investment property when and only when there is a change in use, evidenced by commencement of owner-occupation or commencement of development with a view to sale. A transfer between investment property, owner-occupied property and inventory does not change the carrying amount of the property transferred nor does it change the cost of that property for measurement or disclosure purposes.

Derecognition
Investment properties are derecognized when either they have been disposed of, or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gain or loss on the retirement or disposal of an investment property is recognized in the consolidated statements of total comprehensive income in the year of retirement or disposal.

Impairment of Non-financial Assets
At each reporting date, the Group assesses whether there is any indication that any of its non-financial assets may have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss.

The recoverable amount of the non-financial asset is the higher of fair value less costs of disposal and value-in-use. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognized as an expense.

When an impairment loss reverses subsequently, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized in prior years. A reversal of an impairment loss is recognized in profit or loss.

Equity
An equity instrument is any contract that evidences a residual interest in the assets of the Parent Company after deducting all of its liabilities. Distribution to the Parent Company's shareholders is recognized as a liability in the Group's consolidated financial statements in the period in which the dividends are approved by the Parent Company's Board of Directors.

Capital stock
Capital stock is classified as equity when there is no obligation to the transfer of cash or other assets. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction from the proceeds, net of tax.

Additional paid-in capital
Additional paid-in capital pertains to premium paid over the par value of shares net of share issue costs.

Retained earnings
Retained earnings include all the accumulated income (loss) of the Group, dividends declared and share issuance costs. Retained earnings is net of amount offset from additional paid-in capital arising from the quasi-reorganization.

Treasury stock
The Parent Company's equity instruments which are reacquired (treasury shares) are recognized at cost and deducted from equity. No gain or loss is recognized in the consolidated statements of total comprehensive income on the purchase, sale, issue or cancellation of the Parent Company's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognized in additional paid-in capital. Voting rights related to treasury shares are nullified for the Group and no dividends are allocated to them respectively. When the shares are retired, the capital stock account is reduced by its par value and the excess of cost over par value upon retirement is debited to additional paid-in capital when the shares were issued and to retained earnings for the remaining balance.

Employee Benefits

Short-term benefits
The Group recognizes a liability net of amounts already paid and an expense for services rendered by employees during the accounting period. Short-term benefits given by the Group to its employees include salaries and wages, social security contributions, short-term compensated absences, bonuses and non-monetary benefits.

Post-employment benefits
The Group's net obligation in respect of its defined benefit plan is calculated by estimating the amount of the future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of the defined benefit obligation (DBO) is performed on a periodic basis by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognized asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognized immediately in OCI. The Group determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the DBO at the beginning of the annual period to the then net defined benefit liability (asset), taking into account any changes in the net defined liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to the defined benefit plan are recognized in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognized immediately in profit or loss.

The Group recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Revenue Recognition

Revenue from contracts with customers

Revenue from real estate sales
The Parent Company primarily derives its real estate revenue from the sale of vertical real estate projects. Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Parent Company expects to be entitled in exchange for those goods or services.

The disclosures of material accounting judgements, estimates and assumptions relating to revenue from contracts with customers are provided in Note 31.

The Parent Company derives its real estate revenue from sale of condominium units. Revenue from the sale of these real estate projects under pre-completion stage are recognized over time during the construction period (or percentage of completion) since based on the terms and conditions of its contract with the buyers, the Parent Company's performance does not create an asset with an alternative use and the Parent Company has an enforceable right to payment for performance completed to date.

In measuring the progress of its performance obligation over time, the Parent Company uses the output method. The Parent Company recognizes revenue on the basis of direct measurements of the value to customers of the goods or services transferred to date, relative to the remaining goods or services promised under the contract. Progress is measured using survey of performance completed to date. This is based on the monthly project accomplishment report prepared by the third-party surveyor as approved by the construction manager which integrates the surveys of performance to date of the construction activities for both sub-contracted and those that are fulfilled by the developer itself.

Revenue from sales of completed real estate projects is accounted for using the full accrual method.

Any excess of collections over the recognized receivables are included in the "Trade and other payables" account in the liabilities section of the consolidated statements of financial position.

If any of the criteria under the full accrual or percentage-of-completion method is not met, the deposit method is applied until all the conditions for recording a sale are met. Pending recognition of sale, cash received from buyers are presented under the "Trade and other payables" account in the liabilities section of the consolidated statements of financial position.

Cancellation of real estate sales
The Group reverses the previously recognized revenue and related costs.

The Group also derives its revenue from management fee, commission, rental and interest income for which the Group assessed that there is only one performance obligation. Revenue from contracts with customers is recognized at a point in time when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

Management fee
Management fee is recognized when the related services have been performed in accordance with the terms and conditions of the management agreement and applicable policies.

Commission income
Commission income is recognized when the real estate and insurance brokering services have been performed in accordance with the terms and conditions of the agreement, commission scheme and applicable policies. Commission income recognized is the amount earned as an agent and excludes amounts collected on behalf of the principal.

Interest income
Interest income is accrued on a time proportion basis by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

Rental income
Rent income from operating leases is recognized as income on a straight-line basis over the term of the relevant lease. Benefits received and receivable as an incentive to enter into an operating lease are also spread on a straight-line basis over the lease term.

Cost recognition from real estate sales
Cost of real estate sales is recognized as consistent with the revenue recognition method applied and is determined with reference to the specific, including estimated costs, on the property allocated to sold area. Cost of residential and commercial lots and units sold before the completion of the development is determined on the basis of the acquisition cost of the land plus its full development costs, which include estimated costs for future development works, as determined by the Parent Company's in-house technical staff.

Estimated development costs include direct land development, shared development cost, building cost, external development cost, professional fees, post construction, contingency, miscellaneous and socialized housing. Miscellaneous costs include payments such as permits and licenses, business permits, development charges and claims from third parties which are attributable to the project. Contingency includes fund reserved for unforeseen expenses and/ or cost adjustments. Revisions in estimated development costs brought about by increases in projected costs in excess of the original budgeted amounts are considered as special budget appropriations that are approved by management and are made to form part of total project costs on a prospective basis and allocated between costs of sales and real estate inventories.

Cost and Expense Recognition

Costs and expenses are recognized in profit or loss when a decrease in future economic benefit related to a decrease in an asset or an increase in a liability has arisen that can be measured reliably. Costs and expenses are recognized in profit or loss on the basis of: (i) a direct association between the costs incurred and the earning of specific items of income; (ii) systematic and rational allocation procedures when economic benefits are expected to arise over several accounting periods and the association with income can only be broadly or indirectly determined; or (iii) immediately when an expenditure produces no future economic benefits or when, and to the extent that, future economic benefits do not qualify or cease to qualify for recognition in the consolidated statements of financial position as an asset.

Cost and expenses in the consolidated statements of total comprehensive income are presented using the function of expense method. General and administrative expenses are costs attributable to general, administrative and other business activities of the Group.

Borrowing Costs

Borrowing costs directly attributable to the acquisition or construction of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective assets. All other borrowing costs are expensed in the period in which they were incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Borrowing costs are capitalized from the commencement of the development work until the date of practical completion. The capitalization of borrowing costs is suspended if there are prolonged periods when development activity is interrupted. If the carrying amount of the asset exceeds its recoverable amount, an impairment loss is recorded.

The capitalization rate is calculated as the weighted average of the borrowing costs applicable to the entity's outstanding borrowings during the period, excluding borrowings made specifically for the qualifying asset. This rate is then applied to the expenditures on the qualifying asset to determine the borrowing costs eligible for capitalization.

Leases

The Group as Lessee

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognizes a right-of- use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets (such as tablets and personal computers, small items of office furniture and telephones). For these leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the lessee uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- The amount expected to be payable by the lessee under residual value guarantees;

- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the consolidated statements of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a material event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).

- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The Group did not make any such adjustments during the periods presented.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognized and measured under PAS 37. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line in the consolidated statements of financial position.

The Group applies PAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the 'Property and Equipment' policy.

Short-term leases with terms of less than 12 months or lease of low value assets are expensed as incurred.

The Group as Lessor
The Group enters into lease agreements as a lessor with respect to some of its investment properties.

Leases for which the Group is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Rental income from operating leases is recognized on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized on a straight-line basis over the lease term.

When a contract includes lease and non-lease components, the Group applies PFRS 15 to allocate the consideration under the contract to each component.

The Group as Sub-lessor
The Group is a sub-lessor (intermediate lessor) to one of its right-of-use assets.
An intermediate lessor classifies the sublease as a finance lease or an operating lease as follows:

- If the head lease is a short-term lease, the sublease is classified as an operating lease
- Otherwise, the sublease is classified by reference to the right-of-use asset arising from the head lease, rather than by reference to the underlying asset. A lease is classified as a finance lease if it transfers substantially all the risks and rewards from the right-of-use asset resulting from the head lease; otherwise, it is classified as an operating lease.

For subleases classified as a finance lease, the intermediate lessor derecognizes the right-of-use asset relating to the head lease that is transfers to the sublessee and recognizes the net investment in the sublease; any difference between the right-of-use assets and the investment in the finance sublease is recognized in profit or loss. At the commencement date, net investment in the finance lease is measured at an amount equal to the present value of the lease payments for the underlying right-of-use assets during the lease term. The lessor recognizes finance income over the lease term, based on a pattern reflecting a constant period rate of return on the lessor's net investment in the lease.

For subleases classified as operating lease, the intermediate lessor recognizes the lease income from operating leases on a straight-line basis over the lease term. The respective leased asset is included in the statement of financial position based on its nature.

Income Tax
Income tax expense for the year comprises current and deferred tax. Income tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case the tax is also recognized in other comprehensive income or directly in equity, respectively.

The current income tax expense is calculated on the basis of the tax laws enacted at the reporting date. Management periodically evaluates positions in income tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognized on temporary difference arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements.

However, deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted at the reporting date and are expected to apply when related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred income tax assets are recognized for all deductible temporary differences, carry-forward of unused tax losses (net operating loss carryover or NOLCO) and unused tax credits (excess minimum corporate income tax or MCIT) to the extent that it is probable that future taxable profit will be available against which the temporary differences, unused tax losses and unused tax credits can be utilized. The Group reassesses at each reporting date the need to recognize a previously unrecognized deferred income tax asset.

Deferred income tax assets and liabilities are offset when there is legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority and the same taxable entity.

Uncertainty over Income Tax Treatments
The Group determines whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments. The approach that better predicts the resolution of the uncertainty is followed.

The Group considers whether it is probable that the relevant authority will accept each tax treatment, or group of tax treatments, that it used or plans to use in its income tax filing.

If the Group concludes that it is probable that a particular tax treatment is accepted, the Company determines taxable profit (tax loss), tax bases, unused tax losses, unused tax credits or tax rates consistently with the tax treatment included in its income tax filings.

If the Group concludes that it is not probable that a particular tax treatment is accepted, the Group uses the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates. The decision should be based on which method provides better predictions of the resolution of the uncertainty.

Provisions and Contingencies
Provisions are recognized when the Group has a present obligation, either legal or constructive, as a result of a past event; when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and; when the amount of the obligation can be estimated reliably. When the Group expects reimbursement of some or all of the expenditure required to settle a provision, the entity recognizes a separate asset for the reimbursement only when it is virtually certain that reimbursement will be received when the obligation is settled.

The amount of the provision recognized is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. A provision is measured using the cash flows estimated to settle the present obligation; its carrying amount is the present value of those cash flows.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

Contingent liabilities are not recognized because their existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. Contingent liabilities are disclosed, unless the possibility of an outflow of resources embodying economic benefits is remote.

Contingent assets are not recognized in the consolidated financial statements but are disclosed when an inflow of economic benefits is probable.

Related Party Relationships and Transactions
Related party relationship exists when one party has the ability to control, directly, or indirectly through one or more intermediaries, the other party or exercise material influence over the other party in making financial and operating decisions. Such relationship also exists between and/or among entities which are under common control with the reporting enterprise, or between, and/or among the reporting enterprise and its key management personnel, directors, or its shareholders. In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

Earnings per Share

Basic earnings per share
The Group computes its basic earnings per share by dividing net profit attributable to common equity holders of the Parent Company by the weighted average number of common shares issued and outstanding during the period.

Diluted earnings per share
Diluted earnings per share is calculated by adjusting the weighted average number of common shares outstanding to assume conversion of all dilutive potential common shares.

Events After the Reporting Date
The Group identifies events after the reporting date as events that occurred after the reporting date but before the date the consolidated financial statements were authorized for issue. Any subsequent event that provides additional information about the Group's financial position at the reporting date is reflected in the consolidated financial statements. Non-adjusting subsequent events are disclosed in the notes to the consolidated financial statements when material.

31. Critical Accounting Judgments and Key Sources of Estimation Uncertainty

The following are the key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a material risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year:

Critical Accounting Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a material risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Revenue and cost recognition on real estate projects
The Parent Company's revenue recognition and cost policies require management to make use of estimates and assumptions that may affect the reported amounts of revenues and costs. The Parent Company's revenue from real estate and construction contracts is recognized based on the percentage of completion and are measured principally on the basis of the estimated completion of a physical proportion of the contract work. Apart from involving material estimates in determining the quantity of inputs such as materials, labor and equipment needed, the assessment process for the POC is complex and the estimated project development costs requires technical determination by management's specialists (project engineers).

Similarly, the commission is determined using the percentage of completion.

Provision for expected credit losses of trade receivables
The Group uses historical loss rates as input to assess credit risk characteristics. The Group determines the appropriate receivables groupings based on shared credit risk characteristics such as revenue type, collateral or type of customer. The historical loss rates are adjusted to reflect the expected future changes in the portfolio condition and performance based on economic conditions and indicators such as inflation and interest rates that are available as at the reporting date.

The assessment of the correlation between historical observed default rates, forecast economic conditions (inflation and interest rates) and ECLs is a material estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

The information about the ECLs on the Group's trade receivables is disclosed in Notes 6 and 33.

Evaluation of net realizable value of real estate inventories
The Parent Company adjusts the cost of its real estate inventories to net realizable value based on its assessment of the recoverability of the assets. In determining the recoverability of the assets, management considers whether those assets are damaged or if their selling prices have declined. Likewise, management also considers whether the estimated costs of completion or the estimated costs to be incurred to make the sale have increased. The amount and timing of recorded expenses for any period would differ if different judgments were made or different estimates were utilized.

Results of management's assessment disclosed that there is no need for provision for impairment of inventories as at December 31, 2025 and 2024.

Estimating useful lives of assets
The useful lives of assets are estimated based on the period over which the assets are expected to be available for use. The estimated useful lives of 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 Group's assets. In addition, the estimation of the useful lives is based on the Group's collective assessment of industry practice, internal technical evaluation and experience with similar assets. It is possible, however, that future results of operations could be materially affected by changes in estimates brought about by changes in factors mentioned above. The amounts and timing of recorded expenses for any period would be affected by changes in these factors and circumstances. A reduction in the estimated useful lives of assets would increase the recognized operating expenses and decrease non-current assets.

Post-employment and other employee benefits
The present value of the retirement obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions will impact the carrying amount of retirement obligations.

The Group determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the retirement obligations. In determining the appropriate discount rate, the Group considers the interest rates of government bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating the terms of the related retirement obligation.

Other key assumptions for retirement obligations are based in part on current market conditions. Additional information is disclosed in Note 36.

Retirement obligation as at December 31, 2025 and 2024 amounted to P95,136,266 and P90,759,285, respectively.

Estimating fair value of investment property
The Group obtained the services of an independent valuer who holds a recognized and relevant professional qualification and has recent experience in the location and category of the investment properties being valued. An independent valuation of the Group's investment properties was performed by appraisers to determine their fair values. The valuation was determined by reference to sales and listing of comparable properties.

Recoverability of deferred tax assets
The Group reviews the carrying amounts at each reporting date and reduces deferred tax assets to the extent that it may be more prudent and conservative not to make a determination when these deferred tax assets can be utilized. The Group considers that it is impracticable to disclose with sufficient reliability the possible effects of sensitivities surrounding the utilization of deferred tax assets.

Total unrecognized deferred tax assets amounted to P163,776,586 and P266,726,497 as at December 31, 2025 and 2024, respectively (see Note 24).

Impairment losses on non-financial assets
The Group performs an impairment review when certain impairment indicators are present. Determining the fair value of non-financial assets, which require the determination of future cash flows expected to be generated from the continued use and ultimate disposition of such assets, requires the Group to make estimates and assumptions that can materially effect the consolidated financial statements. Future events could cause the Group to conclude that non-financial assets are impaired. Any resulting impairment loss could have a material adverse impact on the financial position and results of operations.

<u>Critical Accounting Judgments</u>

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

Existence of a contract
The Parent Company's primary document for a contract with a customer is a signed contract to sell. It has determined, however, that in cases wherein contract to sell are not signed by both parties, the combination of its other signed documentation such as reservation agreement, official receipts, buyers' computation sheets and invoices, would contain all the criteria to qualify as contract with the customer under PFRS 15.

In addition, part of the assessment process of the Parent Company before revenue recognition is to assess the probability that the Parent Company will collect the consideration to which it will be entitled in exchange for the real estate property that will be transferred to the customer.

Collectability
In evaluating whether collectability of an amount of consideration is probable, an entity considers the significance of the customer's initial payments in relation to the total contract price. Collectability is also assessed by considering factors such as past history with the customer, age 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.

Revenue recognition method and measure of progress
The Parent Company concluded that revenue for real estate sales is to be recognized over time because: (a) the Parent Company's performance does not create an asset with an alternative use and; (b) the Parent Company has an enforceable right for performance completed to date. The promised property is specifically identified in the contract and the contractual restriction on the Parent Company's ability to direct the promised property for another use is substantive. This is because the property promised to the customer is not interchangeable with other properties without breaching the contract and without incurring material costs that otherwise would not have been incurred in relation to that contract. In addition, under the current legal framework, the customer is contractually obliged to make payments to the developer up to the performance completed to date. In addition, the Parent Company requires a certain percentage of buyer's payments of total selling price (buyer's equity), to be collected as one of the criteria in order to initiate revenue recognition. Reaching this level of collection is an indication of buyer's continuing commitment and the probability that economic benefits will flow to the Parent Company. The Parent Company considers that the initial and continuing investments by the buyer of about 25% would demonstrate the buyer's commitment to pay.

The Parent Company has determined that output method used in measuring the progress of the performance obligation faithfully depicts the Parent Company's performance in transferring control of real estate development to the customers.

Distinction between investment properties and owner-occupied properties and real estate inventories and held for development
The Group determines whether a property qualifies as investment property. In making this 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 property but also to the other assets used in the production or supply process.

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

The Group determines that a property will also be classified as real estate inventory when it will be sold in the normal operating cycle or it will be treated as part of the Group's strategic land activities for development in the medium or long-term.

Contingencies
The Group is currently involved in various legal proceedings and tax assessments. Estimates of probable costs for the resolution of these claims have been developed in consultation with outside counsel handling the defense in these matters and is based upon an analysis of potential results. The Group currently does not believe these proceedings will have a material adverse effect on the financial position. It is possible, however, that future results of operations could be materially affected by changes in the estimates or in the effectiveness of the Group's strategies relating to these proceedings.

32. Fair Value Measurement

The fair values of the Group's financial instruments are equal to the carrying amounts in the consolidated statements of financial position as at December 31, 2025 and 2024.

Fair values have been determined for measurement and disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values are disclosed in the notes to the consolidated financial statements specific to that asset or liability.

The methods and assumptions used by the Group in estimating the fair value of the financial instruments are as follows:

Cash and cash equivalents and trade and other receivables – current portion carrying amounts approximate fair values due to the relatively short-term maturities of these items.

Trade and other receivables-non-current portion carrying amounts approximate their fair values as they are either priced using prevailing market rates or that the effect of discounting has been considered.

Financial assets at FVPL and FVOCI – these are investments in equity securities, fair value for quoted equity securities is based on quoted prices published in markets as of reporting dates.

Trade and other payables – the carrying value of trade and other payables approximate its fair value either because of the short-term nature of these financial liabilities.

Loans payable – carrying amounts approximate their fair values as they are either priced using prevailing market rates or that the effect of discounting is not material.

The table below analyzes financial and non-financial assets measured at fair value at the end of the reporting period by the level in the fair value hierarchy into which the fair value measurement is categorized:

December 31, 2025

	Level 1	Level 2	Level 3	Total
Financial assets at FVPL				
Equity investments	P6,750,000	P -	P -	P6,750,000
Financial assets at FVOCI				
Equity investments	41,867,434	-	-	41,867,434

December 31, 2024

	Level 1	Level 2	Level 3	Total
Financial assets at FVPL				
Equity investments	P6,750,000	P -	P -	P6,750,000
Financial asset at FVOCI				
Equity investments	27,925,315	-	-	27,925,315

33. Financial Risk Management Objectives and Policies

The Group's activities expose it to a variety of financial risks: market risk, liquidity risk and credit risk. The Group's overall risk management program seeks to minimize potential adverse effects on the financial performance of the Group. The policies for managing specific risks are summarized below.

The BOD of the parent company has overall responsibility for the establishment and oversight of the Group's risk management framework. It monitors compliance with the risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. Risk management policies and systems are reviewed regularly to reflect changes in market conditions.

The Group's risk management policies are established to identify and analyze the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

Market Risk

Foreign exchange risk
The Group undertakes certain transactions denominated in foreign currencies. Hence, exposures to exchange rate fluctuations arise with respect to transactions denominated in US dollar. Foreign exchange risk arises when future commercial transactions and recognized assets and liabilities are denominated in a currency that is not the Group's functional currency. Material fluctuation in the exchange rates could materially affect the Group's financial position.

Foreign exchange risk exposure of the Group is limited to its cash and cash equivalents. Currently, the Group has a policy not to incur liabilities in foreign currency. Construction and supply contracts, which may have import components, are normally denominated in Philippine peso.

The amounts of the Group's foreign currency denominated monetary assets at the reporting date are as follows:

	2025		2024	
	US dollar Deposit	**Peso Equivalent**	US dollar Deposit	Peso Equivalent
Cash and cash equivalents	**$219,320**	**P12,895,823**	$332,909	P19,313,377

The closing rates applicable as at December 31, 2025 and 2024 are P58.80 and P58.01 to US$1, respectively.

The following table demonstrates the sensitivity to a reasonably possible change in the US Dollar exchange rate, with all other variables held constant, of the Group's income in 2025 and 2024. The percentage changes in rates have been determined based on the average market volatility in exchange rates, using standard deviation, in the previous 12 months at a 99% confidence level.

	+/-	Effect on Equity
2025	5.86%	P755,578
2024	0.19%	36,118

Interest rate risk
Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The primary source of the Group's interest rate risk relates to its cash and cash equivalents, and loans and note payable. The interest rates on cash and cash equivalents and loans and note payable are disclosed in Notes 3 and 14, respectively.

Cash and cash equivalents are short-term in nature and with the current interest rate level, any variation in the interest will not have a material impact on the profit or loss of the Group.

Management is responsible for monitoring the prevailing market-based interest rate and ensures that the mark-up charged on its borrowings are optimal and benchmarked against the rates charged by other creditor banks.

The following table illustrates the sensitivity of the Group's profit or loss to a reasonably possible change in interest rates of its cash and cash equivalents and loan with all other variables held constant.

	2025		2024	
	+/-%	Effect on Profit or Loss	+/-%	Effect on Profit or Loss
Cash in bank	0.12%	P28,061	0.10%	P41,728
Cash equivalents	0.08%	31,875	0.08%	135,797
Loans and note payable	7.81%	(172,571,483)	1.27%	(23,392,383)
		(P172,511,547)		(P23,214,858)

Price risk
Price risk is the risk that the fair value of the financial instrument, particularly equity instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or foreign currency risk), whether caused by factors specific to an individual investment, its issuer or factors affecting all instruments traded in the market.

The Group manages the equity price risk through diversification and by placing limits on individual and total equity instruments. The Parent Company's Board of Directors reviews and approves all equity investment decisions.

At December 31, 2025, the impact of 12% increase/decrease in the price of listed equity securities, with all other variables held constant, would have been an increase/decrease of in the Group's total comprehensive income and equity for the year of 2025 – P50,241 and 2024 – P176,995. The Group's sensitivity analysis takes into account the historical performance of the stock market.

Liquidity risk

Liquidity risk refers to the risk in which the Group encounters difficulties in meeting its short-term obligations.

The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

The Group maintains adequate highly liquid assets in the form of cash and cash equivalents to assure necessary liquidity.

The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows.

		Contractual Obligation			
	Carrying Amount	Less than One Year	One to Five Years	More than Five Years	Total
2025			(In Thousand Pesos)		
Trade and other payables*	439,435	356,899	79,630	2,906	439,435
Loans and note payable	2,209,622	834,569	1,449,268	-	2,283,837
2024			(In Thousand Pesos)		
Trade and other payables*	P300,053	P217,517	P79,630	P2,906	P300,053
Loans and note payable	1,941,919	1,059,210	956,334	-	2,015,544

Excluding payables to government.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group.

The Group's credit risk is primarily attributable to its cash and cash equivalents and trade and other receivables as disclosed in Notes 3 and 6, respectively. The Group has adopted stringent procedure in evaluating and accepting risk by setting counterparty and transaction limits. In addition, the Group has policies in place to ensure that sales are made to customers with an appropriate credit history.

In respect of installments receivable from the sale of properties, credit risk is managed primarily through credit reviews and an analysis of receivables on a continuous basis. The Group also undertakes supplemental credit review procedures for certain installment payment structures. The Group's stringent customer requirements and policies in place contribute to lower customer default than its competitors. Customer payments are facilitated through various collection modes including the use of postdated checks and auto-debit arrangements. Exposure to bad debts is not material as title to real estate properties are not transferred to the buyers until full payment has been made and the requirement for remedial procedures is minimal given the profile of buyers.

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

Other financial assets are comprised of cash and cash equivalents excluding cash on hand, financial assets at FVPL, financial assets at FVOCI and advances to associates. The Group adheres to fixed limits and guidelines in its dealings with counterparty banks and its investment in financial instruments. Bank limits are established on the basis of an internal rating system that principally covers the areas of liquidity, capital adequacy and financial stability. The rating system likewise makes use of available international credit ratings. Given the high credit standing of its accredited counterparty banks, management does not expect any of these financial institutions to fail in meeting their obligations.

Nevertheless, the Group closely monitors developments over counterparty banks and adjusts its exposure accordingly while adhering to pre-set limits.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk as at December 31 are as follows:

	2025	2024
Cash and cash equivalents excluding cash on hand	**P67,905,349**	P211,474,104
Trade and other receivables	**256,687,154**	378,800,858
	P324,592,503	P590,274,962

The credit quality of financial assets which are neither past due nor impaired is discussed below:

(a) Cash in banks and cash equivalents

The Group deposits its cash balance in reputable banks to minimize credit risk exposure amounting to P67,905,349 and P211,474,104 as at December 31, 2025 and 2024, respectively (see Note 3). Cash deposits are considered to be of high grade.

For cash and cash equivalents, the Group applies the low credit risk simplification. The probability of default and loss given defaults are publicly available and are considered to be low credit risk investments. However, when there has been a material increase in credit risk since origination, the allowance will be based on the lifetime ECL. The Group uses the ratings from publicly available sources to determine whether the debt instrument has materialy increased in credit risk and to estimate ECLs.

(b) Trade and other receivables

Receivables amounting to P117.92 million and P119.23 million as of December 31, 2025 and 2024, respectively (see Note 6), were impaired and fully provided for. The allowance for doubtful accounts for receivables has been determined as follows:

	2025	2024
Trade:		
Sale of real estate	P67,351,667	P68,658,115
Lease	7,034,694	7,034,694
Management fees	3,189,750	3,189,750
Premiums receivable	2,899,963	2,899,963
Advances	862,891	862,891
Other receivables	36,582,373	36,582,373
	P117,921,338	P119,227,786

(b.1.) Trade receivables on real estate

2025	Stage 1	Stage 2	Stage 3	Total
Trade receivables				
High grade	P120,075,797	P -	P -	P120,075,797
Sub-standard	-	2,689,311	-	2,689,311
Low grade	-	-	147,428,558	147,428,558
Individually impaired	-	-	10,633,871	10,633,871
	120,075,797	2,689,311	158,062,429	280,827,537
Provision				
High grade	147,424	-	-	147,424
Sub-standard	-	-	-	-
Low grade	-	-	56,570,372	56,570,372
Individually impaired	-	-	10,633,871	10,633,871
	147,424	-	67,204,243	67,351,667
	P119,928,373	P2,689,311	P90,858,186	P213,475,870

2024	Stage 1	Stage 2	Stage 3	Total
Trade receivables				
High grade	P183,970,406	P -	P -	P183,970,406
Sub-standard	-	2,274,286	-	2,274,286
Low grade	-	-	208,606,683	208,606,683
Individually impaired	-	-	10,633,871	10,633,871
	183,970,406	2,274,286	219,240,554	405,485,246
Provision				
High grade	P1,453,672	P -	P -	P1,453,872
Sub-standard	-	-	-	-
Low grade	-	-	56,570,372	56,570,372
Individually impaired	-	-	10,633,871	10,633,871
	1,453,872	-	67,204,243	68,658,115
	P182,516,534	P2,274,286	P152,036,311	P336,827,131

High grade exposures are loans that do not have greater-than-normal credit risk. The buyer has the apparent ability and willingness to satisfy his obligation in full and therefore no loss in ultimate collection is anticipated.

Sub-standard grade exposures are receivables that have normal credit risk and have past due above 30 days but below 90 days.

Low grade exposures are receivables that are past due date beyond 90 days and have approached greater-than-normal credit risk.

Individually impaired exposures are receivables that are past due beyond 90 days, have approached greater-than normal credit risk.

For trade receivables on sale of real estate, the Parent Company applies a general approach in calculating ECLs. Under the general approach, ECLs are recognized in three (3) stages as follows:

- Stage 1: For credit exposures for which there has not been a material increase in credit risk since initial recognition and there is no default that occurred, a 12-month ECL is provided for credit losses that result from default events that are possible within the next 12 months.
- Stage 2: For credit exposures for which there has been a material increase in credit risk since initial recognition and there is still no default that occurred, a loss allowance equivalent to lifetime ECL is required for credit losses expected over the remaining life of the exposure.
- Stage 3: For credit exposures for which there has been a material increase in credit risk since initial recognition and for which an actual default has also occurred, a loss allowance equivalent to lifetime ECL is required for credit losses expected over the remaining life of the exposure.

8.2 For trade receivables on lease and other financial assets such as accrued receivable, receivable from related parties and advances to other companies, impairment provisions would be based on the assumption that the receivable is demanded at the reporting date and it would reflect the losses (if any) that would result from this. Since the receivables are collectible on demand, the contractual period is the very short period needed to transfer the cash once demanded. Discounting would have immaterial effect in the balances.

	2025				
	Lease	Management fees	Premiums receivable	Advances	Other receivables
Gross amount	₱31,226,399	₱6,518,275	₱5,605,992	₱7,427,769	₱43,002,520
Provisions	7,034,694	3,189,750	2,899,963	862,891	36,582,373
Carrying Amount	₱24,191,705	₱3,328,525	₱2,706,029	₱6,564,878	₱6,420,147

	2024				
	Lease	Management Fees	Premiums receivable	Advances	Other receivables
Gross amount	₱29,571,731	₱8,726,074	₱3,637,023	₱3,857,475	₱46,751,095
Provisions	7,034,694	3,189,750	2,899,963	862,891	36,582,373
Carrying Amount	₱22,537,037	₱5,536,324	₱737,060	₱2,994,584	₱10,168,722

34. Capital Management

The Parent Company manages its capital to ensure that the Parent Company is able to continue as a going concern while maximizing the return to shareholders through the optimization of the debt and equity balance.

The capital structure of the Parent Company consists of equity, which comprises of issued capital, additional paid-in capital, reserves, retained earnings and treasury stocks.

Management reviews the capital structure on a quarterly basis. As part of this review, management considers the cost of capital and the risks associated with it.

There were no changes in the Parent Company's approach to capital management during the year.

The Company has capital requirements on their loans payable in which they shall maintain a maximum debt-to-equity ratio of 2:1 at all times. As at December 31, 2025 and 2024, the Company is within the requirement of the loan (see Note 14).

As part of the reforms of the Philippine Stock Exchange (PSE) to expand capital market and improve transparency among listed firms, PSE requires listed entities to maintain a minimum of ten percent (10%) of their issued and outstanding shares, exclusive of any treasury shares, held by the public. The Parent Company has fully complied with this requirement in 2025 and 2024.

35. Segment Information

The segment assets and liabilities as of December 31, 2025, 2024 and 2023 and the results of operations of the reportable segments for the years ended December 31, 2025, 2024 and 2023 are as follows:

	2025							
	Parent Company	Subsidiaries						
	Sale of Real Estate and Leasing	Property Management	Insurance Agency	Holding Company	Real Estate	Travel Services	Intersegment adjustments	Consolidated
	(In Thousand Pesos)							
Revenue								
Revenue from contracts with customers	P23,447	P37,871	P6,891	P -	P -	P -	P -	P68,209
Rental income	83,137	2,672	-	-	-	-	(210)	85,599
Intersegment sales	-	769	-	-	-	-	(769)	-
Total revenue	106,584	41,312	6,891	-	-	-	(979)	153,808
Real estate costs and expenses	270,527	40,251	4,957	1,701	77	76	(9,695)	307,894
Equity in net loss of an associate	-	-	-	-	-	-	724	724
Gross income (loss)	(163,943)	1,061	1,934	(1,701)	(77)	(76)	(7,992)	(154,810)
Interest income	10,784	4	65	-	-	90	-	10,943
Finance costs	(80,768)	-	-	-	-	-	-	(80,768)
Other income	112,248	828	-	-	-	-	(6,548)	106,528
Other expenses	(93,231)	-	-	-	-	-	-	(93,231)
Provision for income tax	159,011	(10,875)	(361)	-	-	-	-	147,775
Net income (loss)	(55,899)	(8,982)	1,638	(1,701)	(77)	14	1,444	(63,563)
Net loss attributable to:								
Equity holders of PRHC								(62,772)
Non-controlling interests								(791)
								(63,563)
Other Information								
Segment assets	8,128,876	104,611	16,961	130	1,610,365	210	(45,111)	9,816,042
Investment in associates	1,685,930	-	-	-	-	-	(1,632,352)	53,578
Total assets	9,814,806	104,611	16,961	130	1,610,365	210	(1,677,463)	9,869,620
Segment liabilities	2,704,234	34,543	5,207	86,464	28,642	29,146	(125,757)	2,762,479
Deferred tax liabilities	635,383	7,308	-	-	-	-	-	642,690
Total liabilities	3,339,617	41,851	5,207	84,464	28,642	29,146	(125,757)	3,405,169

Forward

	2025							
	Parent Company	Subsidiaries						
	Sale of Real Estate and Leasing	Property Management	Insurance Agency	Holding Company	Real Estate	Travel Services	Intersegment adjustments	Consolidated
	(In Thousand Pesos)							
Segment additions to:								
Property and equipment	3,138,515	132,000	-	-	-	-	-	3,270,515
Investment properties	-	-	-	-	-	-	-	-
Depreciation and amortization	14,861,407	56,172	41,519	-	-	-	-	14,959,098
Non-cash expenses other than depreciation and amortization	13,536,998	1,949,742	310,218	-	-	-	-	15,796,958
Impairment losses	6,020,325	-	-	-	-	-	-	6,020,325

	2024							
	Parent Company	Subsidiaries						
	Sale of Real Estate and Leasing	Property Management	Insurance Brokerage	Holding Company	Real Estate	Travel Services	Intersegment adjustments	Consolidated
	(In Thousand Pesos)							
Revenue								
Revenue from contracts with customers	P54,282	P42,928	P10,314	P -	P -	P -	P -	P107,524
Rental income	78,332	151	15	-	-	-	-	78,498
Intersegment sales	-	739	-	-	-	-	(739)	-
Total revenue	132,614	43,818	10,329	-	-	-	(739)	186,022
Real estate costs and expenses	326,927	39,194	5,853	1,866	58	71	(739)	373,230
Equity in net loss of an associate	-	-	-	-	-	-	2,135	2,135
Gross income (loss)	(194,313)	4,624	4,476	(1,866)	(58)	(71)	(2,135)	(189,343)
Interest income	10,722	2	66	-	-	50	-	10,840
Finance costs	(89,055)	(3)	-	-	-	-	-	(89,058)
Other income	182,208	4,446	-	-	-	-	-	186,654
Other expenses	(201)	-	-	-	-	-	-	(201)
Provision for income tax	(38,268)	(1,219)	(644)	-	-	-	-	(40,131)
Net income (loss)	(128,907)	7,850	3,898	(1,866)	(58)	(21)	(2,135)	(121,239)
Net income attributable to:								
Equity holders of PRHC								(121,235)
Non-controlling interests								(4)
								(121,239)
Other information								
Segment assets	9,581,060	102,125	16,508	62	1,000	1,302	(25,891)	9,676,166
Investment in associates	101,930	-	-	-	-	-	(47,629)	54,301
Total assets	9,682,990	102,125	16,508	62	1,000	1,302	(73,520)	9,730,467
Segment liabilities	2,374,505	36,265	6,665	81,523	58	30,251	(104,025)	2,423,242
Deferred tax liabilities	794,502	(5,614)		-	-	-	-	790,888
Total liabilities	P3,169,007	P30,651	P6,665	P81,523	P58	P30,251	(P104,025)	P3,214,130

Forward

	2024							
	Parent Company	Subsidiaries						
	Sale of Real Estate and Leasing	Property Management	Insurance Brokerage	Holding Company	Real Estate	Travel Services	Intersegment adjustments	Consolidated
	(In Thousand Pesos)							
Segment additions to:								
Property and equipment	P7,919	P36	P -	P -	P -	P -	P -	P7,955
Investment properties	-	-	-	-	-	-	-	-
Depreciation and amortization	15,135	88	77	-	-	-	-	15,300
Non-cash expenses other than depreciation and amortization	P12,730	(P910)	P337	P -	P -	P -	P -	P12,157
Impairment losses	P2,248	P -	P1,057	P1,762	P -	P -	P -	P5,067

	2023							
	Parent Company	Subsidiaries						
	Sale of Real Estate and Leasing	Property Management	Insurance Brokerage	Holding Company	Real estate	Travel Services	Intersegment adjustments	Consolidated
	(In Thousand Pesos)							
Revenue								
Revenue from contracts with customers	P174,461	P41,203	P5,216	P -	P -	P -	P -	P220,880
Rental income	65,150	151	165	-	-	-	-	65,466
Intersegment sales	-	434	-	-	-	-	(434)	-
Total revenue	239,611	41,788	5,381	-	-	-	(434)	286,346
Real estate costs and expenses	422,081	45,858	5,051	61	-	107	(434)	472,724
Equity in net loss of an associate	-	-	-	-	-	-	1,799	1,799
Gross income (loss)	(182,470)	(4,070)	330	(61)	-	(107)	(1,799)	(188,177)
Interest income	13,986	2	20	-	-	43	-	14,067
Finance costs	(70,083)	(74)	-	-	-	-	-	(70,158)
Other income	424,107	2,440	-	-	-	-	-	426,547
Other expenses	(4,899)	-	-	-	-	-	-	(4,899)
Provision for income tax	(63,823)	(592)	(81)	-	-	-	-	(64,496)
Net income (loss)	116,818	(2,294)	269	(61)	-	(64)	(1,799)	112,868
Net income attributable to:								
Equity holders of PRHC								112,880
Non-controlling interests								(12)
								112,868
Other information								
Segment assets	8,868,520	95,780	12,796	119	-	1,297	(23,080)	8,955,432
Investment in associates	100,930	-	-	-	-	-	(44,493)	56,437
Total assets	8,969,450	95,780	12,796	119	-	1,297	(67,573)	9,011,869
Segment liabilities	1,576,411	36,796	7,280	-	-	30,225	(21,489)	1,629,223
Deferred tax liabilities	755,870	(3,437)	-	-	-	-	-	753,433
Total liabilities	P2,333,281	P33,359	P7,280	P -	P -	P30,225	(P21,489)	P2,382,656

Forward

	2023							
	Parent Company	Subsidiaries						
	Sale of Real Estate and Leasing	Property Management	Insurance Brokerage	Holding Company	Real Estate	Travel Services	Intersegment adjustments	Consolidated
	(In Thousand Pesos)							
Segment additions to:								
Property and equipment	P40,698	P -	P -	P -	P -	P -	P -	P40,698
Investment properties	3,940	-	-	-	-	-	-	3,940
Depreciation and amortization	8,593	84	85	-	-	-	-	8,762
Non-cash expenses other than depreciation and amortization	P12,385	P2,112	P316	P -	P -	P -	P -	P14,813
Impairment losses	P2,864	P -	P -	P -	P -	P -	P -	P2,864

The following are the principal activities of the Parent Company's subsidiaries:

PRHC Property Managers, Inc. (PPMI)
PPMI was incorporated and registered with the SEC on May 24, 1991 to engage in the business of managing, operating, developing, buying, leasing and selling real and personal property either for itself and/or for others.

