



SECURITIES AND EXCHANGE COMMISSION

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TABLE OF CONTENTS

| | | Page No. |
|--------------------------|--------------------------------------------------------------------------------------|----------|
| PART I | BUSINESS AND GENERAL INFORMATION | |
| Item I | Business | 1 |
| Item II | Properties | 18 |
| Item III | Legal Proceedings | 21 |
| Item IV | Submission of Matters to a Vote of Security Holders | 24 |
| | | |
| PART II | OPERATIONAL AND FINANCIAL INFORMATION | |
| Item V | Market for Registrant's Common Equity and Related Stockholders Matters | 25 |
| Item VI | Management's Discussion and Analysis or Plan of Operations | 27 |
| Item VII | Financial Statements | 48 |
| Item VIII | Changes in and Disagreements with Accountants on Accounting and Financial Disclosure | 48 |
| | | |
| PART III | CONTROL AND COMPENSATION INFORMATION | |
| Item IX | Directors and Executive Officers | 49 |
| Item X | Executive Compensation | 60 |
| Item XI | Security Ownership of Certain Beneficial Owners and Management | 61 |
| Item XII | Certain Relationships and Related Party Transactions | 63 |
| | | |
| PART IV | CORPORATE GOVERNANCE | |
| Item XIII | Compliance with Leading Practices on Corporate Governance | 65 |
| | | |
| PART V | EXHIBITS AND SCHEDULES | |
| Item XIV | Exhibits and Reports on SEC Form 17-A | 66 |
| | | |
| SIGNATURES | | 67 |
| | | |
| INDEX TO EXHIBITS | | 68 |

PART I - BUSINESS AND GENERAL INFORMATION

Item I. Business

A. Background Information

1. Brief Company History

Cityland Development Corporation (the Company, the Parent Company or CDC) is a domestic publicly listed corporation which is duly organized and existing under and by virtue of the laws of the Philippines since January 31, 1978 with the primary purpose of engaging in real estate development. The Company is 50.98%-owned by Cityland, Inc. (CI), the ultimate parent company which is also incorporated in the Philippines.

2. Listing in Stock Exchange

The Company was listed with the Manila and Makati Stock Exchange in March 1983.

3. Subsidiaries

The following are the subsidiaries of the Company:

- a. City & Land Developers, Incorporated (CLDI): a domestic publicly listed corporation and a real estate company incorporated under the laws of the Philippines and registered with the Securities and Exchange Commission (SEC) on June 28, 1988. It is 49.73%-owned by CDC.
- b. Cityplans, Incorporated (CPI): a pre-need company incorporated under the laws of Philippines and registered with the SEC on October 27, 1988. It is 90.81%-owned by CDC.

4. Nature of Operations

The primary purpose of CDC and its subsidiaries (the Group) is to acquire and develop suitable land sites for residential, office, commercial, institutional, and industrial uses.

CPI is engaged in the business of establishing, organizing, developing, maintaining, conducting, operating, marketing and selling pension plans. CPI ceased from selling pension plans since February 2007 and is currently engaged in the settlement of the outstanding pension plans. Its secondary purpose is to own or otherwise acquire by deed, purchase or otherwise, the necessary property, building and equipment essential or incidental to said business and to purchase, own, hold, possess, lease, or otherwise acquire, and to use, operate, maintain, sell, pledge, mortgage, transfer or assign any real or personal property in the furtherance of the business and purpose of CPI.

The Group's projects include medium to high-rise office, commercial, and residential condominiums located in cities of Metro Manila such as Makati, Mandaluyong, Manila, Pasig and Quezon City; and residential subdivisions and farmlots in Parañaque, Bulacan and Cavite.

B. Development of Business for the past three (3) years (2022-2024)

Presented below are the status of sales and construction of the Group's projects as of the end of the following years:

CDC (Parent Company)

| | PERCENTAGE SOLD | | | |
|-----------------------------------|-----------------|--------|--------|------------------|
| | 2024 | 2023 | 2022 | |
| City North Tower | 26.84 | n/a | n/a | |
| Pioneer Heights 1 | 59.31 | 53.79 | 48.37 | Launched in 2018 |
| 101 Xavierville | 64.46 | 60.29 | 49.63 | Launched in 2018 |
| Pines Peak Tower II | 92.20 | 91.79 | 91.24 | Launched in 2016 |
| Pines Peak Tower I | 99.45 | 99.56 | 99.46 | Launched in 2012 |
| Grand Central Residences | 97.38 | 97.38 | 97.35 | Launched in 2010 |
| Makati Executive Tower IV | 99.14 | 99.14* | 99.45* | Launched in 2009 |
| Mandaluyong Executive Mansion III | 100.00 | 100.00 | 100.00 | Launched in 2008 |
| Makati Executive Tower III | 99.78 | 99.78* | 99.89* | Launched in 2006 |
| Manila Executive Regency | 100.00 | 100.00 | 100.00 | Launched in 2005 |
| Makati Executive Tower II | 100.00 | 100.00 | 100.00 | Launched in 2003 |

*Decline in percentage sold due to forfeited unit/s.

| | PERCENTAGE OF COMPLETION | | |
|-----------------------------------|--------------------------|--------|--------|
| | 2024 | 2023 | 2022 |
| City North Tower | 49.93 | n/a | n/a |
| Pioneer Heights 1 | 100.00 | 100.00 | 83.95 |
| 101 Xavierville | 100.00 | 100.00 | 80.00 |
| Pines Peak Tower II | 100.00 | 100.00 | 100.00 |
| Pines Peak Tower I | 100.00 | 100.00 | 100.00 |
| Grand Central Residences | 100.00 | 100.00 | 100.00 |
| Makati Executive Tower IV | 100.00 | 100.00 | 100.00 |
| Mandaluyong Executive Mansion III | 100.00 | 100.00 | 100.00 |
| Makati Executive Tower III | 100.00 | 100.00 | 100.00 |
| Manila Executive Regency | 100.00 | 100.00 | 100.00 |
| Makati Executive Tower II | 100.00 | 100.00 | 100.00 |

CLDI (Subsidiary)

| | PERCENTAGE SOLD | | | |
|--------------------------|-----------------|--------|--------|------------------|
| | 2024 | 2023 | 2022 | |
| One Hidalgo | 18.57 | 11.90 | n/a | Launched in 2023 |
| One Taft Residences | 79.10 | 77.14 | 71.63 | Launched in 2016 |
| North Residences | 99.83 | 98.85 | 97.65 | Launched in 2014 |
| Manila Residences Bocobo | 100.00 | 100.00 | 100.00 | Launched in 2009 |
| Grand Emerald Tower | 100.00 | 100.00 | 99.85 | Launched in 2006 |
| Pacific Regency | 100.00 | 99.89 | 99.89 | Launched in 2004 |

PERCENTAGE OF COMPLETION

| | 2024 | 2023 | 2022 |
|--------------------------|-------------|-------------|-------------|
| One Hidalgo | 50.75 | 17.70 | n/a |
| One Taft Residences | 100.00 | 100.00 | 100.00 |
| North Residences | 100.00 | 100.00 | 100.00 |
| Manila Residences Bocobo | 100.00 | 100.00 | 100.00 |
| Grand Emerald Tower | 100.00 | 100.00 | 100.00 |
| Pacific Regency | 100.00 | 100.00 | 100.00 |

CPI (Subsidiary)**PERCENTAGE SOLD**

| | 2024 | 2023 | 2022 | |
|----------------------|-------------|-------------|-------------|------------------|
| Windsor Mansion | 100.00 | 100.00 | 100.00 | Launched in 2007 |
| Oxford Mansion | 100.00 | 100.00 | 100.00 | Launched in 2004 |
| Pasig Royale Mansion | 100.00 | 100.00 | 100.00 | Launched in 2003 |

PERCENTAGE OF COMPLETION

| | 2024 | 2023 | 2022 |
|----------------------|-------------|-------------|-------------|
| Windsor Mansion | 100.00 | 100.00 | 100.00 |
| Oxford Mansion | 100.00 | 100.00 | 100.00 |
| Pasig Royale Mansion | 100.00 | 100.00 | 100.00 |

1. Project Description

The following are the future, ongoing and completed projects of the Group:

CDC**Ongoing Project:***City North Tower*

City North Tower is a proposed 50-storey mixed residential, office and commercial Condominium project with three (3) basement parking and four (4) podium parking levels to be located at No. 35 North Avenue Barangay Bagong Pag-asa Quezon City (QC). It is walking distance to QC's biggest malls - SM City North EDSA and Trinoma. This project was launched in February 2024 and is expected to be completed in February 2028.

Future Project:*Pioneer Heights 2*

Pioneer Heights 2 is an office, residential and commercial condominium to be located at Reliance St., Barangay Highway Hills, Mandaluyong City.

Completed Projects:

Pioneer Heights 1

Pioneer Heights 1 is a 24-storey office, commercial and residential condominium located at Pioneer St., Barangay Highway Hills, Mandaluyong City. Its amenities include swimming pool, children's playground, multi-purpose function room, laundry room, information area, administration room and 24-hour association security. The said project was completed in December 2023.

101 Xavierville

101 Xavierville is a high-rise, mixed-use condominium building with residential units from 8th-42nd floor and commercial units at ground floor located along Xavierville Avenue, Loyola Heights, Quezon City. The project is easily accessible to various schools such as Ateneo de Manila University, University of the Philippines and Miriam College; recreational parks and leisure places. The said project was completed in December 2023.