The registered office address of PPMI is at Unit E2003B, 20th Floor East Tower, Tektite Towers, Exchange Road, Ortigas Center, Pasig City.

Tektite Insurance Agency, Inc. (Formerly Tektite Insurance Brokers, Inc.)
TIAI was incorporated and registered with the SEC on January 2, 1989 to engage in the business of insurance brokerage. On May 24, 2022, the BOD of TIAI approved the amendment of its Articles of Incorporation and By-laws to conform with the IC's requirements in changing its business activities from that of an insurance broker to an insurance agent. On April 21, 2025, the SEC, with endorsement from IC, approved the amendment of its Articles of Incorporation.

The registered office address of TIAI is at the 20th Floor, East Tower, Philippine Stock Exchange Centre, Exchange Road, Ortigas Center, Pasig City.

Universal Travel Corporation (UTC)
UTC was incorporated and registered with the SEC on November 9, 1993 to engage in the business of travel services by providing, arranging, marketing, engaging or rendering advisory and consultancy services relating to tours and tour packages. On March 15, 2018, the Board of Directors of UTC approved the resolution on the cessation of operations effective July 31, 2018.

Thereafter, the Company became inactive.

The registered office address of UTC is Unit E2003B, 20th Floor East Tower, Tektite Towers, Exchange Road, Ortigas Center, Pasig City.

Sultan's Power, Inc. (SPI)
Sultan Power, Inc. ("SPI") was incorporated under Philippine laws and registered with the SEC on March 19, 2015 as a holding company. SPI acquired 51% of the total issued and outstanding shares of RECON-X Energy Corporation ("RECON-X") in 2021.

RECON-X was incorporated under Philippine laws and registered with the SEC on June 27, 2014 to engage in the business of recycling and converting plastics into fuel [gasoline, diesel and kerosene] using patented technology. The process was duly certified on November 2, 2015, by the Intellectual Property Office of the Philippines ("IPOPHL") for "Improved Method of Converting Land-Filled Plastic Wastes into Hydrocarbon Fuel", certified by the Department of Science and Technology ("DOST") and by the Department of Energy ("DOE"). As of December 31, 2021, RECON-X was able to procure the additional catalysts and materials needed for the plastic diesel conversion plant to be used to process waste materials into fuel. In 2023, RECON-X started introduction of feedstocks, performance testing and testing of fuel compliance with National Standards and securing plastic waste supply from a plastic waste aggregator and is still the same in 2025. RECON-X is continuing its efforts in streamlining its operations and sourcing technical staff for production.

The Company's registered office is at Units E-2003B 20th Floor East Tower, Tektite Towers, Exchange Road, Ortigas Center, Pasig City.

Three Corners Realty Corporation (TCRC)
Three Corners Realty Corporation (the "Company") was registered with the SEC on September 16, 2024 primarily to engage in the real estate business. In 2025, the Parent Company and TCRC completed an asset exchange transaction in wherein TCRC incurred transaction cost on issuance of its preferred shares amounting to P3,142,935 charged against APIC (see Note 10 and 25).

The Company's registered office, which is also its principal place of business, is located at Unit No.10A, Podium 10th Level, The Icon Plaza, 26th Street, Bonifacio Global City, Taguig City.

MVCo

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STATEMENTS REQUIRED BY THE REVISED SECURITIES REGULATION CODE (SRC) RULE 68

The Shareholders and Board of Directors
Philippine Realty and Holdings Corporation and Subsidiaries
One Balete, 1 Balete Drive corner N. Domingo Street
Brgy. Kaunlaran District 4
Quezon City

We have audited the accompanying consolidated financial statements of Philippine Realty and Holdings Corporation and Subsidiaries as at and for the year ended December 31, 2025, on which we have rendered our report dated March 17, 2026. The supplementary information shown in the Reconciliation of Retained Earnings Available for Dividend Declaration (Part 1, 5B and Annex 68-D), Financial Soundness Indicators (Part 1, 5C and Annex 68-E), and Map of Relationships Between and Among the Related Parties (Part 1, 5G) as additional components required by Part I, Section 5 of the Revised SRC Rule 68 and Schedules A, B, C, D, E, F, G and H, as required by Part II, Section 7 and Annex 68-J of the Securities Regulation Code, are presented for purposes of filing with the Securities and Exchange Commission and are not a required part of the basic consolidated financial statements.

Such supplementary information is the responsibility of management and has been subjected to the auditing procedures applied in the audit of the basic consolidated financial statements. In our opinion, the supplementary information has been prepared in accordance with Part I, Section 5 and Part II, Section 7 of the Revised SRC Rule 68.

MACEDA VALENCIA & CO.

JOSE T. VALENCIA
Partner
CPA License No. 32659
Tax Identification No. 119-894-676-000
PTR No. 10788996
Issued on January 23, 2026 at Makati City
BOA/PRC Reg. No. 4748 valid until August 7, 2027
BIR Accreditation No. 08-005063-000-2024 (firm); 08-005063-001-2024 (individual)
Issued on March 26, 2024; valid until March 25, 2027

March 17, 2026
Makati City

"Annex A"

Reconciliation of Retained Earnings Availabole for Dividend Declaration
For the reporting period ended December 31, 2025

Philippine Realty And Holdings Corporation
One Balete, 1 Balete Drive Corner N. Domingo St.
Brgy. Kaunlaran, Dirtrict 4, Quezon City 1111, Philippines

Unappropriated Retained Earnings, beginning of the reporting period		**P1,526,539,586**
Add: Category A: Items that are directly credited to Unapppropriated Retained Earnings		
Reversal of Retained Earnings Appropriation/s	-	
Effect of restatements or prior-period adjustments	-	
Others (describe nature)		
Accumulated Deferred Tax	P794,501,517	-
Accumulated unrealized gain on fair market value	(2,571,084,323)	(1,776,582,806)
		(250,043,220)
Less: Category B: Items that are directly debited to Unapppropriated Retained Earnings		
Dividend declaration during the reporting period	-	
Retained Earnings appropriated during the reporting period	-	
Effect of restatements or prior-period adjustments	-	
Others (describe nature)	-	-
Unappropriated Retained Earnings, as adjusted		**(250,043,220)**
Add/Less: Net Income (loss) for the current year		**(55,899,019)**
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)	-	
Fair value adjustment of Investment Property resulting to gain adjustment due to deviation from PFRS/GAAP-gain	-	
Other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under PFRS (describe nature)	-	
Sub-total		-

Add: <u>Category C.2</u>: Unrealized income recognized in the profit or loss in prior reporting periods but realized in the current reporting period (net of tax)		
Realized foreign exchange gain, except those attributable to cash and cash equivalents	-	
Realized fair value adjustment (mark-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	(97,286,332)	
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 PFRS (describe nature)	-	(97,286,332)
Sub-total		(97,286,332)
Add: <u>Category C.3</u>: Unrealized income recognized in the 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 instruments at fair value through profit or loss (FVTPL)	-	
Reversal of previously recorded fair value gain of Investment Property	-	
Reversal of other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under PFRS, previously recorded (describe nature)	-	-
Sub-total		-
Adjusted Net Income/Loss		(153,185,351)
Add: <u>Category D</u>: Non-actual losses in profit or loss during the reporting period (net of tax)		
Depreciation on revaluation increment (after tax)	-	
Sub-total		-
Add/Less: <u>Category E</u>: Adjustments related to relief granted in SEC and BSP		
Amortization of the effect of reporting relief	-	
Total amount of reporting relief during the year	-	
Others (describe nature)	-	
Sub-total		-
Add/Less: <u>Category F</u>: Adjustments related to relief granted in SEC and BSP		
Net movement of treasury shares (except for reacquisition of redeemable shares	-	
Net movement of deferred tax asset not considered in reconciling items under the previous categories	(159,118,981)	

Net movement of deferred tax asset and deferred tax liabilities related to same transaction, e.g. set-up of right of use asset and lease liability, set-up of asset and asset retirement obligation, and set-up of service concession asset and concession payable	-	
Adjustment to deviation from PFRS/GAAP – gain (loss)	-	
Others (describe nature)	-	(159,118,981)
Sub-total		(159,118,981)
Total Retained Earnings, end of the reporting period available for dividend		**(P312,304,332)**

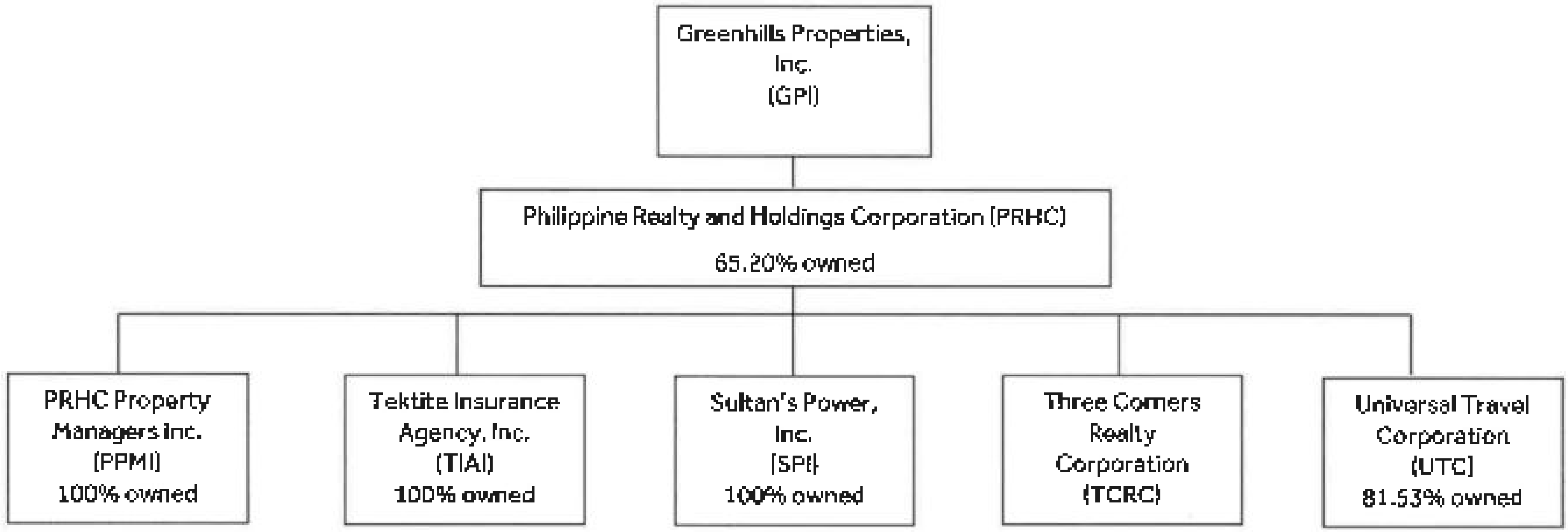
SCHEDULE OF FINANCIAL SOUNDNESS INDICATORS
As of December 31, 2025

Philippine Realty And Holdings Corporation
One Balete, 1 Balete Drive Corner N. Domingo St.
Brgy. Kaunlaran, District 4, Quezon City 1111, Philippines

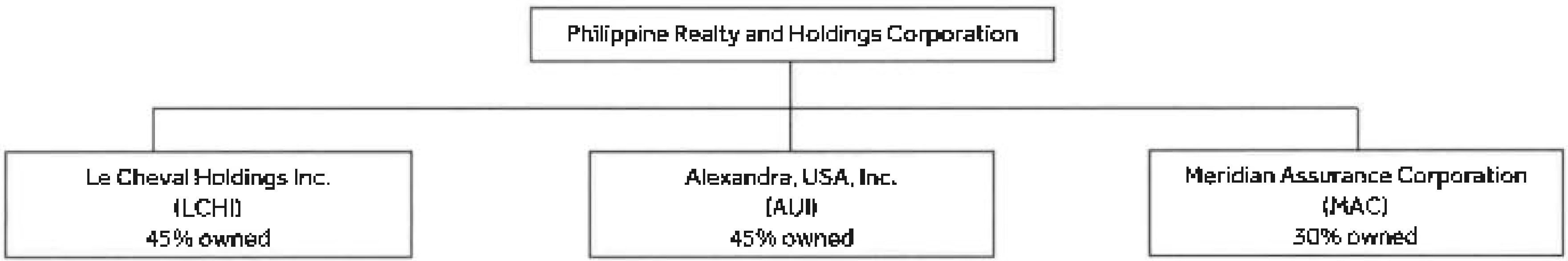
	2025	2024
Current Ratio[1]	**3.84**	3.28
Acid Test Ratio[2]	**1.16**	1.28
Debt to Equity Ratio[3]	**0.53**	0.49
Asset to Equity Ratio[4]	**1.53**	1.49
Interest Coverage Ratio[5]	**(1.62)**	0.09
Net Profit Margin Ratio[6]	**(0.23)**	(0.32)
Return on Assets[7]	**(0.01)**	(0.01)
Return on Equity[8]	**(0.01)**	(0.02)
Solvency Ratio[9]	**(0.01)**	(0.03)

(1) *Current ratio is measured as current assets divided by current liabilities.*
(2) *Acid test ratio is measured as current assets less inventory divided by current liabilities.*
(3) *Debt to equity ratio is measured as total liabilities divided by total equity.*
(4) *Asset to equity ratio is measured as total assets divided by total equity.*
(5) *Interest coverage ratio is measured by EBIT, or earnings before interest and taxes, divided by total financing costs.*
(6) *Net profit margin ratio is derived by dividing net profit with total revenue.*
(7) *Return on assets is measured by dividing net income after tax with total assets.*
(8) *Return on equity is measured by dividing net income after tax with total capital accounts.*
(9) *Solvency ratio is measured by dividing net income after tax plus depreciation with total liabilities.*

PHILIPPINE REALTY AND HOLDINGS CORPORATION
SUBSIDIARIES, AFFILIATES GROUP STRUCTURE
As of December 31, 2025



Associates:



ANNEX 68-I

Schedule for Listed Companies with a Recent Offering of Securities to the Public
As of December 31, 2025

Philippine Realty And Holdings Corporation
One Balete, 1 Balete Drive Corner N. Domingo St.
Brgy. Kaunlaran, District 4, Quezon City 1111, Philippines

1. Gross and net proceeds as disclosed in the final prospectus
   Not applicable

2. Actual gross and net proceeds
   Not applicable

3. Each expenditure item where the proceeds were used
   Not applicable

4. Balance of the proceeds as of end reporting period
   Not applicable

PHILIPPINE REALTY AND HOLDINGS CORPORATION AND SUBSIDIARIES
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 in the Statement of Financial Position	Valued based on market quotation at end of reporting period	Income received and accrued
Financial assets at fair value through profit or loss				
Tagaytay Properties	6,750,000 shares	P6,750,000	P6,750,000	P -
Financial Assets at Fair Value through OCI				
Equity securities				
A. Brown Company, Inc.	36,840,000 shares	P34,261,200	P34,261,200	P -
Philippine Racing Club (PRC)	944 shares	6,234	6,234	-
Orchard Golf & Country Club				
CLASS "C" Shares	1 share	3,100,000	3,100,000	-
Valley Golf Country Club	1 share	4,500,000	4,500,000	-
	36,840,946 shares	P41,867,434	P41,867,434	P -
Trade and other receivables - net		P256,687,154	P256,687,154	P74,334
		P305,304,588	P305,304,588	P74,334

PHILIPPINE REALTY AND HOLDINGS CORPORATION AND SUBSIDIARIES
Schedule B – Amounts Receivable from Director, Officers, Employees, Related Parties and Principal Stockholders (Other than Related Parties)
December 31, 2025

Name of Debtor	Balance at the beginning of the period	Additions	Amounts collected	Amounts written-off	Current	Non-current	Balance at the end of period
ABUYAN, JOHN MARK	P8,580	P102,965	(P102,965)	P -	P8,580	P -	P8,580
AGUILAR, DENNIS	33,801	54,362	(72,061)	-	16,102	-	16,102
ALMEROL, CARLA	26,657	82,872	(101,723)	-	7,806	-	7,806
CALANOG, DANTE	321,649	25,351	(347,000)	-	-	-	-
CARAG, ADELINE SUSAN	20,800	-	(20,800)	-	-	-	-
CARTAGENA, AILENE	28,465	44,513	(60,735)	-	12,243	-	12,243
CATACUTAN, MIGUEL	462,486	86,384	(536,112)	-	12,758	-	12,758
CIAR, ERWIN	6,000	544,007	(546,537)	-	3,470	-	3,470
CINCO, JOHN PAUL	-	45,440	(36,304)	-	9,136	-	9,136
CRUZ, ROSELLE	16,902	247,786	(262,696)	-	1,992	-	1,992
DAYRIT, AMYLEEN JOY	533,034	-	(107,232)	-	116,036	309,766	425,802
DEOCAMPO, DEXTER JAN	23,039	15,097	(37,221)	-	916	-	916
DURAN, AILEEN	885,855	723,382	(1,155,910)	-	453,327	-	453,327
DURAN, NORMALENE	16,912	630,020	(236,932)	-	74,665	335,335	410,000
ENRIQUEZ, EDILYNDA	574,462	563,394	(661,887)	-	111,793	364,177	475,970
FAJATIN, INJA	-	51,946	(51,429)	-	517	-	517
GAGTAN, ALAIN FLORA	3,375	2,480	(5,442)	-	413	-	413
GO, RICHARD NICOLAS KO	127,893	9,679	(94,578)	-	42,994	-	42,994
ISNIT, JOSEFINA	100,000	146,138	(152,512)	-	-	93,626	93,626
LAMPAS, ROCHELLE JOY	31,937	114,247	(117,622)	-	28,562	-	28,562
LANUZA, CAMILLE	67,495	-	-	-	67,495	-	67,495

Forward

Name of Debtor	Balance at the beginning of the period	Additions	Amounts collected	Amounts written-off	Current	Non-current	Balance at the end of period
LANUZA, GERARDO DOMENICO	235,649	-	-	-	235,649	-	235,649
LAROYA, JOHN CEDRICK	35,000	35,000	-	-	35,000	-	35,000
MAGPAYO, GILBERT	5,284	71,805	(71,805)	-	5,284	-	5,284
MEDRANO, EDMUNDO	2,266	607,494	(608,960)	-	800	-	800
OLBES, ANTONIO	233,000	-	-	-	233,000	-	233,000
PACA, CARLOS MIGUEL	-	225,688	(222,190)	-	3,498	-	3,498
PERILLO, MARIA CHRISTINA	585,963	72,548	(276,298)	-	125,329	256,884	382,213
RAMOS, MARK ANTHONY	-	627,490	(604,348)	-	23,142	-	23,142
SANTOS, ROZANO	434,564	804,279	(873,509)	-	365,333	-	365,333
SANTOS, LEONARD ROSS	120,000	-	-	-	120,000	-	120,000
SUMBELING, HAZEL KATE	9,500	45,941	(55,441)	-	-	-	-
TABORLUPA, MARGIE	395,029	292,241	(385,762)	-	93,232	208,276	301,508
TAMANG, CHARLIE	7,950	77,698	(85,647)	-	-	-	-
TAN, KRISTINE	515,821	684,516	(662,999)	-	120,859	416,479	537,338
VALENTIN, RHONALD	441,362	-	(103,258)	-	121,389	216,715	338,104
VERCELES, REGANDOR	1,760	1,860	(3,620)	-	-	-	-
VERZOSA, SAMUEL	-	43,276	(35,408)	-	7,868	-	7,868
VINLUAN, FATIMA	-	32,307	-	-	32,307	-	32,307
Others	5,618	2,331	-	-	7,949	-	7,949
	P6,318,107	P7,079,538	(P8,696,943)	P -	P2,499,444	P2,201,258	P4,700,702

Note: Receivables from Directors, Officers, Employees, Related Parties and Principal Stockholders are subject to usual terms in the normal course of business.

PHILIPPINE REALTY AND HOLDINGS CORPORATION AND SUBSIDIARIES
Schedule C – Amounts Receivable from Related Parties which are eliminated during the consolidation of financial statement
December 31, 2025

Name of Debtor	Balance at the beginning of the period	Additions	Amounts collected (i)	Amounts written-off (ii)	Current	Non-current	Balance at the end of period
Universal Travel Corporation, Subsidiary	P30,191,024	P132.437	[P1,231,632)	P -	P -	P29,091,829	P29,091,829
PRHC Property Managers, Inc., Subsidiary	14,849,051	100,906	(2,807,976)	-	-	12,142,031	12,142,031
Sultan's Power, Inc., Subsidiary	76,668,235	141,470	-	-	-	76,809,705	76,809,705
Three Corners Realty Corporation	-	28,577,888	-	-	28,577,888	-	28,577,888
	P121,708,310	P28,879,3088	(P4,039,558)	P -	P28,577,888	P118,043,565	P146,621,453

i. If collected was other than in cash, explain.

ii. Give reasons to write-off.

PHILIPPINE REALTY AND HOLDINGS CORPORATION AND SUBSIDIARIES
Schedule D – Long Term Debt
December 31, 2025

Title of issue and type of obligation (i)	Amount authorized by indenture	Amount shown under caption "Current portion of long-term debt in related Statement of Financial Position " (ii)	Amount shown under caption "Long-term debt in related Statement of Financial Position " (iii)	Interest Rate %	Maturity Date
Car loan	33,570,461	7,023,351	11,968,904	8.14% - 9.10%	May 2028 – April 2029
Car loan	2,358,310	335,546	601,561	8.31%	March 2028 – July 2028
Car loan	47,580,000	1,304,265	4,905,622	9.43% - 9.44%	March 2029 – March 2030
Real estate mortgage	1,813,000,000	399,988,304	1,431,494,508	7.75% - 9.00%	January 2026 – December 2028
Real estate mortgage	352,000,000	352,000,000	-	7.125% - 7.25%	January 2026 – March 2026

I. Include in this column each type of obligation authorized.
II. This column is to be totalled to correspond to the related Statements of Financial Position caption.
III. Include in this column details as to interest rates, amounts or numbers of periodic instalments, and maturity dates.

PHILIPPINE REALTY AND HOLDINGS CORPORATION AND SUBSIDIARIES
Schedule E – Indebtedness to Related Parties
(included in the Consolidated Financial Statement of Position)
December 31, 2025

Name of Related Parties (i)	Balance at the beginning of the period	Balance at the end of the period (ii)

None to report.

i. The related party shall be grouped as in Schedule C. The information called for shall be stated for any persons whose investments shown in separately in such related schedule.
ii. For each affiliate named in the first column, explain in a note hereto the nature and purpose of any material increase during the period that is in excess of 10% of the related balance at either the beginning or end of the period.

PHILIPPINE REALTY AND HOLDINGS CORPORATION AND SUBSIDIARIES
Schedule F – Guarantees of Securities of Other Issuers
December 31, 2025

Name of the issuing entity of securities guaranteed by the company for which this statement is filed	Title of issue of each class of securities guaranteed	Total amount of guaranteed and outstanding (i)	Amount owned by person of which statement is filed	Nature of Guarantee (ii)

None to report.

---

i. Indicate in the note any significant changes since the date of the last balance sheet file. If this schedule is filed in support of consolidated financial statements, there shall be set forth guarantees by any person included in the consolidation except such guarantees of securities which are included in the consolidated balance sheet.

ii. There must be a brief statement of the nature of the guarantee, such as "Guarantee of Principal and Interest"', "Guarantee of Interest" or "Guarantee of Dividend". If the guarantee is of interest, dividends, or both, state the annual aggregate amount of interest or dividends so guaranteed.

PHILIPPINE REALTY AND HOLDINGS CORPORATION AND SUBSIDIARIES
Schedule G – Capital Stock
December 31, 2025

Title of Issue (i)	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	Number of shares held by related parties (ii)	Directors, officers and employees	Others (iii)
Common	16,000,000,000	7,866,647,523	-	-	539,964,841	-

i. Include in this column each type of issue authorized
ii. Related parties referred to include persons for which separate financial statements are filed and those included in the consolidated financial statements, other than the issuer of the particular security.
iii. Indicate in a note any significant changes since the date of the last balance sheet filed.

PHILIPPINE REALTY AND HOLDINGS COSPORATION AND SUBSIDIARY
Schedule H – External Auditor Fee
For the years ended December 31, 2025 and 2024

	2025	2024
Total Audit Fees	**P1,705,000**	**P1,595,000**
Non-audit services fees	-	-
Other assurance services	-	-
Tax services	-	-
All other services	-	-
Total Non-audit Fees	-	-
Total Audit and Non-audit Fees	**P1,705,000**	**P1,595,000**

Audit and Non-audit of other related entities

	2025	2024
Total Audit Fees (Section 2.1a)	**P** -	**P** -
Non-audit services fees	-	-
Other assurance services	-	-
Tax services	-	-
All other services	-	-
Total Non-audit Fees	-	-
Total Audit and Non-audit Fees	P -	P -

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

The following document has been received:

Receiving: ICTD ERMD
Receipt Date and Time: April 28, 2026 03:43:48 PM

Company Information

SEC Registration No.: 0000099905
Company Name: PHILIPPINE REALTY AND HOLDINGS CORPORATION
Industry Classification: K70200
Company Type: Stock Corporation

Document Information

Document ID: OST104282026811275127
Document Type: Financial Statement
Document Code: FS
Period Covered: December 31, 2025
Submission Type: Parent
Remarks: None

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

COVER SHEET
for
AUDITED FINANCIAL STATEMENTS

SEC Registration Number

0	0	0	0	0	9	6	9	0	5	

Company Name

P H I L I P P I N E R E A L T Y A N D H O L D I N G S
C O R P O R A T I O N

Principal Office (No./Street/Barangay/City/Town)Province)

O N E B A L E T E , 1 B A L E T E D R I V E
C O R N E R N . D O M I N G O S T . B R G Y .
K A U N L A R A N D I S T R I C T 4 , Q U E Z O N
C I T Y

Form Type	Department requiring the report	Secondary License Type, If Applicable
A A F S	S E C	N/A

COMPANY INFORMATION

Company's Email Address	Company's Telephone Number/s	Mobile Number
mark.ramos@philrealty.com.ph	02-86313179	0917-509-6326

No. of Stockholders	Annual Meeting Month/Day	Calendar Year Month/Day
2,300	2nd week of June	December 31

CONTACT PERSON INFORMATION

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

Name of Contact Person	Email Address	Telephone Number/s	Mobile Number
Mark Anthony A. Ramos	mark.ramos@philrealty.com.ph	02-86313179	0917-509-6326

Contact Person's Address

One Balete, 1 Balete Drive cor. N. Domingo Street Brgy. Kaunlaran District 4, Quezon City

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

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

PHILIPPINE REALTY AND HOLDINGS CORPORATION

SEPARATE FINANCIAL STATEMENTS
December 31, 2025, 2024 AND 2023

Outlook

FW: Your BIR AFS eSubmission uploads were received

From Mark Anthony Ramos <MARK.RAMOS@PHILREALTY.COM.PH>
Date Tue 4/28/2026 3:03 PM
To Amyleen Joy Dayrit <joy.dayrit@philrealty.com.ph>; Lovely Quilantang <lovely.quilantang@philrealty.com.ph>; Kristel Turot <kristel.turot@philrealty.com.ph>

Thanks and best regards

MARK ANTHONY M. RAMOS
Vice President and Controller and Compliance Officer
PHILIPPINE REALTY AND HOLDINGS CORPORATION
Head Office (632) 8631 3179 / Satellite Office (632) 532 7538
mark.ramos@philrealty.com.ph
www.philrealty.com.ph

From: eafs@bir.gov.ph <eafs@bir.gov.ph>
Sent: Tuesday, April 28, 2026 3:03 PM
To: Mark Anthony Ramos <MARK.RAMOS@PHILREALTY.COM.PH>
Cc: Mark Anthony Ramos <MARK.RAMOS@PHILREALTY.COM.PH>
Subject: Your BIR AFS eSubmission uploads were received

Hi PHILIPPINE REALTY AND HOLDINGS CORPORATION,

Valid files

- EAFS000188233RPTTY122025.pdf
- EAFS000188233OTHTY122025.pdf
- EAFS000188233ITRTY122025.pdf
- EAFS000188233TCRTY122025-01.pdf
- EAFS000188233AFSTY122025.pdf

Invalid file

- <None>

Transaction Code: **AFS-0-XVXX4WN0CGG99FA9NZQSNQ2W03Q44M1VM**
Submission Date/Time: **Apr 28, 2026 03:02 PM**
Company TIN: **000-188-233**

Please be reminded that you accepted the terms and conditions for the use of this portal and expressly agree, warrant and certify that:

- The submitted forms, documents and attachments are complete, truthful and correct based on the personal knowledge and the same are from authentic records;
- The submission is without prejudice to the right of the BIR to require additional document, if any, for completion and verification purposes;
- The hard copies of the documents submitted through this facility shall be submitted when required by the BIR in the event of audit/investigation and/or for any other legal purpose.

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File Upload

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Transaction Code:
AFS-0-XVXX4WN0CGG99FA9NZQSNQ2W03Q44M1VM

Submission Date/Time:
Apr 28, 2026 03:02 PM

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Philippine Realty & Holdings Corporation

STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The management of **PHILIPPINE REALTY AND HOLDINGS CORPORATION** is responsible for the preparation and fair presentation of the financial statements including the schedules attached therein, for the years ended December 31, 2025, 2024 and 2023, in accordance with the prescribed financial reporting framework indicated therein, 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 and error.

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

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

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

Maceda Valencia and Co., the independent auditor appointed by the stockholders, has audited the financial statements of the Company in accordance with Philippine Standards on Auditing, and in its report to the stockholders, has expressed its opinion on the fairness of presentation upon completion of such audit.

GERARDO DOMENICO ANTONIO V. LANUZA
Chairman

EDMUNDO C. MEDRANO
President

MARISSA S. BONTOGON
Vice President and Treasurer

MAR 3 0 2026

Signed this 17th day of March 2026.

SUBSCRIBED AND SWORN to before me this ______ day of MAR 3 0 2026 ________, 2026, affiants exhibiting to me their Tax Identification Nos., as follows:

Name	Tax Identification No.
Gerardo Domenico Antonio V. Lanuza	243-616-771
Edmundo C. Medrano	134-515-729
Marissa S. Bontogon	162-401-720

ATTY. BRYAN G. PEKAS
NOTARY PUBLIC FOR QUEZON CITY
ADM. MATTER NO. NP-171 VALID UNTIL DEC. 31, 2026
ROLL OF ATTORNEY NO. 65393/TIN 289-467-753
IBP NO. ... DECEMBER 30, 2025, QUEZON CITY
MCLE NO. VIII ...
PTR NO. 10536501, JANUARY 5, 2026, MARIKINA CITY
... EDSA DIAMOND FINANCE, CUBAO, Q.C.

DOC NO. 67
PAGE NO. 15
BOOK NO. ...
SERIES OF 2026

MVCo
Member of Nexia

[illegible] Building,
Dela Rosa corner [illegible] Streets
Legaspi Village, Makati City
1229 Philippines
Telephone +63 (2) 8403 [illegible]
Fax +63 (2) 8553 [illegible]

MVCo@MVCo.com.ph
www.MVCo.com.ph
www.nexia.com

REPORT OF INDEPENDENT AUDITORS TO ACCOMPANY FINANCIAL STATEMENTS FOR FILING WITH THE SECURITIES AND EXCHANGE COMMISSION

The Shareholders and Board of Directors
Philippine Realty and Holdings Corporation
One Balete, 1 Balete Drive corner N. Domingo Street
Brgy. Kaunlaran District 4
Quezon City

We have audited the separate financial statements of Philippine Realty and Holdings Corporation as at and for the year ended December 31, 2025, on which we have rendered our report dated March 17, 2026.

In compliance with Revised Securities Regulation Code Rule 68 and based on the certification received from the Company's corporate secretary and the results of our work done, as at December 31, 2025, we are stating that the said Company has two thousand two hundred forty-five (2,245) shareholders owning one hundred (100) or more shares.

MACEDA VALENCIA & CO.

JOSE T. VALENCIA
Partner
CPA License No. 32559
Tax Identification No. 119-894-676-000
PTR No. 10788996
Issued on January 23, 2026 at Makati City
BOA/PRC Reg. No. 4748 valid until August 7, 2027
BIR Accreditation No. 08-005063-000-2024 (firm); 08-005063-001-2024 (individual)
Issued on March 26, 2024; valid until March 25, 2027

March 17, 2026
Makati City

MVCo
Member of Nexia

[illegible] Jacinto Building
Dela Rosa corner Salcedo Streets
Legaspi Village, Makati City
[illegible] Philippines
Telephone + [illegible]
Fax + [illegible]

MVCo@MVCo.com.ph
www.MVCo.com.ph
www.nexia.com

REPORT OF INDEPENDENT AUDITORS

The Shareholders and Board of Directors
Philippine Realty and Holdings Corporation
One Balete, 1 Balete Drive corner N. Domingo Street
Brgy. Kaunlaran District 4
Quezon City

Report on the Audit of the Separate Financial Statements

Opinion

We have audited the separate financial statements of Philippine Realty and Holdings Corporation (the "Company"), which comprise the separate statements of financial position as at December 31, 2025 and 2024, and the separate statements of total comprehensive income, separate statements of changes in equity and separate statements of cash flows for the three years in the period ended December 31, 2025, and notes to the separate financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion, the accompanying separate financial statements present fairly, in all material respects, the unconsolidated financial position of the Company as at December 31, 2025 and 2024, and its unconsolidated financial performance and its unconsolidated cash flows for the three years in the period ended December 31, 2025 in accordance with Philippine Financial Reporting Standards (PFRS) Accounting Standards.

Basis for Opinion

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

Key Audit Matters

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

Valuation of Investment Properties

The Risk

Investment properties is considered to be a matter of significance as it requires the application of valuation judgment and use of assumptions by management. As of December 31, 2025, investment property has a total carrying amount of P3.80 billion contributing 39% to the Company's total assets.

Our Response

To validate disposal of investment properties, we examined supporting documents such as contracts, Deeds of Absolute Sale, and official receipts.

To determine fair value adjustments, we obtained the latest appraisal report and evaluated appropriateness of assumptions and valuation method, and completeness of the information used.

We also assessed the competence, capabilities, and objectivity of the external appraiser engaged by management by confirming that the appraiser is duly accredited by the Securities and Exchange Commission (SEC).

Valuation of Real Estate Inventories

The Risk

Real estate inventories constitute a material component in the Company's statements of financial position. Real estate inventories amounted to P2.95 billion representing 30% of the total assets as at December 31, 2025. Real estate inventories include properties under construction and land held for development. Real estate inventories are valued at the lower of cost or market and net realizable value.

The valuation of real estate inventories is influenced by assumptions and estimates regarding construction costs to be incurred, and future selling prices. Weak demand and the consequential over supply of residential units might exert downward pressure on transaction volumes and selling prices of residential properties.

Our Response

Based on the controls over cost recognition process, we examined supporting documents of transactions of the ongoing projects to ensure that costs are complete and accurate and relates to that project and any spending noted outside the budgeted costs, including capitalized interest, are explained.

We compared cost against net realizable values of inventories through inspection of most recent sales contracts and expected sales proceeds from the remaining properties.

Recoverability of Deferred Tax Assets and Measurement of Deferred Tax Liabilities

The Risk

As disclosed in Note 23 to the separate financial statements, the Company has recognized deferred tax assets of P150.36 million and deferred tax liabilities of P785.75 million as at December 31, 2025. The recognition, measurement, and recoverability of these deferred tax balances involve significant management judgment and estimation, particularly in assessing the probability of sufficient future taxable profits, determining the expected timing of reversal of temporary differences, and applying the appropriate tax rates and rules under the National Internal Revenue Code (including the impact of any enacted changes in tax laws).

Our Response

We obtained an understanding of management's process for identifying, measuring, and assessing the recoverability of deferred tax assets and the measurement of deferred tax liabilities. Our substantive audit procedures included the following:

- Reviewing the completeness and accuracy of the underlying temporary differences by agreeing them to the tax computations, financial statement balances, and supporting tax schedules;
- Evaluating the reasonableness of management's forecasts of future taxable profits, including key assumptions such as revenue growth rates, operating margins, capital expenditures, and other relevant factors. These assumptions were compared against historical performance and approved budgets;
- Testing the mathematical accuracy of the deferred tax calculations and assessing the appropriateness of the periods over which the temporary differences are expected to reverse;
- Assessing the appropriateness of the tax rates applied in the calculations and their compliance with relevant tax laws and regulations, involving our internal tax specialists as necessary; and
- Evaluating the adequacy and completeness of the disclosures in Notes 23 and 27 in accordance with PAS 12, Income Taxes. This included assessing the disclosure of the nature and amount of temporary differences, expiry periods of unused tax losses and credits, and the significant judgments and key assumptions used by management.

Presentation of Loans and Capitalization of Borrowing Costs

The Risk

The Company has a significant loan balance of P2.21 billion as of December 31, 2025, which is material to the financial statements. Interest costs of P87.60 million have been capitalized during the year in relation to the ongoing project. The capitalization of interest is accounted for under PAS 23 Borrowing Costs. We identified this as a key audit matter due to the magnitude of the loan and capitalized interest relative to the Company's financial position, the complexity involved in determining the amount of interest eligible for capitalization, and the significant judgments required. These judgments include assessing which expenditures qualify for capitalization, determining the appropriate capitalization rate, and ensuring the capitalization period aligns with the construction timeline of the related assets. There is an inherent risk of misstatement if these judgments are not appropriately applied or if the underlying assumptions are unreasonable.