Building for Lease:

- *CityNet Central*

CityNet Central is a 22-storey commercial and Philippine Economic Zone Authority (PEZA)-registered building located in central business district along Sultan Street, Brgy. Highway Hills, Mandaluyong City with its proximity to MRT station and various transportation hubs.

- *CityNet1*

CityNet1 is a 5-storey premiere business technology hub located along 183 EDSA, Brgy. Wack-Wack, Mandaluyong City. The said building for lease is also registered with PEZA.

Pines Peak Tower I

Pines Peak Tower I is a 27-storey residential condominium located at Union corner Pines St., Barangka, City of Mandaluyong. Its amenities include swimming pool, viewing deck, multi-purpose function room with movable children play set, gym and 24-hour association security.

Pines Peak Tower II

Pines Peak Tower II is a 27-storey residential condominium conceptualized for the fast-paced Filipino family. It is beside Pines Peak Tower I along Pines St., Brgy. Barangka Ilaya, Mandaluyong City. It is only a block away from the major thoroughfare of EDSA, near Shaw Boulevard, Pioneer and MRT Boni Station. The project is easily accessible to various commercial centers like Shangri-La Mall, Star Mall, Robinson's Place Pioneer, SM Megamall, The Podium, Metrowalk and schools like Lourdes School of Mandaluyong, St. Paul College and University of Asia and the Pacific. This project was completed in May 2019.

Grand Central Residences

Grand Central Residences is a 40-storey office, commercial and residential condominium located at EDSA corner Sultan St., (fronting MRT Shaw), Mandaluyong City. It is in close proximity to schools, churches, malls and hospitals. It is equipped with swimming pool, multi-purpose function room, gym, multi-purpose deck, CCTV and 24-hour association security.

Makati Executive Tower IV

Makati Executive Tower IV is a 29-storey commercial and residential condominium located at Cityland Square, Sen. Gil Puyat Ave., cor. P. Medina St., Makati City. It is in close proximity to schools, malls, hypermarkets and hospitals. Its amenities include swimming pool, gym, playground, function room, roof deck and 24-hour association security.

Mandaluyong Executive Mansion III

Mandaluyong Executive Mansion III is a 7-storey commercial and residential condominium located at G. Enriquez St., Brgy. Vergara, Mandaluyong City. It is in close proximity to schools, malls, churches and hospitals. Its amenities include playground, swimming pool, basketball court and 24-hour association security.

Makati Executive Tower III

Makati Executive Tower III is a 37-storey commercial, office, and residential condominium located at Cityland Square, Sen. Gil Puyat Avenue, Pio Del Pilar, Makati City. Its amenities include swimming pool, sauna, viewing deck, jogging area, mini-gym, children's playground, function room and 24-hour association security.

Manila Executive Regency

Manila Executive Regency is a 39-storey office, commercial and residential condominium situated along J. Bocobo St. Ermita. This property has a close proximity to churches, malls, parks, party places, historical places, government institutions, and commercial establishments. Its amenities and facilities include swimming pool, gym, spa, function room, children's playground and Manila Bay viewing deck.

Makati Executive Tower II

Makati Executive Tower II is a 35-storey residential condominium located in Dela Rosa St., corner Medina St., Makati City. It offers a great location being few steps away from shopping centers, hotels, banks, hospitals, churches and major thoroughfares. Also, its proximity to LRT and MRT gives easy access to transportation.

CLDI

Ongoing Project:

One Hidalgo

One Hidalgo is a proposed 39-storey mixed residential, office and commercial condominium to be located at 1730 P. Hidalgo Lim St., corner Gen. Malvar St., Malate, Manila. It is near to various universities (De La Salle University, University of the Philippines - Manila, Philippine Christian University), government agencies (Supreme Court, Court of Appeals, Department of Justice) and other leisure establishments.

The said project was launched in February 2023 and expected to be completed in September 2027.

Future Project

Bonifacio Place

Bonifacio Place is a proposed mixed residential, office and commercial condominium project with basement parking levels and a separate parking building to be located at Boni Avenue, Barangay Barangka Itaas, Mandaluyong City. It is about 450 meters away from the EDSA MRT Boni Station.

Completed Projects:

One Taft Residences

One Taft Residences is a 40-storey mixed residential, office and commercial condominium which is located at 1939 Taft Avenue, Malate, Manila. It is with easy access to various universities (De La Salle University, University of the Philippines - Manila, Philippine Christian University), transportation hubs, shopping centers, businesses, commercial and government offices. This project was completed in May 2022.

North Residences

This 29-storey commercial and residential condominium is located along EDSA (beside WalterMart) corner Lanutan, Brgy. Veterans Village, Quezon City. It is conceptualized for the practical modern families to enjoy suburban city living that is budget-friendly. The project was turned over in March 2018.

Manila Residences Bocobo

Manila Residences Bocobo is a 34-storey commercial, office and residential condominium located along Jorge Bocobo St., Ermita, Manila City. Its amenities and facilities include swimming pool, children's play area, gym, multi-purpose deck, function room and 24-hour association security. It is proximate to schools, malls, banks, hospitals, restaurants, churches, government offices and other leisure establishments.

Grand Emerald Tower

Grand Emerald Tower is a 39-storey commercial, office and residential condominium located along Emerald Avenue corner Ruby and Garnet Streets, Ortigas Center, Pasig City. Its amenities and facilities include swimming pool, gymnasium, viewing deck, sauna, children's playground, multi-purpose function room, and 24-hour association security. It is proximate to schools, hospitals, shopping malls, banks, restaurants, hotels, churches and other leisure and business establishments.

Pacific Regency

Pacific Regency is a 38-storey commercial, office, and residential condominium located at Pablo Ocampo Sr. Ave. (formerly Vito Cruz Street) in front of Rizal Memorial Sports Complex in Manila. Amenities and facilities include swimming pool, gymnasium, separate sauna for male and female, function room, children's playground, 24-hour association security, viewing area and jogging areas at the roof deck.

CPI

Windsor Mansion

Windsor Mansion is an 8-storey commercial and residential condominium located along Evangelista St., New Santolan, Pasig City. Amenities and facilities include 2 elevators, administrative office, visitors' lounge, provision for cable TV and telephone line, individual water sub meter / Meralco meter and 24-hour association security. This project was also developed together with Cityland, Inc (CI).

Oxford Mansion

Oxford Mansion is an 8-storey commercial and residential condominium located along Evangelista St., New Santolan, Pasig City. Amenities and facilities include 2 elevators, administrative office, visitor's lounge, provision for cable TV and telephone line, individual water sub meter / Meralco meter and 24-hour association security. This project was also developed together with CI.

Pasig Royale Mansion

Pasig Royale Mansion is an 8-storey mid-rise condominium located at Evangelista St., New Santolan, Pasig City. Amenities and facilities include a swimming pool, a function room, a viewing area and a visitor's lounge. This project was also developed together with CI.

2. Marketing

All projects are sold by direct company salesmen and independent brokers.

3. Revenue Contribution to Total Revenues on Sale of Real Estate Properties

| | PERCENTAGE | | |
|-------------------------------------------------|---------------|---------------|---------------|
| | 2024 | 2023 | 2022 |
| <i>Cityland Development Corporation</i> | | | |
| City North Tower | 31.15 | - | - |
| Pines Peak Tower II | 1.36 | 0.87 | 2.08 |
| 101 Xavierville | 12.41 | 39.14 | 18.45 |
| Pioneer Heights 1 | 32.27 | 40.00 | 35.17 |
| Grand Central Residences I | 1.04 | 0.46 | 0.78 |
| One Premier (assigned units and parking slots)* | 1.10 | 1.39 | 2.20 |
| Pines Peak Tower I | - | 0.38 | 0.18 |
| Makati Executive Tower III | - | - | 0.04 |
| Others | 0.03 | 0.16 | 0.14 |
| Sub-total | 79.36 | 82.40 | 59.04 |
| <i>City & Land Developers, Incorporated</i> | | | |
| One Hidalgo | 11.31 | 1.38 | - |
| One Taft Residences | 7.00 | 11.44 | 39.89 |
| North Residences | 0.87 | 2.29 | 0.68 |
| Grand Emerald Tower | 0.16 | 0.43 | 0.06 |
| Others | 0.25 | 1.42 | 0.01 |
| Sub-total | 19.59 | 15.58 | 40.65 |
| <i>Cityplans, Incorporated</i> | | | |
| Condominium units from the following projects: | | | |
| The Manila Residences II | 0.63 | 0.80 | 0.09 |
| Grand Central Residences I | - | 0.56 | 0.22 |
| Grand Emerald Tower | - | 0.13 | - |
| Pines Peak Tower I | - | 0.23 | - |
| One Taft Residences | 0.42 | 0.28 | - |
| Sub-total | 1.05 | 2.02 | 0.31 |
| Total | 100.00 | 100.00 | 100.00 |

**One Premier*

One Premier is a 27-storey commercial and residential condominium project located in one of the upmarket addresses in the South - Alabang Premier, Km. 21 Alabang-Zapote Road, Brgy. Almanza Uno, Las Piñas City. It was designed in the style and function of metropolitan living with amenities like swimming pool, gym, playground, multi-purpose function room, viewing deck and 24-hour association security will ensure convenient living.

Revenue contribution of CDC relating to One Premier project pertains to condominium units and parking slots assigned by CI to CDC under a Memorandum of Agreement whereby the latter shall assign its parcel of land to the former in exchange of certain number of condominium units and parking slots. The said project was completed in April 2022.