Our Response

We reviewed loan agreements and the terms and conditions such as but not limited to debt covenants, guarantees, payment, schedule and interest, and determined appropriateness of disclosures in the financial statements.

We obtained an understanding of the terms of the loan agreement and management's process for identifying qualifying assets and calculating capitalized interest.

We tested the accuracy of the interest capitalization calculation, including the interest rate applied and the period of capitalization, by agreeing inputs to loan documentation and project timelines.

We evaluated the appropriateness of management's judgments regarding the eligibility of assets for interest capitalization, including corroborating the status of construction projects with supporting evidence such as progress reports and contractor invoices.

Allowance for Impairment Losses on Trade and Other Receivables

The Risk

The allowance for impairment losses on trade and other receivables is considered to be a matter of significance as it requires the application of judgment and use of subjective assumptions by management. As of December 31, 2025, trade and other receivables amounted to of P294.04 million, contributing 3% to the Company's total assets.

Our Response

We tested the calculation methodology which is based on cash flows of future payments considering historical data of collections and defaults including the value of repossessed inventories and possible refunds. We also tested the assumptions including interest rates used in computing for the expected credit loss.

Real Estate Revenue Recognition

The Risk

Although revenue from real estate sales amounted to P23.45 million, representing only 10% of Revenues and Other Income for the year ended December 31, 2025, the recognition of such revenue involves areas susceptible to fraud risk. Specifically, the process requires the application of management judgment and estimation in determining the timing and conditions under which a contract qualifies for revenue recognition. Errors or intentional misapplication of these judgments could result in material misstatements in the financial statements.

The Company's accounting policies for revenue recognition on real estate sales are disclosed in Note 27, while the significant judgments and estimates applied by management are disclosed in Note 28 to the financial statements.

Our Response

We obtained an understanding of the Company's revenue recognition process for real estate sales, including related controls. We performed risk assessment procedures to evaluate the design and implementation of relevant controls and conducted walkthroughs to identify areas where fraud risk could arise.
In particular, we tested the operating effectiveness of controls over:

- Initiation: ensuring sales reservations and payment schemes are based on valid transactions, and cancellations are issued in accordance with policy.
- Authorization: verifying that contracts (Reservation Agreements, Contracts to Sell, Deeds of Absolute Sale) and cancellations are approved by authorized officers.
- Recording and processing: confirming that sales are system-generated at the point of recognition, counterchecked by finance officers, and cancellations are manually recognized only upon approval.

We also tested controls over the financial reporting close process, including preparation and review of disclosures by authorized finance officers.

In addition, we performed substantive procedures on selected sales and cancellation transactions during the year. This included examining supporting documents (approved payment schemes, Contracts to Sell, Deeds of Absolute Sale, Notices of Cancellation) and reperformance of calculations to validate the amounts recognized.

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

Management is responsible for the preparation and fair presentation of the separate financial statements in accordance with PFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of separate financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Separate Financial Statements

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

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

- Identify and assess the risks of material misstatement of the separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast material doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the separate financial statements, including the disclosures, and whether the separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and material audit findings, including any material 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 to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

Report on the Supplementary Information Required by the Bureau of Internal Revenue

Our audits were conducted for the purpose of forming an opinion on the basic separate financial statements taken as a whole. The supplementary information on taxes and license fees required for purposes of filing with the Bureau of Internal Revenue is presented by the management of Philippine Realty and Holdings Corporation in a separate schedule. Revenue Regulation 2-2014 and 15-2010 requires the information to be presented in the notes to the separate financial statements. Such information is the responsibility of management and is not a required part of the basic separate financial statements. Our opinion on the basic separate financial statements is not affected by the presentation of the information in a separate schedule.

The engagement partner on the audit resulting in this independent auditor's report is Jose T. Valencia.

MACEDA VALENCIA & CO.

JOSE T. VALENCIA
Partner
CPA License No. 32659
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PTR No. 10788096
Issued on January 23, 2026 at Makati City
BOA/PRC Reg. No. 4748 valid until August 7, 2027
BIR Accreditation No. 08-005063-000-2024 (firm); 08-005063-001-2024 (individual)
Issued on March 26, 2024; valid until March 25, 2027

March 17, 2026
Makati City

PHILIPPINE REALTY AND HOLDINGS CORPORATION

SEPARATE STATEMENTS OF FINANCIAL POSITION

DECEMBER 31, 2025 AND 2024

	Notes	2025	2024
ASSETS			
Current Assets			
Cash and cash equivalents	*3*	**P57,304,480**	P202,864,054
Financial assets at fair value through profit or loss (FVPL)	*4,29*	**6,750,000**	6,750,000
Trade and other receivables - current portion	*5 30*	**260,616,964**	325,377,343
Real estate inventories	*7*	**2,948,523,289**	2,395,612,671
Prepayments and other current assets – net	*8*	**912,126,785**	939,427,536
Investment in finance lease - current portion	*13*	-	16,798,904
Total Current Assets		**4,185,321,518**	3,886,830,508
Non-current Assets			
Financial assets at fair value through other comprehensive income (FVOCI)	*5,29*	**41,867.434**	27,925,515
Trade and other receivables - net of current portion	*6,30*	**33,424,568**	68,744,092
Investments in subsidiaries	*9*	**1,604,100,000**	20,100,000
Investments in associates	*10*	**81,829,857**	81,829,857
Investment properties – net	*11*	**3,796,765,388**	5,281,682,281
Property and equipment – net	*12*	**71,497,192**	83,794,433
Investment in finance lease - net of current portion	*13*	-	155,173,275
Right-of-use asset – net	*13*	-	76,909,906
Total Non-current Assets		**5,629,484,439**	5,796,159,159
		P9,814,805,957	P9,682,989,667
LIABILITIES AND EQUITY			
LIABILITIES			
Current Liabilities			
Trade and other payables - current portion	*14*	**P293,998,929**	P167,515,480
Loans payable - current portion	*15*	**760,651,466**	984,428,257
Lease liability - current portion	*13*	-	16,367,703
Total Current Liabilities		**1,054,650,395**	1,168,311,440
Non-current Liabilities			
Trade and other payables - net of current portion	*14*	**108,849,647**	104,872,421
Loans payable - net of current portion	*15*	**1,448,970,595**	857,491,696
Retirement benefit obligation	*17*	**80,339,532**	76,019,938
Lease liability - net of current portion	*13*	-	126,725,111
Deferred rental income	*13*	**11,424,127**	41,084,561
Deferred tax liabilities – net	*23*	**635,382,536**	794,501,517
Total Non-current Liabilities		**2,284,966,437**	2,000,695,294
Total Liabilities		**P3,339,616,832**	P3,169,006,734

Forward

PHILIPPINE REALTY AND HOLDINGS CORPORATION

SEPARATE STATEMENTS OF FINANCIAL POSITION

DECEMBER 31, 2025 AND 2024

	Note	2025	2024
EQUITY			
Capital stock	*24*	P4,275,721,448	P4,275,721,448
Additional paid-in capital	*24*	780,630,029	780,630,029
Reserves	*25*	57,909,520	40,804,309
Retained earnings		1,470,640,567	1,526,539,586
Treasury stock	*24*	(109,712,439)	(109,712,439)
Total Equity		6,475,189,125	6,513,982,933
		P9,814,805,957	P9,682,989,667

See Notes to the Separate Financial Statements.

PHILIPPINE REALTY AND HOLDINGS CORPORATION

SEPARATE STATEMENTS OF TOTAL COMPREHENSIVE INCOME (LOSS)
FOR THE YEARS ENDED DECEMBER 31, 2025, 2024 AND 2023

	Notes	2025	2024	2023
INCOME				
Sales of real estate		P23,446,542	P54,281,940	P174,460,724
Rent	*11,13*	83,137,345	78,331,580	65,150,046
Interest	*18*	10,784,305	10,721,900	13,985,856
Other income	*19*	112,248,278	182,207,724	424,106,895
		229,616,470	325,543,144	677,703,670
COSTS AND EXPENSES				
Cost of real estate sold	*7*	2,000,000	33,972,600	90,154,300
Cost of services	*20*	52,630,079	48,969,810	46,285,855
General and administrative expenses	*21*	215,897,280	243,984,973	285,640,196
Loss on lease cancellation	*13,22*	93,027,404	-	-
Finance costs	*13,15*	80,765,427	89,054,525	70,083,467
Other expenses	*22*	205,517	200,540	4,898,496
		444,526,707	415,182,448	497,062,112
INCOME (LOSS) BEFORE INCOME TAX		(214,910,237)	(90,639,304)	180,641,408
INCOME TAX EXPENSE (BENEFIT)	*23*	(159,011,218)	38,268,392	63,823,067
NET INCOME (LOSS)		(55,899,019)	(128,907,696)	116,818,341
OTHER COMPREHENSIVE INCOME (LOSS)				
Items that will never be reclassified to profit or loss				
Remeasurement gain (loss) on retirement benefit obligation, net of tax	*25*	3,163,092	1,868,333	(8,932,019)
Unrealized holding gain (loss) on financial assets at FVOCI	*5,25*	13,942,119	4,852,614	(878,903)
		17,105,211	6,720,947	(9,810,922)
TOTAL COMPREHENSIVE INCOME (LOSS)		(P38,793,808)	(P122,186,749)	P107,007,419
BASIC EARNINGS (LOSS) PER SHARE	*26*	(P0.01)	(P0.01)	P0.01

See Notes to the Separate Financial Statements.

PHILIPPINE REALTY AND HOLDINGS CORPORATION

SEPARATE STATEMENTS OF CHANGES IN EQUITY

FOR THE YEARS ENDED DECEMBER 31, 2025, 2024 AND 2023

	Capital Stock (Note 24)	Additional Paid-in Capital (Note 24)	Reserves (Note 25)	Retained Earnings	Treasury Stock (Note 24)	Total Equity
Balance as at January 1, 2023	P4,275,721,448	P780,630,029	P54,072,312	P1,528,450,913	(P109,712,439)	P6,529,162,263
Comprehensive income (loss)						
Net income for the year		-	-	116,818,341	-	116,818,341
Other comprehensive loss for the year	-	-	(9,810,922)	-		(9,810,922)
Total comprehensive income for the year		-	(9,810,922)	116,818,341	-	107,007,419
Balance as at December 31, 2023	4,275,721,448	780,630,029	44,261,390	1,645,269,254	(109,712,439)	6,636,169,682
Comprehensive income (loss)						
Net loss for the year	-	-	-	(128,907,696)	-	(128,907,696)
Other comprehensive income for the year	-	-	6,720,947	-	-	6,720,947
Total comprehensive income (loss) for the year	-	-	6,720,947	(128,907,696)	-	(122,186,749)
Disposal of Financial Asset at FVOCI	-	-	(10,178,028)	10,178,028	-	-
Balance as at December 31, 2024	4,275,721,448	780,630,029	40,804,309	1,526,539,586	(109,712,439)	6,513,982,933
Comprehensive income (loss)						
Net loss for the year	-	-	-	(55,899,019)	-	(55,899,019)
Other comprehensive income for the year	-	-	17,105,211	-	-	17,105,211
Total comprehensive income (loss) for the year	-	-	17,105,211	(55,899,019)	-	(38,793,808)
Balance as at December 31, 2025	P4,275,721,448	P780,630,029	P57,909,520	P1,470,640,567	(P109,712,439)	P6,475,189,125

See Notes to Separate Financial Statements.

PHILIPPINE REALTY AND HOLDINGS CORPORATION

SEPARATE STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31, 2025, 2024 AND 2023

	Notes	2025	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES				
Income (loss) before income tax		(P214,910,237)	(P90,639,304)	P[illegible]
Adjustments for:				
Loss on lease cancellation	*13,22*	93,027,404	-	-
Finance costs	*13,15*	80,768,427	83,054,525	70,083,467
Depreciation and amortization	*12,13,20,21*	25,526,769	25,800,100	19,241,347
Provision for retirement benefits	*17*	13,536,998	17,730,796	12,385,392
Foreign exchange loss (gain)	*19,22*	(300,890)	(812,447)	402,230
Interest income	*3,6,13,18*	(10,784,303)	(10,721,900)	(13,985,855)
Gain on change in fair value of investment properties – net	*11,19*	(97,286,332)	(157,466,893)	(258,292,144)
Loss on repossession of real estate inventories	*22*	-	-	4,574,677
Gain on sale of investment properties	*19*	-	-	(128,065,554)
Dividend income	*5,19*	-	(1,537,722)	-
Reversal of impairment loss on trade and other receivables	*6,19,21*	-	(8,186,754)	(22,136,446)
Operating loss before working capital changes		(110,422,168)	(141,880,294)	(136,201,307)
Decrease (increase) in:				
Trade and other receivables		100,307,742	195,765,516	69,788,298
Prepayments and other current assets		28,138,626	(530,845,145)	(42,961,114)
Real estate inventories		(465,307,733)	(239,575,510)	35,211,279
Increase (decrease) in:				
Trade and other payables		130,460,675	167,791,630	(56,147,057)
Other non-current liabilities		(29,660,434)	(2,425,255)	3,094,407
Net cash used in operations		(348,483,290)	(601,105,066)	(129,220,444)
Interest received	*18*	2,534,134	1,601,816	4,396,847
Collection of lease receivables		26,486,539	24,449,068	23,672,896
Contributions to retirement fund	*17*	(5,000,000)	(2,000,000)	(7,000,000)
Net cash used in operating activities		(P324,462,617)	(P577,058,162)	(P108,150,751)

Forward

PHILIPPINE REALTY AND HOLDINGS CORPORATION

SEPARATE STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2025, 2024 AND 2023

	Notes	2025	2024	2023
CASH FLOWS FROM INVESTING ACTIVITIES				
Proceeds from disposal of property and equipment	*12*	P574,349	P244,482	P776,528
Proceeds from disposal of investment property	*11*	-	-	62,036,427
Investment in a subsidiary	*9*	-	(1,000,000)	-
Proceeds from sale of investment in stock	*5*	-	12,124,501	-
Dividends received	*5,19*	-	1,537,722	-
Additions to investment properties	*11*	(1,796,775)	-	(3,939,956)
Additions to property and equipment	*12*	(3,138,515)	(7,819,323)	(40,698,040)
Net cash provided by (used in) investing activities		(4,360,941)	5,087,382	18,174,959
CASH FLOWS FROM FINANCING ACTIVITIES				
Availment of loans	*15*	2,755,083,200	3,132,611,060	2,018,581,702
Payments of lease liabilities	*23*	(22,920,362)	(22,972,049)	(22,972,049)
Finance costs paid		(161,818,652)	(118,580,884)	(77,335,594)
Payments of loans principal	*15*	(2,387,381,092)	(2,492,551,581)	(1,710,088,533)
Net cash provided by financing activities		182,963,094	498,506,546	208,185,526
EFFECTS OF EXCHANGE RATE CHANGES IN CASH AND CASH EQUIVALENTS		300,890	812,642	(407,730)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		(145,559,574)	(72,651,592)	117,807,504
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	*5*	202,864,054	275,515,646	157,708,142
CASH AND CASH EQUIVALENTS AT END OF YEAR	*5*	P57,304,480	P202,864,054	P275,515,646

See Notes to the Separate Financial Statements.

1. Corporate Information

Philippine Realty and Holdings Corporation (the "Company") was incorporated and registered with the Philippine Securities and Exchange Commission (SEC) on July 13, 1981. The principal activities of the Company include the acquisition, development, sale and lease of all kinds of real estate and personal properties, and that of an investment and holding company.

The Company was listed with the Philippine Stock Exchange (PSE) on September 7, 1987.

The Company is 65.20% owned by Greenhills Properties, Inc., a company registered under the laws of the Philippines.

The Company's registered address is at One Balete, 1 Balete Drive Corner N. Domingo St. Brgy. Kaunlaran, District 4, Quezon City 1111, Philippines.

2. Basis of Preparation

Statement of Compliance
The separate financial statements of the Company have been prepared in compliance with Philippine Financial Reporting Standards (PFRS) Accounting Standards. PFRS Accounting Standards include all applicable PFRS, Philippine Accounting Standards (PAS), and interpretations of the Philippine Interpretations Committee (PIC), Standing Interpretations Committee (SIC) and International Financial Reporting Interpretations Committee (IFRIC), as approved by the Philippine Financial Sustainability Reporting Standards Council (FSRSC) and adopted by the SEC.

The Company also prepares and issues consolidated financial statements for the same period in which it consolidates all its investments in subsidiaries. Such consolidated financial statements provide information about the economic activities of the group of which the Company is the parent.

Approval of Financial Statements
The separate financial statements as of and for the year ended December 31, 2025 were reviewed by the Company's Audit Committee and authorized for issuance by the Board of Directors (BOD) on March 17, 2026.

Basis of Measurement
The Company's separate financial statements have been prepared under the historical cost convention, except for the following which are measured using alternative basis at each reporting date:

Account name	Measurement Bases
Financial assets at FVPL	Fair value
Financial assets at FVOCI	Fair value
Investment properties	Fair value
Retirement benefit obligation	Present value of the defined benefit obligation less fair value of plan assets

Functional and Presentation Currency
The separate financial statements are presented in Philippine peso, which is the presentation and functional currency of the Company. All financial information presented have been rounded to the nearest peso, unless otherwise stated.

Use of Estimates and Judgments

The preparation of the separate financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

In particular information about material areas of estimation uncertainty and critical judgments in applying accounting policies that have the most material effect on the amounts recognized in the separate financial statements are described in Note 28.

3. Cash and Cash Equivalents

This account consists of:

	2025	2024
Cash on hand	P20,000	P20,000
Cash in banks	20,112,802	35,830,228
Cash equivalents	37,171,678	167,013,826
	P57,304,480	P202,864,054

Cash in banks earned an average annual interest of 0.12% and 0.04% in 2025 and 2024. Cash equivalents represent money market placements or short-term investments with maturities up to three months and annual interests ranging from 2.50% to 4.50% and 2.25% to 5.12% in 2025 and 2024 respectively.

Interest income recognized amounted to P2,459,800, P883,440, and P1,262,139 in 2025, 2024 and 2023, respectively (see Note 18).

4. Financial Assets at Fair Value Through Profit or Loss (FVPL)

This account is composed of listed equity securities that are held for trading. The fair values of these securities totaling P6,750,000 are based on quoted market price.

5. Financial Assets at Fair Value Through Other Comprehensive Income (FVOCI)

As at December 31, financial assets at FVOCI consist of investments in:

		For the Years Ended December 31, 2025 and 2024		
	Note	Golf and country club shares	Listed shares of stock	Total
Cost				
Beginning balance		P3,350,000	P56,386,335	P59,736,335
Accumulated unrealized holding gain (loss)				
January 1, 2024		(P950,000)	(P25,535,606)	(P26,485,606)
Unrealized holding gain (loss)	*25*	6,600,000	(1,747,386)	4,852,614
Disposals	*25*	-	(10,178,028)	(10,178,028)
December 31, 2024		5,650,000	(37,461,020)	(31,811,020)
Unrealized holding gain (loss)	*25*	(1,400,000)	15,342,119	13,942,119
December 31, 2025	*25*	4,250,000	(22,118,901)	(17,868,901)
Carrying amount December 31, 2024		P9,000,000	P18,925,315	P27,925,315
Carrying amount December 31, 2025		**P7,600,000**	**P34,267,434**	**P41,867,434**

The investments in shares of stock of various listed equity securities present the Company with opportunity for return through dividend income. The above investments in equity instruments are not held for trading and the Company irrevocably elected to present subsequent changes in fair values in OCI. The fair values of these investments are based on quoted market prices. Unrealized holding gains or losses from market value fluctuations are recognized as part of the Company's reserves.

In 2024, the Company sold its shares from Premium Leisure Corporation with carrying amount of P10,178,028.

Unrealized holding gain (loss) recognized in other comprehensive income from FVOCI financial assets amounted to P13,942,119 in 2025, P4,852,614 in 2024 and (P878,903) in 2023 (see Note 25).

Dividend income recognized in profit or loss amounted to nil, P1,637,722, and nil in 2025, 2024 and 2023, respectively (see Note 19).

6. Trade and Other Receivables

This account consists of:

	Note	2025	2024
Trade:			
Sale of real estate	*16*	**P280,827,557**	P405,495,246
Lease		**31,226,399**	29,571,731
Advances to subsidiaries and associates	*16*	**279,161,466**	254,248,323
Advances – others	*16*	**6,027,139**	6,872,735
Other receivables	*16*	**42,453,199**	43,597,508
		639,695,740	739,775,643
Less: allowance for impairment loss		**(345,654,208)**	(345,654,208)
		294,041,532	394,121,435
Less: non-current portion		**33,424,568**	68,744,032
Trade and other receivables - current portion		**P260,616,964**	P325,377,343

Trade receivables include amounts due from buyers of the Company's condominium projects, generally over a period of two (2) to three (3) years. The condominium certificates of title remain in the possession of the Company until full payment has been made by the customers. Trade receivables for restructured accounts carry interest rates of 1.5% per month in 2025 and 2024.

Total interest income recognized from trade receivables and penalty for late payment amounted to P74,334, P718,376 and P3,134,708 in 2025, 2024 and 2023, respectively (see Note 18).

Certain trade receivables with total carrying amount of P18 million and P95 million as at December 31, 2025 and 2024, respectively, are pledged to a local bank as collateral to the Company's loans payable (see Note 15).

Advances others consist mainly of advances to officers and employees that are settled either through liquidation or salary deduction.

Receivables amounting to P345.65 million as of December 31, 2025 and 2024, were fully provided with allowance. The movements in the allowance for Expected Credit Losses (ECL) on receivables are as follows:

2025

	Sale of real estate	Lease	Advances to subsidiaries and associates	Advances	Other receivables	Total
Beginning balance	P68,658,115	P7,034,684	P237,135,099	P662,891	P31,963,409	P345,654,208
Provisions	-	-	6,020,325	-	-	6,020,325
(Reversals)	(1,306,448)	-	(4,713,877)	-	-	(6,020,325)
	P67,351,667	P7,034,684	P238,441,547	P662,891	P31,963,409	P345,654,208

2024

	Sale of real estate	Lease	Advances to subsidiaries and associates	Advances	Other receivables	Total
Beginning balance	P73,462,630	P4,787,064	P237,135,099	P662,891	P37,393,268	P353,840,962
Provisions	-	2,247,620	-	-	-	2,247,620
(Reversals)	(4,804,515)	-	-	-	(5,629,859)	(10,434,374)
	P68,658,115	P7,034,684	P237,135,099	P662,891	P31,963,409	P345,654,208

7. Real Estate Inventories

This account consists of:

	2025	2024
In progress:		
BGC Project	P2,607,523,057	P2,052,612,439
Completed units:		
Andrea North SkyVillas Tower	35,678,000	37,678,000
Andrea North Skyline Tower	14,362,111	14,362,111
The Icon Plaza	38,020,766	38,020,766
	88,060,877	90,060,877
Land held for development:		
New Manila, Quezon City	253,939,355	253,939,355
	P2,949,523,289	P2,395,612,671

BGC Project pertains to the Unico Project, a 40-storey upscale residential condominium located in Bonifacio South District in Taguig City. The project broke ground on March 5, 2024. The carrying amount represents the cost of the land, and all other costs incurred in the planning and preparation, site preparation, foundation and structural framework. Accumulated cost also includes capitalized interest.

Certain real estate inventories are mortgaged as collateral to loans (see Note 15).

The cost of real estate inventories sold recognized in the separate statements of total comprehensive income amounted to P2,000,000, P33,972,600 and P90,154,100 in 2025, 2024 and 2023, respectively.

8. Prepayments and Other Current Assets - Net

This account consists of:

	2025	2024
Creditable withholding tax	P273,253,629	P259,254,703
Prepaid expenses	427,666,781	493,425,762
Input tax	101,095,058	65,542,801
Prepaid taxes	54,005,983	67,592,028
Escrow fee	31,552,471	31,552,471
Others	24,552,863	22,059,771
	P912,126,785	P939,427,536

Creditable withholding tax pertains to taxes withheld by the Company's customers in accordance with tax regulations which remained unutilized as at the end of the reporting period. This can be utilized by the Company as a deduction from future income tax obligations.

Prepaid expenses consist of advance payment to contractors, rent, real property tax, insurance premium and membership dues.

Input tax refers to the value-added tax (VAT) that a Company pays on goods or services purchased for its operations.

Prepaid taxes are unutilized creditable withholding taxes in which the Company opted to file a claim for refund with the Bureau of Internal Revenue.

Escrow fee pertains to the account in PSCom in connection with the escrow agreement with Department of Human Settlements and Urban Development for the construction of Project UNICO.

9. Investments in Subsidiaries

Details of the Company's ownership interest in subsidiaries as of December 31 are as follows:

	2025	2024
PRHC Property Managers, Inc. (PPMI)	100%	100%
Tektite Insurance Agency, Inc. (TIAI)	100%	100%
Sultan's Power, Inc. (SPI)	100%	100%
Three Corners Realty Corporation (TCRC)	100%	100%
Universal Travel Corporation (UTC)	81.53%	81.53%

The details of the Company's investments in subsidiaries are as follows:

	2025	2024
Common Shares		
Tektite Insurance Agency, Inc. (TIAI)	P13,900,000	P13,900,000
Universal Travel Corporation (UTC)	5,722,796	5,722,796
PRHC Property Managers, Inc. (PPMI)	5,200,000	5,200,000
Sultan's Power, Inc. (SPI)	1,000,000	1,000,000
Three Corners Realty Corporation (TCRC)	1,000,000	1,000,000
	26,822,796	26,822,796
Preferred Shares		
Three Corners Realty Corporation (TCRC)	1,584,000,000	-
	1,610,822,796	26,822,796
Allowance for impairment loss	(6,722,796)	(6,722,796)
	P1,604,100,000	P20,100,000

Investment in Common Shares

Universal Travel Corporation (UTC) has ceased operations while Sultan's Power, Inc. (SPI) operates as a holding Company. Both subsidiaries reported losses and a capital deficiency in 2025 and 2024. These conditions indicate impairment on the Company's investment in these subsidiaries. Accordingly, the Company provided an allowance for impairment loss totaling P6,722,796.

Financial information of the subsidiaries are summarized as follows:

	2025	2024
PRHC Property Managers, Inc. (PPMI)		
Total assets	P105,204,645	P105,738,462
Total liabilities	(42,444,374)	(34,264,537)
Net assets	62,760,271	71,473,925
Income	42,142,784	48,263,849
Cost and expenses	(40,250,882)	(39,192,832)
Net income	P1,891,902	P9,071,017
Tektite Insurance Agency, Inc. (TIAI)		
Total assets	P16,961,028	P16,507,451
Total liabilities	(5,207,216)	(6,664,250)
Net assets	11,753,812	9,843,201
Income	6,956,489	10,394,560
Cost and expenses	(4,957,038)	(5,852,895)
Net income	P1,999,451	P4,541,655
Universal Travel Corporation (UTC)		
Total assets	P210,465	P1,302,329
Total liabilities	(29,145,724)	(30,251,358)
Net liabilities	(28,935,259)	(28,949,029)
Income	89,768	50,009
Cost and expenses	(75,998)	(70,900)
Net income (loss)	P13,770	(P20,891)
Sultan's Power, Inc. (SPI)		
Total assets	P122,280	P62,280
Total liabilities	(77,212,989)	(77,071,521)
Net liabilities	(77,090,709)	(77,009,241)
Income	-	-
Cost and expenses	(81,468)	(1,866,388)
Net loss	(P81,468)	(P1,866,388)
Three Corners Realty Corporation (TCRC)		
Total assets	P1,610,364,665	P1,000,000
Total liabilities	(28,642,288)	(57,960)
Net liabilities	1,581,722,377	942,040
Income	183	-
Cost and expenses	(76,911)	(57,960)
Net loss	(P76,728)	(P57,960)

The following are the principal activities of the Company's subsidiaries:

<u>PRHC Property Managers, Inc.</u>
PPMI was incorporated and registered with the SEC on May 24, 1991 to engage in the business of managing, operating, developing, buying, leasing and selling real and personal property either for itself and/or for others.

The registered office of PPMI is Unit E-2003B East Tower, Tektite Towers (formerly Philippine Stock Exchange Centre), Exchange Road, Ortigas Center, Pasig City.

Tektite Insurance Agency, Inc. (Formerly Tektite Insurance Brokers, Inc.)
TIAI was incorporated and registered with the SEC on January 2, 1989 to engage in the business of insurance brokerage. On May 24, 2022, the BOD of TIAI approved the amendment of its Articles of incorporation and By-laws to conform with the IC's requirements in changing its business activities from that of an insurance broker to an insurance agent. On April 21, 2025, the SEC, with endorsement from IC, approved the amendment of its Articles of Incorporation.

The registered office of TIAI is Unit E-2004A East Tower, Tektite Towers (formerly Philippine Stock Exchange Centre), Exchange Road, Ortigas Center, Pasig City.

Universal Travel Corporation
UTC was incorporated and registered with the SEC on November 9, 1993 to engage in the business of travel services by providing, arranging, marketing, engaging or rendering advisory and consultancy services relating to tours and tour packages. On March 15, 2018, the Board of Directors of UTC approved the resolution on the cessation of operations effective July 31, 2018.

Thereafter, the Company became inactive.

The registered office address of the Company is Unit E-2003B, 20th Floor East Tower, Tektite Towers, Exchange Road, Ortigas Center, Pasig City.

Sultan's Power, Inc.
Sultan Power, Inc. ("SPI") was incorporated under Philippine laws and registered with the SEC on March 19, 2015 as a holding company. SPI acquired 51% of the total issued and outstanding shares of RECON-X Energy Corporation ("RECON-X") in 2021.

RECON-X was incorporated under Philippine laws and registered with the SEC on June 27, 2014 to engage in the business of recycling and converting plastics into fuel (gasoline, diesel and kerosene) using patented technology. The process was duly certified on November 2, 2015, by the Intellectual Property Office of the Philippines ("IPOPHL") for "Improved Method of Converting Land-Filled Plastic Wastes into Hydrocarbon Fuel", certified by the Department of Science and Technology ("DOST") and by the Department of Energy ("DOE"). As of December 31, 2021, RECON-X was able to procure the additional catalysts and materials needed for the plastic diesel conversion plant to be used to process waste materials into fuel. In 2023, RECON-X started introduction of feedstocks, performance testing and testing of fuel compliance with National Standards and securing plastic waste supply from a plastic waste aggregator and is still the same in 2025. RECON-X is continuing its efforts in streamlining its operations and sourcing technical staff for production.

The Company's registered office is at Units E-2003B 20th Floor East Tower, Tektite Towers, Exchange Road, Ortigas Center, Pasig City.

Three Corners Realty Corporation (TCRC)
Three Corners Realty Corporation (the "Company") was registered with the Philippine Securities and Exchange Commission (SEC) on September 16, 2024 primarily to engage in the real estate business.

The Company's registered office, which is also its principal place of business, is located at Unit No.10A, Podium 10th Level, The Icon Plaza, 26th Street, Bonifacio Global City, Taguig City.

Investment in Preferred Shares

This represents the investment of the Company in preferred shares of TCRC. In December 2025, the Company transferred a parcel of land located in BGC to TCRC, a domestic corporation, in exchange for 144,000,000 voting redeemable preferred shares of stock in said corporation, pursuant to a tax-free exchange under Section 40(C)(2) of the National Internal Revenue Code of 1997, as amended. The transaction qualifies as a tax-free exchange, resulting in non-recognition of gain or loss for income tax purposes at the time of the exchange. The shares acquired have a substituted basis equal to the original adjusted basis of the property transferred amounting to P195,428,571. The fair market value of the property transferred at the date of exchange was P1,584,000,000, which is also the carrying value of the property in the books of the company prior to the transfer. The Company holds these shares as investments in subsidiaries. No gain or loss has been recognized in the financial statements in relation to this exchange.

10. Investments in Associates

Details of the Company's ownership interest in associates as at December 31 are as follows:

	2025	2024
Meridian Assurance Corporation (MAC)	**30%**	30%
Alexandra (USA), Inc. (AUI)	**45%**	45%
Le Cheval Holdings, Inc. (LCHI)	**45%**	45%

The details of the Company's investments in associates are as follows:

	2025	2024
Investments in Associates:		
Meridian Assurance Corporation (MAC)	**P81,829,857**	P81,829,857
Alexandra (USA), Inc. (AUI)	**14,184,150**	14,184,150
Le Cheval Holdings, Inc. (LCHI)	**11,250**	11,250
	96,025,257	96,025,257
Allowance for impairment loss	**(14,195,400)**	(14,195,400)
	P81,829,857	P81,829,857

Allowance for impairment loss pertains to the company's investments in associates that have ceased operations or in process of liquidation.

Financial information of the associates are summarized as follows:

	2025	2024
Meridian Assurance Corporation (MAC)		
Total assets	P350,700,561	P351,969,981
Total liabilities	(28,502,616)	(27,149,697)
Net assets	322,197,945	324,820,284
Income	4,220,536	432,769
Cost and expenses	(6,626,812)	(7,702,717)
Net loss	(P2,406,276)	(P7,269,948)
Le Cheval Holdings, Inc. (LCHI)		
Total assets	P45,362	P45,362
Total liabilities	142,249	142,248
Net liabilities	(96,886)	(96,886)
Income	-	-
Cost and expenses	-	-
Net loss	P -	P -

The following are the principal activities of the Company's associates:

Meridian Assurance Corporation
MAC was incorporated and registered with the SEC on March 16, 1960, renewed on November 13, 2007, primarily to engage in the business of insurance and guarantee of any kind and in all branches except life insurance, for consideration, to indemnify any person, firm or corporation against loss, damage or liability arising from any unknown or contingent event, and to guarantee liabilities and obligations of any person, firm or corporation and to do all such acts and exercise all such powers as may be reasonably necessary to accomplish the above purposes which may be incidental.

On July 7, 2021, MAC received a letter from the Insurance commission confirming MAC's withdrawal from the Insurance business. It is also stated in the letter that MAC is no longer required to submit annual financial statements and other documentary requirements to the commission starting financial year-end 2021. As at December 31, 2022, MAC is in the process of preparing the necessary documents for the amendment of its Articles of Incorporation and By-laws for filing with the SEC and IC. Thereafter, the Company plans to engage in the business of asset management. In 2025 and 2024, the Company's application for amendment of its Articles of Incorporation and By-laws is still in process with SEC.

The registered office of MAC is Unit E-2003B East Tower, Tektite Towers (formerly Philippine Stock Exchange Centre), Exchange Road, Ortigas Center, Pasig City.

La Cheval Holdings, Inc.
LCHI, which was incorporated and registered with the SEC on August 30, 1994 as a holding company, is inactive.

Alexandra (USA), Inc.
AUI was Incorporated in the United States of America (USA). AUI is involved in property development in Florida, USA. AUI is jointly owned with GPI (45%) and Warrenton Enterprises Corporation (10%) of William Cu-Unjeng. AUI is in the process of liquidation.

11. Investment Properties

Investment properties consist of:

	2025	2024
Cost		
Land	P33,859,578	P879,859,578
Land and building	402,443,016	402,443,016
Condominium units and parking slots	789,378,471	787,581,696
	1,225,681,065	2,069,884,290
Accumulated unrealized holding gain	2,571,084,323	3,211,797,991
	P3,796,765,388	P5,281,682,281

<u>Land</u>
This pertains to a lot in BGC. Taguig and San Fernando, La Union which are presently being held for capital appreciation. As mentioned in Note 9, the Parcel of land located in BGC with carrying value amounting to P1,584,000,000 was transferred to TCRC in exchange for the latter's preferred shares.

<u>Land and building</u>
This property pertains to a land and building located in Baguio which is being leased to PPMI under a lease agreement which is renewed annually (see Note 16).

<u>Condominium units and parking slots</u>
These are condominium units and parking spaces at the East Tower, West Tower of Tektite Towers and Skyvillas Towers held for rental.

Details of the accumulated unrealized fair value gain are as follows:

	2025	2024
Accumulated unrealized holding gain		
Land	P351,707,822	P1,059,827,822
Land and building	176,720,984	161,143,984
Condominium units and parking slots	2,062,655,517	1,990,826,185
	P2,571,084,323	P3,211,797,991

The movements in accumulated unrealized fair value gain in 2025 and 2024 are as follows:

	Note	2025	2024
Beginning balance		P3,211,797,991	P3,054,331,098
Changes in fair value during the year	*19*	97,286,332	157,466,893
Transfer	*9*	(738,000,000)	-
Total		P2,571,084,323	P3,211,797,991

Details of the carrying amount of investment properties are as follows:

	2025	2024
Carrying amount of investment properties		
Land	**P365,567,400**	P1,939,687,400
Land and building	**579,164,000**	563,587,000
Condominium units and parking slots	**2,852,033,988**	2,778,407,881
	P3,796,765,388	P5,281,682,281

An independent valuation of the Company's investment properties was performed by Asian Appraisal Company Inc. on November 26 to 28, 2025 to determine their fair values. The external independent appraiser used sales comparison approach in arriving at the value of the properties. In this approach, the values of the properties were determined based on sales and listings of comparable properties. This is done by adjusting the differences between the subject property and those actual sales and listings regarded as comparable. The properties used as bases of comparison are situated within the immediate vicinity or at a different floor level of the same building. Comparison would be premised on factors such as location, size and physical attributes, selling terms, facilities offered and time element.

Rental income recognized from the investment properties in 2025, 2024 and 2023 amounted to P83,137,345, P78,331,580 and P65,150,046, respectively. Real property taxes attributable to the investment properties in 2025, 2024 and 2023 amounted to P5,812,665, P6,899,327 and P5,848,385, respectively and are included as part of taxes and licenses in cost of services. Condominium dues attributable to the investment properties in 2025, 2024 and 2023 amounted to P11,679,808, P8,797,869 and P10,254,997 (see Note 20), respectively and are included also in cost of services.

Certain investment properties are mortgaged as collateral to loans (see Note 15).

12. Property and Equipment

The details of the carrying amounts of property and equipment, the gross carrying amounts, and accumulated depreciation and amortization of property and equipment are shown below:

	For the Years Ended December 31, 2025 and 2024			
	Building and Building Improvements	Office Furniture, Fixtures and Equipment	Transportation And Other Equipment	Total
Cost				
January 1, 2024	P88,178,580	P32,143,750	P77,254,213	P197,576,543
Additions	2,184,552	1,072,075	4,667,696	7,924,323
Disposals	-	(6,937,431)	(26,625,700)	(33,563,131)
December 31, 2024	90,363,132	26,278,394	55,296,209	171,937,735
Additions	-	1,001,444	2,137,071	3,138,515
Disposals	-	(271,250)	(6,108,125)	(6,379,375)
December 31, 2025	**90,363,132**	**27,008,588**	**51,325,155**	**168,696,875**
Accumulated Depreciation and Amortization				
January 1, 2024	36,021,562	29,008,924	41,291,727	106,322,213
Provision	4,828,107	1,810,754	8,495,877	15,134,738
Disposals	-	(6,930,109)	(25,383,540)	(32,313,649)
December 31, 2024	40,849,669	23,889,569	24,404,064	89,143,302
Provision	4,854,765	1,488,580	8,517,982	14,861,327
Disposals	-	(271,250)	(6,533,796)	(6,805,046)
December 31, 2025	**45,704,434**	**25,106,899**	**26,388,250**	**97,199,583**
Carrying Amount December 31, 2024	P49,513,463	P2,388,825	P31,892,165	P83,794,433
Carrying Amount December 31, 2025	**P44,658,698**	**P1,901,589**	**P24,936,905**	**P71,497,192**

Certain transportation equipment of the Company with total carrying value of P24.94 million and P31.89 million as at December 31, 2025 and 2024, respectively, are pledged as security under chattel mortgage (see Note 15).

13. Leases

A. Rights-of-use assets

The Company leases two parcels of land located at 5th Avenue corner 24th Street and 5th Avenue corner 25th Street, Bonifacio Global City, Taguig City. These contracts have a term of fifteen (15) years, renewable for another ten (10) years upon submission of a written notice to renew at least ninety days prior to the expiration of the original term, with terms and conditions mutually agreed by both parties.

The Company also leases Unit 10A in Icon Plaza located at 26th Street, Bonifacio Global City, Taguig City. The contract has a term of five (5) years and is renewable upon mutual agreement of both parties.

Early Termination of Lease

During the reporting period, the Company, as lessee, experienced the early termination of the non-cancellable head lease for a parcel of land located in BGC by the property owner. The lease was originally set to expire in 2032.

As a result of the termination, the right-of-use asset with a carrying amount of P63.4 million and the lease liability of P66.2 million were derecognized. The net effect of these derecognitions, after accounting for any compensation paid or received, resulted in a loss of P2.9 million, which has been recognized in profit or loss within other expenses. The compensation arrangements did not result in any additional contingent liabilities. No further rights or obligations remain under lease agreements post-termination.

The carrying amount of right-of-use assets as at December 31, 2025 and 2024 is shown below.

	2025	2024
Right-of-use assets	P133,796,186	P133,796,186
Accumulated depreciation	(67,551,642)	(56,886,280)
Derecognition	(66,244,544)	-
	P -	P76,909,906

B Investment in finance lease

The Company entered into a sublease contract relating to one of the parcels of land being leased in BGC as discussed in item A above. This agreement was assessed by the management to be of a finance lease. This agreement is renewable at the end of the lease term of initially fifteen (15) years upon mutual consent of the parties.

As mentioned, the head lease for this parcel of land was terminated. Consequently, the related sublease agreement with the sublessee was also terminated.

As a result of the termination, the net investment in sublease with a carrying amount of P153.5 million and the lease liability of P63.4 million were derecognized. The net effect of these derecognitions, after accounting for any compensation paid or received, resulted in a loss of P90.1 million, which has been recognized in profit or loss within other expenses. The compensation arrangements did not result in any additional contingent liabilities. No further rights or obligations remain under either the head lease or sublease agreements post-termination.

The movements in the lease receivables are shown below:

	2025	2024
Balance at beginning of year	P24,449,088	P23,672,896
Collection for the year	2,037,451	776,192
Balance at end of year	P26,486,539	P24,449,088

Amounts receivable under finance lease	2025	2024
Year 1	P -	P24,356,576
Year 2	-	25,671,552
Year 3	-	26,099,392
Year 4	-	26,955,072
Year 5	-	27,404,352
Onwards	-	76,889,472
Undiscounted lease payments	-	207,876,416
Present value of minimum lease payments receivable	-	171,972,179
Less: current portion	-	16,798,904
Investment in finance lease – net of current portion	P -	P155,173,275

Interest income recognized in profit or loss amounted to P8,022,332, P8,843,737 and P9,573,151 in 2025, 2024 and 2023, respectively (see Note 18).

C. Lease liabilities

The movements in the lease liabilities are shown below:

	2025	2024
Balance at beginning of year	P143,092,814	P157,762,978
Accretion of interest	6,552,660	7,401,885
Payments during the year	(22,920,362)	(22,072,049)
Lease termination	(126,725,112)	-
Balance at end of year	P -	P143,092,814

A maturity analysis of lease liabilities based on the total cash flows is reported in the table below:

	2025		2024	
	Undiscounted	Discounted	Undiscounted	Discounted
Right-of-use assets				
Less than 1 year	P -	P -	P11,844,653	P8,521,596
More than 1 year	-	-	74,400,000	63,362,555
	-	-	86,244,653	71,884,151
Finance lease				
Less than 1 year	-	-	11,160,000	7,846,107
More than 1 year	-	-	74,400,000	63,362,556
	-	-	85,560,000	71,208,663
	P -	P -	P171,804,653	P143,092,814

Amounts recognized in profit or loss:

	Notes	2025	2024	2023
Depreciation expense	*20,21*	P10,665,362	P10,665,362	P10,647,870
Interest expense		6,552,660	7,401,885	8,131,867

D. Short-term operating lease

The Company entered into short-term operating lease agreements including condominium units, office spaces and food plaza spaces. The lease contracts between the Company and its lessees have a term of one year, which are renewable annually.

Total rental income earned in 2025, 2024 and 2023 amounted to P83,137,345, P78,331,580 and P65,150,046, respectively.

Deferred rental income classified under other non-current liabilities amounting to P11,424,137 and P41,084,561 as of December 31, 2025 and 2024, respectively, pertains to advance rent received from lessees to be applied on the last three (3) months of the lease contract.

Refundable deposits on these lease agreements amounted to P19,187,697 and P19,389,920 in 2025 and 2024, respectively, and are included as part of trade and other payables (see Note 14).

14 Trade and Other Payables

This account consists of:

	Note	2025	2024
Customers' deposits		**P253,184,762**	P11,504,762
Retention fee payable		**78,557,203**	38,664,663
Accrued expenses		**23,495,734**	23,336,590
Non-trade payables		**21,109,377**	24,844,652
Refundable deposits	*13*	**19,187,697**	19,389,920
Due to government agencies		**4,112,500**	5,665,499
Trade payables		**3,201,303**	148,993,815
		402,848,576	272,387,901
Less: non-current portion		**108,849,647**	104,872,421
		P293,998,929	P167,515,480

Customers' deposits consist of down payments representing less than 25% of the contract price of the condominium units sold which are deductible from the total contract price.

Retention fee payable pertains to retention fees withheld from the contractors of ongoing projects.

Accrued expenses consist of accrual for outside services, insurance, supplies, tax and other legal expenses.

Non-trade payables consist of transfer fees and retention commission payable.

Due to government agencies consist mainly of payable to the Bureau of Internal Revenue, SSS, HDMF and PhilHealth.

Trade payables consist mainly of amount due to contractors and suppliers relating to the Unico Project.

15. Loans Payable

The movements in the loans payable are summarized as follows:

	2025	2024
Balance at beginning of year	**P1,841,919,953**	P1,201,860,474
Availments of loan	**2,755,083,200**	3,132,611,060
Payments of principal	**(2,387,381,092)**	(2,492,551,581)
Balance at end of year	**P2,209,622,061**	P1,841,919,953

This account is composed of the following:

	2025	2024
Payable within one year:		
Philippine National Bank	**P353,304,267**	P355,784,313
Philippine Bank of Communications	**399,988,304**	621,391,611
Union Bank of the Philippines	**7,023,349**	6,773,656
RCBC Savings Bank	**335,546**	478,677
	760,651,466	984,428,257
Payable after one year:		
Philippine Bank of Communications	**1,431,197,297**	833,346,880
Union Bank of the Philippines	**11,968,906**	15,975,771
Philippine National Bank	**5,202,831**	3,233,668
RCBC Savings Bank	**601,561**	935,377
	1,448,970,595	857,491,696
	P2,209,622,061	P1,841,919,953

Philippine National Bank (PNB)
The Company availed of interest-bearing loans with total principal amount of P1.4 billion and P1.5 billion in 2025 and 2024, respectively, payable within three (3) months subject to extension upon lapse of the maturity date. These loans are secured by certain real estate inventories with the carrying amount of P135.4 million (see Note 7).

Philippine Bank of Communications (PBCom)
In 2019, the Company entered into a long-term credit facility agreement with PBCom. PBCom approved an interest-bearing Term Loan under which the Company drew down P500 million in 2019. These loans are payable within six (6) years from the date of drawdown payable quarterly in arrears and secured by certain investment properties mortgaged in favor of PBCom with the total carrying amount of P654.4 million and P633.8 million as of December 31, 2025 and 2024, respectively. As at December 31, 2025, the said Term Loan was fully paid.

In 2020, PBCom approved an interest-bearing Loan Line amounting to P300 million available for drawings in the form of 180-day promissory notes (PNs) payable at maturity of the PNs. The principal payment is on the maturity date of the PNs. This was fully paid as of December 31, 2025.

In 2021, PBCom approved an interest-bearing Contract to Sell Financing line amounting to P300 million available for drawings. The Company drew down nil and P64.72 million in 2025 and 2024, respectively, payable at maturity of the deed of undertaking and are secured by certain receivables assigned in favor of PBCom amounting to P18 million and P95 million as at December 31, 2025 and 2024, respectively (see Note 6).

In 2023, PBCom approved an interest-bearing Term Loan amounting to P3.8 billion. The Company drew down P483 million and P640 million in 2025 and 2024, respectively, payable in 5 years. This loan was availed specifically to fund the Unico Project.

The loan includes a covenant in which the Company shall maintain a maximum debt-to-equity ratio of 2:1 at all times. As at December 31, 2025 and 2024, the Company is compliant with the loan covenant.

In 2023, PBCom approved an interest-bearing Loan Line amounting to P300 million available for drawings in the form of 180-day promissory notes (PNs) payable at maturity of the PNs.

In 2024, PBCom approved an interest-bearing Loan Line amounting to P300 million available for drawings. The Company drew down P300 million and nil in 2025 and 2024, respectively. These loans are payable within three (3) years from the date of the drawdown payable quarterly in arrears and secured by certain investment properties with carrying amount of P920.4 million and P893.2 million as of December 31, 2025 and 2024, respectively.

Union Bank of the Philippines (UBP)
In 2024 and 2023, the Company availed interest-bearing car loans from Union Bank payable in installment within sixty (60) months. These loans are secured by the vehicle acquired under this facility (see Note 12).

RCBC Savings Bank (RCBC)
In 2023, the Company availed interest-bearing car loans from RCBC Savings Bank payable in installment within sixty (60) months. These loans are secured the vehicles acquired under this facility (see Note 12).

Total interest on the above loan agreements charged to profit or loss amounted to P74,215,767, P81,652,640 and P61,951,600 in 2025, 2024 and 2023, respectively. Interest on loans payable capitalized as part of the cost of real estate development amounted to P87,602,885, P36,928,244 and P15,383,994 in 2025, 2024 and 2023, respectively. The capitalization rate used was 7.71% and 8.19% in 2025 and 2024, respectively.

16. Related Party Transactions

In the normal course of business, the Company entered into various transactions with related parties. Transactions with related parties follow:

As at and for the year ended December 31, 2025	Transactions	Outstanding balance	Terms and conditions
Trade receivables			The receivables are secured with related units until full payment.
Principal Shareholder			
Greenhills Properties, Inc.			
Cancellation during the year	(P51,892,140)	P -	
Officers			
Sale of condo units and parking space	-		
Collections during the year	(1,399,764)	4,584,565	
Other receivables			Other receivables are secured with related units until full payment.
Affiliates			
Collections during the year	(207,987)	11,514,811	
Officers			
Addition during the year	336,589		
Collections during the year	(71,761)	865,650	
Principal Shareholder			
Greenhills Properties, Inc.			
Collections during the year	(656,868)	200	
Subsidiary			
PRHC Property Managers, Inc.			
Addition during the year	3,200,478		
Collections during the year	(2,910,739)	5,810,727	
Lease receivables			These receivables are unsecured and bear no interest and settled in cash.
Subsidiary			
PRHC Property Management, Inc.			
Rent Income	480,000		
Collections	(480,000)	-	
Purchase of services			Purchase of services is negotiated with related parties on a cost plus basis and is due 30 days after the end of the month. These payables are unsecured and bear no interest and settled in cash.
Subsidiary			
PRHC Property Managers, Inc.			
Purchase of services	768,581		
Payments during the year	(758,581)	-	

As at and for the year ended December 31, 2025	Transactions	Outstanding balance	Terms and conditions
Advances			Advances to subsidiaries and associates are unsecured, non-interest bearing and to be settled in cash (see Note 6).
Associates			
Alexandra (USA), Inc.	-	132,417,765	
Le Cheval Holdings, Inc.	-	122,249	
Subsidiaries			
Sultan's Power, Inc.	141,470	76,802,705	
Universal Travel Corporation	(1,099,195)	29,091,829	
PRHC Property Managers, Inc.	(2,707,020)	12,142,031	
Three Corners Realty Corporation	28,577,888	28,577,888	
Less: Allowance for impairment loss	-	(238,441,547)	
Balance, net		P40,719,919	

Advances - others			
Officers	(95,518)	(1,361,213)	Advances to officers are unsecured, non-interest bearing and to be settled through expense liquidation (see Note 6).
Key management personnel			Key management includes directors (executive and non-executive) and executive officers. Short-term benefits are payable monthly and termination benefits are payable upon retirement.
Short-term benefits	-		
Salaries and other short-term employee benefits	34,252,284		
Termination benefits			
Provision for retirement benefits/PVO	7,311,055		

As at and for the year ended December 31, 2024	Transactions	Outstanding balance	Terms and conditions
Trade receivables			The receivables are secured with related units until full payment.
Principal Shareholder			
Greenhills Properties, Inc.			
Receivable	P -	P51,892,140	
Officers			
Sale of condo units and parking space	8,880,633		
Collections during the year	(5,850,080)	5,484,379	
Other receivables			Other receivables are secured with related units until full payment.
Affiliates			
Collections during the year	(P5,414,714)	P11,722,798	
Officers			
Collections during the year	(896,166)	620,722	
Principal Shareholder			
Greenhills Properties, Inc.			
Collections during the year	(10,156,557)	659,068	
Subsidiary			
PRHC Property Managers, Inc.			
Addition during the year	4,537,532		
Collections during the year	(1,916,197)	5,320,988	
Lease receivables			These receivables are unsecured and bear no interest and settled in cash.
Subsidiary			
PRHC Property Management, Inc.			
Rent Income	480,000		
Collections	(564,000)	89,600	

Forward

As at and for the year ended December 31, 2024	Transactions	Outstanding balance	Terms and conditions
Purchase of services			Purchase of services is negotiated with related parties on a cost-plus basis and is due 30 days after the end of the month. These payables are unsecured and bear no interest and settled in cash.
Subsidiary			
PRHC Property Managers, Inc.			
Purchase of services	738,683		
Payments during the year	(738,683)	-	
Advances			Advances to subsidiaries and associates are unsecured, non-interest bearing and to be settled in cash (see Note 6).
Associate			
Alexandra (USA), Inc.,	-	132,417,765	
Le Cheval Holdings, Inc.	-	122,248	
Subsidiaries			
Sultan's Power, Inc.	68,077	76,584,255	
Universal Travel Corporation	73,911	30,191,024	
PRHC Property Managers, Inc.	(2,730,951)	14,849,051	
Less: Allowance for impairment loss	-	(237,135,099)	
Balance, net		P17,113,774	
Advances – others			Advances to officers are unsecured, non-interest bearing and to be settled through expense liquidation (see Note 6).
Officers	(11,791,505)	1,456,731	
Key management personnel			Key management includes directors (executive and non-executive) and executive officers. Short-term benefits are payable monthly and termination benefits are payable upon retirement.
Short-term benefits	-		
Salaries and other short-term employee benefits	P33,857,795		
Termination benefits			
Provision for retirement benefits/PVO	7,069,335		

Purchase of services

The Company has an existing agreement with PPMI, a subsidiary, for the latter to manage its real estate properties. In consideration thereof, the Company pays PPMI a fee as stipulated in the management agreement.

In the normal course of business, the Company purchases insurance policies through TIAI.

Lease Income

The Company has an existing agreement with PPMI, a subsidiary, to lease its investment property in Baguio.

Advances to related parties

The Company's receivables from AUI, an associate, which was intended to fund the latter's working capital requirements, represents non-interest-bearing advances with no fixed term with the option to convert to equity in case of increase in capital. Advances contributed by AUI's stockholders were in accordance with the percentage of ownership of the stockholders in AUI. As previously mentioned, AUI is in the process of liquidation (see Note 10).

17. Retirement Benefit Plan

The Company maintains a funded, non-contributory defined benefit retirement plan covering substantially all of its regular employees. The plan is administered by a local bank as trustee and provides for a lump-sum benefit payment upon retirement. The benefits are based on the employees' monthly salary at retirement date multiplied by years of credited service. No other post-retirement benefits are provided.

Through its defined benefit retirement plan, the Company is exposed to a number of risks, the most material of which are detailed below:

- *Asset volatility* - The plan liabilities are calculated using a discount rate set with reference to corporate bond yields; if plan assets underperform this yield, this will create a deficit.

- *Inflation risk* - Some of the Company's retirement obligations are linked to inflation, and higher inflation will lead to higher liabilities (although, in most cases, caps on the level of inflationary increases are in place to protect the plan against extreme inflation). The majority of the plan's assets are either unaffected by (fixed interest bonds) or loosely correlated with (equities) inflation, meaning that an increase in inflation will also increase the deficit.

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation were carried out by an independent actuary on January 21, 2026 for the year ended December 31, 2025 and February 05, 2025 for the year ended December 31, 2024. The present value of the defined benefit obligation, and the related current service cost were measured using the Projected Unit Credit Method.

The reconciliation of the present value of the defined benefit obligation (PVO) and the fair value of the plan assets to the recognized liability presented as retirement benefit obligation in the separate statements of financial position is as follows:

	2025	2024
Present value of defined benefit obligation	P100,874,836	P97,312,532
Fair value of plan assets	(20,535,304)	(21,292,544)
Recognized liability	P80,339,532	P76,019,988

The movements in the present value of defined benefit obligation are shown below:

	2025	2024
Liability at beginning of year	P97,312,532	P97,089,494
Current service cost	8,839,870	8,319,113
Interest cost	5,936,064	5,922,459
Benefits paid	(6,964,242)	(11,067,363)
Remeasurement gains		
Changes in financial assumptions	(3,593,926)	-
Experience adjustments	(655,462)	(2,951,171)
Liability at end of year	P100,874,836	P97,312,532

The movements in the plan assets are shown below:

	2025	2024
Fair value of plan assets at beginning of year	P21,292,544	P29,308,691
Interest income	1,236,936	1,511,276
Contribution	5,000,000	2,000,000
Benefits paid	(6,964,242)	(11,067,363)
Remeasurement loss		
Return on plan assets, excluding amounts included in interest income	(31,934)	(460,060)
Fair value of plan assets at end of year	P20,535,304	P21,292,544

The main categories of plan assets as at December 31, 2025 and 2024 are as follows:

	2025	2024
Cash and cash equivalents	P19,970,891	P18,606,397
Equity instruments	467,999	2,640,451
Accrued interest	129,330	94,333
Liabilities	(32,916)	(48,637)
	P20,535,304	P21,292,544

The retirement expense recognized in profit or loss consists of:

	2025	2024	2023
Current service cost	P8,839,870	P8,319,113	P8,992,999
Net interest on defined benefit liability	4,697,128	4,411,183	3,392,393
	P13,536,998	P12,730,296	P12,385,392

The retirement expense is included as part of general and administrative expenses under cost and expenses in the separate statements of total comprehensive income (loss) (see Note 21).

The principal assumptions used to determine retirement benefits obligation of the Company are as follows:

	2025	2024
Discount rate	6.42%	6.10%
Future salary increase	4.00%	4.00%

Assumptions regarding future mortality and disability are set based on actuarial advice in accordance with published statistics and experience.

The sensitivity analysis of the defined benefit obligation is:

	Increase (decrease) in basis points	Effect on defined benefit obligation
Discount rate	1.00	(P10,126,005)
	(1.00)	11,877,604
Future salary increase	1.00	12,051,875
	(1.00)	(10,435,869)

The above sensitivity analyses are based on changes in principal assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to material actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the retirement liability recognized in the separate statements of financial position.

The BOD reviews the level of funding required for the retirement fund. This includes the asset-liability matching (ALM) strategy and investment risk management policy. The Company's ALM objective is to match maturities of the plan assets to the retirement benefit obligation as they fall due. The Company monitors how the duration and expected yield of the investments are matching the expected cash outflows arising from the retirement benefit obligation.

As of December 31, 2025, the weighted average duration of defined benefit obligation is 10.90 years (2024: 11 years).

18. Interest Income

This account consists of interest from:

	Note	2025	2024	2023
Sublease	*13*	**P8,022,332**	P8,843,737	P9,573,151
Cash and cash equivalents	*5*	**2,459,800**	883,440	1,252,139
Trade receivables	*6*	**74,334**	200,617	319,564
Penalty for late payments	*6*	**-**	517,759	2,815,144
Others		**227,839**	276,347	15,857
		P10,784,305	P10,721,900	P13,985,855

19. Other Income

This account consists of:

	Note	2025	2024	2023
Gain on change in fair value of investment properties - net	*11*	**P97,286,332**	P157,456,893	P258,292,144
Unrealized foreign exchange gain		**300,890**	812,642	-
Gain from disposal of fixed assets		**247,221**	-	-
Reversal of allowance for impairment losses on receivables	*6*	**6,020,325**	10,434,374	25,000,000
Dividend income	*5*	**-**	1,647,722	-
Gain on money market investment		**-**	1,483	61,811
Gain on sale of investment properties		**-**	-	128,065,333
Miscellaneous		**8,393,510**	11,854,610	12,687,607
		P112,248,278	P182,207,724	P424,106,895

20. Cost of Services

This account consists of:

	Note	2025	2024	2023
Condominium dues	*11*	**P11,679,808**	P8,797,869	P10,254,997
Depreciation expense	*13*	**10,057,962**	10,057,962	9,937,930
Utilities		**8,094,563**	6,115,060	6,405,401
Taxes and licenses	*32*	**6,916,827**	7,034,449	7,082,369
Outside services		**5,204,817**	5,185,885	4,845,240
Commission		**4,067,985**	3,723,830	3,054,398
Repairs and maintenance		**3,082,527**	4,269,215	1,409,063
Insurance and bond premiums		**2,447,863**	2,491,399	2,155,302
Others		**1,377,796**	1,294,141	1,142,153
		P52,630,079	P48,969,810	P46,285,853

21. General and Administrative Expenses

This account consists of:

	Note	2025	2024	2023
Salaries and wages		**P66,156,518**	P64,961,668	P63,000,671
Professional fees		**21,920,231**	21,788,342	27,749,445
Transportation and travel		**18,301,195**	17,756,411	15,547,680
Taxes and licenses	*32*	**17,426,221**	28,382,878	91,300,440
Depreciation and amortization:				
Property and equipment	*12*	**14,861,407**	15,134,735	8,593,477
ROU asset	*13*	**607,400**	607,400	709,940
Outside services		**13,726,313**	11,144,182	6,256,053
Provision for retirement		**13,536,998**	12,730,296	12,385,392
benefits	*17*			
Insurance and bond premiums		**7,552,008**	7,634,879	6,202,200
SSS, Pag-ibig, Medicare and other short-term benefits		**6,035,193**	6,793,762	8,127,483
Provision for impairment loss on trade and other receivables	*6*	**6,020,325**	2,247,520	2,853,554
Repairs and maintenance		**5,257,395**	12,463,128	4,228,938
Marketing expenses		**4,591,174**	13,572,045	26,435,882
Condominium dues		**3,252,731**	3,597,802	4,408,640
Postage and communication		**2,784,171**	2,438,410	2,459,827
Utilities		**2,258,161**	3,035,550	2,342,722
Supplies and materials		**799,984**	878,619	-
Representation and entertainment		**47,817**	10,260,736	206,605
Miscellaneous		**10,762,041**	8,555,426	2,821,249
		P215,697,280	P243,984,973	P285,640,196

22. Other Expenses

This account consists of:

	Note	2025	2024	2023
Loss on lease cancellation	*13*	**P93,027,404**	P -	P -
Bank charges		**106,628**	200,540	971,639
Realized forex loss		**78,678**	-	-
Loss on money market investment		**18,211**	-	-
Loss on repossession of real estate properties		-	-	3,524,627
Unrealized foreign exchange loss		-	-	402,230
		P93,230,921	P200,540	P4,898,496

23. Income Taxes

Components of income tax expense are as follows:

	2025	2024	2023
Current	**P1,162,127**	P1,259,531	P3,915,279
Deferred	**(160,173,345)**	37,008,861	59,907,788
	(P159,011,218)	P38,268,392	P63,823,067

The reconciliation of the provision for income tax expense computed at the statutory rate to the provision shown in the separate statements of total comprehensive income is as follows:

	2025	2024	2023
Accounting income (loss) before income tax	**(P214,910,237)**	(P90,639,304)	P180,641,408
Income tax expense using statutory tax rate	**(P53,727,559)**	(P22,659,826)	P45,160,352
Additions to (reductions in) income tax resulting from the tax effects of:			
Nondeductible expenses	**7,913,362**	15,036,971	16,955,072
Loss on lease cancellation	**7,175,426**	-	-
Movement on unrecognized deferred tax assets	**(119,911,235)**	46,466,323	1,944,294
Limit on interest expense	**153,738**	55,215	78,884
Dividend income	**-**	(409,431)	-
Interest income subjected to final tax	**(614,950)**	(220,860)	(315,535)
	(P159,011,218)	P38,268,392	P63,823,067

Deferred income tax assets (liabilities) recognized by the Company consists of:

	2025		2024	
	Tax Base	Deferred Tax	Tax Base	Deferred Tax
Deferred Tax Assets				
Retirement benefit obligation	P80,336,532	P20,084,833	P76,019,988	P19,004,997
Deferred rent income	11,424,127	2,856,082	33,151,740	8,287,935
NOLCO	509,688,541	127,422,135	36,928,244	9,232,061
Book and tax basis difference under PFRS 16	–	–	12,944,144	3,236,036
	601,452,200	150,363,050	159,044,116	39,761,029
Deferred Tax Liabilities				
Gain on change in fair value of investment properties	(2,571,084,323)	(642,771,081)	(3,211,797,993)	(802,949,498)
Unrealized fair value gain on land exchanged for shares	(738,000,000)	(110,700,000)	-	-
Gain on sublease	-	-	(76,501,030)	(19,125,257)
Capitalized interest	(124,531,129)	(31,132,782)	(36,928,244)	(9,232,061)
Others	(4,566,890)	(1,141,723)	(11,822,919)	(2,955,730)
	(3,438,182,342)	(785,745,586)	(3,337,050,184)	(834,262,546)
	(P2,836,730,142)	(P635,382,536)	(P3,178,006,068)	(P794,501,517)

During the year, the Company completed a tax-free asset exchange (asset share swap) with TCRC, under which it exchanged certain property in exchange for shares of stock (see Note 9). For accounting purposes, the acquired shares of stock were initially recognized at fair value of P1,584,000,000. In accordance with the initial recognition exemption, no deferred tax liability has been recognized in respect of the resulting taxable temporary difference. However, the existing deferred tax liability associated with the property at the time of the transaction was carried over to the acquired asset, shares of stock.

Deferred tax assets of P150.36 million have been recognized at December 31, 2025. This includes P127.42 million relating to net operating carry-over amounting to P509.69 million in 2025. The deferred tax asset in respect of these unused tax losses has been recognized to the extent that it is probable that sufficient future taxable profits will be available against which the losses can be utilized, provided mainly by the income from the Unico Project (see Note 7) and other available tax planning opportunities.

No deferred tax asset has been recognized in respect of the remaining unused tax losses of P275.05 million in 2025 and P646.09 million in 2024, as it is not considered probable that future taxable profits will be available against which these losses can be utilized.

The Company's unrecognized deferred tax assets pertain to the following:

	2025		2024	
	Tax Base	Deferred Tax	Tax Base	Deferred Tax
NOLCO	P275,050,416	P68,762,604	P646,098,911	P161,524,728
Allowance for impairment loss on trade and other receivables	345,654,208	86,413,552	346,654,208	86,663,552
MCIT	6,336,936	6,336,936	6,800,699	6,800,699
Total	P627,041,560	P161,513,092	P999,553,818	P254,988,979

Deferred tax assets have not been recognized by management in respect of the above items because it is not probable that future taxable profit will be available against which the Company can utilize the benefits therefrom.

The Company has NOLCO which can be claimed as deduction from future taxable income as follows:

Year incurred	Amount incurred	Amount applied	Amount expired	Remaining balance	Valid until
2025	P273,001,489	P-	P-	P273,001,489	2028
2024	225,342,170	-	-	225,342,170	2027
2023	30,198,455	-	-	30,198,455	2026
2022	95,576,356	-	(95,576,356)	-	2025
2021	255,596,842	-	-	255,596,842	2026
2020	112,641,575	-	(112,641,575)	-	2025
	P992,956,887	P-	(P208,217,931)	P784,738,956	

In accordance with the Revenue Regulations No. 25-2020 Section 4 issued on September 30, 2020, the business or enterprise which incurred net operating loss for taxable years 2020 and 2021 shall be allowed to carry over the same as a deduction from its gross income for the next five (5) consecutive taxable years immediately following the year of such loss.

Details of the Company's MCIT which can be claimed as deduction against future taxable income is as follows:

Year incurred	Amount incurred	Amount applied	Amount expired	Remaining balance	Valid until
2025	P1,162,127	P-	P-	P1,162,127	2028
2024	1,259,530	-	-	1,259,530	2027
2023	3,915,279	-	-	3,915,279	2026
2022	1,625,890	-	(1,625,890)	-	2025
	P7,962,826	P-	(P1,625,890)	P6,336,936	

24. Capital and Treasury Stock

Movements in the Company's capital stock are as follows:

	2025	2024	2023
Authorized			
16,000,000,000 common shares at P0.50 par value	P8,000,000,000	P8,000,000,000	P8,000,000,000
Issued and outstanding			
7,866,647,523 shares	3,933,323,762	3,933,323,762	3,933,323,762
Subscribed			
1,314,711,262 shares	657,355,632	657,355,632	657,355,632
Subscriptions receivable – Capital Stock	(157,478,973)	(157,478,973)	(157,478,973)
Subscription receivable - APIC	(157,478,973)	(157,478,973)	(157,478,973)
	342,397,686	342,397,686	342,397,686
Capital Stock	4,275,721,448	4,275,721,448	4,275,721,448
Additional paid-in capital	780,630,029	780,630,029	780,630,029
Total Paid-in Capital	P5,056,351,477	P5,056,351,477	P5,056,351,477

Details of the Company's treasury stock are as follows:

	2025	2024	2023
Treasury Stock			
81,256,100 common shares with average cost of P1.35 per share	P109,712,439	P109,712,439	P109,712,439

25. Reserves

This account consists of:

	Note	2025	2024	2023
Revaluation on FVOCI				
Balance at beginning of year	5	(P31,811,020)	(P26,485,605)	(P25,606,702)
Changes in fair value during the year	5	13,942,119	4,852,614	(878,903)
Disposal	5	-	(10,178,029)	
Balance at end of year	5	(17,868,901)	(31,811,020)	(26,485,605)
Remeasurement gain (loss) on retirement benefit obligation				
Balance at beginning of year		(37,097,111)	(38,965,444)	(30,033,425)
Actuarial gain (loss) during the year – gross		4,217,457	2,491,111	(11,909,359)
Tax effect		(1,054,364)	(622,778)	2,977,340
Balance at end of year		(33,934,018)	(37,097,111)	(38,965,444)
Appropriated retained earnings		109,712,439	109,712,439	109,712,439
		P57,909,520	P40,804,308	P44,261,390

The Company's retained earnings amounting to P109,712,439 were appropriate to cover the cost of the treasury shares.

26. Basic Earnings Per Share

	2025	2024	2023
Net income	**(P55,896,019)**	(P128,907,696)	P115,818,343
Weighted average no. of common shares - issued and outstanding	**9,100,102,685**	9,100,102,685	9,100,102,685
Basic earnings (loss) per share	**(P0.01)**	(P0.01)	P0.01

The weighted average number of common shares issued and outstanding was computed as follows:

	Note	2025	2024	2023
Issued and outstanding	*24*	**7,866,647,523**	7,866,647,523	7,866,647,523
Subscribed shares	*24*	**1,314,711,262**	1,314,711,262	1,314,711,262
Treasury shares	*24*	**(81,256,100)**	(81,256,100)	(81,256,100)
Average number of shares		**9,100,102,685**	9,100,102,685	9,100,102,685

The Company has no potential dilutive shares as at December 31, 2025, 2024 and 2023.

27. Material Accounting Policies

Adoption of Amendments to Standards

The accounting policies adopted in the preparation of the financial statements are consistent with those of the Company's financial statements for the year ended December 31, 2024 except for the adoption of the following amended PFRS which became effective beginning January 1, 2025. Unless otherwise indicated, none of these had a material effect on the financial statements

- Amendments to PAS 1, Classification of Liabilities as Current or Non-current affect only the presentation of liabilities in the statement of financial position — not the amount or timing of recognition of any asset, liability income or expenses, or the information that entities disclose about those items. They:
  - clarify that the classification of liabilities as current or non-current should be based on rights that are in existence at the end of the reporting period and align the wording in all affected paragraphs to refer to the "right" to defer settlement by at least twelve months and make explicit that only rights in place "at the end of the reporting period" should affect the classification of a liability;
  - clarify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability; and
  - make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services.

New and Amended Standards Not Yet Adopted
A number of new and amended standards are effective for annual periods beginning after January 1, 2025 and have not been applied in preparing the financial statements. The Company is currently assessing the impact of adopting this amendment. The Company will adopt the following new and amended standards and interpretations on the respective effective dates:

- Amendments to PFRS 9 and PFRS 7, *Amendments to the Classification and Measurement of Financial Instruments* clarify the SPPI test, refine rules on contractual cash flows and derecognition, accounting for equity investments designated at fair value through OCI, and expand disclosure requirements particularly on risk information.

The amendment is effective for annual periods beginning on January 1, 2026.

- Annual Improvements to PFRS Accounting Standards – Volume 11:

  - PFRS 7, *Financial Instruments: Disclosures*. The amendment addresses a potential confusion in paragraph B38 of PFRS 7 arising from an obsolete reference to a paragraph that was deleted from the standard when PFRS 13 *Fair Value Measurement* was issued. Implementation guidance was also amended to address: (a) an inconsistency between paragraph 28 of PFRS 7 and its accompanying implementation guidance that arose when a consequential amendment resulting from the issuance of PFRS 13 was made to paragraph 28, but not to the corresponding paragraph in the implementation guidance; and (b) a potential confusion by clarifying in paragraph IG1 that the guidance does not necessarily illustrate all the requirements in the referenced paragraphs of PFRS 7 and by simplifying some explanations.

  - PFRS 9, *Financial Instruments*. The amendment addresses a potential lack of clarity in the application of the requirements in PFRS 9 to account for an extinguishment of a lessee's lease liability that arises because paragraph 2.1(b)(ii) of PFRS 9 includes a cross-reference to paragraph 3.3.1, but not also to paragraph 3.3.3 of PFRS 9.

    An amendment was also made to address a potential confusion arising from a reference in Appendix A to PFRS 9 to the definition of 'transaction price' in PFRS 15, *Revenue from Contracts with Customers* while term 'transaction price' is used in particular paragraphs of PFRS 9 with a meaning that is not necessarily consistent with the definition of that term in PFRS 15.

  - PFRS 10, *Consolidated Financial Statements*. The amendment addresses a potential confusion arising from an inconsistency between paragraphs B73 and B74 of PFRS 10 related to an investor determining whether another party is acting on its behalf by aligning the language in both paragraphs.

  - PAS 7, *Statement of Cash Flows*. The amendment addresses a potential confusion in applying paragraph 37 of PAS 7 that arises from the use of the term 'cost method' that is no longer defined in PFRS Accounting Standards.

  The above are effective for annual periods beginning on January 1, 2026.

- PFRS 18, *Presentation and Disclosure in Financial Statements* will supersede PAS 1, Presentation of Financial Statements. It establishes overall requirements for presentation and disclosure in the financial statements which aims to improve consistency, comparability and transparency across entities. Its focus is on the statement of profit or loss and how income and expenses are classified. The standard is effective for annual periods beginning on January 1, 2027.

New Standard and Amendments to Standards Effective on or after January 1, 2025 but Not Applicable to the Company

- PFRS 17, *Insurance Contracts*
- PAS 21, *Lack of Exchangeability*
- PFRS 9 and PFRS 7, *Contracts Referencing Nature-dependent Electricity*
- Annual Improvement, *PFRS 1, First-time Adoption of Philippine Financial Reporting Standards.*
- PFRS 19, *Subsidiaries without Public Accountability*

The accounting policies set out below have been applied consistently to all periods presented in the separate financial statements.

Financial Assets and Financial Liabilities

Financial Assets

Recognition
The Company recognizes a financial asset in the separate statements of financial position when it becomes a party to the contractual provisions of a financial instrument. In the case of a regular way purchase or sale of financial assets, recognition i using settlement date accounting.

Financial assets are recognized initially at fair value of the consideration given. The initial measurement of financial assets, except for those designated as at FVPL, includes transaction costs.

Classification
The Company classifies its financial assets, at initial recognition, in the following categories: financial assets at amortized cost, financial assets at FVOCI and financial assets at FVPL. The classification depends on the business model of the Company for managing the financial assets and the contractual cash flow characteristics of the financial assets.

Financial assets are not reclassified subsequent to initial recognition unless the Company changes its business model for managing financial assets in which case all affected financial assets are reclassified on the first day of the reporting period following the change in the business model.

Financial Assets at Amortized Cost. A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVPL:

- it is held within a business model whose objective is to hold financial assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, the financial assets are subsequently measured at amortized cost using the effective interest method, less any allowance for impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition, and fees that are an integral part of the effective interest rate. Gains and losses are recognized in profit or loss when the financial assets are reclassified to FVPL, impaired or derecognized, as well as through the amortization process.

The Company's cash and cash equivalents, trade and other receivables and refundable deposits are included under this category.

Financial Assets at FVOCI (equity instruments). Upon initial recognition, the Company can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under PAS 32, Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognized as other income in the separate statement of total comprehensive income when the right of payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

The Company's financial assets at fair value through OCI include investments in quoted and unquoted equity instruments and proprietary club shares.

Financial Assets at FVPL
Financial assets at FVPL include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortized cost or at fair value through OCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or materially reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are carried in the separate statements of financial position at fair value with net changes in fair value recognized in profit or loss.

The Company's investments in equity instruments at FVPL are classified under this category.

Derecognition
A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is primarily derecognized when:

- The right to receive cash flows from the asset has expired; or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay them in full without material delay to a third party under a "pass-through" arrangement; and either: (a) has transferred substantially all the risks and rewards of the asset; or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes the associated liability. The transferred asset and the associated liability are measured on the basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company is required to repay.