4. Domestic and Foreign Sales Contribution to Total Sales *(Based on Consolidated Amounts)*

The table below illustrates the percentage of revenue attributable to domestic and foreign sales of real estate properties for the years ended December 31, 2024, 2023 and 2022:

| | PERCENTAGE | | |
|-------------------|---------------|---------------|---------------|
| | 2024 | 2023 | 2022 |
| Sales | | | |
| Filipino Citizens | 94.61 | 95.55 | 94.78 |
| Foreign Citizens | 5.39 | 4.45 | 5.22 |
| Total | 100.00 | 100.00 | 100.00 |

Sales to foreign citizens are broken down as follows:

| | Percentage | | |
|----------|-------------|-------------|-------------|
| | 2024 | 2023 | 2022 |
| American | 2.37 | 2.68 | 3.04 |
| Chinese | 1.13 | 0.48 | 0.73 |
| Canadian | 0.47 | 0.35 | 0.51 |
| Others | 1.42 | 0.94 | 0.94 |
| | 5.39 | 4.45 | 5.22 |

5. Competition

In the property development industry, the principal methods of competition among the developers are as follows: price; product or the type of development (i.e., high, middle, and low-end); and service or property management after the project is turned over to the buyers.

The Group sells its products, which consist of condominium projects, to both end-users and investors at affordable prices.

The Group's projects are located in Metro Manila. Competition is seen among other real estate developers whose projects and developments are focused on Metro Manila. Thus, the location of the projects plays a vital role in obtaining a competitive advantage over the other key players.

The condominium project which is quite similar in price, type of development and proximity to 101 Xavierville is Torre Lorenzo Loyola, a project of Torre Lorenzo Development Corporation, which is located at Rosa Alvero St. Loyola Heights Quezon City.

The condominium project that is quite similar with Pioneer Heights 1 in terms of price, type of development, market and location is Sunshine 100 Tower 3, a project of Property101, Inc., which is located at #4 Pioneer St. corner Sheridan St., Mandaluyong City.

The condominium project which is quite similar in classification and proximity to Mandaluyong Executive Mansion III is the Suntrust Treetop Villas, a project of Suntrust (Empire East), which is located along Coronado St., Mandaluyong City.

The condominium project that are quite similar with Grand Central Residences I in terms of location is the Zitan at Greenfield by Greenfield Development located at Edsa Corner Shaw, Mandaluyong City.

The condominium project that is quite similar in classification and proximity to Pines Peak Tower I and II is the Avida Towers Centera, a project of Avida Land Corporation, which is located in Mandaluyong City.

The condominium project that is quite similar with One Taft Residences in terms of price, type of development, market and location is Victoria De Manila 2 by New San Jose Builders, which is located along Taft cor. General Malvar, Malate, Manila.

The condominium project that is quite similar with North Residences in terms of price, type of development, market and location is Zinnia Residences, a project of DMCI, located at 1211 North EDSA, Muñoz, Quezon City.

The Group believes that its projects are competitive because of its good location and affordable price.

6. Customers

The Group has a broad market base and is not dependent upon a single or few customers. The Group has no significant transactions with customers in terms of percentage to total sales.

7. Purchases of Raw Materials and Supplies

The Group engaged the services of Millenium Erectors Corporation for the Civil and architectural works of City North Tower and One Hidalgo.

The Group has no existing major supplier of materials for its projects. The major construction materials like steel bars, cement, etc. are sourced through canvassing and bidding from its list of accredited suppliers. The Group then purchases the construction materials from the supplier providing quality services/products with reasonable cost.

8. Transactions with and/or Dependence on Related Parties

The Group, in the normal course of business, has transactions and account balances with related parties.

Discussions of Transactions with and/or Dependence on Related Parties are discussed thoroughly in Item XII. *Certain Relationships and Related Party Transactions* of this report.

9. Number of Employees

The Group has a total of 177 employees as of December 31, 2024, classified as follows:

| By Rank | | By Function | |
|--------------|------------|----------------|------------|
| Managerial | 32 | Administrative | 100 |
| Rank & file | 145 | Operations | 77 |
| Total | 177 | Total | 177 |

The number of employees is expected to remain the same within the next 12 months. The Group maintains an organizational framework whereby important management functions as well as administrative tasks are shared within the Group.

12. Effect of Existing Government Regulations on the Business

The Group has complied with all the appropriate government regulations prior to the development and marketing of its projects. Compliance with these requirements symbolizes the unrelenting commitment of the management to service and protection of its community and environment. CDC engaged the services of Millenium Erectors Corporation for the civil and architectural works of City North Tower.

13. Amount Spent for Research/Development Activities

The Group did not spend significant amount for research and development activities.

14. Cost and effect of Compliance with Environmental Laws

Payments made by the Group for environmental clearances to DENR are as follows:

| | |
|------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 2024 | Payment of ₱100,000 to LAQ Environmental Consulting for the ECC & LDA Clearance of East Pacific Tower. Payment of ₱6,500.00 to Water Environment Association of the Philippines Inc. for the Pollution Control Officer (PCO) Basic Training Course for CityNet 1. Payment of ₱6,500.00 to Water Environment Association of the Philippines Inc. for the Pollution Control Officer (PCO) Basic Training Course for CityNet 1. |
| 2023 | Payment of ₱23,100 to EMB NCR for the renewal of permit to operate for Citynet Central & Grand Central Residences for the years 2023-2028 Payment of ₱6,500.00 to Water Environment Association of the Philippines Inc. for the Pollution Control Officer (PCO) Basic Training Course for Pioneer Heights 1 Payment of ₱200,000 to LAQ Environmental Consulting for the ECC & LDA Clearance of East Pacific Tower |
| 2022 | Payment of ₱19,500 to EMB NCR for Citynet Central and Grand Central Residences. Payment of ₱6,500.00 to Water Environment Association of the Philippines Inc. for the Pollution Control Officer (PCO) Basic Training Course for One Taft Residences. Payment of ₱10,000.00 to EMB NCR for North Residences. Payment of ₱55,000.00 to LAQ Environmental Consulting for the professional fees for the amendment of ECC for North Residences Payment of ₱2,030 to LAQ Environmental Consulting for the ECC amendment fee and documentary stamps for North Residences |

15. Major Risks Involved in Each of the Businesses of the Group

The risks to which the Group is exposed include the internal risks such as refinancing risk, credit risk, interest rate risk, market risk and liquidity risk; business risks and operational risks; and external ones arising from political and economic situation, real estate industry outlook, market competition and asset price bubble.

INTERNAL FACTORS

Refinancing

The Group is primarily engaged in real estate development. Risk factor includes minimal risk debt level of the Group's borrowings. The short-term nature of these borrowings increases the possibility of refinancing risks. This debt mix in favor of short-term borrowings is a strategy which the Group adopted to take advantage of lower cost of money for short-term loans versus long-term loans. Because the Group has the flexibility to convert its short-term loans to a long-term position by drawing down its credit lines with several banks or sell its receivables, refinancing risk is greatly reduced.

The Group manages such refinancing risks by monitoring its current and acid-test ratio. The said ratios affecting the Company are disclosed in Schedule IV, *Supplementary Schedule of Financial Soundness Indicators*, attached to the Audited Annual Consolidated Financial Statements.

Credit Risk

This is defined as the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The financial instruments which may be the subject of credit risk are the installment contracts receivables, contract assets and other financial assets of the Group. The corresponding management strategies for the aforementioned risks are as follows:

- a. The credit risk on the installment contracts receivables and contract assets may arise from the buyers who may default on the payment of their amortizations. The Group manages this risk by dealing only with recognized and credit worthy third parties. Moreover, it is the Group's policy to subject customers who buy on financing to credit verification procedures. Also, receivable balances are monitored on an on-going basis which resulted to an insignificant exposure to bad debts. The risk is further mitigated because the Group holds the title to the real estate properties with outstanding installment contracts receivable balance and the Group can repossesses such property upon default of payment by the customer. The Group policy is to enter into transactions with a diversity of credit-worthy parties to mitigate any significant concentration of credit risk. There are no significant concentrations of credit risk within the Group
- b. The credit risk on the financial assets of the Group such as cash and cash equivalents, short-term investments, financial assets at

fair value through other comprehensive income (FVOCI), refundable deposits and other receivables may arise from default of the counterparty. The Group manages such risks in accordance to its policy wherein the Group shall enter into transactions with a diversity of creditworthy parties to mitigate any significant concentration of credit risks. As such, there are no significant concentrations of credit risks in the Group.

**Interest
Rate Risk**

This is the risk arising from uncertain future interest rates.

The Group's financial instruments consist of:

- a. The Group's financial assets mainly consist of installment contract receivables, contract assets, notes receivable, cash and cash equivalents, short-term and long-term investments, guaranty deposits, refundable deposits and other receivables. Interest rates on these assets are fixed at their inception and are therefore not subject to fluctuations in interest rates.
- b. For the financial liabilities, the Group only has commercial papers which bear fixed interest rates, thus, are not exposed to fluctuations in interest rates.

Market Risk

This is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Financial instruments which are measured at fair value are subject to market risk.

The financial assets at FVOCI are exposed to market risk. There is a risk for a decline in the value due to changes in the market. The Group performs detailed assessment and review prior to investing and purchasing shares of stock.

Liquidity Risk

This is the current and prospective risk to earnings or capital from the Group's inability to meet its obligations when they become due without incurring unacceptable losses. The Group's treasury has a well-monitored funding and settlement management plan. The following is the liquidity risk management framework maintained by the Group:

- a. *Asset-Liability Management*: Funding sources pertain to short-term borrowings. Funding sources are abundant and provide a competitive cost advantage. The Group also holds financial assets for which there is a liquid market and are, therefore, readily saleable to meet liquidity needs.
- b. *Conservative/Liability Structure*: Funding is widely diversified. There is little reliance on wholesale funding services or other credit sensitive fund providers. The Group accesses funding across a diverse range of markets and counter parties.

- c. *Excess Liquidity*: The Group maintains considerable excess liquidity to meet a broad range of potential cash outflows from business needs including financial obligations.
- a. *Funding Flexibility*: The Group has an objective to maintain a balance between continuity of funding and flexibility through the use of commercial papers.

As such, the Group addresses risk on liquidity by maintaining committed borrowing facilities in the form of bank lines and established record in accessing these markets.

Overall, the Company adapts to the changing environment by being flexible and open to new opportunities to improve its financial status.

The Group is also exposed to risks which are beyond financial as follows:

GROUP'S BUSINESS AND OPERATIONS

Land Banking

The Group's land banking consists of parcels of land wherein some lots are being leased while awaiting the development of the Group's condominium projects. Having enough and diversified land banking is important to support the sustainability of the Group's business. The Group may be exposed to risks because of the possible changes in the value of these lots due to market circumstances which may result in impairment or decline in rental rate levels.

The Group currently has prime lots for future development and/or investment properties which are located in the different areas of Metro Manila and Cavite. The management also is in continuous study and research on the possible land acquisition which will depend on the need of the Group and negotiations with prospective sellers. For the land value changes and decline, the Group continues to be cautious in buying new properties by conducting studies on appraisal and conditions of the property within the vicinity.

Property development and construction

Construction of a condominium project starts from the planning and securing of permits, to the development or construction of the project and to the delivery or turnover of the units to the buyers. The construction of a project involves an average period of three to five years to complete the building. During this period, the Group may be exposed to the following risks:

- delays or longer than expected time of securing necessary licenses, permits and approvals from different government agencies or neighborhood;
- possible increase in the cost of materials and labor which will impact pricing and costing;
- labor disputes among and with the contractors and sub-contractors; and
- delay in the delivery of the project.

These risks are managed by the Group as follows:

- well-planned and carefully-phased project development with a reasonable timetable;
- concrete sources of financing of the project;
- accreditation and careful selection of general contractors and sub-contractors to ensure fulfillment and quality of work; and
- continuous and meticulous management of the Group's project development team to ensure that the project is progressing and being accomplished according to plan.

ECONOMIC FACTORS

Economic

The Group's business consists mainly of providing office and housing units in the Philippines and the results of the operations will be influenced by the general conditions of the Philippine economy. Any economic instability or failure to register improved economic performance in the future may adversely affect the Group's operations and eventually its financial performance.

Effect of climate change

It cannot be denied that the country is already experiencing the impact of climate change which is considered as a global problem which needs to be addressed by all countries.

Climate change has greatly affected the operations of the businesses, both private and local. Due to climate change, the supply or resources may decline which will lead to increase in cost. Thus, businesses should consider measures to cope with the impact of environmental changes. In addition, businesses should ensure compliance to the rules and regulations imposed by the environmental authorities.

Cityland Group has invested considerable effort in the development of programming approaches that integrate disaster risk management with long-term programs that have the objective of addressing the underlying causes of vulnerability. This means developing and applying various prevention, mitigation and preparedness policies, strategies and practices to minimize vulnerabilities and disaster risks. The Group firmly believes that emergency preparedness planning is a critical component for all development programming and is a necessary ingredient not only for effective emergency response but also for effective risk prevention, mitigation and preparedness before a disaster occurs. For the Group, emergency preparedness encompasses all aspects of disaster risk management - from addressing underlying causes to responding in times of emergencies. First and foremost, preparedness must focus on prevention and mitigation - taking pre-emptive measures to help communities avoid emergencies and become better equipped so that the impacts of disasters are

reduced. As one of the criteria set by the Group in acquisition of property, the Group considers whether the location of the prospective property is within the fault line and whether the area is prone to flooding. In this case, the Group minimizes the risk of incurring any additional costs/damages in the future.

Further, the Group has adopted the following controls in relation to the compliance with environmental laws but not limited to:

- Adherence to the standards/requirements set by the regulatory agencies governing the real estate industry;
- Appointment of Pollution Control Officers in all condominium projects
- Continuous study on how to improve the project from planning to construction until its completion
- Active participation with the government's requirements to real estate developers (e.g. socialized housing, tree planting, etc.); and
- Avoiding hazards and mitigating their potential impacts by reducing vulnerabilities and exposure and enhancing capacities of communities.

Political

The Group's business, like all other businesses, may be influenced by the political situation in the country. Any political instability in the future could have a material adverse effect in the Group's business.

The ongoing conflicts of different countries sets several uncertainties with the potential to disrupt businesses and institutions and poses threat to world trade and economies, in general. The continuing effect of the situation on business and institutions could result in business continuity interference, trade disruptions, rising prices of basic commodities including oil and power, among others.

Industry

The industry is characterized by boom-bust cyclical pattern exhibited in the past couple of decades where the industry normally goes through years of robust growth following years of slowdown.

The Group has adopted business continuity plans and strategies to mitigate the risks and effect of the pandemic.

Competition

The demand for housing especially in the medium-cost category has moderately stepped up. The situation has attracted both old and new players to develop projects that cater to the increase in demand. As a result of the foregoing, competition in the area of medium-cost development is expected to intensify. The Group believes that it is in a better position to cope with the competition because of the affordability of the projects it offers in the market.

The Group's major competitors include SM Development Corporation, Vista Land Corporation, Empire East, Avida Land

Corporation, New San Jose Builders, Torre Lorenzo Development Corporation and DMCI.

Item II. Properties

Investment properties and real estate properties held for future development as of December 31, 2024, are as follows:

| Particular | Location | Total Area | Description | Mortgagee/ Limitation |
|-----------------------------------------|-----------------------------------------------------------------------------------|-------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------|
| Cityland Development Corporation | | | | |
| 1. Land & building | Corner Pioneer and Reliance Sts., partly located in Mandaluyong City & Pasig City | 2,918 | The property is located near MRT3 Boni Station; about a km. away from Ortigas Center and presently improved with warehouse buildings. | Metrobank / ₱200M |
| 2. Land | Brgy. Punungyanan, Gen. Trias, Cavite | 501,832 | The land is adjacent to Eagle Ridge Golf Course and Gateway Business Park. | - |
| 3. Land | Alabang Zapote Road, Almanza Uno, Las Piñas City | 211 | Lot is located at the northeast side of Alabang-Zapote Road | - |
| 4. Building for lease (CityNet1) | Bo. Wack-Wack, Mandaluyong City | 2,367 | The property is located near POEA in front of Robinson's Galleria; along EDSA very near MRT3 Ortigas Station. | Security Bank / ₱600M |
| 5. Building for lease (CityNet Central) | Brgy, Highway Hills, Mandaluyong City | 3,300 | Building is located near EDSA Central & Shangri-La Mall in Shaw Blvd. | - |
| 6. Office Condo | H.V. Dela Costa St., Salcedo Village, Makati City | 891 | This is an office condominium for lease and office use located at Cityland 10 Tower I&II in H.V.dela Costa corner Geronimo and Valero Sts., Makati City. | Metrobank / ₱200M |
| 7. Land | Brgy. Bagong Pag-asa, Quezon City | 2,025 | Lot is located along North Avenue, Brgy. Bagong Pag-asa, Quezon City | - |

| Particular | Location | Total Area | Description | Mortgagee/ Limitation |
|-------------------------------------------------|----------------------------------------------------------------------|-------------------|-----------------------------------------------------------------------------------|----------------------------------|
| 8. Land | Brgy. Panungyanan, General Trias, Cavite | 30,000 | Lot is located along Amadeo-Tagaytay Road | - |
| 9. Parking | EDSA corner Sultan St., Mandaluyong City | 27 slots | Located at EDSA corner Sultan St., (fronting MRT Shaw), Mandaluyong City | - |
| 10. Land | Brgy. Ugong, City of Pasig | 2,292 | Along E-Rodriguez Ave. right across Ortigas East Tiendesitas | - |
| 11. Land | Brgy. Dela Paz, City of Pasig | 2,625 | Along Marcos Highway, a few minutes walk from Ayala Malls Feliz | - |
| City & Land Developers, Incorporated | | | | |
| 1. Land | Roxas Blvd. Cor. Seaside Drive, Brgy. Tambo, Parañaque City | 3,154 | Lot is located along Roxas Blvd. Property. | - |
| 2. Land | Sct. Bayoran St. South Triangle Quadrangle, Quezon City | 2,130 | Lot is located along Sct. Bayoran Street in Quezon City | - |

Ownership

The Group has complete ownership of the above-mentioned properties.

Plan to Purchase

The Group has intentions to acquire property(ies) within the next 12 months depending on the outcome of its negotiation with the prospective seller(s). The Group is also continuously receiving property offers and at the same time reviewing them but no definite property has identified yet.