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

For trade receivables on sale of real estate, the Company applies a general approach in calculating ECLs. Under the general approach, ECLs are recognized in three (3) stages as follows:

- Stage 1: For credit exposures for which there has not been a material increase in credit risk since initial recognition and there is no default that occurred, a 12-month ECL is provided for credit losses that result from default events that are possible within the next 12 months.
- Stage 2: For credit exposures for which there has been a material increase in credit risk since initial recognition and there is still no default that occurred, a loss allowance equivalent to lifetime ECL is required for credit losses expected over the remaining life of the exposure.
- Stage 3: For credit exposures for which there has been a material increase in credit risk since initial recognition and for which an actual default has also occurred, a loss allowance equivalent to lifetime ECL is required for credit losses expected over the remaining life of the exposure.

The key inputs in the model include the Company's definition of default and historical data of two (2) material projects with an average of five (5) years for the origination, maturity date and default date. The Company considers trade receivables on sale of real estate in default when contractual payment are 90 days past due, except for certain circumstances when the reason for being past due is due to reconciliation with customers of payment records which are administrative in nature which may extend the definition of default to 90 days and beyond. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company.

At each reporting date, the Company assesses whether there has been a material increase in credit risk for financial assets since initial recognition by comparing the risk of default occurring over the expected life between the reporting date and the date of initial recognition. The Company considers reasonable and supportable information that is relevant and available without undue cost or effort for this purpose. This includes quantitative and qualitative information and forward-looking analysis.

The Company considers that there has been a material increase in credit risk when contractual payments are more than 90 days past due.

An exposure will migrate through the ECL stages as asset quality deteriorates. If, in a subsequent period, asset quality improves and also reverses any previously assessed material increase in credit risk since origination, then the loss allowance measurement reverts from lifetime ECL to 12-months ECL.

For cash and cash equivalents, the Company applies the low credit risk simplification. The probability of default and loss given defaults are publicly available and are considered to be low credit risk investments. However, when there has been a material increase in credit risk since origination, the allowance will be based on the lifetime ECL. The Company uses the ratings from publicly available sources to determine whether the debt instrument has materialy increased in credit risk and to estimate ECLs.

The Company considers a debt investment security to have low credit risk when its credit risk rating is equivalent to the globally understood definition of 'investment grade'.

For trade receivables on lease and other financial assets such as accrued receivable, receivable from related parties and advances to other companies, impairment provisions would be based on the assumption that the receivable is demanded at the reporting date and it would reflect the losses (if any) that would result from this. Since the receivables are collectible on demand, the contractual period is the very short period needed to transfer the cash once demanded.

Discounting would have immaterial effect in the balances.

Financial Liabilities

Initial recognition and measurement
Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, finance lease liability and loans payable.

Subsequent measurement
The measurement of financial liabilities depends on their classification, as described below:

Loans and borrowings
This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of total comprehensive income.

This category generally applies to short term and long term debt.

Derecognition
A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of total comprehensive income.

Determination of Fair Value
Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is material to the fair value measurement as a whole:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and

- Level 3: Inputs for the asset or liability that are not based on observable market data.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between Levels in the hierarchy by re-assessing the categorization at the end of each reporting period.

Offsetting Financial Instruments
Financial assets and financial liabilities are offset and the net amount is reported in the separate statements of financial position if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

Prepayments
Prepayments represent expenses not yet incurred but already paid in cash. Prepayments are initially recorded as assets and measured at the amount of cash paid. Subsequently, these are charged to income as they are consumed in operations or expire with the passage of time.

Prepayments are classified in the separate statements of financial position as current asset when the cost of goods or services related to the prepayment are expected to be incurred within one (1) year or the Company's normal operating cycle, whichever is longer. Otherwise, prepayments are classified as non-current assets.

Investments in Subsidiaries
Subsidiaries are all entities (including structured entities) over which the Company has control. The Company has control as an entity when the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Company. They are deconsolidated from the date that control ceases.

Investment in shares of stock of subsidiaries is accounted for using the cost method in the separate financial statements. Under this method, investments are recognized at cost and income from investment is recognized in profit or loss only to the extent that the investor receives distribution from accumulated profits of the investee arising after the acquisition date. Distributions received in excess of such profits are regarded as a recovery of investment and are recognized as a reduction of the cost of the investment.

Investments in Associates
An associate is an entity over which the Company is in a position to exercise material influence, but not control or joint control, through participation in the financial and operating policy decisions of the investee.

In the separate financial statements of the Company, investment in shares of stock of associates is accounted for using the cost method. The reporting dates of the investee companies and the Company are identical and the investee companies' accounting policies conform to those used by the Company for like transactions and events in similar circumstances. Upon loss of material influence over the associate, the Company measures and recognizes any retaining investment at its fair value. Any difference between the carrying amount of the associate upon loss of material influence and the fair value of the retaining investment and proceeds from disposal is recognized in profit or loss.

Real Estate Inventories
Property acquired or being developed for sale in the ordinary course of business, rather than to be held for rental or capital appreciation, is held as inventory and is measured at the lower of cost and net realizable value.

Cost includes amounts paid to contractors for construction, borrowing costs, planning and design costs, costs of site preparation, professional fees, property transfer taxes, construction overheads and other related costs.

Net realizable value (NRV) is the estimated selling price in the ordinary course of the business, based on market prices at the reporting date, less costs to complete and the estimated costs to sell.

The cost of inventory recognized in profit or loss on disposal is determined with reference to the specific costs incurred on the property sold and an allocation of any non-specific costs based on the relative size of the property sold.

The provision account, if any, is reviewed on a monthly basis to reflect the reasonable valuation of the Company's inventories. Inventory items identified to be no longer recoverable is written-off and charged as expense for the period.

Real estate held for development is measured at lower of cost and NRV. Expenditures for development and improvements of land are capitalized as part of the cost of the land. Directly identifiable borrowing costs are capitalized while the development and construction is in progress.

Property and Equipment

Property and equipment are initially measured at cost which consists of its purchase price and costs directly attributable to bringing the asset to its working condition for its intended use and are subsequently measured at cost less any accumulated depreciation, amortization and impairment losses, if any.

Subsequent expenditures relating to an item of property and equipment that have already been recognized are added to the carrying amount of the asset when it is probable that future economic benefits, in excess of the originally assessed standard of performance of the existing asset, will flow to the Company. All other subsequent expenditures are recognized as expenses in the period in which those are incurred.

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

	Number of years
Building	25
Building improvements	5 to 10
Office furniture, fixtures and equipment	3 to 10
Transportation and other equipment	5

The assets' residual values, estimated useful lives and depreciation and amortization methods are reviewed periodically to ensure that the amounts, periods and methods of depreciation and amortization are consistent with the expected pattern of economic benefits from items of property and equipment.

Fully depreciated assets are retained in the accounts until they are no longer in use and no further charge for depreciation is made in respect of those assets.

Derecognition
An item of property and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal at which time, the cost and their related accumulated depreciation are removed from the accounts. Gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.

Investment Properties
Investment properties comprised completed property and property under development or re-development that are held to earn rentals or capital appreciation or both and that are not occupied by the Company. Investment property is initially measured at cost incurred in acquiring the asset and subsequently stated at fair value. Subsequent expenditures are measured at costs at the time the costs are incurred. Revaluations are made with sufficient regularity by external independent appraisers to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the period. The external independent appraiser uses sales comparison approach in arriving at the value of the properties. In this approach, the value of the properties is based on sales and listings of comparable properties. This is done by adjusting, the differences between the subject property and those actual sales and listings regarded as comparable. The properties used as bases of comparison are situated within the immediate vicinity or at a different floor levels of the same building. Comparison would be premised on factors such as location, size and physical attributes, selling terms, facilities offered and time element.

A gain or loss arising from a change in the fair value of investment property is recognized in profit or loss for the period in which it arises.

A transfer is made to investment property when there is a change in use, evidenced by ending of owner-occupation, commencement of an operating lease to another party or ending of construction or development. A transfer is made from investment property when and only when there is a change in use, evidenced by commencement of owner-occupation or commencement of development with a view to sale. A transfer between investment property, owner-occupied property and inventory does not change the carrying amount of the property transferred nor does it change the cost of that property for measurement or disclosure purposes.

Derecognition
Investment properties are derecognized when either they have been disposed of, or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gain or loss on the retirement, disposal or cancellation of sale of an investment property is recognized in the separate statements of total comprehensive income in the year of retirement or disposal.

Impairment of Non-financial Assets
At each reporting date, the Company assesses whether there is any indication that any of its non-financial assets may have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss.

The recoverable amount of the non-financial asset is the higher of fair value less costs of disposal and value-in-use. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognized as an expense.

When an impairment loss reverses subsequently, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized in prior years. A reversal of an impairment loss is recognized in profit or loss.

Equity
An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Distribution to the Company's shareholders is recognized as a liability in the Company's separate financial statements in the period in which the dividends are approved by the Company's Board of Directors.

Capital stock
Capital stock is classified as equity when there is no obligation to the transfer of cash or other assets. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction from the proceeds, net of tax.

Additional paid-in capital
Additional paid-in capital pertains to premium paid over the par value of shares.

Retained earnings
Retained earnings include all the accumulated income of the Company, dividends declared and share issuance costs. Retained earnings is net of amount offset from additional paid-in capital arising from the quasi-reorganization.

Treasury stock
The Company's equity instruments which are reacquired (treasury shares) are recognized at cost and deducted from equity. No gain or loss is recognized in the separate statements of total comprehensive income on the purchase, sale, issue or cancellation of the Company's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognized in additional paid-in capital. Voting rights related to treasury shares are nullified for the Company and no dividends are allocated to them respectively. When the shares are retired, the capital stock account is reduced by its par value and the excess of cost over par value upon retirement is debited to additional paid-in capital when the shares were issued and to retained earnings for the remaining balance.

Employee Benefits

Short-term benefits
The Company recognizes a liability net of amounts already paid and an expense for services rendered by employees during the accounting period. Short-term benefits given by the Company to its employees include salaries and wages, social security contributions, short-term compensated absences, bonuses and non-monetary benefits.

Post-employment benefits
The Company's net obligation in respect of its defined benefit plan is calculated by estimating the amount of the future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of the defined benefit obligation (DBO) is performed on a periodic basis by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognized asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognized immediately in OCI. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the DBO at the beginning of the annual period to the then net defined benefit liability (asset), taking into account any changes in the net defined liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to the defined benefit plan are recognized in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognized immediately in profit or loss.

The Company recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Revenue Recognition

The Company primarily derives its real estate revenue from the sale of vertical real estate projects. Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

The disclosures of material accounting judgements, estimates and assumptions relating to revenue from contracts with customers are provided in Note 26.
The Company derives its real estate revenue from sale of condominium units. Revenue from the sale of these real estate projects under pre-completion stage are recognized over time during the construction period (or percentage of completion) since based on the terms and conditions of its contract with the buyers, the Company's performance does not create an asset with an alternative use and the Company has an enforceable right to payment for performance completed to date.

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

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

Revenue from sales of completed real estate projects is accounted for using the full accrual method.

Any excess of collections over the recognized receivables are included in the "Deposits and other current liabilities" account in the liabilities section of the separate statements of financial position.

If any of the criteria under the full accrual or percentage-of-completion method is not met, the deposit method is applied until all the conditions for recording a sale are met. Pending recognition of sale, cash received from buyers are presented under the "Deposits and other current liabilities" account in the liabilities section of the separate statements of financial position.

Cancellation of real estate sales
The Company reverses the previously recognized revenue and related costs.

Interest income
Interest income is recognized as it accrues using the effective interest method.

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

Cost Recognition
The Company recognizes costs relating to satisfied performance obligations as these are incurred taking into consideration the contract fulfillment assets. These include costs of land, land development costs, building costs, professional fees, depreciation, permits and licenses and capitalized borrowing costs. These costs are allocated to the saleable area, with the portion allocable to the sold area being recognized as costs of sales while the portion allocable to the unsold area being recognized as part of real estate inventories.

Contract costs include all direct materials and labor costs and those indirect costs related to contract performance. Expected losses on contracts are recognized immediately when it is probable that the total contract costs will exceed total contract revenue. Changes in contract performance, contract conditions and estimated profitability, including those arising from contract penalty provisions, and final contract settlements which may result in revisions to estimated costs and gross margins are recognized in the year in which the changes are determined.

Expense Recognition
Expenses are recognized in profit or loss when a decrease in future economic benefit related to a decrease in an asset or an increase in a liability has arisen that can be measured reliably. Expenses are recognized in profit or loss on the basis of: (i) a direct association between the costs incurred and the earning of specific items of income; (ii) systematic and rational allocation procedures when economic benefits are expected to arise over several accounting periods and the association with income can only be broadly or indirectly determined; or (iii) immediately when an expenditure produces no future economic benefits or when, and to the extent that, future economic benefits do not qualify or cease to qualify for recognition in the statements of separate financial position as an asset.

Expenses in the separate statements of total comprehensive income are presented using the function of expense method. General and administrative expenses are costs attributable to general, administrative and other business activities of the Company.

Borrowing Costs
Borrowing costs directly attributable to the acquisition or construction of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective assets. All other borrowing costs are expensed in the period in which they were incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Borrowing costs are capitalized from the commencement of the development work until the date of practical completion. The capitalization of borrowing costs is suspended if there are prolonged periods when development activity is interrupted. If the carrying amount of the asset exceeds its recoverable amount, an impairment loss is recorded.

The capitalization rate is calculated as the weighted average of the borrowing costs applicable to the entity's outstanding borrowings during the period, excluding borrowings made specifically for the qualifying asset. This rate is then applied to the expenditures on the qualifying asset to determine the borrowing costs eligible for capitalization.

Leases

The Company as Lessee
The Company assesses whether a contract is or contains a lease, at inception of the contract. The Company recognizes a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets (such as tablets and personal computers, small items of office furniture and telephones). For these leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the lessee uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- The amount expected to be payable by the lessee under residual value guarantees;
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the separate statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Company remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a material event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).

- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The Company did not make any such adjustments during the periods presented.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Company incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognized and measured under PAS 37. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Company expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line in the separate statement of financial position.

The Company applies PAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the 'Property and Equipment' policy.

The Company as Lessor
The Company enters into lease agreements as a lessor with respect to some of its investment properties.

Leases for which the Company is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Rental income from operating leases is recognized on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized on a straight-line basis over the lease term.

When a contract includes lease and non-lease components, the Company applies PFRS 15 to allocate the consideration under the contract to each component.

The Company as Sub-lessor
The Company is a sub-lessor (intermediate lessor) to one of its right-of-use assets.

An intermediate lessor classifies the sublease as a finance lease or an operating lease as follows:

- If the head lease is a short-term lease, the sublease is classified as an operating lease

- Otherwise, the sublease is classified by reference to the right-of-use asset arising from the head lease, rather than by reference to the underlying asset. A lease is classified as a finance lease if it transfers substantially all the risks and rewards from the right-of-use asset resulting from the head lease; otherwise, it is classified as an operating lease.

For subleases classified as a finance lease, the intermediate lessor derecognizes the right-of-use asset relating to the head lease that is transfers to the sublessee and recognizes the net investment in the sublease; any difference between the right-of-use assets and the investment in the finance sublease is recognized in profit or loss. At the commencement date, net investment in the finance lease is measured at an amount equal to the present value of the lease payments for the underlying right-of-use assets during the lease term. The lessor recognizes finance income over the lease term, based on a pattern reflecting a constant period rate of return on the lessor's net investment in the lease.

For subleases classified as operating lease, the intermediate lessor recognizes the lease income from operating leases on a straight-line basis over the lease term. The respective leased asset is included in the statement of financial position based on its nature.

Income Tax
Income tax expense for the period comprises current and deferred tax. Income tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

The current income tax expense is calculated on the basis of the tax laws enacted at the reporting date. Management periodically evaluates positions in income tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognized on temporary difference arising between the tax bases of assets and liabilities and their carrying amounts in the separate financial statements. However, deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted at the reporting date and are expected to apply when related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred income tax assets are recognized for all deductible temporary differences, carry-forward of unused tax losses (net operating loss carryover or NOLCO) and unused tax credits (excess minimum corporate income tax or MCIT) to the extent that it is probable that future taxable profit will be available against which the temporary differences, unused tax losses and unused tax credits can be utilized. The Company reassesses at each reporting date the need to recognize a previously unrecognized deferred income tax asset.

Deferred income tax assets and liabilities are offset when there is legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority and the same taxable entity.

Uncertainty over Income Tax Treatments
The Company determines whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments. The approach that better predicts the resolution of the uncertainty is followed.

The Company considers whether it is probable that the relevant authority will accept each tax treatment, or group of tax treatments, that it used or plans to use in its income tax filing.

If the Company concludes that it is probable that a particular tax treatment is accepted, the Company determines taxable profit (tax loss), tax bases, unused tax losses, unused tax credits or tax rates consistently with the tax treatment included in its income tax filings.

If the Company concludes that it is not probable that a particular tax treatment is accepted, the Company uses the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates. The decision should be based on which method provides better predictions of the resolution of the uncertainty.

Provisions and Contingencies

Provisions are recognized when the Company has a present obligation, either legal or constructive, as a result of a past event; when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and; when the amount of the obligation can be estimated reliably. When the Company expects reimbursement of some or all of the expenditure required to settle a provision, the entity recognizes a separate asset for the reimbursement only when it is virtually certain that reimbursement will be received when the obligation is settled.

The amount of the provision recognized is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. A provision is measured using the cash flows estimated to settle the present obligation; its carrying amount is the present value of those cash flows.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Contingent liabilities are not recognized because their existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. Contingent liabilities are disclosed, unless the possibility of an outflow of resources embodying economic benefits is remote.

Contingent assets are not recognized in the separate financial statements but are disclosed when an inflow of economic benefits is probable.

Related Party Relationships and Transactions

Related party relationship exists when one party has the ability to control, directly, or indirectly through one or more intermediaries, the other party or exercise material influence over the other party in making financial and operating decisions. Such relationship also exists between and/or among entities which are under common control with the reporting enterprise, or between, and/or among the reporting enterprise and its key management personnel, directors, or its shareholders. In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

Earnings per Share

Basic earnings per share

The Company computes its basic earnings per share by dividing net profit attributable to common equity holders of the Company by the weighted average number of common shares issued and outstanding during the period.

Diluted earnings per share

Diluted earnings per share is calculated by adjusting the weighted average number of common shares outstanding to assume conversion of all dilutive potential common shares.

Events After the Reporting Date
The Company identifies events after the reporting date as events that occurred after the reporting date but before the date the separate financial statements were authorized for issue. Any subsequent event that provides additional information about the Company's financial position at the reporting data is reflected in the separate financial statements. Non-adjusting subsequent events are disclosed in the notes to the separate financial statements when material.

28. Critical Accounting Judgments and Key Sources of Estimation Uncertainty

The following are the key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a material risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year:

Critical Accounting Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a material risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Revenue and cost recognition on real estate projects
The Company's revenue recognition and cost policies require management to make use of estimates and assumptions that may affect the reported amounts of revenues and costs. The Company's revenue from real estate and construction contracts is recognized based on the percentage of completion (POC) are measured principally on the basis of the estimated completion of a physical proportion of the contract work. Apart from involving material estimates in determining the quantity of inputs such as materials, labor and equipment needed, the assessment process for the POC is complex and the estimated project development costs requires technical determination by management's specialists (project engineers).

Similarly, the commission is determined using the percentage of completion.

Provision for expected credit losses of trade receivables
The Company uses historical loss rates as input to assess credit risk characteristics. The Company determines the appropriate receivables groupings based on shared credit risk characteristics such as revenue type, collateral or type of customer. The historical loss rates are adjusted to reflect the expected future changes in the portfolio condition and performance based on economic conditions and indicators such as inflation and interest rates that are available as at the reporting date.

The assessment of the correlation between historical observed default rates, forecast economic conditions (inflation and interest rates) and ECLs is a material estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Company's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

The information about the ECLs on the Company's trade receivables is disclosed in Notes 6 and 30.

Evaluation of net realizable value of real estate inventories
The Company adjusts the cost of its real estate inventories to net realizable value based on its assessment of the recoverability of the assets. In determining the recoverability of the assets, management considers whether those assets are damaged or if their selling prices have declined.

Likewise, management also considers whether the estimated costs of completion or the estimated costs to be incurred to make the sale have increased. The amount and timing of recorded expenses for any period would differ if different judgments were made or different estimates were utilized.

Results of management's assessment disclosed that there is no need for provision for write-down of inventories as at December 31, 2025 and 2024.

Estimating useful lives of assets
The useful lives of assets are estimated based on the period over which the assets are expected to be available for use. The estimated useful lives of 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 Company's assets. In addition, the estimation of the useful lives is based on the Company's collective assessment of industry practice, internal technical evaluation and experience with similar assets. It is possible, however, that future results of operations could be materially affected by changes in estimates brought about by changes in factors mentioned above. The amounts and timing of recorded expenses for any period would be affected by changes in these factors and circumstances. A reduction in the estimated useful lives of assets would increase the recognized operating expenses and decrease non-current assets.

Post-employment and other employee benefits
The present value of the retirement obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions will impact the carrying amount of retirement obligations.

The Company determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the retirement obligations. In determining the appropriate discount rate, the Company considers the interest rates of government bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating the terms of the related retirement obligation.

Other key assumptions for retirement obligations are based in part on current market conditions. Additional information is disclosed in Note 17.

Retirement obligation as at December 31, 2025 and 2024 amounted to P80,339,532 and P76,019,988, respectively (see Note 17).

Estimating fair value of investment property
The Company obtained the services of an independent valuer who holds a recognized and relevant professional qualification and has recent experience in the location and category of the investment properties being valued. An independent valuation of the Company's investment properties was performed by appraisers to determine their fair values. The valuation was determined by reference to sales and listing of comparable properties.

Recoverability of deferred tax assets
The Company reviews the carrying amounts at each reporting date and reduces deferred tax assets to the extent that it may not be probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilized. The Company considers that it is impracticable to disclose with sufficient reliability the possible effects of sensitivities surrounding the utilization of deferred tax asset.

Total unrecognized deferred tax assets amounted to P161.51 million and P254.99 million as at 2025 and 2024, respectively (see Note 23).

Critical Accounting Judgments

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

Existence of a contract
The Company's primary document for a contract with a customer is a signed contract to sell.

In addition, part of the assessment process of the Company before revenue recognition is to assess the probability that the Company will collect the consideration to which it will be entitled in exchange for the real estate property that will be transferred to the customer.

Collectability
In evaluating whether collectability of an amount of consideration is probable, an entity considers the significance of the customer's initial payments in relation to the total contract price. Collectability is also assessed by considering factors such as past history with the customer, age 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.

Revenue recognition method and measure of progress
The Company concluded that revenue for real estate sales is to be recognized over time because: (a) the Company's performance does not create an asset with an alternative use and; (b) the Company has an enforceable right for performance completed to date. The promised property is specifically identified in the contract and the contractual restriction on the Company's ability to direct the promised property for another use is substantive. This is because the property promised to the customer is not interchangeable with other properties without breaching the contract and without incurring material costs that otherwise would not have been incurred in relation to that contract. In addition, under the current legal framework, the customer is contractually obliged to make payments to the developer up to the performance completed to date. In addition, the Company requires a certain percentage of buyer's payments of total selling price (buyer's equity), to be collected as one of the criteria in order to initiate revenue recognition. Reaching this level of collection is an indication of buyer's continuing commitment and the probability that economic benefits will flow to the Company. The Company considers that the initial and continuing investments by the buyer of about 25% would demonstrate the buyer's commitment to pay.

The Company has determined that output method used in measuring the progress of the performance obligation faithfully depicts the Company's performance in transferring control of real estate development to the customers.

Distinction between investment properties and owner-occupied properties and real estate inventories and held for development
The Company determines whether a property qualifies as investment property. In making this judgment, the Company considers whether the property generates cash flows largely independent of the other assets held by an entity. Owner-occupied properties generate cash flows that are attributable not only to property but also to the other assets used in the production or supply process.

Some properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for use in the production or supply of goods or services or for administrative purposes. If these portions cannot be sold separately at the reporting date, the property is accounted for as investment property only if an immaterial portion is held for use in the production or supply of goods or services or for administrative purposes. Judgment is applied in determining whether ancillary services are so material that a property does not qualify as investment property. The Company considers each property separately in making its judgment.

The Company determines that a property will also be classified as real estate inventory when it will be sold in the normal operating cycle or it will be treated as part of the Company's strategic land activities for development in the medium or long-term.

Contingencies
The Company is currently involved in various legal proceedings and tax assessments. Estimates of probable costs for the resolution of these claims has been developed in consultation with outside counsel handling the defense in these matters and is based upon an analysis of potential results. The Company currently does not believe these proceedings will have a material adverse effect on the financial position. It is possible, however, that future results of operations could be materially affected by changes in the estimates or in the effectiveness of the Company's strategies relating to these proceedings.

29. Fair Value Measurement

The fair values of the Company's financial instruments are equal to the carrying amounts in the separate statements of financial position as at December 31, 2025 and 2024.

Fair values have been determined for measurement and disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values are disclosed in the notes to the separate financial statements specific to that asset or liability.

The methods and assumptions used by the Company in estimating the fair value of the financial instruments are as follows:

Cash and cash equivalents and trade and other receivables – current portion carrying amounts approximate fair values due to the relatively short-term maturities of these items.

Trade and other receivables - non-current portion carrying amounts approximate their fair values as they are either priced using prevailing market rates or that the effect of discounting has been considered.

Financial assets at FVPL and FVOCI – these are investments in equity securities. fair value for quoted equity securities is based on quoted prices published in markets as of reporting dates.

Trade and other payables - the carrying values of trade and other payables approximate its fair value because of the short-term nature of these financial liabilities.

Loans payable – carrying amounts approximate their fair values as they are either priced using prevailing market rates or that the effect of discounting is not material.

The table below analyzes financial instruments measured at fair value at the end of the reporting period by the level in the fair value hierarchy into which the fair value measurement is categorized:

December 31, 2025

	Level 1	Level 2	Level 3	Total
Equity investments:				
Financial assets at FVPL	P6,750,000	P-	P-	P6,750,000
Financial assets at FVOCI	41,867,434	-	-	41,867,434

December 31, 2024

	Level 1	Level 2	Level 3	Total
Equity investments:				
Financial assets at FVPL	P6,750,000	P-	P-	P6,750,000
Financial assets at FVOCI	27,925,315	-	-	27,925,315

30. Financial Risk Management Objective and Policies

The Company's activities expose it to a variety of financial risks: market risk, liquidity risk and credit risk. The Company's overall risk management program seeks to minimize potential adverse effects on the financial performance of the Company. The policies for managing specific risks are summarized below.

The BOD has overall responsibility for the establishment and oversight of the Company's risk management framework. It monitors compliance with the risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. Risk management policies and systems are reviewed regularly to reflect changes in market conditions.

The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

Market risk

Foreign exchange risk
The Company undertakes certain transactions denominated in foreign currencies. Hence, exposures to exchange rate fluctuations arise with respect to transactions denominated in US dollar. Foreign exchange risk arises when future commercial transactions and recognized assets and liabilities are denominated in a currency that is not the Company's functional currency.

Material fluctuation in the exchange rates could materially affect the Company's financial position.

Foreign exchange risk exposure of the Company is limited to its cash and cash equivalents. Currently, the Company has a policy not to incur liabilities in foreign currency. Construction and supply contracts, which may have import components, are normally denominated in Philippine peso.

	2025		2024	
	US dollar Deposit	**Peso Equivalent**	US dollar Deposit	Peso Equivalent
Cash and cash equivalents	**$219,320**	**P12,593,823**	$332,909	P19,313,377

The closing rates applicable as at December 31, 2025 and 2024 are P58.80 and P58.01 to US$1, respectively.

The following table demonstrates the sensitivity to a reasonably possible change in the US Dollar exchange rate, with all other variables held constant, of the Company's income in 2025 and 2024.

The percentage changes in rates have been determined based on the average market volatility in exchange rates, using standard deviation, in the previous 12 months at a 99% confidence level.

	+/-	Effect on Equity
2025	5.86%	P755,572
2024	0.19%	P36,118

Interest rate risk
Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The primary source of the Company's interest rate risk relates to its cash and cash equivalents, trade receivables and loans payable. The interest rates on cash and cash equivalents is disclosed in Notes 3.

Cash and cash equivalents are short-term in nature and with the current interest rate level, any variation in the interest will not have a material impact on the profit or loss of the Company.

Management is responsible for monitoring the prevailing market-based interest rate and ensures that the mark-up charged on its borrowings are optimal and benchmarked against the rates charged by other creditor banks (see Note 15).

The following table illustrates the sensitivity of the Company's profit or loss to a reasonably possible change in interest rates of its cash and cash equivalents and loan with all other variables held constant.

	2025		2024	
	+/-%	Effect on Profit or Loss	+/-%	Effect on Profit or Loss
Cash in bank	0.12%	P24,135	0.10%	P34,821
Cash equivalents	0.08%	24,937	0.08%	7,103
Loans payable	7.81%	(28,717,535)	1.27%	(23,434,342)
		(P28,668,463)		(P23,392,418)

Price risk
Price risk is the risk that the fair value of the financial instrument particularly equity instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or foreign currency risk), whether caused by factors specific to an individual investment, its issuer or factors affecting all instruments traded in the market.

The Company manages the equity price risk through diversification and by placing limits on individual and total equity instruments. The Company's Board of Directors reviews and approves all equity investment decisions.

At December 31, 2025, the impact of 12% increase/decrease in the price of listed equity securities, with all other variables held constant, would have been an increase/decrease of in the Company's total comprehensive income and equity for the year of 2025 – P50,241 and 2024 – P175,995. The Company's sensitivity analysis takes into account the historical performance of the stock market.

Liquidity risk
Liquidity risk refers to the risk in which the Company encounters difficulties in meeting its short-term obligations.

The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

The Company maintains adequate highly liquid assets in the form of cash and cash equivalents to assure necessary liquidity.

The following tables detail the Company's remaining maturity for its non-derivative financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The table includes both interest and principal cash flows.

		Contractual Obligation			
	Carrying Amount	Less than One Year	One to Five Years	More than Five Years	Total
2025			(In Thousand Pesos)		
Trade and other payables*	P398,736	P283,142	P109,267	P321	P398,736
Loans payable	2,209,522	834,569	1,449,268	-	2,283,837
2024					
Trade and other payables*	P265,724	P183,188	P79,530	P2,906	P255,724
Loans payable	1,841,919	1,059,210	956,334	-	2,015,544

**excluding payables to government*

Credit risk
Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company.

The Company's credit risk is primarily attributable to its cash and cash equivalents, and trade and other receivables as disclosed in Notes 3 and 6, respectively. To manage credit risks, the Company maintains defined credit policies and monitors its exposure to credit risks on a continuous basis.

In respect of installments receivable from the sale of properties, credit risk is managed primarily through credit reviews and an analysis of receivables on a continuous basis. The Company also undertakes supplemental credit review procedures for certain installment payment structures. The Company's stringent customer requirements and policies in place contribute to low customer default. Customer payments are facilitated through various collection modes including the use of postdated checks and auto-debit arrangements. Exposure to bad debts is not material as title to real estate properties are not transferred to the buyers until full payment has been made and the requirement for remedial procedures is minimal given the profile of buyers.

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

Other financial assets are comprised of cash and cash equivalents excluding cash on hand, financial assets at FVPL and financial assets at FVOCI. The Company adheres to fixed limits and guidelines in its dealings with counterparty banks and its investment in financial instruments. Bank limits are established on the basis of an internal rating system that principally covers the areas of liquidity, capital adequacy and financial stability. The rating system likewise makes use of available international credit ratings. Given the high credit standing of its accredited counterparty banks, management does not expect any of these financial institutions to fail in meeting their obligations. Nevertheless, the Company closely monitors developments over counterparty banks and adjusts its exposure accordingly while adhering to pre-set limits.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk as at December 31 are as follows:

	2025	2024
Cash and cash equivalents excluding cash on hand	**P57,304,480**	P202,844,054
Trade and other receivables	**294,041,532**	394,121,435
	P351,346,012	P596,965,489

The credit quality of financial assets which are neither past due nor impaired is discussed below:

(a) Cash in banks and cash equivalents

The Company deposits its cash balance in reputable banks to minimize credit risk exposure amounting to P20,112,802 and P35,830,228 as at December 31, 2025 and 2024, respectively.

Cash deposits are considered to be of high grade.

For cash and cash equivalents, the Company applies the low credit risk simplification. The probability of default and loss given defaults are publicly available and are considered to be low credit risk investments. However, when there has been a material increase in credit risk since origination, the allowance will be based on the lifetime ECL. The Company uses the ratings from publicly available sources to determine whether the debt instrument has materially increased in credit risk and to estimate ECLs.

(b) Trade and other receivables

Receivables amounting to P345.65 million as of December 31, 2025 and 2024 were impaired and provided for. The allowance for doubtful accounts for receivables has been determined as follows:

	2025	2024
Trade receivables on sale of real estate	P67,351,667	P68,658,115
Trade receivables on lease	7,034,694	7,034,694
Advances to subsidiaries and associates	238,441,547	237,135,099
Advances	862,891	862,891
Other receivables	31,963,409	31,963,409
	P345,654,208	P345,654,208

b.1. *Trade receivables on real estate*

2025	Stage 1	Stage 2	Stage 3	Total
Trade receivables				
High grade	P119,535,797	P -	P -	P119,535,797
Sub-standard	-	2,689,311	-	2,689,311
Low grade	-	-	147,428,558	147,428,558
Individually impaired	-	-	10,633,871	10,633,871
	119,535,797	2,689,311	158,062,429	280,287,537
Provision				
High grade	147,424	-	-	147,424
Sub-standard	-	-	-	-
Low grade	-	-	56,570,372	56,570,372
Individually impaired	-	-	10,633,871	10,633,871
	147,424	-	67,204,243	67,351,667
	P119,388,373	P2,689,311	P90,858,186	P212,935,870

2024	Stage 1	Stage 2	Stage 3	Total
Trade receivables				
High grade	P183,970,406	P -	P -	P183,970,406
Sub-standard	-	2,274,286	-	2,274,286
Low grade	-	-	208,606,683	208,606,683
Individually impaired	-		10,633,871	10,633,871
	183,970,406	2,274,286	219,240,554	405,485,246
Provision				
High grade	1,453,872	-	-	1,453,872
Sub-standard	-	-	-	-
Low grade	-	-	56,570,372	56,570,372
Individually impaired	-	-	10,633,871	10,633,871
	1,453,872	-	67,204,243	68,658,115
	P182,516,534	P2,274,286	P152,036,311	P336,827,131

High grade exposures are loans that do not have greater-than-normal credit risk. The buyer has the apparent ability and willingness to satisfy his obligation in full and therefore no loss in ultimate collection is anticipated.

Sub-standard grade exposures are receivables that have normal credit risk and have past due above 30 days but below 90 days.

Low grade exposures are receivables that are past due date beyond 90 days and have approached greater-than-normal credit risk.

Individually impaired exposures are receivables that are past due beyond 90 days, have approached greater-than normal credit risk.

For trade receivables on sale of real estate, the Company applies a general approach in calculating ECLs. Under the general approach, ECLs are recognized in three (3) stages as follows:

- Stage 1: For credit exposures for which there has not been a material increase in credit risk since initial recognition and there is no default that occurred. a 12-month ECL is provided for credit losses that result from default events that are possible within the next 12 months.
- Stage 2: For credit exposures for which there has been a material increase in credit risk since initial recognition and there is still no default that occurred, a loss allowance equivalent to lifetime ECL is required for credit losses expected over the remaining life of the exposure.
- Stage 3: For credit exposures for which there has been a material increase in credit risk since initial recognition and for which an actual default has also occurred, a loss allowance equivalent to lifetime ECL is required for credit losses expected over the remaining life of the exposure.

b.2 For trade receivables on lease and other financial assets such as accrued receivable, receivable from related parties and advances to other companies, impairment provisions would be based on the assumption that the receivable is demanded at the reporting date and it would reflect the losses (if any) that would result from this. Since the receivables are collectible on demand, the contractual period is the very short period needed to transfer the cash once demanded.

Discounting would have immaterial effect in the balances.

	2025			
	Lease	Advances to subsidiaries and associates	Advances	Other receivables
Gross amount	P31,226,399	P279,161,466	P6,027,139	P42,453,199
Provisions	7,034,694	238,441,547	862,891	31,963,409
Carrying Amount	P24,191,705	P40,719,919	P5,164,248	P10,489,790

	2024			
	Lease	Advances to subsidiaries and associates	Advances	Other receivables
Gross amount	P29,571,731	P254,248,323	P6,872,735	P43,597,608
Provisions	7,034,694	237,135,099	862,891	31,963,409
Carrying Amount	P22,537,037	P17,113,224	P6,009,844	P11,634,199

31. Capital Management

The Company manages its capital to ensure that the Company is able to continue as a going concern while maximizing the return to shareholders through the optimization of the debt and equity balance.

The capital structure of the Company consists of equity, which comprises of issued capital, reserves and retained earnings.

Management reviews the capital structure on a quarterly basis. As part of this review, management considers the cost of capital and the risks associated with it.

There were no changes in the Company's approach to capital management during the year.

The Company has capital requirements on their loans payable in which they shall maintain a maximum debt-to-equity ratio of 2:1 at all times. As at December 31, 2024 and 2023, the Company is within the requirement of the loan (see Note 15).

As part of the reforms of the Philippine Stock Exchange (PSE) to expand capital market and improve transparency among listed firms, PSE requires listed entities to maintain a minimum of ten percent (10%) of their issued and outstanding shares, exclusive of any treasury shares, held by the public. The Company has fully complied with this requirement in 2025 and 2024.

32. Supplementary Information Required by the Bureau of Internal Revenue (BIR)

The Bureau of Internal Revenue issued RR15-2010 and RR2-2014 on December 10, 2010 and February 3, 2014, respectively, which requires certain tax information to be disclosed in the notes to the separate financial statements. The Company presented the required supplementary tax information as a separate schedule attached to its annual income tax return.

1. Revenue Regulation No. 15-2010

On December 28, 2010, Revenue Regulation (RR) No. 15-2010 became effective and amended certain provisions of RR No. 21-2002 prescribing the manner of compliance with any documentary and/or procedural requirements in connection with the preparation and submission of financial statements and income tax returns. Section 2 of RR No. 21-2002 was further amended to include in the Notes to Financial Statements information on taxes, duties and license fees paid or accrued during the year in addition to what is mandated by PFRS Accounting Standards.

Below is the additional information required by RR No. 15-2010. This information is presented for the purpose of filing with the Bureau of Internal Revenue (BIR) and is not a required part of the basic financial statements.

A. Value added tax (VAT)

The NIRC of 1997 also provides for the imposition of VAT on sales of goods and services. Accordingly, the Company's sales are subject to output VAT while its importations and purchases from other VAT-registered individuals or corporations are subject to input VAT. RA No. 9337 increased the value added tax (VAT) rate from 10.0% to 12.0%, effective February 1, 2006.