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Lease Contracts

Leased properties of the Group as of December 31, 2024 are as follows:

| | Consolidated Rental Income |
|------------------------------------------------------------------------|---------------------------------------|
| CityNet Central - Building for Lease | ₱112,067,743 |
| CityNet1 - Building for Lease | 57,091,997 |
| Lots/Building for Lease - Mandaluyong | 17,124,530 |
| One Taft Residences - Condominium Units | 9,136,676 |
| Pioneer Heights I | 3,821,063 |
| 101 Xavierville | 3,061,971 |
| Cityland Condominium 10 Towers I and II - Condominium Units/Parking | 2,289,420 |
| North Residences | 1,809,603 |
| Grand Central Residences - Condominium Units | 5,013,200 |
| Grand Emerald Tower - Condominium Units/Parking | 1,294,478 |
| Makati Executive Towers - Condominium Units/Parking | 487,793 |
| Pines Peak Tower I and II - Condominium Units | 818,820 |
| Other leased properties | 9,256,790 |
| Total | ₱223,274,084 |

CityNet1 was registered with PEZA on March 3, 2014 with Registration No. EZ14-04. On August 31, 2017, the Company completed the CityNet Central which is also a building for lease and registered with PEZA on February 17, 2015 with Registration No. EZ 15-06. The Group leases out these buildings to third parties.

The Group entered into long-term lease contracts with terms ranging from 3 to 10 years. Other lease contracts range from one month to 1 year.

GROUP AS A LESSEE

The Group has lease contracts for various items of plant assets used in its operations. Leases of plant assets generally have lease terms between 2 to 5 years. The Group's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Group is restricted from assigning and subleasing the leased assets and some contracts require the Group to maintain certain financial ratios.

It is the Group's policy to classify right-of-use assets as part of property and equipment. Prior to that date, all of the Group's leases are accounted for as operating leases in accordance with PAS 17, hence, not recorded on the statement of financial position. The Group recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are initially measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The initial cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, lease payments made at or before the commencement date less any lease incentives received and estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories.

Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognized right-of-use assets are depreciated on a straight-line basis over the shorter of their estimated useful life and lease term. Right-of-use assets are subject to impairment.

There are several lease contracts that include extension and termination options and variable lease payments, which are further discussed below.

The following are the amounts recognized in the consolidated statement of income:

| | 2024 | 2023 | 2022 |
|-----------------------------------------------------------------------------------|-------------------|------------|------------|
| Depreciation expense of right-of-use assets included in property and equipment | ₱4,814,448 | ₱4,534,474 | ₱4,213,702 |
| Interest expense on lease liabilities | 709,905 | 680,313 | 207,967 |
| Expenses relating to short term leases | 724,370 | 1,299,656 | 197,447 |
| Total amount recognized in consolidated statement of income | ₱6,248,723 | ₱6,514,443 | ₱4,619,116 |

The rollforward analysis of lease liabilities are as follows:

| | 2024 | 2023 |
|-------------------------------|--------------------|-------------|
| Balances at beginning of year | ₱14,179,193 | ₱2,926,553 |
| Additions | 1,944,841 | 15,710,670 |
| Interest expense | 709,905 | 680,313 |
| Payment | (5,202,399) | (5,138,343) |
| Balances at end of year | ₱11,631,540 | ₱14,179,193 |

Shown below is the maturity analysis of the undiscounted lease payments:

| | 2024 | 2023 |
|------------------------------|------------------|-----------|
| 1 year | 5,315,408 | 5,116,251 |
| More than 1 years to 2 years | 3,598,530 | 4,281,643 |
| More than 2 years to 3 years | 2,616,469 | 2,650,911 |
| More than 3 years to 4 years | 1,112,264 | 3,728,733 |

Item III. Legal Proceedings

The material legal proceedings to which the Group is a party or of which any of its subject during the past five (5) years up to latest date are as follows:

- **COMPANY**

1. **Cityland Development Corporation**

Cristy Katsui vs. Cityland Development Corporation

OP Case No. 15-A-001

Office of the President

Date Instituted: June 26, 2012

Cristy Katsui filed a Complaint dated June 20, 2012 which was received by Cityland on July 20, 2012, seeking an order for the rescission of the Contract to Sell over a commercial unit no. G-11 in Makati Executive Tower IV and for the return of all the amortizations paid by her and her children in the total amount of P1,634,000.00.

Cityland stated in its Answer that it cancelled the above-mentioned Contract to Sell in compliance with the instruction of Katsui in her letter, in behalf of all the Buyers, dated June 21, 2011. She was informed that she is not entitled to any cash surrender value under R.A. No. 6552 that requires a minimum payment of 24 monthly installments. Katsui paid only 14 installments. Besides, the unit is a commercial unit which is not covered by the law which seeks to protect buyers of residential units. Unfavorable decision was rendered by the HLURB against Cityland, and the same was elevated to the Office of the President which affirmed the HLURB decision. Cityland entered into an amicable settlement with Katsui and a Notice of Satisfaction of Judgement was filed on April 12, 2024.

Gary Noble Esquivel vs. Cityland Dev. Corp., etal.

Human Settlements Adjudication Commission (HSAC)

Department of Human Settlements and Urban Development (DHSUD)

HSAC Case No. NCR-REM-220511-00500

Date Instituted: May 11, 2022

Gary Noble Esquivel filed a Complaint dated May 3, 2022 against Cityland for Specific Performance with Damages praying for full refund of all the payments made in the amount of Php1,264,426.45 for the purchase of Unit 2504 and Parking Slot P241 of Cityland's Pines Peak Tower 1, plus 6% interest and other damages due to alleged construction defects of the units and the building.

Cityland stated in its Answer that Complainant has defaulted in the payment of his obligations and that the units and the building were constructed in accordance with the approved plans. Furthermore, Cityland noted that all complaints were addressed.

In a Decision dated December 19, 2022, HSAC Adjudicator declared that the building was constructed according to the approved plans and gave Complainant four (4) months grace period from receipt of the Decision to settle all his obligations. Complainant has until May 13, 2023 to comply with the Decision. Complainant failed to comply with the Decision. Certificate of Finality was issued on May 29, 2023. Complainant filed a Motion for Issuance of Writ of Execution dated October 24, 2023, which was granted by the HSAC in an Order dated November 10, 2023.

Cityland filed its motion to to approve the deposit and/or tender of payment in satisfaction of the decision with HSAC. An order dated September 26, 2024 was issued wherein *"the assigned Sheriff is hereby ordered to conduct a conference between the parties on how to implement the subject decision."* An execution conference on October 22, 2024. The HSAC issued an order on February 5, 2025 allowing Cityland to deposit and/or tender the payment in satisfaction of the decision and on March 4, 2025, HSAC acknowledged receipt of payment by consignment. Possession of the unit is now with Cityland and recovery of possession of the parking lot is ongoing.

2. City & Land Developers, Incorporated

Republic of the Philippines represented by the Department of Public Works and Highways (DPWH), through the Bureau of Design-Right of Way Office (BODROWO) versus City & Land Developers, Inc. (CLDI)

Case No. CA G.R. No. CV-112245

Paranaque Regional Trial Court - Branch 274

Date Instituted: July 16, 2013

DPWH filed a Complaint for Expropriation of certain portions of the properties, including the improvements therein, of CLDI located in Barangay Tambo, Paranaque City, which will be part of the NAIA Expressway Project Phase II.

CLDI disputed the valuation made by the DPWH on the properties. The Court issued a Decision in favor of CLDI. The DPWH thru the Office of the Solicitor General (OSG) filed its Motion for Reconsideration which was granted by the new presiding Judge. CLDI filed a Notice of Appeal which was favorably granted by the Court of Appeals. The OSG filed its Motion for Reconsideration, then CLDI filed its Comment/Objection thereto. An Amended Decision was issued by the Court of Appeals as to the interest to be paid by the DPWH. Entry of Judgement has been issued by the Court of Appeals. Records were remanded to Parañaque RTC. CLDI filed Motion for Issuance of Writ of Execution but the Office of the Solicitor General; opposed and RTC denied the motion. Coordination is being made for the execution of the judgment.

• PROPERTY

Aside from the mentioned cases, there were no cases filed wherein the Group's property/ies is/are the subject.

The legal proceedings mentioned are considered as "material" if compared to other proceedings involving the Group but not material when compared to the overall financial condition of the Group. Thus, the Group does not expect that the outcome of these legal proceedings will have a material adverse effect on the financial condition of the Group.

During the past five years up to present, there is no bankruptcy petition filed by or against any business of which such person was a general partner or executive officer of the Group either at a time of the bankruptcy or within two years prior to that time.

During the past five years up to present, the Group, any of its directors or executive officers has no conviction by final judgment, domestic or foreign, or is not subject to a pending criminal proceeding, domestic or foreign.

During the past five years up to present, the Group, any of its directors or executive officers is not subject to any order, judgment, or decree, not subsequently reversed, suspended or vacated, of any court of competent jurisdiction, domestic or foreign, permanently or temporarily enjoining, barring, suspending or otherwise limiting his involvement in any type of business, securities, commodities or banking activities.

During the past five years up to present, the Group, any of its directors or executive officers has not been found by a domestic or foreign court of competent jurisdiction (in civil action), the

Commission or comparable foreign body, or a domestic or foreign exchange or other organized trading market or self-regulatory organization, to have violated a securities or commodities law or regulation and the judgment has not been reversed, suspended, or vacated.

Item IV. 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 fiscal year covered by this report.