Details of the Company's net sales/receipts, output VAT and input VAT accounts are as follows:

a. Output Value Added Tax (VAT)

Output VAT declared for the years ended December 31, 2025 and 2024 and the revenues upon which the same was based consist of:

	2025		2024	
	Gross amount	VAT	Gross amount	VAT
Subject to 12% VAT				
Sale of services/goods	P142,858,106	P17,142,973	P42,529,231	P5,103,508
Leasing income	21,498,667	2,579,840	113,520,024	13,622,403
Zero-rated				
Sale of services	-	-	-	-
Exempt				
Sale of services	-	-	-	-
Total	P164,356,773	P19,722,813	P156,049,255	P18,725,911

b. Input Value Added Tax (VAT)

Movements in Input VAT for the years ended December 31, 2025 and 2024 follow:

	2025	2024
Balance at beginning of year	P69,828,517	P9,518,267
Input tax on Capital goods deferred from previous quarter	-	657,271
Add: Current year's domestic purchases/payments for:		
Services lodged under cost of goods sold	-	-
Goods for resale/manufacture or further processing	-	-
Services lodged under other accounts	8,509,787	52,635,896
Capital goods – not exceeding 1M	-	337,875
Capital goods – exceeding 1M	111,429	497,464
Goods other than for resale or manufacture	42,368,140	24,907,655
Importation of Goods other than Capital Goods	-	-
Less: Claims for tax credit/refund and other adjustments	-	-
Input tax on Capital goods deferred for succeeding periods	-	-
Balance at end of year	P120,817,873	P88,554,428

	2025	2024
VAT output tax declared for the year	P19,722,813	P18,725,911
Less: Balance of VAT Input tax at the end of the year	120,817,873	88,554,428
Value added tax payable (excess input VAT) for the year	(101,095,060)	(69,828,517)
Less: VAT payments for the current year		
1st quarter	-	-
2nd quarter	-	-
3rd quarter	-	-
October	-	-
November	-	-
VAT payable (Excess Input VAT)	(P101,095,060)	(P69,828,517)

8. Withholding taxes

Withholding taxes paid, accrued and/or withheld for the years ended December 31, 2025 and 2024 consist of:

	2025	2024
Withholding tax on compensation	P12,855,051	P11,446,639
Expanded withholding tax	15,930,593	19,696,882
	P28,785,644	P31,142,521

C. All other local and national taxes

All other local and national taxes paid for the years ended December 31, 2025 and 2024 consist of:

	2025	2024
Cost of Service:		
Real estate taxes	P6,812,665	P6,899,327
Documentary stamp taxes	104,162	135,122
Operating and administrative:		
Real estate taxes	3,045,105	3,371,884
License and permits fees	6,746,340	7,963,918
Documentary stamp taxes	6,825,226	6,047,076
Miscellaneous	809,550	11,000,000
	P24,343,048	P35,417,327

The above local and national taxes are lodged under Taxes and Licenses account in cost and expenses in the statements of total comprehensive income (loss) (see Notes 20 and 21).

D. Tax Contingencies

The Company have deficiency tax assessments with the BIR for the year 2023 as of December 31, 2025.

II. Revenue Regulation No. 2-2014

RR No. 2-2014 prescribes the new BIR forms that should be used for income tax filing covering and starting with the calendar year 2013. The Guidelines and Instructions Section of the new BIR Form 1702 (version June 2013) requires an attachment to the income tax returns is an Account Information Form and/or Financial Statements that include in the Notes to Financial Statements schedule of taxes and licenses and other information prescribed to be disclosed in the Notes to the Financial Statements.

The Company's schedule of taxes and licenses for the year ended December 31, 2025 is as follows:

Nature	Supporting Documents	Amount
Real estate taxes	Various ORs	P9,857,770
Documentary stamp taxes	Various ORs	6,929,388
License and permits fees	Various ORs	6,746,340
Miscellaneous	Various ORs	809,550
		P24,343,048

"ANNEX F"

<u>Procedure for Registration, Participation and Voting</u>
<u>in the 2026 Annual Stockholders Meeting</u>
<u>of PHILIPPINE REALTY AND HOLDINGS CORPORATION</u>

Philippine Realty and Holdings Corporation (the **Company**) will be conducting its Annual Stockholders' Meeting (**ASM**) scheduled on July 31, 2026, at 3:00 PM, virtually. There will no longer be a physical venue for the ASM.

Only Stockholders of record as of June 08, 2026 are entitled to participate and vote in the 2026 ASM.

I. Registration and Participation/Attendance Procedure:

1. Stockholders who intend to participate in the virtual ASM may register by sending an email to asmregistration@philrealty.com.ph of their intention to participate attaching therewith the required document/s below on or before 5:00 PM of July 16, 2026:

   a. For individual stockholders:

      i. Scanned copy of any valid government-issued ID;
      ii. Scanned copy of stock certificate in the name of the individual stockholder; and
      iii. Active contact number, either landline or mobile.

   b. For stockholders with joint accounts:

      i. Scanned copy of authorization letter signed by other stockholders indicating the person among them authorized to participate and/or vote in the 2026 ASM;
      ii. Documents required under items 1.a (i) and (iii) for the authorized stockholder;
      iii. Scanned copy of stock certificate in the name of the joint stockholders.

   c. For stockholders under PCD Participant / Brokers Account or "Scripless Shares":

      i. Coordinate with the broker and request for the full account name and reference number or account number;
      ii. Documents required under items 1.a (i) and (iii).

   d. For corporate stockholders:

      i. Secretary's Certificate attesting to the authority of the representative to participate and / or vote in the 2026 ASM;
      ii. Documents required under items 1.a (i) and (iii) for the authorized representative;
      iii. Scanned copy of stock certificate in the name of the corporate stockholder.

2. Upon successful registration and validation of the documents submitted through email above, the stockholder will receive an email confirmation containing the the Zoom link and access code to log in and view the 2026 ASM.

3. Only those stockholders who have registered following the procedure above, and stockholders who have voted by providing their executed Proxy Form, shall be included for purposes of determining the existence of a quorum.

4. For purposes of voting during the 2026 ASM please see section on Voting Procedure below.

5. For the Question-and-Answer portion, stockholders may send their questions related to the agenda thru the chat box found in the zoom application. The stockholder must provide complete name, email address and the question prior to clicking "submit" button. Due to limitations on technology and time, not all questions may be responded to during the 2026 ASM but the Company will endeavor to respond to all the questions through email.

6. The proceedings during the 2026 ASM will be recorded as required by the Securities and Exchange Commission.

7. Stockholders intending to register and participate in the 2026 ASM should send their email on or before 5:00 PM on July 16, 2026.

II. Voting Procedure:

Stockholders may vote during the 2026 ASM either (1) by Proxy or (2) by voting *in absentia* through our Online Stockholder Voting System.

1. Voting by Proxy:

    a. Download and fill up the Proxy Form from www.philrealty.com.ph/investor-relations/. The Chairman, or in his absence, the Vice-Chairman, is authorized to cast the votes pursuant to the instructions in the Proxy Form.

    b. Send a scanned copy of the executed proxy Form by email to asmregistration@philrealty.com.ph.

    c. The scanned copy of the executed Proxy Form should be emailed to above not later than 5:00 PM on or before June 23, 2026.

    d. The hard copy of the signed Proxy Form should be delivered to the Company's principal office address at One Balete, 1 Balete Drive corner N. Domingo Street, Barangay Kaunlaran, District 4, Quezon City 1111. The office will be open to receive forms from Monday to Friday, 10 AM to 5 PM.

2. Voting in absentia through the Online Stockholder Voting System:

    a. Follow the Registration and Participation/Attendance Procedure set forth above.

    b. Upon validation, the Company will send an email to the stockholder containing the link for the Online Stockholder Voting System and the instructions for casting votes in the Online Stockholder Voting System. Registered stockholders shall have until 5:00 PM of July 23, 2026 to cast their votes. The Online Stockholder Voting System will be open starting 8:00 AM and will be closed at 5:00 PM on July 23, 2026.

c. All agenda items indicated in the Notice of Meeting will be included in the Online Stockholder Voting System and the registered stockholder may vote as follows:

   i. For items other than election of the Directors, the stockholder may vote: “For”, “Against”, or “Abstain”. The vote shall be considered as cast for all the stockholder’s shares.
   ii. For the election of Directors, the stockholder may vote for all the nominees, not vote for any of the nominees, or vote for some of the nominees only, in such number of shares as the stockholder may see fit, 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.

d. Once voting is completed in the Online Stockholder Voting System, the stockholder shall proceed to click on the “Submit” button which shall complete the process. Once submitted, the stockholder may no longer change the votes cast. The votes cast *in absentia* will have equal effect as votes cast by proxy.

For any questions or clarification, you may contact us through asmregistration@philrealty.com.ph or through telephone number 8631-3179, our stock transfer agent, Stock Transfer Service, Inc., through Michael Capoy at mccapoy@stocktransfer.comp.ph or their telephone number 8403-3798.

PROXY

The undersigned stockholder of **PHILIPPINE REALTY AND HOLDINGS CORPORATION** (the Company") hereby appoints____, or in case of his/her/its non-attendance, the Chairman of the meeting, as *attorney-in-fact* and *proxy,* to represent and vote all shares registered in his/her/its name at the annual meeting of stockholders of the Company on **July 31, 2026 (Friday)** at **3:00 p.m.** by remote communication and at any of the adjournments thereof to act on the matters stated below.

Please place an "X" in the box below to indicate how you wish your votes to be cast in respect of the matters to be taken up during the meeting.

If no specific direction as to voting is given, the votes will be cast for the election of all nominees and the approval of the resolutions on the matters stated below and as set out in the notice, and for such other matters as may properly come before the meeting in the manner described in the Information Statement and as recommended by the Chairman.

1. Approval of the minutes of previous meeting.

   For ☐ Against ☐ Abstain ☐

2. Annual Report

   For ☐ Against ☐ Abstain ☐

3. Ratification of the acts of the Board of Directors and Officers.

   For ☐ Against ☐ Abstain ☐

4. Election of Directors

	Vote in Favor	Do not Vote	No. of Votes
Gerardo Domenico Antonio V. Lanuza	☐	☐	__________
Gerardo O. Lanuza, Jr.	☐	☐	__________
Edmundo C. Medrano	☐	☐	__________
Antonio O. Olbes	☐	☐	__________
Renato G. Nuñez	☐	☐	__________
Andrew C. Ng	☐	☐	__________
Alfonso Martin E. Eizmendi	☐	☐	__________
Chiara Rosario Julia L. Paredes	☐	☐	__________
Rosalinda Y. Basas	☐	☐	__________
Fernando L. Gaspar	☐	☐	__________
Alicia C. Sy	☐	☐	__________

5. Election of Maceda Valencia & Co. as the External auditor

For ☐ Against ☐ Abstain ☐

6. At his/her discretion, the proxy named above is authorized to vote upon such other matters as may properly come before the meeting.

For ☐ Against ☐ Abstain ☐

A scanned copy of this proxy must be submitted to the corporate secretary at asmregistration@philrealty.com.ph on or before 5:00 p.m. on July 23, 2026, the deadline for the submission of proxies. For corporate stockholders, please attach to this proxy form the secretary's certificate on the authority of the signatory to appoint the proxy and sign this form.

A stockholder granting 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 registers to vote in absentia.

Stockholders participating by remote communication will not be able to vote unless they register or authorize the Chairman to vote as a proxy, on or before 5:00 p.m. on July 23, 2026.
Notarization of this proxy is not required.

____
Printed Name of Stockholder

____
Signature of Stockholder/Authorized Signatory

____
Date

ANNEX "H"

C E R T I F I C A T I O N

I, **ATTY. REX P. BONIFACIO**, of legal age, Filipino, with office address at Pastelero Law Office, Unit E-1503, 15th Floor, East Tower, Tektite Towers, Exchange Road, Ortigas Center, Pasig City, Metro Manila, after having been sworn to in accordance with law, does hereby certify that:

I am duly elected and incumbent Corporate Secretary of Philippine Realty and Holdings Corporation (the "**Corporation**"), a corporation organized and existing under the laws of the Philippines, with principal office at One Balete, 1 Balete Drive corner N. Domingo Street, Barangay Kaunlaran, District 4, Quezon City 1111.

Based on the information provided to the Corporation by the members of its Board of Directors and its principal executive officers, none of said members and its new nominees to the Board of Directors, and its principal executive officers are presently employed by any office or agency of the Philippine Government.

IN ATTESTATION OF THE ABOVE, this Certificate was signed this 3rd day of July 2026 at Pasig City

ATTY. REX P. BONIFACIO
Corporate Secretary

ANNEX “I”

CERTIFICATION OF INDEPENDENT DIRECTOR

CERTIFICATION OF INDEPENDENT DIRECTOR

I, **FERNANDO L. GASPAR,** Filipino, of legal age and a resident of Unit 12B La Isla Condominium, Opal Road, Ortigas Center, San Antonio, Pasig City 1605, after having been duly sworn to in accordance with law do hereby declare that:

1. I am a nominee for independent director of Philippine Realty and Holdings Corporation.

2. I am/was affiliated with the following companies or organizations (including Government-Owned and Controlled Corporations):

Company/Organization	Position/ Relationship	Period of Service
Ortoll Group of Companies	Chairman of the Board	January 2017 to Present
Alliance Select Foods International, Inc. (ASFII)	Independent Director	April 2023 to Present
Radiowealth Finance Corporation (RFC)	Member of the Board	April 2024 to Present
Sociedad Española Beneficiencia (SEB)	President	June 2025 to Present
Falconer Aircraft Management Inc. (FAMI)	President and CEO	July 2022 to June 2025
Aviation Concepts Technical Services Inc. (ACTSI)	President and CEO	July 2022 to June 2025
Kerry Group Philippines Foundation Inc.	President and CEO	February 2020 to June 2022

3. I possess all the qualifications and none of the disqualifications to serve as an Independent Director of Philippine Realty and Holdings Corporation, as provided for in Section 38 of the Securities Regulation Code, its implementing Rules and Regulations and other SEC issuances.

4. I am related to the following director/officer/substantial shareholder of Philippine Realty and Holdings Corporation other than the relationship provided under Rule 38.2.3 of the Securities Regulation Code. (where applicable)

Name of Director/Officer/ Substantial Shareholder	Company	Nature of Relationship
NOT APPLICABLE		

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 Securities Regulation Code and its Implementing Rules and Regulations, Code of Corporate Governance and other SEC issuances.

7. I shall inform the Corporate Secretary of Philippine Realty and Holdings Corporation of any changes in the abovementioned information within five days from its occurrence.

Done this JUL 0 2 2026 day of ______________ at QUEZON CITY.

Fernando L. Gaspar
FERNANDO L. GASPAR
Affiant

SUBSCRIBED AND SWORN to before me this JUL 0 2 2026 day of ______________ at QUEZON CITY, affiant personally appeared before me and exhibited to me his Pasig City Senior Citizen ID with No. 64536.

NOTARY PUBLIC

ATTY. BRYAN G. PEKAS
NOTARY PUBLIC FOR QUEZON CITY
ADM. MATTER NO. NP-171 VALID UNTIL DEC. 31, 2026
ROLL OF ATTORNEY NO. 66393/TIN 289-467 753
IBP NO. 576803 DECEMBER 30, 2025, QUEZON CITY
MCLE NO. VIII 0013054, VALID UNTIL 14/APR/2028
PTR NO. 10438501, JANUARY 5, 2026, MARIKINA CITY
603 EDSA DIAMOND FINANCE, CUBAO, Q.C.

Doc. No. 161 ;
Page No. 34 ;
Book No. CXLI ;
Series of 2026.

CERTIFICATION OF INDEPENDENT DIRECTOR

I, **ALICIA C. SY,** Filipino, of legal age and a resident of 130 Arcadia Avenue, Arcadia Village, Quezon City, after having been duly sworn to in accordance with law do hereby declare that:

1. I am a nominee for independent director of Philippine Realty and Holdings Corporation.

2. I am/was affiliated with the following companies or organizations (including Government-Owned and Controlled Corporations):

Company/Organization	Position / Relationship	Period of Service
Robb Report Philippines	Lifestyle Editor	2024 to Present
Town & Country Philippines	Executive Editor	2012 to 2020

3. I possess all the qualifications and none of the disqualifications to serve as an Independent Director of Philippine Realty and Holdings Corporation, as provided for in Section 38 of the Securities Regulation Code, its implementing Rules and Regulations and other SEC issuances.

4. I am related to the following director/officer/substantial shareholder of Philippine Realty and Holdings Corporation other than the relationship provided under Rule 38.2.3 of the Securities Regulation Code. (where applicable)

Name of Director/Officer/ Substantial Shareholder	Company	Nature of Relationship
NOT APPLICABLE		

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 Securities Regulation Code and its Implementing Rules and Regulations, Code of Corporate Governance and other SEC issuances.

7. I shall inform the Corporate Secretary of Philippine Realty and Holdings Corporation of any changes in the abovementioned information within five days from its occurrence.

Done this _______ day of __________________ at__________________.

ALICIA C. SY
Affiant

SUBSCRIBED AND SWORN to before me this _______ day of ______________ at _______________, affiant personally appeared before me and exhibited to me her Passport No. P5773483A issued on January 26, 2018, at DFA NCR EAST.

NOTARY PUBLIC

Doc. No. ________ ;
Page No. ________ ;
Book No. ________ ;
Series of 2026.

CERTIFICATION OF INDEPENDENT DIRECTOR

I, **ROSALINDA Y. BASAS,** Filipino, of legal age and a resident of 56 Sgt. Esguerra Ave. South Triangle, Quezon City, after having been duly sworn to in accordance with law do hereby declare that:

1. I am a nominee for independent director of Philippine Realty and Holdings Corporation and have been its independent director since May 27, 2025.

2. I am/was affiliated with the following companies or organizations (including Government-Owned and Controlled Corporations):

Company/Organization	Position/ Relationship	Period of Service
Empowering Brilliant Minds Foundation, Inc.	Executive Director	October 2012 to Present
Saint Pedro Poveda College	College President	June 1, 2022 to June 30, 2025
Sangguniang Laiko ng Pilipinas	Executive Vice President	2020 to 2021
Sangguniang Laiko ng Pilipinas	Board Secretary	2016 to 2019
MARAJO Group of Companies	Management/HR Consultant	2013 to 2014
Teresian Association	General Council Member	July 2006 to August 2012

3. I possess all the qualifications and none of the disqualifications to serve as an Independent Director of Philippine Realty and Holdings Corporation, as provided for in Section 38 of the Securities Regulation Code, its implementing Rules and Regulations and other SEC issuances.

4. I am related to the following director/officer/substantial shareholder of Philippine Realty and Holdings Corporation other than the relationship provided under Rule 38.2.3 of the Securities Regulation Code. (where applicable)

Name of Director/Officer/ Substantial Shareholder	Company	Nature of Relationship
NOT APPLICABLE		

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 Securities Regulation Code and its

Implementing Rules and Regulations, Code of Corporate Governance and other SEC issuances.

7. I shall inform the Corporate Secretary of Philippine Realty and Holdings Corporation of any changes in the abovementioned information within five days from its occurrence.

Done this _______ day of __________________ at__________________.

ROSALINDA Y. BASAS
Affiant

SUBSCRIBED AND SWORN to before me this _______ day of ______________ at_______________, affiant personally appeared before me and exhibited to me her Philippine Identification Card with No. 4187-0278-3682-5048.

NOTARY PUBLIC

Doc. No. ________ ;
Page No. ________ ;
Book No. ________ ;
Series of 2026.

ANNEX "J"

FIRST QUARTER REPORT SEC FORM 17-Q

COVER SHEET

9 9 9 0 5

S.E.C. Registration Number

P H I L I P P I N E   R E A L T Y   A N D   H O L D I N G S

C O R P O R A T I O N

(Company's Full Name)

O N E   B A L E T E   1   B A L E T E   D R I V E   C O R

N   D O M I N G O   S T   B R G Y   K A U N L A R A N

D I S T R I C T   4   Q U E Z O N   C I T Y   1 1 1 1

(Business Address : No. Street Company / Town / Province)

Mr. Mark Anthony M. Ramos

Contact Person

8631-3179

Company Telephone Number

0 3 | 3 1

Month | Day

1 7 Q

FORM TYPE

Month Day

Annual Meeting

N/A

Secondary License Type, If Applicable

Dept. Requiring this Doc.

Amended Articles Number/Section

Total Amount of Borrowings

Total No. of Stockholders

Domestic

Foreign

To be accomplished by SEC Personnel concerned

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-Q

QUARTERLY REPORT PURSUANT TO SECTION 17 OF THE SECURITIES REGULATION CODE AND SRC RULE 17(2)(b) THEREUNDER

1. For the quarterly period ended March 31, 2026

2. Commission identification number 99905   3. BIR Tax Identification No. 000 188-233

4. Exact name of issuer as specified in its charter

PHILIPPINE REALTY AND HOLDINGS CORPORATION

5. Province, country or other jurisdiction of incorporation or organization PHILIPPINES

6. Industry Classification Code: [ ] (SEC Use Only)

7. Address of issuer's principal office   Postal Code

One Balete, 1 Balete Drive cor. N. Domingo St., Brgy Kaunlaran, District 4, Quezon City 1111
Satellite Office: E-1609 16th Floor East Tower, PSE Center, Exchange Rd., Ortigas Center, Pasig

8. Issuer's telephone number, including area code

(632) 8631-3179

9. The Registrant has not changed its corporate name and fiscal year. Prior to its transfer to the above satellite office address the registrant held its satellite office at 2002 East Tower, PSE Center, Exchange Rd., Ortigas Center, Pasig City.

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

Title of each Class	Number of shares of common stock outstanding and amount of debt outstanding
Common	9,100,102,685 shares

11. 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:
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 Code and SRC Rule 17 thereunder or Sections 11 of the RSA and RSA Rule 11(a)-1 thereunder, and Sections 26 and 141 of the Corporation Code of the Philippines, during the preceding twelve (12) months (or for such shorter period the registrant was required to file such reports)
Yes [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.

A copy of the comparative statements as of and for the quarters ended March 31, 2026 and 2025, is submitted as part of this report. The financial statements were prepared in accordance with accounting standards generally accepted in the Philippines. The accounting policies and methods of computations followed in the interim financial statements are the same compared with the audited financial statements for the period ended December 31, 2025.

Changes affecting balance sheet and income statement items are further disclosed in the Management Discussion and Analysis. There are no material events after the end of the interim period that have not been reflected in the financial statements for the interim period. The company had reclassified accounts such as dividends, capital and foreign exchange gains, interest, and equity earnings to investment income during the period.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

Refer to the Three months ended March 31, 2026 Analysis of Unaudited Consolidated Financial Statement attached as Exhibit I, Comparative Financial Soundness Indicators as Exhibit II, and Business Segments as Exhibit III.

SIGNATURES

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

EDMUNDO C. MEDRANO
President

May 13, 2026

MARISSA S. BONTOGON
Vice President and Treasurer and
Risk Officer

May 13, 2026

MARK ANTHONY M. RAMOS
Vice President and Controller, and
Compliance Officer

May 13, 2026

PHILIPPINE REALTY AND HOLDINGS CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS OF MARCH 31, 2026 AND DECEMBER 31, 2025

		Unaudited March 31 2026		Audited December 31 2025
ASSETS				
Current Assets				
Cash and cash equivalents	**P**	**64,391,581**	P	67,956,349
Financial assets at fair value through profit or loss (FVPL)		**6,750,000**		6,750,000
Trade and other receivables - current portion		**227,263,155**		223,262,586
Real estate inventories		**3,118,364,285**		2,948,523,289
Prepayments and other assets - net		**970,934,886**		971,186,309
Total Current Assets		**4,387,703,907**		4,217,678,533
Non-current Assets				
Financial assets at fair value through other comprehensive income (FVOCI)		**38,551,834**		41,867,434
Trade and other receivables - net of current portion		**33,424,568**		33,424,568
Investments in and advances to associates - net		**53,214,036**		53,577,532
Investment properties - net		**5,451,388,370**		5,451,388,370
Property and equipment - net		**68,585,101**		71,629,190
Other non-current assets		**53,386**		53,386
Total Non-current Assets		**5,645,217,295**		5,651,940,480
Total Assets	**P**	**10,032,921,202**	P	9,869,619,013
LIABILITIES AND EQUITY				
LIABILITIES				
Current Liabilities				
Trade and other payables - current portion	**P**	**369,845,023**	P	336,992,014
Loans and notes payable - current portion		**935,037,066**		760,651,466
Total Current Liabilities		**1,304,882,089**		1,097,643,480
Non-current Liabilities				
Trade and other payables - net of current portion		**120,284,167**		108,849,648
Loans and note payable - net of current portion		**1,448,266,830**		1,448,970,595
Retirement benefit obligation		**98,980,145**		95,136,266
Deferred tax liabilities - net		**642,690,108**		642,690,108
Deferred rent income		**6,335,104**		11,879,904
Total Non-current Liabilities		**2,316,556,354**		2,307,526,521
Total Liabilities		**3,621,438,443**		3,405,170,001
Equity Attributable to Equity Holders of the Parent Company				
Capital stock		**4,275,721,448**		4,275,721,448
Additional paid-in capital		**777,487,094**		777,487,094
Reserves		**68,705,675**		72,021,276
Retained earnings		**1,444,806,708**		1,494,456,767
Treasury stock		**(110,049,633)**		(110,049,633)
		6,456,671,292		6,509,636,952
Equity Attributable to Non-Controlling Interest		**(45,188,533)**		(45,187,940)
		6,411,482,759		6,464,449,012
	P	**10,032,921,202**	P	9,869,619,013

PHILIPPINE REALTY AND HOLDINGS CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE THREE MONTHS ENDED MARCH 31, 2026 AND 2025

		2026		2025
INCOME				
Rent	P	**20,458,469**	P	20,081,858
Management fees		**9,166,662**		10,236,001
Interest		**348,151**		2,514,446
Commission		**1,136,090**		4,503,262
Other income		**4,762,745**		806,422
		35,872,117		38,141,989
COSTS AND EXPENSES				
Cost of services		**19,657,239**		21,904,301
General and administrative expenses		**48,799,712**		50,456,472
Finance cost		**16,145,597**		19,430,142
Equity in net loss of associate		**363,497**		519,071
		84,966,045		92,309,986
LOSS BEFORE INCOME TAX		**(49,093,928)**		(54,167,997)
INCOME TAX EXPENSE		**556,725**		1,007,374
NET LOSS		**(49,650,653)**		(55,175,371)
ATTRIBUTABLE TO:				
Equity holders of the parent		**(49,650,060)**		(55,170,849)
Non-controlling interest		**(593)**		(4,522)
		(49,650,653)		(55,175,371)
OTHER COMPREHENSIVE INCOME (LOSS):				
Unrealized holding loss on AFS investments		**(3,315,600)**		(1,105,200)
TOTAL COMPREHENSIVE LOSS	**(P**	**52,966,253)**	(P	56,280,571)
Loss per share				
Basic		**(0.005456)**		(0.006063)
Diluted		**(0.005456)**		(0.006063)
Number of shares outstanding				
Basic		**9,099,309,288**		9,099,309,288
Diluted		**9,099,309,288**		9,099,309,288

PHILIPPINE REALTY AND HOLDINGS CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE THREE MONTHS ENDED MARCH 31, 2026 AND 2025

		2026		2025
Capital Stock				
Authorized 8,000,000,000 common shares				
Issued and outstanding 7,866,647,523 shares in 2026;				
7,866,647,523 shares in 2025				
Capital stock	P	**3,933,323,762**	P	3,933,323,762
Subscribed capital stock 1,314,711,262 shares in 2026;				
1,314,711,262 shares in 2025		**657,355,632**		657,355,632
Less: Subscription receivable - Capital Stock		**157,478,973**		157,478,973
Subscription receivable - APIC		**157,478,973**		157,478,973
		342,397,686		342,397,686
Capital stock		**4,275,721,448**		4,275,721,448
Additional paid-in capital		**777,487,094**		777,487,094
Total Capital stock		**5,053,208,542**		5,053,208,542
Reserves				
Appropriated retained earnings for				
Treasury stock acquisition		**109,712,439**		109,712,439
Revaluation on FVOCI				
Balance, beginning		**(17,868,901)**		(31,811,020)
Unrealized holding loss on financial assets at FVOCI		**(3,315,600)**		(1,105,200)
Balance, end		**(21,184,501)**		(32,916,220)
Accumulated Remeasurement Losses		**(19,822,262)**		(23,538,901)
		68,705,676		53,257,319
Retained earnings				
Balance, beginning		**1,494,456,767**		1,557,228,901
Net loss		**(49,650,060)**		(55,170,849)
Balance, end		**1,444,806,707**		1,502,058,052
		6,566,720,925		6,611,666,848
Treasury Stock		**(110,049,633)**		(110,049,633)
		6,456,671,292		6,501,617,215
Minority Interest				
Balance, beginning		**(45,187,940)**		(41,556,113)
Adjustment		**(593)**		(4,522)
		(45,188,533)		(41,560,635)
	P	**6,411,482,759**	P	6,460,056,580

PHILIPPINE REALTY AND HOLDINGS CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE THREE MONTHS ENDED MARCH 31, 2026 AND 2025

	2026	2025
Cash flows from Operating Activities		
Net Loss	(P 49,650,060)	(P 55,170,849)
Adjustments for:		
Financial assets at fair value through other comprehensive income (FVOCI)	(3,315,600)	(1,105,200)
Increase (decrease) in minority interest	(593)	(4,522)
Depreciation and amortization	2,225,346	3,993,771
Loss from operations before working capital changes	(50,740,907)	(52,286,800)
Decrease (Increase) in:		
Real estate inventories	(169,840,996)	(120,767,973)
Trade and other receivables - net	(4,000,569)	8,557,126
Prepayments and other current assets	251,423	4,004,779
Increase (Decrease) in:		
Trade and other payables	44,287,528	84,154,492
Retirement benefit obligation	3,843,879	3,893,834
Other non-current liabilities	(5,544,800)	(6,501,557)
Net cash used in operating activities	(181,744,442)	(78,946,099)
Cash Flows from Investing Activities		
Decrease (Increase) in:		
Right of use asset	-	2,666,340
Investment in finance lease	-	4,022,431
Lease liability	-	(4,018,722)
Investments in and advances to associates - net	363,496	519,070
Financial assets at fair value through other comprehensive income (FVOCI)	3,315,600	1,105,200
Investment property	-	(754,626)
Net disposal (additions) to property and equipment	818,743	(360,433)
Net cash provided by investing activities	4,497,839	3,179,260
Cash Flows from Financing Activities		
Availment of loans payable	708,053,600	736,832,000
Payment of bank loans and notes	(534,371,765)	(655,814,200)
Net cash provided by financing activities	173,681,835	81,017,800
Net (increase) decrease in Cash and Cash Equivalents	(3,564,768)	5,250,961
Cash and Cash Equivalents, Beginning	67,956,349	212,525,104
Cash and Cash Equivalents, End	P 64,391,581	P 217,776,065

PHILIPPINE REALTY AND HOLDINGS CORPORATION AND SUBSIDIARIES
AGING OF ACCOUNTS RECEIVABLE-TRADE
AS OF MARCH 31, 2026

PARTICULARS	*CURRENT*	*OVER DUE*			*TOTAL*
		31-60 DAYS	*61-90 DAYS*	*OVER 91 DAYS*	
PHILIPPINE REALTY AND HOLDINGS CORPORATION	P 184,657,689	P 504,756	P 351,330	P 40,146,933	P 225,660,708
PRHC PROPERTY MANAGERS, INC.	2,828,551	157,204	-	-	2,985,756
TEKTITE INSURANCE BROKERS, INC.	4,809,857	-	-	-	4,809,857
UNIVERSAL TRAVEL CORPORATION	-	-	-	-	-
SULTAN'S POWER INC.	-	-	-	-	-
THREE CORNERS REALTY CORPORATION	-	-	-	-	-
GRAND TOTAL	P 192,296,097	P 661,960	P 351,330	P 40,146,933	P 233,456,321

Accounts Receivable - Trade	P 233,456,321
Accounts Receivable - Others	27,231,403
Total	P 260,687,723

FINANCIAL INFORMATION

Management's Discussion and Analysis of Financial Condition or Results of Operation

The financial results for the first three (3) months of 2026 of Philippine Realty and Holdings Corporation (interchangeably referred to by its PSE trading symbol "**RLT**" or "**Parent Company**" or as the "**RLT Group**" or "**Group**") reflected a consolidated net loss after tax of ₱50 million. But in spite of this, the Group still maintained acceptable and very conservative liquidity and solvency ratios.

GDP Growth

The country's gross domestic product (**GDP**) posted a year-on-year growth of 2.8% in the first quarter of 2026. This represents a decline from the 3.0% growth rate recorded in the last quarter of 2025. This growth rate is the lowest since the pandemic, as rising oil prices negatively affected consumer spending and drove up inflation.

The main contributors to the first quarter 2026 year-on-year growth were Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles, 4.6%; Financial and insurance activities, 3.4%; and Public Administration and Defense, Compulsory Social Security, 8.6%.

Government Borrowings

As of March 2026, the outstanding debt of the National Government (**NG**) reached ₱18.49 trillion, 10.81% higher compared to ₱16.68 trillion in the same period last year. Of the total NG debt stock, 67.8% was sourced domestically, while 32.2% came from external borrowings.

The Bureau of the Treasury (**BTr**) is of the opinion that this expansion was mainly driven by the revaluation effect of the peso depreciation against the US dollar, along with net issuance of domestic securities.

Debt-to-GDP Ratio

Latest data from the BTr showed that the country's debt-to-GDP ratio rose to 65.2% at end-March from 63.2% at end-2025, marking the highest annual level since it hit 65.7% in 2005.

The increase came after the NG's outstanding debt hit a fresh high of ₱18.49 trillion in March, driven largely by the peso's weakening against the dollar and higher domestic borrowings.

Ser Percival Peña-Reyes, director of the Ateneo Center for Economic Research and Development, said the country's latest debt-to-GDP ratio was above the 60% prudential benchmark for emerging economies, but does not automatically mean a debt crisis.

He also added that the key issue is not only the size of the debt stock itself, but the combination of slower economic growth, higher oil prices, elevated interest rates, and a weaker peso. All of these factors can mechanically worsen the ratio.

Inflation

The Philippine Statistics Authority (**PSA**) reported that the inflation rate for March 2026 rose to 4.1%, up from 2.4% in February 2026. This brings the average inflation rate for the first quarter of the year to 2.8%. In March 2025, the inflation rate was observed at 1.8%.

I. Review of Consolidated Statement of Income for the Period Ending 31 March 2026 vs. 31 March 2025

For the period ended March 31 (In millions)				
	2026 (Unaudited)	2025 (Unaudited)	Change in Peso	Change in Percentage
REVENUES				
Rent	₱20	₱20	₱ -	₱ -
Management fees	9	10	(1)	(10%)
Interest income	-	3	(3)	(100%)
Commission	1	4	(3)	(75%)
Other income	5	1	4	400%
TOTAL	**35**	**38**	(3)	(8%)
COSTS AND EXPENSES				
Cost of services	19	22	(3)	(14%)
General and administrative expenses	49	50	(1)	(2%)
Finance cost	16	19	(3)	(16%)
Equity in net loss of associate	-	1	(1)	(100%)
TOTAL	**84**	**92**	(8)	(9%)
LOSS BEFORE INCOME TAX	(49)	(54)	5	(9%)
INCOME TAX EXPENSE	1	1	-	-
NET LOSS AFTER TAX	**(₱50)**	**(₱55)**	₱5	(9%)
OTHER COMPREHENSIVE INCOME (LOSS)	(3)	(1)	(2)	(200%)
TOTAL COMPREHENSIVE LOSS	**(₱53)**	**(₱56)**	**₱3**	(5%)

1. **Consolidated net loss after tax**. The RLT Group posted a net loss after tax of **₱50 million** for the three (3) months ended 31 March 2026.

   The RLT Group's lower net loss after tax was primarily attributable to the decrease in the total costs and expenses incurred by the Group. However, this improvement was slightly offset by the decline in total revenue during the first three (3) months of 2026 compared to the same period last year.

   a. **Income**

      1) **Management Fee.** This account decreased by ₱1 million or by 10% due to lower income from the Group's property management subsidiary.

      2) **Interest Income.** This account declined by 100% due primarily to the absence of interest income from sublease by the Parent Company. The contract of lease covering a parcel of land in Bonifacio Global City (**BGC**) was pre-terminated by the Parent Company's lessor at the end of the previous year, and thus, the Parent Company had to also pre-terminate the contract of sublease.

      3) **Commission.** This account decreased by ₱3 million, mainly due to the lower commission bookings by the Group's insurance agency subsidiary.

      4) **Other income.** This account increased by ₱4 million, primarily due to the dividends received by the Parent Company and rental income from the

Group's property management subsidiary compared to the previous year.

b. Costs and Expenses

1) **Cost of Services.** Cost of Services decreased by ₱3 million or by 14% during the first three (3) months of 31 March 2026. This decline was primarily due to lower expenses incurred by the Parent Company, including lower Commission expenses and depreciation costs resulting from the cancellation of sublease at the end of 2025. Additionally, the property management subsidiary also contributed to the overall decrease in the cost of services.

2) **Finance Cost**. Finance Cost decreased by ₱3 million from ₱19 million last year, marking a 16% drop, due to the repayment of non-project related loans (or non-Unico Project related loans).

3) **Equity in net loss of associate.** This account improved by ₱1 million.

4) **Other Comprehensive income.** This account decreased by ₱2 million. This is primarily due to the mark-to-market unrealized losses attributable to the Parent Company's stock investments.

II. Review of Consolidated Statement of Financial Position for the Period Ending 31 March 2025 vs. 31 December 2025

As of 31 March 2026 vs. 31 December 2025				
	March 31, 2026 (Unaudited)	December 31, 2025 (Audited)	Change in Peso	Change in Percentage
Assets				
Cash and cash equivalents	₱64	₱68	(₱4)	(6%)
Financial assets	45	49	(4)	(8%)
Trade and other receivables – net	261	257	4	2%
Real estate inventories	3,118	2,948	170	6%
Prepayments and other assets – net	971	971	-	-
Investments in and advances to associates – net	53	53	-	-
Property and equipment – net	69	72	(3)	(4%)
Investment properties – net	5,451	5,451	-	-
TOTAL ASSETS	**₱10,032**	**₱9,869**	**₱163**	**2%**
Liabilities				
Trade and other payables	₱490	₱446	₱44	10%
Loans and notes payable	2,383	2,210	173	8%
Retirement benefit obligation	99	95	4	4%
Other liabilities	648	653	(5)	(1%)
Total Liabilities	**3,620**	**3,404**	**216**	**6%**
Equity				
Capital stock	5,053	5,053	-	-
Reserves	69	72	(3)	(4%)
Retained earnings	1,445	1,495	(50)	(3%)
Treasury stock	(110)	(110)	-	-
Equity attributable to non-controlling interest	(45)	(45)	-	-
Total Equity	**₱6,412**	**₱6,465**	**(₱53)**	**(1%)**
TOTAL LIABILITIES AND EQUITY	**₱10,032**	**₱9,869**	**₱163**	**2%**

1. **Total Assets**. The RLT Group's Total Assets stood at ₱10 billion as of 31 March 2026, higher by ₱163 million compared to the Total Assets reported by the Group as of 31 December 2025. The RLT Group's Real Estate Assets accounted for 85% of the Total Assets of the Group as of 31 March 2026.

   Cash and Cash Equivalents decreased by ₱4 million or by 6%. The decrease was mainly due to the payments made by the Parent Company to the contractors of its upscale Unico residential tower project in BGC.

   Financial Assets decreased by ₱4 Million or by 8% due to the unrealized fair value losses attributable to the Parent Company's stock investments.

   Real Estate Inventories increased by ₱170 million or 6%, mainly due to additional construction costs capitalized to the Parent Company's Unico residential tower project.

2. **Total Liabilities.** Total Liabilities as of 31 March 2026 increased by ₱216 million or by 6% compared to 31 December 2025. The increase was due to new bank loans by the Parent Company for the construction and development of its luxury Unico residential tower project in BGC, and in the Group's Trade and Other Payables.

   Trade and other payables increased by ₱44 million or by 10% due to the increase in payables to suppliers and contractors of the Unico residential tower project.

   Loans and Notes Payable increased by ₱173 million or by 8% due to the additional loans availed by the Parent Company for the construction and development of its Unico residential tower project during the period.

3. **Total Equity.** Total Equity as of 31 March 2026 decreased by ₱53 million compared to 31 December 2025. This is attributable to the net loss incurred by the Group amounting to ₱50 million as of 31 March 2026 and Unrealized holding loss on financial assets at Fair Value through Other Comprehensive Income (**FVOCI**) amounting to ₱3 million.

III. Performance Indicators

The table below presents the comparative performance indicators of the RLT Group as of 31 March 2026 compared to 31 December 2025.

Performance Indicators	31 March 2026 Unaudited	31 December 2025 Audited
Current ratio[1]	3.36:1	3.84:1
Debt-to-equity ratio[2]	0.56:1	0.53:1
Asset-to-equity ratio[3]	1.56:1	1.53:1
Book value per share[4]	₱0.72	₱0.75
Earnings per share[5]	(₱0.01)	(₱0.01)

[1] *Current assets / current liabilities*
[2] *Total debt / consolidated stockholders' equity*
[3] *Total assets / Total stockholders' equity*
[4] *Total stockholders' equity plus Subscriptions receivable / No. of shares outstanding*
[5] *Net income attributable to equity holders of Parent Company / Weighted average no. of common shares issued and outstanding*

The table above reflects the continuing conservative stance of the RLT Group in terms of the Group's liquidity and solvency positions. The steady performance of the Debt-to-Equity and Asset-to-Equity Ratios of the Group for the periods under review clearly demonstrate that the Group's conservative solvency position and low debt level.

1. **Current Ratio.** The Group's Current ratio remained at a very conservative and acceptable level at 3.36:1 despite a slight deterioration from 3.84:1 as of 31 December 2025.

2. **Debt-to-Equity Ratio.** Similarly, the RLT Group's Debt-to-Equity Ratio remained very conservative at 0.56:1 for the period under review.

3. **Asset-to-Equity Ratio.** The Asset-to-Equity Ratio for the period under review reflected a slight increase at 1.56:1 from 1.53:1 from December 31, 2025.

4. **Book Value per Share.** The performance of the Company's Book Value per Share has also been steady at ₱0.72 per share.

TOP CONTRIBUTORS TO REVENUE

The table below presents the top contributors to revenue (before elimination of intercompany transactions) for the three (3) months ended 31 March 2026 and for the years ended 31 December 2025, and 31 December 2024.

(In millions)

SUBSIDIARIES	March 2026 Unaudited	December 2025 Audited	December 2024 Audited
PRHC Property Managers, Inc. (**PPMI**)	₱11	₱39	₱44
Tektite Insurance Agency, Inc.- (**TIAI**)	₱1	₱7	₱10

The contributions of the Company's subsidiaries to revenues and net income are shown below:

1. **PRHC Property Managers, Inc. (PPMI).** The RLT Group's property management company, PPMI, registered a Net income before Tax of ₱0.96 million for the three (3) months ended 31 March 2026. It is higher by ₱0.41 million compared to the ₱0.55 million Net income before Tax that the Company registered for the same period last year.

2. **Tektite Insurance Agency, Inc. (TIAI).** The RLT Group's insurance agency firm posted a Net loss before Tax of ₱0.02 million for the three (3) months ended 31 March 2026 which is lower by ₱2.61 million compared to the ₱2.59 million Net Income before Tax that TIAI registered for the same period last year.

Key Financial Ratios of the Top Subsidiaries

PRHC Property Managers, Inc. (PPMI)

Performance Indicators	31 March 2026 Unaudited	31 December 2025 Audited	31 December 2024 Audited
Current ratio[1]	5.52:1	5.77:1	5.75:1
Debt-to-equity ratio[2]	0.66:1	0.67:1	0.51:1
Asset-to-equity ratio[3]	1.66:1	1.67:1	1.51:1
Book value per share[4]	₱12.25	₱12.07	₱13.74
Earnings per share[5]	₱0.18	(₱1.73)	₱1.51

[1] *Current assets / current liabilities*
[2] *Total debt / consolidated stockholders' equity*
[3] *Total assets / Total stockholders' equity*
[4] *Total stockholders' equity plus Subscriptions receivable / No. of shares outstanding*
[5] *Net income attributable to equity holders of Parent Company / Weighted average no. of common shares issued and outstanding*

Tektite Insurance Agency, Inc. (TIAI)

Performance Indicators	31 March 2026 Unaudited	31 December 2025 Audited	31 December 2024 Audited
Current ratio[1]	35.74:1	7.88:1	5.25:1
Debt-to-equity ratio[2]	0.30:1	0.44:1	0.68:1
Asset-to-equity ratio[3]	1.30:1	1.44:1	1.68:1
Book value per share[4]	₱0.84	₱0.85	₱0.71
Earnings per share[5]	(₱0.001)	₱0.12	₱0.28

[1] *Current assets / current liabilities*
[2] *Total debt / consolidated stockholders' equity*
[3] *Total assets / Total stockholders' equity*
[4] *Total stockholders' equity plus Subscriptions receivable / No. of shares outstanding*
[5] *Net income attributable to equity holders of Parent Company / Weighted average no. of common shares issued and outstanding*

There was no issuance, repurchase, or payment of equity securities or dividends during the first three (3) months of 2026.

As of this report, there is no other known event that will trigger direct or contingent financial obligation that is material to the Company. Moreover, there is no material off-balance sheet transaction, arrangement, obligation, and other relationship of the Company with unconsolidated entities or other persons created during this period.

IV. Financial Risk Management

The Company's activities expose it to a variety of financial risks. The Group's overall risk management program seeks to minimize potential adverse effects on the financial performance of the Group. The policies for managing specific risks are summarized below:

1. **Foreign currency risk.** The Group undertakes certain transactions denominated in foreign currencies. Hence, exposure to exchange rate fluctuations arises with respect to transactions denominated in US Dollars. Foreign exchange risk arises when future commercial transactions and recognized assets and liabilities are denominated in a currency that is not the Group's functional currency. Significant fluctuation in the exchange rates could significantly affect the Group's financial position.

   Foreign exchange risk exposure of the Group is limited to its cash and cash equivalents. Currently, the Group has a policy not to incur liabilities in foreign currency. Construction and supply contracts, which may have import components, are normally denominated in Philippine peso.

   Should there be any large supply contract denominated in foreign currency that the Group must enter into and which cannot be avoided, the Group closes its open foreign exchange position immediately, and avoids currency exchange speculation.

2. **Credit risk.** Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group.

   The Group has adopted stringent procedures in evaluating and accepting risk by setting counterparty and transaction limits. In addition, the Group has policies in place to ensure that sales are made to customers with an appropriate and acceptable credit history.

With respect to installments receivable from the sale of properties, credit risk is managed primarily through credit reviews and an analysis of receivables on a continuous basis. The Company also undertakes supplemental credit review procedures for certain installment payment structures. The Company's stringent customer requirements and policies in place contribute to lower customer default than its competitors. Customer payments are facilitated through various collection modes including the use of postdated checks.

Exposure to bad debts is not significant as title to real estate properties are not transferred to the buyers until full payment has been made and the requirement for remedial procedures is minimal given the profile of buyers.

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

Other financial assets are comprised of cash and cash equivalents excluding cash on hand, financial assets at Fair Value through Profit and Loss (**FVPL**), financial assets at Fair Value through Other Comprehensive Income (**FVOCI**) and advances to subsidiaries and associates. The Company adheres to fixed limits and guidelines in its dealings with counterparty banks and its investment in financial instruments. Bank investment limits are established on the basis of an internal rating system that principally covers the areas of liquidity, capital adequacy and financial stability. The rating system likewise makes use of available international credit ratings. Given the high credit standing of its accredited counterparty banks, management does not expect any of these financial institutions to fail to meet their obligations. Nevertheless, the Company closely monitors developments with counterparty banks and adjusts its exposure accordingly while adhering to pre-set limits.

3. **Interest rate risk.** Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The primary source of the Group's interest rate risk relates to its cash and cash equivalents and loans payable.

Cash and cash equivalents are short-term in nature and with the current interest rate level, any variation in the interest will not have a material impact on the profit or loss of the Group.

Management is responsible for monitoring the prevailing market-based interest rate and ensures that the mark-up charged on its borrowings are optimal and benchmarked against the rates charged by other creditor banks.

4. **Price risk.** Price risk is the risk that the fair value of the financial investments particularly debt and equity instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or foreign currency risk), whether caused by factors specific to an individual investment, its issuer or factors affecting all instruments traded in the market.

   The Group manages the equity price risk through diversification and by placing limits on individual and total equity instruments. The Group's Board of Directors reviews and approves all equity investment decisions.

5. **Liquidity Risk.** The Group maintains adequate highly liquid assets in the form of cash and cash equivalents to assure necessary liquidity. Free cash flows have been restricted primarily for the settlement of the Parent's Company's debt obligations.

   The Company manages liquidity risk by maintaining adequate reserves, establishing banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

PHILIPPINE REALTY AND HOLDINGS CORPORATION **Exhibit II**
FINANCIAL SOUNDNESS INDICATORS
FOR THE THREE MONTHS ENDED MARCH 31, 2026 AND 2025

			2026		2025
Net Profit Margin:					
Shows how much profit is made for every peso of revenue	Net Income(Loss)/ Total Revenues	**(49,650,653)** / **35,872,117**	**-138.41%**	(55,175,371) / 38,141,989	**-144.66%**
Asset Turnover:					
Shows efficiency of asset used in operations	Total Revenues/ Ave. Total Assets	**35,872,117** / **9,951,270,108**	**0.00**	38,141,989 / 9,781,599,528	**0.00**
Interest Rate Coverage Ratio:					
Determine how easily a company can pay interest on outstanding debt	EBITDA/ Interest Expense	**(30,722,985)** / **16,145,597**	**-1.90**	(30,744,084) / 19,430,142	**-1.58**

PHILIPPINE REALTY AND HOLDINGS CORPORATION AND SUBSIDIARIES
BUSINESS SEGMENTS
AS OF MARCH 31, 2026

Exhibit III

	Sale of Real Estate and Leasing	Property Management	Insurance Brokerage	Holding Company	Real Estate	Travel Services	Elimination	Consolidated
Revenue	P 20,473,139.00	P 10,836,721.00	P 1,136,090.00	P -	P -	P -	P -	P 32,445,950.00
Segment Result	(34,074,439)	1,277,172	2,521	(18,061)	(116,970)	(3,209)	-	(32,932,986)
Interest expense/Bank charges	(16,145,597)	-	-	-	-	-	-	(16,145,597)
Interest income	346,516	700	935	-	-	-	-	348,151
Equity in net loss of associate	-	-	-	-	-	-	(363,497)	(363,497)
Income taxes	(214,691)	(319,293)	(22,741)	-	-	-	-	(556,725)
Net Income (Loss)	(P 50,088,211)	P 958,579	(P 19,285)	(P 18,061)	(P 116,970)	(P 3,209)	(P 363,497)	(P 49,650,654)
Net Loss attributable to:								
Equity holders of PRHC								(49,650,060)
Non-controlling interests								(593)
								(49,650,653)
Other Information								
Segment assets	8,292,248,210	105,993,372	15,213,244	130,048	1,610,308,665	210,465	(44,396,838)	9,979,707,166
Investment at equity method	1,685,929,857	-	-	-	-	-	(1,632,715,821)	53,214,036
Consolidated Total Assets	P 9,978,178,067	P 105,993,372	P 15,213,244	P 130,048	P 1,610,308,665	P 210,465	(P 1,677,112,659)	P 10,032,921,202
Segment liabilities	2,921,010,220	42,274,523	3,478,715	86,482,420	28,703,258	29,148,933	(125,042,162)	2,986,055,907
Unallocated corporate liabilities	635,382,536	-	-	-	-	-	-	635,382,536
Consolidated Total Liabilities	P 3,556,392,756	P 42,274,523	P 3,478,715	P 86,482,420	P 28,703,258	P 29,148,933	(P 125,042,162)	P 3,621,438,443
Capital expenditure	(818,743)	(0)	-	-	-	-	-	(818,743)
Depreciation	2,215,777	9,569	-	-	-	-	-	2,225,346
Non-cash expenses other than depreciation	3,337,907	505,972	-	-	-	-	-	3,843,879

ANNEX "K"

MINUTES OF THE 2025 ANNUAL STOCKHOLDERS MEETING

MINUTES OF THE ANNUAL STOCKHOLDERS' MEETING OF PHILIPPINE REALTY AND HOLDINGS CORPORATION HELD ON JUNE 27, 2025, FRIDAY, 3:00 PM[1]

Conducted virtually via Zoom video conference facility at
https://us05web.zoom.us/j/84947148421?pwd=cRHgDCYRA1oNaPplwMEKWf6aqxL86z.1

Stockholders present:

Total Number of Shares Outstanding (Net of Treasury Shares)	9,100,102,685
Treasury Shares	81,256,100
Total Number of Shares Participating remotely or *in absentia*	271,901,435
Percentage of Shares Participating remotely or *in absentia*	2.99%
Total Number of Shares Represented by *Proxy*	6,007,536,456
Percentage of Shares Represented by *Proxy*	66.02%
Total Number of Shares Participating remotely or *in absentia* & Represented by Proxy	6,279,437,891
Percentage of Shares Participating remotely or *in absentia* & Represented by Proxy	69.00%
Total Number of Shares Not Represented	2,820,664,794
Percentage of Shares Not Represented	31.00%

Directors Present:

Mr. Gerardo Domenico Antonio V. Lanuza	Chairman of the Board		
	Chairman	:	Executive Committee
	Chairman	:	Management Committee
	Chairman	:	Project Committee
	Member	:	Procurement Committee
	Member	:	Retirement Plan Committee
Mr. Renato G. Nuñez	Vice Chairman of the Board and Lead Independent Director		
	Chairman	:	Audit Committee
	Member	:	Executive Committee
	Member	:	Corporate Governance and Nominations Committee
	Member	:	Board Risk Oversight Committee
	Member	:	Related Party Transaction Committee
	Member	:	Retirement Plan Committee
Mr. Gerardo O. Lanuza, Jr.	Chairman Emeritus		
	Member	:	Executive Committee
	Member	:	Procurement Committee
Mr. Antonio O. Olbes	Vice Chairman Emeritus		

[1] Subject to approval by the stockholders at the next stockholders' meeting.

Mr. Edmundo C. Medrano	President		
	Member	:	Executive Committee
	Member	:	Board Risk Oversight Committee
	Member	:	Related Party Transactions Committee
	Member	:	Procurement Committee
	Member	:	Retirement Plan Committee
	Member	:	Management Committee
	Member	:	Project Committee
Mr. Amador C. Bacani	Director		
	Member	:	Executive Committee
	Member	:	Audit Committee
	Member	:	Related Party Transactions Committee
	Member	:	Procurement Committee
	Member	:	Retirement Plan Committee
Ms. Chiara Rosario Julia V. Lanuza-Paredes	Director		
Mr. Andrew C. Ng	Director		
	Chairman	:	Procurement Committee
Mr. Alfonso Martin E. Eizmendi	Independent Director		
	Chairman	:	Corporate Governance and Nominations Committee
	Member	:	Audit Committee
	Member	:	Board Risk Oversight Committee
	Member	:	Related Party Transactions Committee
Mr. Jomark O. Arollado	Independent Director		
	Chairman	:	Board Risk Oversight Committee
	Chairman	:	Related Party Transactions Committee
	Member	:	Corporate Governance and Nominations Committee
	Member	:	Audit Committee
	Member	:	Procurement Committee
Ms. Rosalinda Y. Basas	Independent Director		

Officers Present:

Ms. Marissa S. Bontogon	:	Vice President and Controller and Risk Officer
Mr. Erwin V. Ciar	:	Vice President and Head, Project Construction & Management
Ms. Adeline Susan C. Carag	:	Vice President and Head, Property Management Services
Mr. Carlos Miguel T. Paca	:	Vice President and Head, Business Development
Mr. Richard Nicolas K. Go	:	Vice President and Head, Sales and Chief Sales Officer
Mr. Mark Anthony m. Ramos	:	Vice President for Accounting and Compliance Officer and Data Protection Officer
Ms. Edilynda G. Enriquez	:	Senior Manager-Human Resources and Admin Head

Others Present:

Mr. Ignacio Ortigas	Stockholder
Mr. John Earvin Villeza	Proxy for Benedict Sandejas
Ms. Lady Adrienne Mitra	Proxy for Lawrence Sandejas
Mr. Paul John Cinco	Proxy for Patricia Sandejas
Ms. Teresa Panesa	Proxy for Jonathan Sandejas
Mr. Rozano L. Santos	RLT- AVP for Special Projects/Moderator
Ms. Margie C. Taborlupa	RLT-Treasury Manager
Mr. Dexter Tablada	RLT-Internal Auditor
Ms. Inja Kristi Fajatin	RLT-Senior Marketing Manager
Ms. Amyleen Ang-ug	RLT-Accounting Manager
Mr. John Paul Guillen	RLT-Credit & Collection Officer
Ms. Josefina D. Isnit	RLT-Administrative Supervisor
Ms. Kristel J. Turot	RLT- Accounting Assistant Manager
Ms. Lovely Quilantang	RLT-Asst. Financial Reporting Manager
Mr. Regandor Verceles	RLT-Senior Account Manager
Ms. Kristine Tan	RLT-Executive Assistant
Ms. Ailene Cartagena	RLT-Senior Sales Assistant
Mr. John Mark U. Abuyan	RLT- Senior Accounting Assistant
Ms. Maria Camille Delfin	RLT-Accounting Assistant
Ms. Hanna Tinsay	RLT-Junior Executive Assistant
Ms. Alexandra Mayumin Lorenzo	RLT-HR Assistant
Ms. Carol Gozo	RLT-HR Assistant
Mr. Frederick D. Vedaña	RLT- IT Administrative Assistant 2
Ms. Hazel Kate I. Sumbeling	

Mr. Norbert Deocera	
Mr. Philip Paredes	
Ms. RoseAnn Laurino	
Ms. Camille Delfin	
Ms. Ella Villaseran	
Ms. Ericka Dela Cruz	Stock Transfer Service, Inc.
Mr. Jordan Adriano	Maceda Valencia and Co.
Mr. Jose Valencia	Maceda Valencia and Co.
Ms. Denise Castro	InCircle-Marketing Agency

I. Call to Order

The Vice Chairman of the Board and Lead Independent Director, Mr. Rento G. Nuñez, called the Stockholders' Meeting ("Meeting") to order at 3:03 p.m. and presided over the same. The Corporate Secretary, Atty. Rex P. Bonifacio, recorded the minutes of the Meeting.

At the Chairman's request, the Corporate Secretary introduced the members of the Board to the stockholders as their photos were displayed on the screen.

Mr. Gerardo Domenico Antonio V. Lanuza	Chairman of the Board		
	Chairman	:	Executive Committee
	Chairman	:	Management Committee
	Chairman	:	Project Committee
	Member	:	Procurement Committee
	Member	:	Retirement Plan Committee
Mr. Renato G. Nuñez	Vice Chairman of the Board and Lead Independent Director		
	Chairman	:	Audit Committee
	Member	:	Executive Committee
	Member	:	Corporate Governance and Nominations Committee
	Member	:	Board Risk Oversight Committee
	Member	:	Related Party Transaction Committee
	Member	:	Retirement Plan Committee
Mr. Gerardo O. Lanuza, Jr.	Vice Chairman Emeritus		
	Member	:	Executive Committee
	Member	:	Procurement Committee
Mr. Antonio O. Olbes	Vice Chairman Emeritus		
Mr. Edmundo C. Medrano	President		

	Member	:	Executive Committee
	Member	:	Board Risk Oversight Committee
	Member	:	Related Party Transactions Committee
	Member	:	Procurement Committee
	Member	:	Retirement Plan Committee
	Member	:	Management Committee
	Member	:	Project Committee
Mr. Amador C. Bacani	Director		
	Member	:	Executive Committee
	Member	:	Audit Committee
	Member	:	Related Party Transactions Committee
	Member	:	Procurement Committee
	Member	:	Retirement Plan Committee
Ms. Chiara Rosario Julia V. Lanuza-Paredes	Director		
	VP	:	Sultan's Power Incorporated
	Director	:	Recon-X Energy Corporation
Mr. Andrew C. Ng	Director		
	Chairman	:	Procurement Committee
Mr. Alfonso Martin E. Eizmendi	Independent Director		
	Chairman	:	Corporate Governance and Nominations Committee
	Member	:	Audit Committee
	Member	:	Board Risk Oversight Committee
	Member	:	Related Party Transactions Committee
Mr. Jomark O. Arollado	Independent Director		
	Chairman	:	Board Risk Oversight Committee
	Chairman	:	Related Party Transactions Committee
	Member	:	Corporate Governance and Nominations Committee
	Member	:	Audit Committee
	Member	:	Procurement Committee
Ms. Rosalinda Y. Basaa	Independent Director		

The Corporate Secretary likewise acknowledged and expressed appreciation for the valuable contributions of Mr. Gregory G. Yang, a former member of the Board of Directors. He also recognized the presence of the key officers of the Company and welcomed the guests in attendance.

II. Certification of Service of Notice

The Corporate Secretary certified that the Notice of Meeting was published in *BusinessMirror* and *BusinessWorld*, in print and online formats, on June 2 and 3, 2025, in compliance with the Securities and Exchange Commission's (SEC) Notice dated 12 March 2025. The Affidavits of Publication issued by *BusinessMirror* and *BusinessWorld* are attached as Annexes "A", "A-1", "A-2" "B", "B-1" and "B-2" and form part of the Minutes.

III. Certification of the Presence of Quorum

The Corporate Secretary reported that Six Billion Two Hundred Seventy Nine Million Four Hundred Thirty Seven Thousand Eight Hundred Ninety One (6,279,437,891) shares or Sixty Nine (69%) of the Company's Nine Billion One Hundred Million One Hundred Two Thousand Six Hundred Eighty Five (9,100,102,685) total outstanding shares[2] as of March 31, 2025 record date were represented at the meeting *in absentia* and by proxy.[3] Based on the recorded attendance, the Corporate Secretary certified that there was a quorum and that the Meeting could proceed.

At the Chairman's request, the Corporate Secretary informed the stockholders of the following rules of conduct and procedures of the Meeting:

Rules of Conduct and Procedures of the Meeting

1. Stockholders who have registered and voted by the deadline specified in the Definitive Information Statement and Notice of Stockholders' Meeting shall be considered in determining the quorum.

2. All questions, comments, or clarifications shall be directed to the Chairman of the Meeting and will be addressed during the Question and Answer session or after the Other Matters portion.

3. The Meeting Moderator will read the submitted questions, which will be answered by the Chairman or a designated member of the Board or Corporation's officers.

4. Stockholders may submit their questions, comments, or clarifications related to the agenda items through the comment box found below the link www.philrealtyasm.com.

[3] A copy of the Attendance Report submitted by the Company's stock and transfer agent, Stock Transfer Service, Inc., to the Corporate Secretary is herewith attached as Annex "C".

5. The Company will make every effort to respond to all questions. Any unanswered queries during the Question and Answer session will receive a response via email.

6. The meeting is being recorded in compliance with the SEC guidelines on online meetings.

7. In accordance with the Revised Corporation Code of the Philippines, the voting results for each agenda item will be presented to the stockholders during the meeting and duly recorded in the minutes.

The procedures for registration, participation, voting, and tabulation of votes are included in the Notice of Meeting and are also attached to the Minutes as Annex "D".

IV. Reading and Approval of the Minutes of the last Annual Stockholders Meeting

The Chairman proceeded to the next order of business which was the reading and approval of the minutes of the annual meeting of the stockholders held on June 28, 2024. A copy of the Minutes was made available at the Office of the Corporate Secretary and published on the Company's website.

The Chairman inquired if there were any objections to the Minutes. There being none, he opened the floor for a motion.

Mr. Paul John Cinco ("MR. CINCO"), acting as a proxy holder, proposed the following:

> *"Mr. Chairman, I respectfully move that the reading of the minutes of the Annual Stockholders' Meeting held on June 28, 2024 be dispensed with, and that the same be approved and ratified as recorded."*

The motion was seconded by Ms. Teresa Panesa ("MS. PANESA"), also proxy holder.

At the Chairman's request and with no objections, the Corporate Secretary presented the voting results for this agenda item:

NAME OF STOCKHOLDER	SHARES TO UTILIZE	FOR	AGAINST	ABSTAIN
GREENHILLS PROPERTIES INC.	5,933,556,844	5,933,556,844		
CAMPOS LANUZA & CO., INC.	69,553,158	69,553,158		
LAWRENCE SANDEJAS	1,101,940	1,101,940		
PATRICIA SANDEJAS	1,054,598	1,054,598		
JONATHAN SANDEJAS	1,283,216	1,283,216		
BENEDICT SANDEJAS	986,700	986,700		
TOTAL COMMON SHARES	6,007,536,456	6,007,536,456	0	0
PERCENTAGE (%)	66.02%	66.02%	0.00%	0.00%
IN PERSON/ IN ABSENTIA	**SHARES TO UTILIZE**	**FOR**	**AGAINST**	**ABSTAIN**
GERARDO O. LANUZA JR.,	2,174,024	2,174,024		

ANTONIO O. OLBES	506,388	506,388		
GERARDO DOMENICO ANTONIO V. LANUZA	226,786,043	226,786,043		
GREGORY G. YANG	1,831,000	1,831,000		
AMADOR C. BACANI	229,980	229,980		
RENATO G. NUNEZ	10,000	10,000		
ANDREW C. NG	84,000	84,000		
ALFONSO MARTIN E. EIZMENDI	10,000	10,000		
JOMARK O. AROLLADO	10,000	10,000		
EDMUNDO C. MEDRANO	6,000,000	6,000,000		
CHIARA ROSARIO JULIA L. PAREDES	15,150,000	15,150,000		
ERWIN V. CIAR	3,000,000	3,000,000		
MARISSA BONTOGON	3,500,000	3,500,000		
CARLOS C. PACA	4,000,000	4,000,000		
SUSAN CARAG	4,000,000	4,000,000		
RICHARD GO	3,000,000	3,000,000		
EDILYNDA ENRIQUEZ	500,000	500,000		
IGNACIO ORTIGAS	1,100,000	1,100,000		
ROSALINDA BASAS	10,000	10,000		
TOTAL COMMON SHARES	271,901,435	271,901,435	0	0
PERCENTAGE (%)	2.99%	2.99%	0.00%	0.00%
GRAND TOTAL	6,279,437,891	6,279,427,891	0	0
PERCENTAGE (%)	69.00%	69.00%	0.00%	0.00%

With unanimous approval, the Chairman declared the motion carried and the agenda item duly approved.

V. Approval of the Annual Report and Audited Financial Statements for the Year 2024

The Chairman moved to the next agenda item which was the approval of the Annual Report and the Audited Financial Statements for the year 2024.

Addressing the stockholders, the Chairman delivered the following report:

> *"Global economic challenges have affected the country's real estate industry, causing fluctuations, slow growth, and overall uncertainty. But amid the challenges, we remain confident in our dedication to delivering quality in each of our projects, which is rooted in our deep understanding of the upscale market.*
>
> *Even with a market increasingly evolving to be more discerning, we are certain and definite that through our superior product offerings, conceptualized and developed to exceed the demands of even the most discriminating of customers, we will achieve unmatched customer satisfaction that eventually will translate into success for our Company.*
>
> *As we continue to navigate the changing real estate landscape, with your support, we are confident that we can further strengthen our position as a leader in the upscale market."*

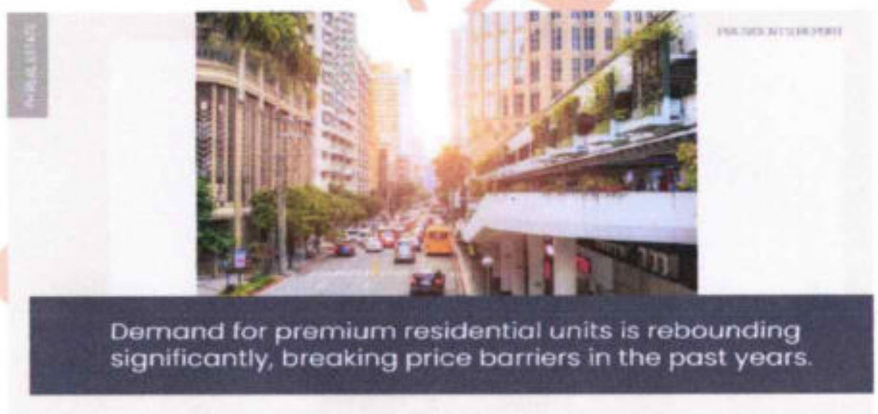
Following his address, the Chairman invited the Company's President, Mr. Edmundo C. Medrano, to present his report. Mr. Medrano then provided an overview of the financial and operational highlights of 2024, along with the Company's outlook for 2025, as follows:

> *Good afternoon to everyone joining us in this virtual meeting. To our valued stockholders, members of the Board of Directors, my colleagues at PhilRealty, and our distinguished guests—thank you for being part of this year's Annual Stockholders' Meeting.*
>
> *This yearly gathering serves as an opportunity to reflect on the milestones, accomplishments, and challenges that the Company has encountered and addressed over the past year.*
>
> *Before I present PhilRealty's performance for 2024, allow me first to provide a brief overview of the real estate landscape in the Philippines.*

> *The Philippine real estate market in general is projected to grow at a compounded annual growth rate (CAGR) of* ***3.57%*** *from* ***2025 to 2029,*** *with residential real estate market projected to reach a value of* ***US$5.82 trillion in 2025.***

The luxury real estate market in 2025 is also expected to see continued growth and opportunities, fueled by rising demand, especially from ultra-high-net-worth individuals.

*Demand in the luxury residential segment will continue to remain strong, with an anticipated **5% year-on-year capital appreciation over the next five years.***



Demand for premium residential units is not only making a comeback but is also rebounding significantly.

Over the past 12 to 24 months, luxury and ultra-luxury condominium units have been breaking price barriers.

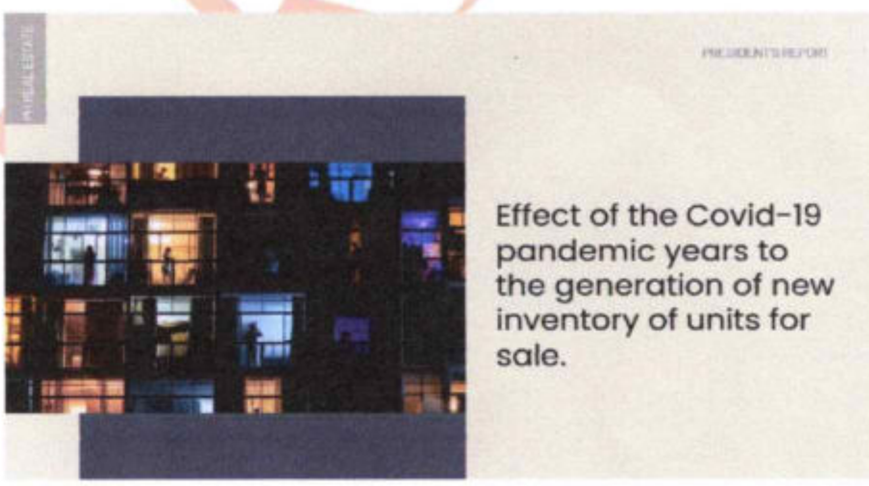
*Some are priced between **₱700,000** and **₱900,000 per square meter**, with total contract prices ranging from **₱200 million** to as much as **₱540 million per unit**.*

The value of luxury condominiums is closely tied to their location.

Properties situated in prime areas such as Bonifacio Global City (BGC), Makati, and Rockwell continue to attract high-end buyers.

In fact, the real estate market in BGC is projected to remain strong in 2025, with continued high demand and limited supply driving up prices.

BGC's appeal as a premium residential and commercial hub is expected to persist, making it an attractive location for investors and renters alike.



All these years, your Company has remained committed to consistently pursuing the development of premium, upscale residential projects tailored to our curated market.

However, the prudent strategy that your Company has adopted during the pandemic years has, in turn, resulted in challenges that affected our key performance indicators.

Given the uncertainty posed by the Covid-19 pandemic, it was our decision to put on hold the development and construction of our luxury residential condominium tower in BGC until such time that business conditions become favorable once more.

But the postponement delayed the entry into the market of new units for sale.

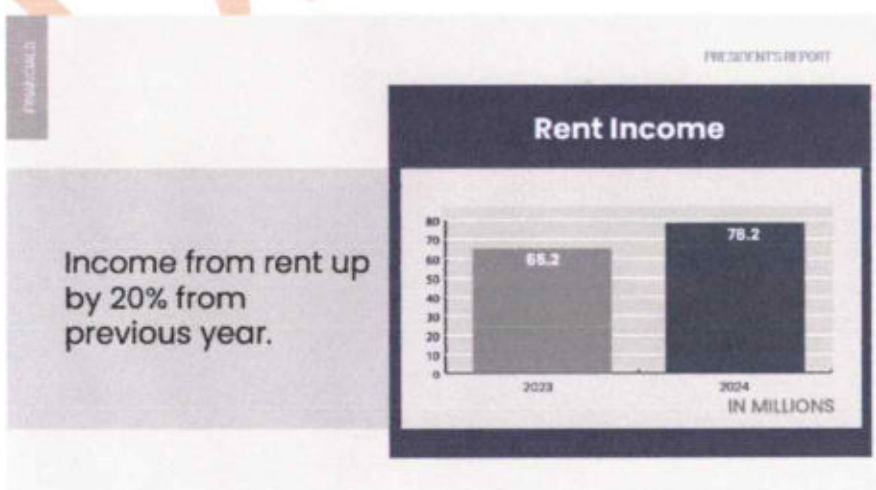
- *With that background, I now present the financial results of PhiRealty for the year 2024.*

*Our total revenues closed at **₱383.2 million** in 2024, a decrease from last year's **₱726.6 million**. This decline was anticipated as part of* *our ongoing transition from successfully selling existing inventory to creating a new pool of units for sale.*

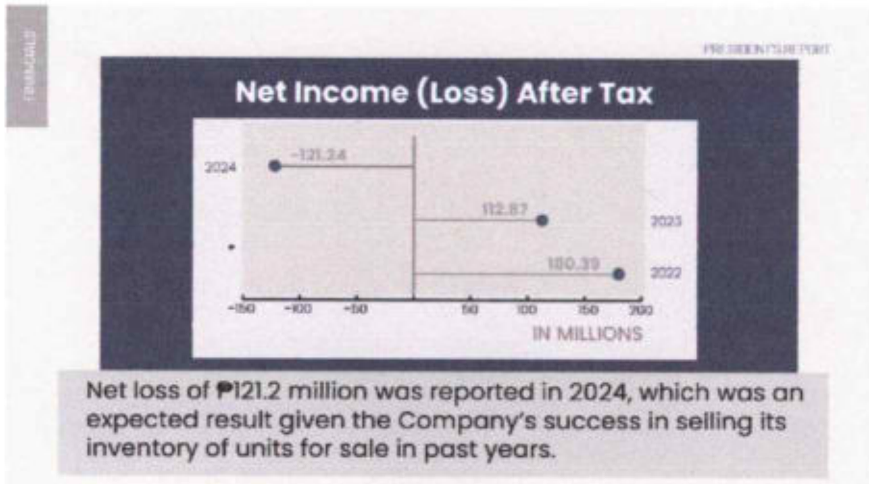
While this has temporarily reduced our topline figures, we remain confident that the strategic adjustments that we are putting in place will create a stronger foundation for us to capture the opportunities that we have identified.

*Real estate sales for 2024 totaled **₱54.28 million,** primarily driven by the near total sell-out in past years of PhilRealty's ready-for-occupancy residential condominium units.*

This reflects the market appeal and desirability of your Company's product offerings, underscoring the value and quality that our developments deliver to discerning buyers.



Meanwhile, our income from Rent, saw an increase of ***₱13 million****, closing at* ***₱78.2 million*** *in 2024 versus* ***₱65.2 million*** *in 2023.*

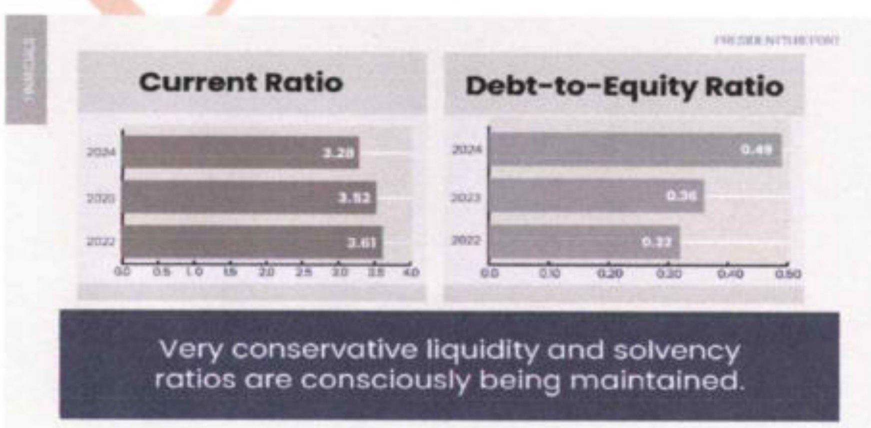


Net loss of ***₱121.2 million*** *was reported in 2024, which was an expected result given the Company's success in selling out its inventory of units for sale in past years, such that it ran out of inventory to sell.*

As explained earlier, your Management opted to postpone the development of the Unico Residential Tower during the pandemic years until such time that health and business conditions improve.

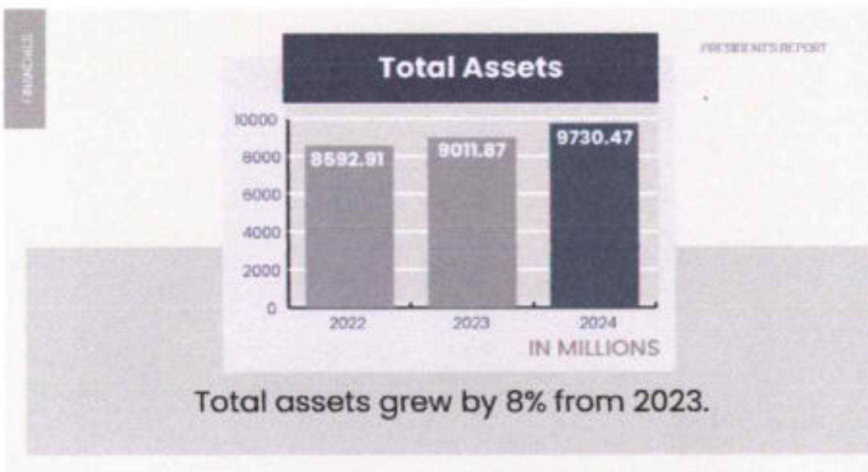
Thus, no new inventory was brought into the market to replace the units sold.