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PART II - OPERATIONAL AND FINANCIAL INFORMATION

Item V. Market for Registrant's Common Equity and Related Stockholders Matters

1. Dividends Policy

Dividends declared by the Group are payable in cash or in additional shares of stock. The payment of dividends in the future will depend upon the earnings, cash flow, and financial condition of the Group. Events that may limit the Group in declaring dividends include bankruptcy, insolvency or whether funds are set aside for capital improvements. Cash dividends on common shares are deducted from retained earnings upon declaration by the Board of Directors (BOD). Stock dividends on common shares are measured based on the par value of declared stock dividends. The Group has no specific dividends policy but it ensures that it is compliant with the provisions of the Revised Corporation Code.

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

2. Dividends

CDC

| | 2024 | 2023 | 2022 |
|-------|-------------|-------------|-------------|
| Cash | ₱0.0477 | ₱0.0295 | ₱0.0222 |
| Stock | --- | 2.5% | --- |

CLDI

| | 2024 | 2023 | 2022 |
|-------|-------------|-------------|-------------|
| Cash | ₱0.0338 | ₱0.0913 | ₱0.0317 |
| Stock | --- | 5% | --- |

CPI

| | 2024 | 2023 | 2022 |
|-------|-------------|-------------|-------------|
| Cash* | ₱0.0840 | --- | --- |

*Cash dividends declared in March 2025 amounted to ₱0.1312.

Cash dividends on common shares were deducted from retained earnings upon declaration by the BOD. All cash dividends due during the year were paid.

Stock dividends on common shares are measured based on the total par value of declared stock dividend. Stock dividends are deducted from retained earnings when the BOD's declaration is ratified by the stockholders of the Group and the increase for authorized capital stock is approved by the SEC in cases of stock dividends issued to cover an increase in authorized capital stock. Unissued stock dividends are recorded as stock dividends distributable and credited to capital stock upon issuance.

Dividends for the year that are declared after the end of the reporting period but before the approval for issuance of financial statements are dealt with as an event after the reporting period.

3. Stock Prices

The stock prices of CDC are as follows:

| | | Unclassified Common Shares | |
|------|----------------|-----------------------------------|------------|
| | | High | Low |
| 2024 | First Quarter | 0.73 | 0.68 |
| | Second Quarter | 0.74 | 0.65 |
| | Third Quarter | 0.75 | 0.61 |
| | Fourth Quarter | 0.72 | 0.64 |
| 2023 | First Quarter | 0.75 | 0.66 |
| | Second Quarter | 0.82 | 0.66 |
| | Third Quarter | 0.78 | 0.69 |
| | Fourth Quarter | 0.76 | 0.65 |

4. Trading Market

The Parent Company's common equity is traded in the Philippine Stock Exchange.

The Group has no plans of acquisition, business combination, or other reorganization that will take effect in the near future that involves issuances of securities.

5. Price Information on the Latest Practicable Date

The Parent Company's shares were last traded on April 8, 2025 at ₱0.60 per share.

6. Public Ownership

In accordance with the Rule on Minimum Public Ownership issued by the Philippine Stock Exchange (PSE) requiring listed companies to maintain a 10% public float at all times, the total number of shares owned by the public as of December 31, 2024 and 2023 are 1,675,700,229 shares and 1,671,988,994 shares, respectively, which are approximately 33.67% and 33.60%, respectively, of the total number of issued and outstanding shares of the Parent Company.

7. Holders

- a. The number of shareholders of record as of December 31, 2024 was 634.
- b. The Top 20 Stockholders of record as of December 31, 2024 are as follows:

| | Name | No. of Shares Held | Percentage |
|-----|--------------------------------------|---------------------------|-------------------|
| 1. | Cityland, Inc. | 2,536,813,215 | 50.98 |
| 2. | PCD Nominee Corporation - Filipino | 1,092,731,897 | 21.96 |
| 3. | Liuson, Grace C. | 174,619,256 | 3.51 |
| 4. | Liuson, Andrew I. (Dr.) | 152,318,749 | 3.06 |
| 5. | Roxas, Jefferson C. | 131,867,476 | 2.65 |
| 6. | Gohoc, Josef C. | 110,217,455 | 2.21 |
| 7. | The Good Seed Sower Foundation, Inc. | 88,417,867 | 1.78 |
| 8. | Roxas, Helen C. | 75,646,299 | 1.52 |
| 9. | Liuson, Grace C. or Gohoc, Josua C.) | 63,633,137 | 1.28 |
| 10. | PCD Nominee Corporation - Foreign | 62,602,444 | 1.26 |
| 11. | Recto, Ester | 38,861,656 | 0.78 |
| 12. | Roxas, Stephen C. | 34,277,602 | 0.69 |
| 13. | Jefcon, Inc. | 23,079,213 | 0.46 |
| 14. | Chiong, Daniel | 22,693,931 | 0.46 |
| 15. | Tan, Joyce Liuson or Tan, Philip Sim | 22,230,147 | 0.45 |
| 16. | Chang, Rita D. | 21,526,165 | 0.43 |
| 17. | Obadiah, Inc. | 21,255,794 | 0.43 |
| 18. | Chiong, Elizabeth | 15,150,738 | 0.30 |
| 19. | Recto, Ester | 15,150,738 | 0.30 |
| 20. | Co, Stephen Vincent | 13,787,172 | 0.28 |

8. Recent Sale of Unregistered Securities (including recent issuance of securities constituting an exempt transaction)

- a. There was no sale of unregistered securities.
- b. The total number of shares issued and outstanding of the Company is 4,976,499,325 in 2024 and 2023, excluding 1,937,947 treasury common shares.

Item VI. Management's Discussion and Analysis or Plan of Operations

The Philippine Gross Domestic Product (GDP) reported a year-on-year growth of 5.2 percent in the fourth quarter of 2024, leading to a full-year GDP growth of 5.6 percent for 2024. The primary contributors to this growth were wholesale and retail trade; repair of motor vehicles and motorcycles; financial and insurance activities; and construction.

(Source: [https://psa.gov.ph/statistics/national-accounts/sector3/Gross Domestic Product](https://psa.gov.ph/statistics/national-accounts/sector3/Gross%20Domestic%20Product))

In 2024, the real estate sector saw significant growth due to economic expansion and increased property demand and prices, particularly for high-end and affordable housing. This growth was driven by the rising middle class and the influx of foreign professionals and overseas Filipino workers. Government initiatives to improve policies, including tax policies aimed at making real estate properties more affordable, also contributed to the industry's growth. However, the real estate sector faced challenges

starting from the third quarter of 2024 due to the reported oversupply of condominium units in Metro Manila and broader geopolitical conflicts. Despite these challenges, there were opportunities in the residential sector with a shift towards suburban areas. Developers are focusing on horizontal projects, such as house-and-lot and lot-only developments, in suburban regions in Calabarzon, Central Luzon, Central Visayas, Western Visayas, and Davao. In the condominium market, a substantial inventory of unsold units was observed in Metro Manila, particularly in the Bay area. This market condition affected new project launches towards the end of 2024.

Cityland Group's ongoing projects are located in Metro Manila, specifically in Manila and Quezon City, where there is a steady demand for vertical developments. The government's infrastructure projects, including the development of the Metro Manila subway, new highways and airport expansions, enhance connectivity and accessibility, making certain areas more attractive for real estate development and investment. These projects act as catalysts for economic growth and urban development, improving connectivity to various locations and creating new job opportunities and business expansions.

The Philippine real estate market in 2025 is expected to grow, driven by factors such as urbanization, e-commerce expansion, tourism recovery, and evolving work models. Historically, the real estate industry in the Philippines has shown resilience and has been a significant contributor to the country's economy. Overall, the Philippine real estate industry has demonstrated considerable growth and is anticipated to continue in the coming years. The Cityland Group of Companies will continue to monitor housing project demand and implement strategies to adapt to environmental changes and market conditions.

Financial Performance

The Group is pre-selling the units of City North Tower, a project of CDC, which is expected to be completed in 2028, and One Hidalgo, a project of CLDI, which is expected to be completed in 2027

The Group is selling the following completed projects as of December 31, 2024:

- Pioneer Heights 1 (a project of CDC)
- 101 Xavierville (a project of CDC)

Also, the Group is selling the remaining units of the following completed and operational projects:

Cityland Development Corporation

- Pines Peak Tower II
- Pines Peak Tower I
- One Premier (a project of CI in which some condominium units and parking slots were assigned to CDC)
- Grand Central Residences
- Makati Executive Tower IV

City & Land Developers, Incorporated

- One Taft Residences
- North Residences
- Grand Emerald Tower

The Group has also a number of prime lots reserved for future projects. Its land bank is situated in strategic locations ideal for horizontal and vertical developments.

Internal sources of liquidity come from sales of condominiums and real estate projects, rental income from leased properties, collection of installment receivables and contract assets, maturing short-term and long-term investments and notes receivable while external sources come from proceeds of issuance of SEC-registered commercial papers.

Plan of Operations

The Group will continue to maintain a cautious stance in order to continuously achieve a healthy financial position. This will ensure that the development and construction of all its ongoing projects will be delivered on time or even ahead of its scheduled turnover. The Group will also continue to scout and develop quality projects suited for the middle and working class which will be situated at convenient locations with affordable and flexible payment terms. The Group's projects will be funded through cash generated from operations and issuance of commercial papers. The Group plans to remain liquid in order to avail attractive investment opportunities to meet the demands of the present growing economy.

Financial Condition (2024 vs. 2023)

The Group's financial position for the year ended December 31, 2024 showed an increase in total assets amounting to ₱1,112.84 million which equivalents to 8.01%. Total assets for the year ended December 31, 2024 resulted to ₱15,000.49 million compared to ₱13,887.65 million as of December 31, 2023.