The move was considered by many, particularly by our bankers, as a very prudent and responsible decision.



PhilRealty has maintained very conservative and acceptable liquidity and solvency ratios during the periods under review.

The Company's Debt-to Equity Ratio increased slightly in 2024 as PhilRealty began to draw on its ***₱3.8 billion*** *5-year Term Loan from PBCOM to partially finance the construction of the Unico Residential Tower.*



As of 31 December 2024, the Group's total assets stood at ***₱9.7 billion****, representing an* ***8%*** *increase over the previous year's* ***₱9.0 billion****.*

Current assets contributed to this growth, ending the year at ***₱3.9 billion*** *compared to the previous year's* ***₱3.2 billion****, for an increase of* ***23%****.*

Much of this can be attributed to a ***₱532.1 million*** *increase in prepayments and a* ***₱322.0 million*** *increase in real estate inventories, which are directly attributable to the ongoing construction of the Company's Unico Residential Tower in BGC.*

Beyond our financial results, it is equally important to recognize the meaningful progress we've made on the operational front — progress that lays the groundwork for sustainable growth and long-term viability.

2024 will be remembered as the year that the construction of Unico commenced.

*Unico is PhilRealty's 40-storey, upscale residential condominium tower located in the most preferred high-rise residential location in the country, the **Bonifacio South District** of Bonifacio Global City.*

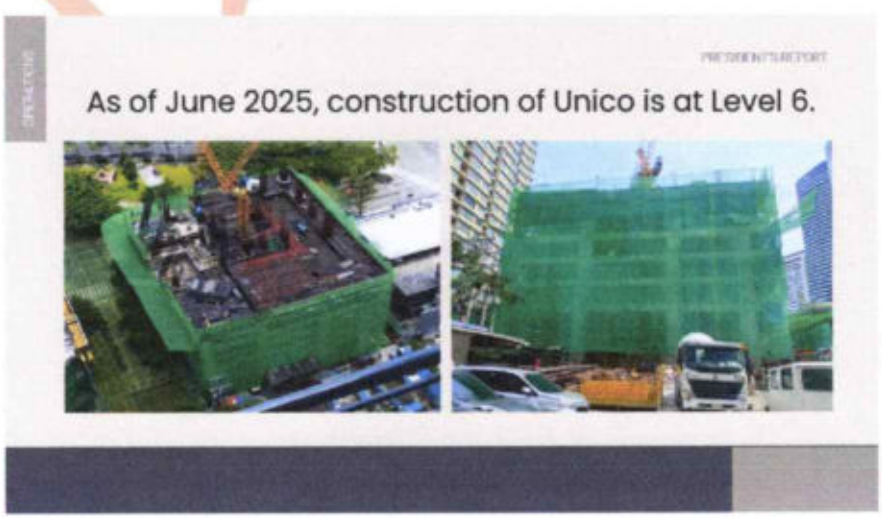
Featuring a design philosophy that emphasizes harmonious living environment, Unico is set to house not just residential units ranging from luxurious penthouses to stylish but functional apartments but will also offer premium health and wellness amenities.

These amenities include, but not limited to, a doctor's clinic, lap pool, senior wading pool, children's pool, jacuzzi, gym, studio, sauna, steam room, and hot and cold plunge.

The Unico Residential Tower Project has been making consistent progress, proceeding smoothly from site clearing to vertical construction.

Major milestones—including bulk excavation, lean concreting, and mat foundation—were all completed on time.

These were followed by the successful completion of the basement parking levels and the ground floor area, as well as the podium parking levels and the amenity floors.



Ahead of schedule, Unico is destined to become one of BGC's premier residential addresses, exemplifying PhilRealty's dedication to high-quality development and enduring value.

A wholly owned subsidiary, Three Corners Realty Corporation, has been incorporated.

The transfer by PhilRealty of a property in BGC located at the corner of 6th Avenue and 25th Street in exchange for voting preferred shares is currently in process.

We warmly welcome this new subsidiary, which we expect to help diversify your Company's portfolio in line with its long-term plans for growth.

This subsidiary is also expected to help strengthen our market presence and extend our reach, creating new sources for revenues that will further ensure our long-term viability.

As we close this year's report, we return to what has always set us apart—our unwavering commitment to building with purpose.

In every decision we make and in every partnership that we nurture, we are guided by intention, trust, and a deep respect for the communities we serve.

While the road ahead may still hold challenges, we move forward with clarity and conviction — designing functional spaces that are built to last and with sustainability in mind.

With the support of our stockholders and our partners, we will continue to shape a future rooted in purpose, driven by integrity, and defined by excellence.

Thank you and a good day to all!

The Chairman thanked Mr. Medrano for his report and proceeded to entertain a motion from Mr. John Earvin Villeza ("MR. VILLEZA"), a proxy holder:

> *"Mr. Chairman, I move that the Annual Report and the Audited Financial Statements for the year ended 2024 be approved, ratified and confirmed."*

The motion was duly seconded by Ms. Lady Adrienne Mitra ("MS. MITRA"), also proxy holder.

At the Chairman's request, and there being no objections, the Corporate Secretary presented the following voting results:

NAME OF STOCKHOLDER	SHARES TO UTILIZE	FOR	AGAINST	ABSTAIN
GREENHILLS PROPERTIES INC.	5,933,556,844	5,933,556,844		
CAMPOS LANUZA & CO., INC.	69,553,158	69,553,158		
LAWRENCE SANDEJAS	1,101,940	1,101,940		
PATRICIA SANDEJAS	1,054,598	1,054,598		
JONATHAN SANDEJAS	1,283,216	1,283,216		
BENEDICT SANDEJAS	986,700	986,700		
TOTAL COMMON SHARES	6,007,536,456	6,007,536,456	0	0
PERCENTAGE (%)	66.0%	66.0%	0.00%	0.00%
IN PERSON/ IN ABSENTIA	**SHARES TO UTILIZE**	**FOR**	**AGAINST**	**ABSTAIN**
GERARDO O. LANUZA JR.,	2,174,024	2,174,024		
ANTONIO O. OLBES	506,388	506,388		
GERARDO DOMENICO ANTONIO V. LANUZA	226,786,043	226,786,043		
GREGORY G. YANG	1,831,000	1,831,000		
AMADOR C. BACANI	229,980	229,980		
RENATO G. NUNEZ	10,000	10,000		
ANDREW C. NG	84,000	84,000		
ALFONSO MARTIN E. EIZMENDI	10,000	10,000		
JOMARK O. AROLLADO	10,000	10,000		
EDMUNDO C. MEDRANO	6,000,000	6,000,000		

CHIARA ROSARIO JULIA L. PAREDES	15,150,000	15,150,000		
ERWIN V. CIAR	3,000,000	3,000,000		
MARISSA BONTOGON	3,500,000	3,500,000		
CARLOS C. PACA	4,000,000	4,000,000		
SUSAN CARAG	4,000,000	4,000,000		
RICHARD GO	3,000,000	3,000,000		
EDILYNDA ENRIQUEZ	500,000	500,000		
IGNACIO ORTIGAS	1,100,000	1,100,000		
ROSALINDA BASAS	10,000	10,000		
TOTAL COMMON SHARES	271,901,435	271,891,435	0	0
PERCENTAGE (%)	2.99%	2.99%	0.00%	0.00%
GRAND TOTAL	6,279,437,891	6,279,427,891	0	0
PERCENTAGE (%)	69.00%	69.00%	0.00%	0.00%

With unanimous approval, the Chairman declared the motion carried and the agenda item duly approved.

VI. Election of Board of Directors

The Chairman proceeded with the election of the Company's Board of Directors for the 2025-2026 term. He requested the Corporate Secretary to present the list of qualified nominees.

The Corporate Secretary reported that, following thorough screening and approval by the Corporate Governance and Nomination Committee, the following individuals were deemed qualified for election as members of the Board of Directors for the 2025 to 2026 Term. Each nominee, if elected, shall serve a term of one (1) year or until his/her successor is duly elected and qualified, in accordance with the By-Laws of the Corporation:

Nominees for Regular Directors:

1. Mr. Gerardo Domenico Antonio V. Lanuza
2. Mr. Gerardo O. Lanuza, Jr.
3. Mr. Antonio O. Olbes
4. Mr. Edmundo C. Medrano
5. Mr. Amador C. Bacani
6. Ms. Chiara Rosario Julia V. Lanuza-Paredes
7. Mr. Andrew C. Ng

Nominees for Independent Director:

8. Mr. Renato G. Nuñez
9. Mr. Jomark O. Arollado
10. Mr. Alfonso Martin E. Eizmendi, and
11. Ms. Rosalinda Y. Basas

The Corporate Secretary informed the stockholders that the nominees' profiles were included in the Definitive Information Statement submitted to the SEC.

MS. PANESA then moved:

> *"Mr. Chairman, I respectfully move that all the nominees for the members of the Board of Directors be declared as duly elected directors of the Corporation to serve as such for one (1) year, beginning today, or until their successors are duly elected and qualified."*

The motion was seconded by MR. CINCO.

Given that the number of nominees matched the available seats, the Chairman instructed the Corporate Secretary to apply all votes received in favor of the nominees who are all deemed duly elected members of the Board of Directors of Philippine Realty and Holdings Corporation.

The Corporate Secretary confirmed that all votes cast and received were properly accounted for, and then presented the following voting results:

	GERARDO DOMENICO ANTONIO V. LANUZA			
NAME OF STOCKHOLDER	**SHARES TO UTILIZE**	**FOR**	**AGAINST**	**ABSTAIN**
GREENHILLS PROPERTIES INC.	5,933,556,844	5,933,556,844		
CAMPOS LANUZA & CO., INC.	69,553,158	69,553,158		
LAWRENCE SANDEJAS	1,101,940	1,101,940		
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JONATHAN SANDEJAS	1,283,216	1,283,216		
BENEDICT SANDEJAS	986,700	986,700		
TOTAL COMMON SHARES	6,007,536,456	6,007,536,456	0	0
PERCENTAGE (%)	66.0%	66.0%	0.00%	0.00%
IN PERSON/ IN ABSENTIA	**SHARES TO UTILIZE**	**FOR**	**AGAINST**	**ABSTAIN**
GERARDO O. LANUZA JR.,	2,174,024	2,174,024		
ANTONIO O. OLBES	506,388	506,388		
GERARDO DOMENICO ANTONIO V. LANUZA	226,786,043	226,786,043		
GREGORY G. YANG	1,831,000	1,831,000		
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JOMARK O. AROLLADO	10,000	10,000		
EDMUNDO C. MEDRANO	6,000,000	6,000,000		
CHIARA ROSARIO JULIA L. PAREDES	15,150,000	15,150,000		
ERWIN V. CIAR	3,000,000	3,000,000		
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EDILYNDA ENRIQUEZ	500,000	500,000		
IGNACIO ORTIGAS	1,100,000	1,100,000		
ROSALINDA BASAS	10,000	10,000		
TOTAL COMMON SHARES	271,901,435	271,901,435	0	0
PERCENTAGE (%)	2.99%	2.99%	0.00%	0.00%

GRAND TOTAL	6,279,437,891	6,279,437,891	0	0
PERCENTAGE (%)	69.0%	69.0%	0.00%	0.00%

	GERARDO O. LANUZA, JR.			
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GRAND TOTAL	6,279,437,891	6,279,437,891	0	0
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	CHIARA ROSARIO JULIA V. LANUZA-PAREDES			
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BENEDICT SANDEJAS	986,700	986,700		
TOTAL COMMON SHARES	6,007,536,456	6,007,536,456	0	0
PERCENTAGE (%)	66.0%	66.0%	0.00%	0.00%
IN PERSON/ IN ABSENTIA	SHARES TO UTILIZE	FOR	AGAINST	ABSTAIN
GERARDO O. LANUZA JR.,	2,174,024	2,174,024		
ANTONIO O. OLBES	506,388	506,388		
GERARDO DOMENICO ANTONIO V. LANUZA	226,786,043	226,786,043		

GREGORY G. YANG	1,831,000	1,831,000		
AMADOR C. BACANI	229,980	229,980		
RENATO G. NUNEZ	10,000	10,000		
ANDREW C. NG	84,000	84,000		
ALFONSO MARTIN E. EIZMENDI	10,000	10,000		
JOMARK O. AROLLADO	10,000	10,000		
EDMUNDO C. MEDRANO	6,000,000	6,000,000		
CHIARA ROSARIO JULIA L. PAREDES	15,150,000	15,150,000		
ERWIN V. CIAR	3,000,000	3,000,000		
MARISSA BONTOGON	3,500,000	3,500,000		
CARLOS C. PACA	4,000,000	4,000,000		
SUSAN CARAG	4,000,000	4,000,000		
RICHARD GO	3,000,000	3,000,000		
EDILYNDA ENRIQUEZ	500,000	500,000		
IGNACIO ORTIGAS	1,100,000	1,100,000		
ROSALINDA BASAS	10,000	10,000		
TOTAL COMMON SHARES	271,901,435	271,901,435	0	0
PERCENTAGE (%)	2.99%	2.99%	0.00%	0.00%
GRAND TOTAL	6,279,437,891	6,279,437,891	0	0
PERCENTAGE (%)	69.0%	69.0%	0.00%	0.00%

	ANDREW C. NG			
NAME OF STOCKHOLDER	**SHARES TO UTILIZE**	**FOR**	**AGAINST**	**ABSTAIN**
GREENHILLS PROPERTIES INC.	5,933,556,844	5,933,556,844		
CAMPOS LANUZA & CO., INC.	69,553,158	69,553,158		
LAWRENCE SANDEJAS	1,101,940	1,101,940		
PATRICIA SANDEJAS	1,054,598	1,054,598		
JONATHAN SANDEJAS	1,283,216	1,283,216		
BENEDICT SANDEJAS	986,700	986,700		
TOTAL COMMON SHARES	6,007,536,456	6,007,536,456	0	0
PERCENTAGE (%)	66.0%	66.0%	0.00%	0.00%
IN PERSON/ IN ABSENTIA	**SHARES TO UTILIZE**	**FOR**	**AGAINST**	**ABSTAIN**
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ANTONIO O. OLBES	506,388	506,388		
GERARDO DOMENICO ANTONIO V. LANUZA	226,786,043	226,786,043		
GREGORY G. YANG	1,831,000	1,831,000		
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ANDREW C. NG	84,000	84,000		
ALFONSO MARTIN E. EIZMENDI	10,000	10,000		
JOMARK O. AROLLADO	10,000	10,000		
EDMUNDO C. MEDRANO	6,000,000	6,000,000		
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TOTAL COMMON SHARES	271,901,435	271,901,435	0	0
PERCENTAGE (%)	2.99%	2.99%	0.00%	0.00%
GRAND TOTAL	6,279,437,891	6,279,437,891	0	0

PERCENTAGE (%)	69.0%	69.0%	0.00%	0.00%

	RENATO G. NUÑEZ			
NAME OF STOCKHOLDER	SHARES TO UTILIZE	FOR	AGAINST	ABSTAIN
GREENHILLS PROPERTIES INC.	5,933,556,844	5,933,556,844		
CAMPOS LANUZA & CO., INC.	69,553,158	69,553,158		
LAWRENCE SANDEJAS	1,101,940	1,101,940		
PATRICIA SANDEJAS	1,054,598	1,054,598		
JONATHAN SANDEJAS	1,283,216	1,283,216		
BENEDICT SANDEJAS	986,700	986,700		
TOTAL COMMON SHARES	6,007,536,456	6,007,536,456	0	0
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JOMARK O. AROLLADO	10,000	10,000		
EDMUNDO C. MEDRANO	6,000,000	6,000,000		
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RICHARD GO	3,000,000	3,000,000		
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ROSALINDA BASAS	10,000	10,000		
TOTAL COMMON SHARES	271,901,435	271,901,435	0	0
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PERCENTAGE (%)	69.0%	69.0%	0.00%	0.00%

	ALFONSO MARTIN E. EIZMENDI			
NAME OF STOCKHOLDER	SHARES TO UTILIZE	FOR	AGAINST	ABSTAIN
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CAMPOS LANUZA & CO., INC.	69,553,158	69,553,158		
LAWRENCE SANDEJAS	1,101,940	1,101,940		
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JONATHAN SANDEJAS	1,283,216	1,283,216		
BENEDICT SANDEJAS	986,700	986,700		
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EDMUNDO C. MEDRANO	6,000,000	6,000,000		
CHIARA ROSARIO JULIA L. PAREDES	15,150,000	15,150,000		
ERWIN V. CIAR	3,000,000	3,000,000		
MARISSA BONTOGON	3,500,000	3,500,000		
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SUSAN CARAG	4,000,000	4,000,000		
RICHARD GO	3,000,000	3,000,000		
EDILYNDA ENRIQUEZ	500,000	500,000		
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ROSALINDA BASAS	10,000	10,000		
TOTAL COMMON SHARES	271,901,435	271,901,435	0	0
PERCENTAGE (%)	2.99%	2.99%	0.00%	0.00%
GRAND TOTAL	6,279,437,891	6,279,437,891	0	0
PERCENTAGE (%)	69.0%	69.0%	0.00%	0.00%

	JOMARK O. AROLLADO			
NAME OF STOCKHOLDER	**SHARES TO UTILIZE**	**FOR**	**AGAINST**	**ABSTAIN**
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CAMPOS LANUZA & CO., INC.	69,553,158	69,553,158		
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PATRICIA SANDEJAS	1,054,598	1,054,598		
JONATHAN SANDEJAS	1,283,216	1,283,216		
BENEDICT SANDEJAS	986,700	986,700		
TOTAL COMMON SHARES	6,007,536,456	6,007,536,456	0	0
PERCENTAGE (%)	66.0%	66.0%	0.00%	0.00%
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GERARDO DOMENICO ANTONIO V. LANUZA	226,786,043	226,786,043		
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ANDREW C. NG	84,000	84,000		
ALFONSO MARTIN E. EIZMENDI	10,000	10,000		
JOMARK O. AROLLADO	10,000	10,000		
EDMUNDO C. MEDRANO	6,000,000	6,000,000		
CHIARA ROSARIO JULIA L. PAREDES	15,150,000	15,150,000		
ERWIN V. CIAR	3,000,000	3,000,000		
MARISSA BONTOGON	3,500,000	3,500,000		
CARLOS C. PACA	4,000,000	4,000,000		
SUSAN CARAG	4,000,000	4,000,000		
RICHARD GO	3,000,000	3,000,000		
EDILYNDA ENRIQUEZ	500,000	500,000		
IGNACIO ORTIGAS	1,100,000	1,100,000		
ROSALINDA BASAS	10,000	10,000		
TOTAL COMMON SHARES	271,901,435	271,901,435	0	0
PERCENTAGE (%)	2.99%	2.99%	0.00%	0.00%

GRAND TOTAL	6,279,437,891	6,279,437,891	0	0
PERCENTAGE (%)	69.0%	69.0%	0.00%	0.00%

	ROSALINDA Y. BASAS			
NAME OF STOCKHOLDER	**SHARES TO UTILIZE**	**FOR**	**AGAINST**	**ABSTAIN**
GREENHILLS PROPERTIES INC.	5,933,556,844	5,933,556,844		
CAMPOS LANUZA & CO., INC.	69,553,158	69,553,158		
LAWRENCE SANDEJAS	1,101,940	1,101,940		
PATRICIA SANDEJAS	1,054,598	1,054,598		
JONATHAN SANDEJAS	1,283,216	1,283,216		
BENEDICT SANDEJAS	986,700	986,700		
TOTAL COMMON SHARES	6,007,536,456	6,007,536,456	0	0
PERCENTAGE (%)	66.0%	66.0%	0.00%	0.00%
IN PERSON/ IN ABSENTIA	**SHARES TO UTILIZE**	**FOR**	**AGAINST**	**ABSTAIN**
GERARDO O. LANUZA JR.,	2,174,024	2,174,024		
ANTONIO O. OLBES	506,388	506,388		
GERARDO DOMENICO ANTONIO V. LANUZA	226,786,043	226,786,043		
GREGORY G. YANG	1,831,000	1,831,000		
AMADOR C. BACANI	229,980	229,980		
RENATO G. NUNEZ	10,000	10,000		
ANDREW C. NG	84,000	84,000		
ALFONSO MARTIN E. EIZMENDI	10,000	10,000		
JOMARK O. AROLLADO	10,000	10,000		
EDMUNDO C. MEDRANO	6,000,000	6,000,000		
CHIARA ROSARIO JULIA L. PAREDES	15,150,000	15,150,000		
ERWIN V. CIAR	3,000,000	3,000,000		
MARISSA BONTOGON	3,500,000	3,500,000		
CARLOS C. PACA	4,000,000	4,000,000		
SUSAN CARAG	4,000,000	4,000,000		
RICHARD GO	3,000,000	3,000,000		
EDILYNDA ENRIQUEZ	500,000	500,000		
IGNACIO ORTIGAS	1,100,000	1,100,000		
ROSALINDA BASAS	10,000	10,000		
TOTAL COMMON SHARES	271,901,435	271,901,435	0	0
PERCENTAGE (%)	2.99%	2.99%	0.00%	0.00%
GRAND TOTAL	6,279,437,891	6,279,437,891	0	0
PERCENTAGE (%)	69.0%	69.0%	0.00%	0.00%

With the unanimous votes in favor, and no objection raised, the Chairman declared the following individuals duly elected as members of the Board of Directors of Philippine Realty and Holdings Corporation for the 2025-2026 term.

1. Mr. Gerardo Domenico Antonio V. Lanuza
2. Mr. Gerardo O. Lanuza, Jr.
3. Mr. Antonio O. Olbes
4. Mr. Edmundo C. Medrano
5. Mr. Amador C. Bacani
6. Ms. Chiara Rosario Julia V. Lanuza-Paredes
7. Mr. Andrew C. Ng
8. Mr. Renato G. Nuñez – Independent Director

9. Mr. Jomark O. Arollado – Independent Director
10. Mr. Alfonso Martin E. Eizmendi – Independent Director, and
11. Ms. Rosalinda Y. Basas – Independent Director

On behalf of the newly elected Board, Chairman thanked the stockholders for their trust and continued support.

VII. Ratification of corporate acts, resolutions and proceedings of the Board of Directors, Board Committees and Corporate Officers since the last Annual Stockholders' Meeting

The Chairman moved to the next agenda item which was the ratification of corporate acts, resolutions and proceedings of the Board of Directors, Board Committees, and Officers of the Company since the last Annual Stockholders' Meeting.

MS. MITRA then proposed the following motion:

> *"Mr. Chairman, I move that all acts, resolutions, contracts, deeds and proceedings of the Board of Directors, Board committees and officers of the Corporation since the last Annual Stockholders' Meeting held on June 28, 2024 and up to today's meeting, as set forth or reported in the Minutes of the meetings of the Board of Directors and its Committees and in the reports submitted by the Corporation to the SEC, PSE and other regulatory bodies, and all acts and proceedings performed or taken pursuant thereto, be approved, ratified and confirmed."*

MR. VILLEZA seconded the motion.

At the Chairman's request and with no objections, the Corporate Secretary presented the voting results:

NAME OF STOCKHOLDER	SHARES TO UTILIZE	FOR	AGAINST	ABSTAIN
GREENHILLS PROPERTIES INC.	5,933,556,844	5,933,556,844		
CAMPOS LANUZA & CO., INC.	69,553,158	69,553,158		
LAWRENCE SANDEJAS	1,101,940	1,101,940		
PATRICIA SANDEJAS	1,054,598	1,054,598		
JONATHAN SANDEJAS	1,283,216	1,283,216		
BENEDICT SANDEJAS	986,700	986,700		
TOTAL COMMON SHARES	6,007,536,456	6,007,536,456	0	0
PERCENTAGE (%)	66.02%	66.02%	0.00%	0.00%
IN PERSON/ IN ABSENTIA	SHARES TO UTILIZE	FOR	AGAINST	ABSTAIN
GERARDO O. LANUZA JR.,	2,174,024	2,174,024		
ANTONIO O. OLBES	506,388	506,388		
GERARDO DOMENICO ANTONIO V. LANUZA	226,786,043	226,786,043		
GREGORY G. YANG	1,831,000	1,831,000		

AMADOR C. BACANI	229,980	229,980		
RENATO G. NUNEZ	10,000	10,000		
ANDREW C. NG	84,000	84,000		
ALFONSO MARTIN E. EIZMENDI	10,000	10,000		
JOMARK O. AROLLADO	10,000	10,000		
EDMUNDO C. MEDRANO	6,000,000	6,000,000		
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MARISSA BONTOGON	3,500,000	3,500,000		
CARLOS C. PACA	4,000,000	4,000,000		
SUSAN CARAG	4,000,000	4,000,000		
RICHARD GO	3,000,000	3,000,000		
EDILYNDA ENRIQUEZ	500,000	500,000		
IGNACIO ORTIGAS	1,100,000	1,100,000		
ROSALINDA BASAS	10,000	10,000		
TOTAL COMMON SHARES	271,901,435	271,901,435	0	0
PERCENTAGE (%)	2.99%	2.99%	0.00%	0.00%
GRAND TOTAL	6,279,437,891	6,279,427,891	0	0
PERCENTAGE (%)	69.00%	69.00%	0.00%	0.00%

With unanimous approval, the Chairman declared the motion carried and the agenda item duly ratified.

VIII. Appointment of Independent Auditor

The Chairman proceeded to the next agenda item which was the appointment of Independent Auditor for the ensuing year.

MR. CINCO proposed the following motion:

> *"Mr. Chairman, I respectfully move that MACEDA VALENCIA & CO. be appointed as the external auditor of the Corporation for the ensuing year, subject to such terms and conditions as may be imposed subsequently by the Board of Directors."*

MS. PANESA seconded the motion.

At the Chairman's request and with no objections, the Corporate Secretary presented the following voting results:

NAME OF STOCKHOLDER	SHARES TO UTILIZE	FOR	AGAINST	ABSTAIN
GREENHILLS PROPERTIES INC.	5,933,556,844	5,933,556,844		
CAMPOS LANUZA & CO., INC.	69,553,158	69,553,158		
LAWRENCE SANDEJAS	1,101,940	1,101,940		
PATRICIA SANDEJAS	1,054,598	1,054,598		
JONATHAN SANDEJAS	1,283,216	1,283,216		
BENEDICT SANDEJAS	986,700	986,700		
TOTAL COMMON SHARES	6,007,536,456	6,007,536,456	0	0
PERCENTAGE (%)	66.02%	66.02%	0.00%	0.00%

IN PERSON/ IN ABSENTIA	SHARES TO UTILIZE	FOR	AGAINST	ABSTAIN
GERARDO O. LANUZA JR.,	2,174,024	2,174,024		
ANTONIO O. OLBES	506,388	506,388		
GERARDO DOMENICO ANTONIO V. LANUZA	226,786,043	226,786,043		
GREGORY G. YANG	1,831,000	1,831,000		
AMADOR C. BACANI	229,980	229,980		
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ANDREW C. NG	84,000	84,000		
ALFONSO MARTIN E. EIZMENDI	10,000	10,000		
JOMARK O. AROLLADO	10,000	10,000		
EDMUNDO C. MEDRANO	6,000,000	6,000,000		
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ERWIN V. CIAR	3,000,000	3,000,000		
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CARLOS C. PACA	4,000,000	4,000,000		
SUSAN CARAG	4,000,000	4,000,000		
RICHARD GO	3,000,000	3,000,000		
EDILYNDA ENRIQUEZ	500,000	500,000		
IGNACIO ORTIGAS	1,100,000	1,100,000		
ROSALINDA BASAS	10,000	10,000		
TOTAL COMMON SHARES	271,901,435	271,901,435	0	0
PERCENTAGE (%)	2.99%	2.99%	0.00%	0.00%
GRAND TOTAL	6,279,437,891	6,279,427,891	0	0
PERCENTAGE (%)	69.00%	69.00%	0.00%	0.00%

With unanimous approval, the Chairman declared the motion carried and the agenda item duly approved.

IX. Other Matter

At the Chairman's request, the Corporate Secretary confirmed that no additional matters required shareholders' considerations.

X. Question and Answer

The Chairman then moved to the question-and-answer portion of the Meeting. He requested Mr. Rozano L. Santos ("MR. SANTOS"), the Company's Assistant Vice President for Special Projects, to read the questions submitted by the stockholders.

The following question was raised:

Question:

What are the challenges luxury property developers are facing now and what strategies are in place to mitigate risks in the market?[4]

The Chairman referred the question to the President for response.

The President thanked the Chairman and addressed the question as follows:

[4] Submitted through the proxy of Mr. Jonathan Sandejas

There are two aspects to the question. Allow me to answer each aspect briefly.

First, the biggest challenge the luxury residential condominium property developers are facing now is rising construction costs, which in turn place upward pressure on prices.

While the broader market may be experiencing oversupply issues, fortunately, in key central business districts (CBDs) like Makati and Bonifacio Global City (BGC), high-end properties continue to see very strong demand from a discerning and affluent clientele, whose demand for upscale dwelling units we consider to be inelastic. This demand is driven by factors like sustained economic growth, increasing affluence, and the perception of strong capital appreciation potential in these areas.

Also going for Metro Manila is that our luxury residential condominium units are generally more affordable compared to those in major Southeast Asian global hubs like Hong Kong or Singapore, or even Bangkok, although prices in Makati and in BGC are also rising, driven by strong investor confidence and pent-up demand.

As regards the second part of your question, PhilRealty has always focused on its market niche—the upscale, luxury residential condominium market and where its buyers have experienced meaningful growth in their investments. This is the market that your Company knows best.

In the specific case of Unico, our new upscale residential tower project, it is located in the most prime area of BGC, the Bonifacio South District. There is also the aspect of having just a few available units for sale, so marketing them will not be difficult. In terms of pricing, we are offering competitive prices for a vastly superior product in terms of use of the highest quality materials, well-thought-out layouts, top-tier amenities, and high capital appreciation potential. We have also consciously avoided competing in terms of price point with vacant lot prices in the exclusive subdivisions of Makati. We have studied our Unico Project very well and we are certain that we have mitigated and addressed adequately the risks involved.

Thank you, and I hope I answered your questions.

Mr. Santos thanked the President and informed the Chairman that there were no further questions from the stockholders.

With no further questions, the Chairman called for a motion to adjourn. MR. CINCO moved for adjournment, which was seconded by MS. PANESA. With no objections raised, the Chairman declared the motion carried and the Meeting adjourned.

The Chairman extended his gratitude to all stockholders for their participation and encouraged them to reach out with any issues, clarifications, or concerns regarding the Meeting by emailing the Office of the Corporate Secretary at corporatesecretary@philrealty.com.ph. He also informed the stockholders that a link to the recorded meeting will be made available on the Company's website at www.philrealty.com.ph. Meeting adjourned at 3:42 pm.

CERTIFIED CORRECT:

ATTY. REX P. BONIFACIO
Corporate Secretary

ANNEX "A"

BusinessMirror
A broader look at today's business

REPUBLIC OF THE PHILIPPINES)
MAKATI) S.S.

AFFIDAVIT OF PUBLICATION

I, **LEONIDA G. GARCIA,** of legal age, Filipino and residing at c/o **PHILIPPINE BUSINESS DAILY MIRROR PUBLISHING, INC.** 3/F Dominga Bldg. III Annex, 2113 Chino Roces corner Dela Rosa Streets, Makati City, Philippines, after having been duly sworn to in accordance with the law, hereby declare and testify:

That I am the Credit & Collection Staff of **BUSINESS MIRROR**, a newspaper published in English, edited and printed in Metro Manila, and circulated nationwide daily from Monday to Sunday with editorial and business address at 3/F Dominga Bldg. III Annex, 2113 Chino Roces cor. Dela Rosa Street, Makati City.

That the
PLACE AD

PHILIPPINE REALTY & HOLDINGS CORPORATION
(Notice and Agenda of Annual Stockholders' Meeting)

text of which could be read/deed as follows:

AS PER ATTACHED
has been published in **BusinessMirror** in its issue/s **June 2 and 3, 2025.**

AFFIANT FURTHER SAYETH NAUGHT
Manila, Philippines

LEONIDA G. GARCIA
Affiant

JUN 0 5 2025
SUBSCRIBED and SWORN to before-me this ______ day of ______,2025 at Makati City, Metro Manila, Philippines.

Affiant exhibited to me her TIN ID No. 214-787-675-000 & SSS ID No. 33-6140749-1 with picture.

Doc.No 122
Page No. 26
Book No. 69
Series of 2025.

ATTY. JOSHUA P. LAPUZ
Notary Public Makati City
Until Dec. 31, 2025
Appointment No. M-016-(2024-2025)
PTR No. 10466007 Jan. 2, 2025/ Makati
IBP Lifetime No. 04897 Roll NO. 45790
MCLE Compliance No. VIII-0025286
Valid Until April 14, 2028
G/F Fedman Bldg., 199 Salcedo St.
Legaspi Village, Makati City

BM-117318

ANNEX "A1"

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Philippine Realty & Holdings Corporation

NOTICE AND AGENDA OF ANNUAL STOCKHOLDERS' MEETING

Notice is hereby given that the Annual Stockholders' Meeting ("ASM" or "Meeting") of PHILIPPINE REALTY AND HOLDINGS CORPORATION (the "Company") will be held on Friday, June 27, 2025, at 3:00 p.m. The Meeting will be conducted virtually and there will no longer be a physical venue for the ASM.

The Agenda of the Meeting is as follows:

1. Call to Order;
2. Certification of Notice of Meeting and Determination of Quorum;
3. Approval of the Minutes of the Previous ASM held on June 28, 2024;
4. Report of the President and approval of the 2024 Annual Report and the 2024 Audited Financial Statements;
5. Election of the Members of the Board of Directors for the ensuing year;
6. Approval and Ratification of all Acts, Contracts, and Deeds of the Board of Directors, Board Committees, Management and Officers during their terms of office;
7. Appointment of External Auditor
8. Other business that may properly be brought before the Meeting; and
9. Adjournment

Only stockholders of record as of March 31, 2025 are entitled to notice of, and to vote at, the said Meeting.

Pursuant to the Company's By-Laws, the Board of Directors during its meeting on February 18, 2025 approved the conduct of the Annual Stockholders' Meeting to be held in a fully virtual format, hence stockholders may only attend the meeting by remote communication, by voting *in absentia*, or through proxy. The conduct of the Annual Stockholders' Meeting will be streamed live, and stockholders may attend the Meeting by registering on or before 5:00 PM on June 16, 2025.

Stockholders who intend to participate in the virtual ASM may register by sending an email to **asmregistration@philrealty.com.ph** of their intention to participate on or before 5:00 PM of June 16, 2025 together with the requirements set forth in the Information Statement and published at the Company's website at **www.philrealty.com.ph.**

Upon successful registration and validation of the documents submitted through email above, the stockholder will receive an email confirmation containing the Zoom link and a code to log in and view the 2025 ASM.

Electronic copies of the Information Statement and the Management Report, and SEC Form 17-A and other relevant documents in relation to the annual stockholders meeting may also be accessed through the aforementioned website **www.philrealty.com.ph/investor-relations/** and through the PSE EDGE portal.

Pasig, Metro Manila, May 29, 2025.

ATTY. REX P. BONIFACIO
Corporate Secretary

ANNEX "A2"

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Pasig, Metro Manila, May 29, 2025.

ATTY. REX P. BONIFACIO
Corporate Secretary

ANNEX "B"

REPUBLIC OF THE PHILIPPINES)
) S.S
Quezon City, Metro Manila)

AFFIDAVIT OF PUBLICATION

I, LEO N. ALISGAR, Filipino, of legal age, being first duly sworn

according to law, declare and testify :

That I am the **Billing & Collection Manager** of BUSINESSWORLD, a newspaper of general circulation in the Philippines, with editorial and business offices at #95 Balete Drive Extension, New Manila, Quezon City.

That the order of the PHILIPPINE REALTY & HOLDINGS CORPORATION

entitled NOTICE AND AGENDA OF ANNUAL STOCKHOLDERS' MEETING
PUBLISHED BOTH IN PRINT AND ONLINE

Text of which could be described as follows:

as per attached clipping.

has been published in the BUSINESSWORLD in its issue(s) of JUNE 2, & 3, 2025

FURTHER AFFIANT SAYETH NOT.

Quezon City, Metro Manila

LEO N. ALISGAR
Affiant

SUBSCRIBED AND SWORN to before me this 2ND day of JUNE affiant having exhibited to me his/her UMID ID with No. 0111-2584437-3

GARY A. SANCIO
Notary Public
Until December 31, 2026
Adm. Matter NP-103 (2025-2026)
Roll No. 44261
IBP No. 1082447 (LIFETIME)/06-30-17/Q.C.
PTR No. 6991051/1-06-2025/Q.C
MCLE Compliance No. VIII-0023572/03-04-25
Unit 203, STG Bldg. 190 P. Tuazon Blvd.
Araneta City, Quezon City, 1109

Doc. No. 362
Page No. 74
Book No. III
Series of 2025

d $237 billion by 2034, 5% market share. But er with Baidu's cloud, coming off a low base. I simply believe this is the time when the consumer space in general will do better," Vatsal Mody, partner and head ment picked Spanish defense firm Indra Sistemas, believing the firm will win more European contracts. — *Reuters*

ANNEX "31"

Philippine Realty & Holdings Corporation

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Pasig, Metro Manila, May 29, 2025.

ATTY. REX P. BONIFACIO
Corporate Secretary

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The San Francisco Fed chief also said incoming information

growth, with the disorganized roll-out making it hard for businesses and consumers to adapt.

one way or another as they get a clearer picture of the direction of the economy. — *Bloomberg News*

ANNEX "B2"

Philippine Realty & Holdings Corporation

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Pasig, Metro Manila, May 29, 2025.

ATTY. REX P. BONIFACIO
Corporate Secretary

ANNEX "L"

CERTIFICATION

I, **ATTY. REX P. BONIFACIO**, of legal age, Filipino, and the duly authorized **Corporate Secretary** of **Philippine Realty and Holdings Corporation** (the "Corporation"), after having been duly sworn in accordance with law, hereby certify that:

1. The Corporation filed its Preliminary Information Statement (PIS) with the Securities and Exchange Commission (SEC) for the purpose of complying with the requirements of the Securities Regulation Code and its Implementing Rules and Regulations.
2. After the review of the Preliminary Information Statement by the Markets and Securities Regulation Department (MSRD) of the SEC, the Corporation incorporated the findings and comments communicated by the MSRD.
3. Except for the revisions made in response to the findings and comments of the MSRD upon its review of the Preliminary Information Statement, no other changes, amendments, revisions, or modifications have been made to the Information Statement.
4. This Certification is being executed to attest to the foregoing and for whatever legal purpose it may serve.

IN WITNESS WHEREOF, I have hereunto set my hand this 3rd day of July 2026, in Pasig City, Philippines.

PHILIPPINE REALTY AND HOLDINGS CORPORATION

By:

ATTY. REX P. BONIFACIO
Corporate Secretary