The increase in assets can be attributed to the increase in cash and cash equivalents and short-term investments which amounted to ₱1,290.57 million and ₱1,387.60 million, respectively, as of December 31, 2024, as compared to last year's ₱685.89 million and ₱1,131.40 million, respectively.

Adoption of the provisions of Philippine Interpretation Committee (PIC) Q&A 2018-12, PFRS 15 Implementation Issues Affecting the Real Estate Industry (as amended by PIC Q&A 2020-02 and 2020-04)

On February 14, 2018, the PIC issued PIC Q&A 2018-12 which provides guidance on some PFRS 15 implementation issues affecting the real estate industry. On October 25, 2018, and February 8, 2019, the SEC issued SEC MC No. 14-2018 and SEC MC No. 3-2019, respectively, providing relief to the real estate industry by deferring the application of certain provisions of this PIC Q&A for a period of three years until December 31, 2020. On December 15, 2020, the SEC issued SEC MC No. 34-2020 which further extended the deferral of certain provisions of this PIC Q&A until December 31, 2023.

Starting January 1, 2024, the Group adopted the remaining provisions of PIC Q&A 2018-12, specifically on the (i) significant financing component, and (ii) implementing the IFRIC Agenda Decision on Over Time Transfer of Constructed Goods (PAS 23, *Borrowing Cost*). The Group opted to adopt the changes using modified retroactive approach in its annual financial statements effective January 1, 2024 and the impact was recognized in the opening retained earnings. The comparative information in the Audited Annual Consolidated Financial Statements was not restated.

The Group has already adopted the provision of PIC Q&A 2018-12 relating to the exclusion of land in the determination of percentage of completion (POC) in previous years.

On the liabilities side, total liabilities amounted to ₱2,729.12 million, higher by 18.79% than last year's amount of ₱2,297.53 million. The increase in the account was attributed to the increase in contract liabilities as a result of the launching of City North Tower.

Total equity stood at ₱12,271.36 million as of December 31, 2024, higher by 5.88% compared with the 2023 year-end balance of ₱11,590.12 million. The increase was due to the impact of adoption of PIC Q&A 2018-12 and net income recognized for the year 2024.

As a result of the foregoing, the Company translated to a current and acid test ratio of 4.66:1 and 1.84:1, respectively as of December 31, 2024, as compared to 5.13:1 and 2.25:1, respectively as of December 31, 2023. Asset-to-liability and debt-to-equity registered at 5.50:1 and 0.12:1 as of December 31, 2024 from December 31, 2023 ratios of 6.04:1 and 0.12:1, respectively.

Financial Condition (2023 vs. 2022)

The Group's financial position for the year ended December 31, 2023 showed an increase in total assets amounting to ₱409.71 million equivalents to 3.04%. Total assets for the year ended December 31, 2023 remained at ₱13,887.65 million compared to ₱13,477.95 million as of December 31, 2022.

The increase in assets can be attributed to the increase in sales brought about by the economic recovery and collection of receivables during the year. Further, the completion of CDC's project Pioneer Heights 1 and 101 Xavierville contributed the most to the increase in total sales as the revenue of the Group is based on percentage of completion.

Contract assets also decreased due to collection of receivable during the year. As of December 31, 2023, the financial position remained stable as cash and cash equivalents and short-term investments stood at ₱685.89 million and ₱1.13 billion, respectively.

On the liabilities side, total liabilities amounted to ₱2,297.52 million, slightly lower by 12.83% than last year's amount of ₱2,635.58 million. The increase in the account was attributed to the following:

- Increase in notes and contracts payable;
- Increase in income tax payable and deferred income tax liabilities;
- Increase in retirement benefits liability.

The launching of One Hidalgo resulted to the recognition of contract liabilities brought about by sales wherein the percentage of collection was higher than the actual percentage of completion of the project.

Total equity stood at ₱ 11,590.12 million as of December 31, 2023, higher by 6.90% compared with the 2022 year-end balance of ₱10,842.37 million. The increase was due to the net income recognized for the year 2023.

As a result of the foregoing, the Company translated to a current and acid test ratio of 5.13:1 and 2.25:1, respectively as of December 31, 2023, as compared to 3.70:1 and 1.57:1, respectively as of

December 31, 2022. Asset-to-liability and debt-to-equity registered at 6.04:1 and 0.12:1 as of December 31, 2023 from December 31, 2022 ratios of 5.11:1 and 0.12:1, respectively.

Financial Condition (2022 vs. 2021)

The Group's financial position for the year ended December 31, 2022 showed an increase in total assets amounting to ₱1.39 billion equivalent to 11.46%. Total assets for the year ended December 31, 2022 remained at ₱13.48 billion compared to ₱12.09 billion as of December 31, 2021.

The increase in assets can be attributed to the increase in sales brought about by the economic recovery and collection of receivables during the year. Further, the completion of CLDI's project - One Taft Residences contributed to the increase in total sales as the revenue of the Group is based on percentage of completion. The progress in the construction phase of the Group's ongoing projects which are the Pioneer Heights 1 and the 101 Xavierville also contributed to the increase in sales. The increase in sales also allowed the Group to launch a new project (One Hidalgo) in February 2023.

Contract assets also increased due to the completion of One Taft Residences and increase in the percentage of completion of the ongoing projects. As of December 31, 2022, the financial position remained stable as cash and cash equivalents and short-term investments stood at ₱ 1,106.54 million and ₱668.70 million, respectively.

On the liabilities side, total liabilities resulted to ₱2.64 billion, slightly higher by 11.66% than last year's amount of ₱2.36 billion. The increase in the account was attributed to the following:

- Increase in notes and contracts payable;
- Continuous construction of the ongoing projects which increased the accounts payable and accrued expenses; and
- Increase in sales resulted to increase in income tax payable and deferred income tax liabilities.

Total equity stood at ₱10.84 billion as of December 31, 2022, higher by 11.41% compared with the 2021 year-end balance of ₱9.73 billion. The increase was due to the total comprehensive income recognized in 2022 amounting to ₱1.24 billion less cash dividends declared during the year.

As a result of the foregoing, the Company translated to a current and acid test ratio of 3.70:1 and 1.57:1, respectively as of December 31, 2022, as compared to 3.84:1 and 1.79:1, respectively as of December 31, 2021. Asset-to-liability and debt-to-equity registered at 5.11:1 and 0.12:1 as of December 31, 2022 from December 31, 2021 ratios of 5.12:1 and 0.11:1, respectively.

Results of Operation (2024 vs. 2023)

The Group's sales of real estate properties decreased by 24.73% as of December 31, 2024 reaching ₱1,639.17 million from the previous year's ₱2,177.86 million. The decrease was driven by the decline in sales which resulted to the decrease in the total revenue.

Moreover, sales of real estate properties of CDC reached ₱1,321.75 million as compared to the same period last year of ₱1,794.68 million. Majority of the sales in 2024 was generated from the

City North Tower and Pioneer Heights 1 which contributed ₱512.12 million and ₱484.84 million, respectively, while One Hidalgo (a project of CLDI) accounted for ₱180.75 million of the total sales.

Other sources of income pertain to financial income, rental income and other income. Financial income which is composed of interest income from sale of real estate properties, cash in banks, cash equivalents, short-term and long-term investments, notes receivable and guaranty deposits and dividend income showed an increase of 22.73%. The increase was also attributed to the recognition of interest income as a result of the adoption of PIC Q&A 2018-12 wherein interest income is recognized for those sales wherein the percentage of completion/construction is higher than the percentage of collection.

Rental income posted a slight increase by ₱3.49 million or equivalent to 1.59% due to additional units leased out and new lease contracts entered during the year. Net other income pertains to gain or loss arising from revaluation of repossessed units at fair market value less cost to sell, penalties for buyers' late payments, sale of scraps, income as a result of mark-up on shared expenses, and net gains or losses on forfeiture/cancellation of sales.

On the cost side, cost of real estate sales decreased due to the decrease in sales of real estate properties. Operating expense increased due to the increase in taxes and licenses, membership dues, and brokers' commission. Financial expense increased due to the recognition of interest expense on significant financing component and non-capitalization of borrowing cost.

Overall, the Company recorded a consolidated income of ₱840.56 million in 2024, lower by 12.83% as compared to last year's generated net income of ₱964.24 million. Earnings per share and return on equity resulted in ₱0.16 and 7.28%, respectively in 2023 as compared to the previous year of ₱0.18 and 8.68%, respectively in 2023.

Results of Operation (2023 vs. 2022)

The Group sales of real estate properties decreased by 14.81% as of December 31, 2023 reaching ₱2,177.86 million from the previous year's ₱2,556.34 million. The decrease was driven by the decline in sales in high rise condominiums and parking slots. Hence, the decrease in the total revenue and income is significantly due to the decrease in sales of real estate properties.

Moreover, sales of real estate properties of CLDI reached ₱358.66 million as compared to the same period last year ₱1,058.42 million. Majority of the sales in 2023 was generated from the Pioneer Heights 1 and 101 Xavierville which contributed ₱870.89 million and ₱852.52 million while One Taft Residences accounted for ₱268.61 million of total sales.

Other sources of income pertain to financial income, rental income and other income. Financial income which is composed of interest income from sale of real estate properties, cash in banks, cash equivalents, short-term and long-term investments, notes receivable and guaranty deposits and dividend income showed an increase of 31.97%.

Rental income posted an increase by ₱31.20 million or equivalent to 16.55% due to additional units leased out and new lease contracts entered during the year. Net other income pertains to gain or loss arising from revaluation of repossessed units at fair market value less cost to sell, penalties for buyers' late payments, sale of scraps, income as a result of mark-up on shared expenses, and net gains or losses on forfeiture/cancellation of sales. This account significantly increased during the year due to the exchange of properties whereby CDC entered into a Memorandum of Agreement with its parent company, CI.

On the cost side, cost of real estate sales, operating expenses and financial expenses increased due to the completion of 101 Xavierville and Pioneer Heights 1.

All in all, the Company recorded a consolidated income of ₱964.24 million in 2023, lower by 22.13% as compared to last year's generated net income of ₱1,238.22 million. Earnings per share and return on equity resulted in ₱0.18 and 8.68%, respectively in 2023 as compared to the previous year of ₱0.21 and 10.93%, respectively in 2022.

Results of Operation (2022 vs. 2021)

Total consolidated revenue and income for the year 2022 resulted to ₱3,385.79 million as compared to ₱1,978.14 million for the year 2021. The increase in the total revenue and income is significantly due to the increase in sales from real estate properties reaching ₱2.56 billion in 2022 as compared to ₱1.29 billion in 2021.

In May 2022, CLDI completed One Taft Residences which resulted to the following:

- Increase in sale of condominium units and parking slots; and
- Increase in revenue recognized as the Group's accounting policy in revenue recognition is based on percentage of completion.

Further, the increase in the percentage of completion of the ongoing projects also boosted the Group's sales reaching an increase in sales by 97.90%. In order to cope with the current trend in the real estate industry, the Group offered to customers the "installment down payment" scheme starting 2020 wherein certain projects were offered with 21 months to pay the corresponding down payment. The new scheme introduced by the Group resulted to sales with percentage of collection lower than 10%. The Group records these collections as "Rental and customers' deposits" under "Accounts Payable and Accrued Expenses" account in the consolidated statements of financial position.

Other sources of income pertain to financial income, rental income and other income. Financial income which is composed of interest income from sale of real estate properties, cash in banks, cash equivalents, short-term and long-term investments, notes receivable and guaranty deposits and dividend income showed a slight increase of 0.60%.

Rental income posted an increase by ₱4.84 million or equivalent to 2.63% due to additional units leased out and new lease contracts entered during the year. Net other income pertains to gain or loss arising from revaluation of repossessed units at fair market value less cost to sell, penalties for buyers' late payments, sale of scraps, income as a result of mark-up on shared expenses, and net gains or losses on forfeiture/cancellation of sales. This account significantly increased during the year due to the exchange of properties whereby CDC entered into a Memorandum of Agreement with its parent company, CI. The exchange of properties resulted to a gain on exchange in the books of CDC amounting to ₱155.56 million.

On the cost side, cost of real estate sales, operating expenses and financial expenses increased due to higher sales.

As a result of the foregoing, the Company recorded a net income of ₱1,238.22 million, higher by 83.95% as compared to last year's generated net income of ₱673.15 million. Earnings per share

and return on equity resulted to ₱0.21 and 10.93%, respectively in 2022 as compared to the previous year of ₱0.12 and 6.88%, respectively.

Key Performance Indicators (2024 vs 2023 vs 2022)

| Cityland Development Corporation (Consolidated) | 2024 | 2023 | 2022 |
|--------------------------------------------------------|-------------|-------------|-------------|
| Earnings per share* | ₱0.1 | ₱0.18 | ₱0.21 |
| Return on equity | 7.28% | 8.68% | 10.93% |
| Return on asset | 5.60% | 6.94% | 9.19% |
| Net profit margin | 32.61% | 56.15% | 36.63% |
| Solvency ratio | 0.33 | 0.45 | 0.49 |
| Interest rate coverage ratio | 73.98 | 545.78 | 903.40 |
| Asset to liability ratio | 5.50 | 6.04 | 5.11 |
| Asset to equity ratio | 1.3 | 1.36 | 1.43 |
| Debt to equity ratio | 0.12 | 0.12 | 0.12 |
| Current ratio | 4.66 | 5.13 | 3.70 |
| Acid - test ratio | 1.84 | 2.25 | 1.57 |

*After retroactive effect of 2.5% stock dividends in 2023.

| City & Land Developers, Incorporated (Subsidiary) | 2024 | 2023 | 2022 |
|--------------------------------------------------------------|-------------|-------------|-------------|
| Earnings per share* | ₱0.07 | ₱0.10 | ₱0.27 |
| Return on equity | 3.79% | 5.68% | 14.97% |
| Return on asset | 3.12% | 5.17% | 13.88% |
| Net profit margin | 27.13% | 30.71% | 35.22% |
| Solvency ratio | 0.18 | 0.58 | 1.90 |
| Interest rate coverage ratio | 29.25 | - | - |
| Asset to liability ratio | 5.69 | 11.12 | 13.71 |
| Asset to equity ratio | 1.21 | 1.10 | 1.08 |
| Debt to equity ratio | 0.08 | 0.02 | - |
| Current ratio | 4.90 | 11.85 | 17.39 |
| Acid-test ratio | 0.77 | 2.93 | 5.47 |

| Cityplans, Incorporated (Subsidiary) | 2024 | 2023 | 2022 |
|---------------------------------------------|-------------|-------------|-------------|
| Earnings per share | ₱0.10 | ₱0.07 | ₱0.05 |
| Return on equity | 4.70% | 3.21% | 2.31% |
| Return on asset | 4.25% | 2.77% | 2.09% |
| Net profit margin | 44.39% | 49.05% | 37.30% |
| Solvency ratio | 1.77 | 0.69 | 0.22 |
| Asset to liability ratio | 10.40 | 9.59 | 10.48 |
| Asset to equity ratio | 1.13 | 1.14 | 1.11 |
| Current ratio | 21.06 | 16.08 | 20.96 |
| Acid - test ratio | 20.80 | 13.95 | 19.93 |

Manner of Calculations:

| | | |
|------------------------------|---|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Earnings per share | = | $\frac{\text{Net income after tax}}{\text{Outstanding number of shares}}$ |
| Return on equity ratio | = | $\frac{\text{Net income after tax}}{\text{Total Equity}}$ |
| Return on asset ratio | = | $\frac{\text{Net income after tax}}{\text{Total Assets}}$ |
| Net profit margin | = | $\frac{\text{Net income after tax}}{\text{Total Revenue}}$ |
| Solvency ratio | = | $\frac{\text{Net income after tax} + \text{Depreciation expense}}{\text{Total liabilities}}$ |
| Interest rate coverage ratio | = | $\frac{\text{Income before income tax} + \text{Depreciation expense} + \text{Interest expense on security deposit and others and lease liabilities}}{\text{Interest expense on security deposit and others and lease liabilities}}$ |
| Asset-to-liability ratio | = | Total assets / Total liabilities |
| Asset-to-equity ratio | = | $\frac{\text{Total assets}}{\text{Total equity attributable to equity holders of the Parent Company (net of net changes in fair value of equity instruments designated at fair value through other comprehensive income and accumulated re-measurement on defined benefit plan)}}$ |
| Debt-to-equity ratio | = | $\frac{\text{Notes payable and contract payable}}{\text{Total equity (net of net changes in fair value of equity instruments designated at fair value through other comprehensive income and accumulated re-measurement on defined benefit plan)}}$ |
| Current ratio | = | Total current assets / Total current liabilities |
| Acid-test ratio | = | $\frac{\text{Cash and cash equivalents} + \text{Short-term investments} + \text{Installment contracts receivable} + \text{Current portion of contract assets} + \text{Current portion of notes receivable} + \text{Current portion of other receivables}}{\text{Total current liabilities}}$ |

1. Any Known Trends, Events or Uncertainties (Material Impact on Liquidity)

There are no known trends, events or uncertainties that can materially affect the Group's liquidity.

2. Internal and External Sources of Liquidity

Internal sources come from sales of condominium and real estate projects, collection of installment contracts receivable and contract assets, maturing short-term and long-term investments and notes receivable, and other sources such as rental income, interest income and dividend income. External sources come from issuances of commercial papers.

3. Any Material Commitments for Capital Expenditures and Expected Sources of Funds of such Expenditures

The consolidated estimated development cost of ₱2,724.32 million as of December 31, 2024 representing the cost to complete the development of real estate projects sold will be sourced through:

- a) Sales of condominium and real estate projects;
- b) Collection of installment contracts receivable and contract assets;
- c) Maturing short-term and long-term investments and notes receivable; and
- d) Issuance of commercial papers.

4. Any Known Trend or Events or Uncertainties (Material Impact on Net Sales or Revenues or Income)

There are no known trends, events or uncertainties that could affect the Company's net sales or revenues or income.

5. Any Significant Elements of Income or Loss that did not arise from Registrant's Continuing Operations

There were no significant element of income or loss that did not arise from registrant's continuing operations.

6. Any Known Trends or Events or Uncertainties (Direct or Contingent Financial Obligation)

There are no contingent liabilities or contingent assets recorded since the last balance sheet date. The Group is contingently liable for certain lawsuits or claims filed by third parties which are either pending decisions by the courts or are under negotiation, the outcomes of which are not presently determinable. In the opinion of management and its legal counsel, the eventual liability under these lawsuits or claims, if any, will not have a material effect on the consolidated financial statements. Hence, no provision was recognized as of December 31, 2024 and 2023.

7. Any Known Trends or Events or Uncertainties (Material Off-balance Sheet Transactions, Arrangements, Obligations and Other Relationships)

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

8. Causes for any Material Changes from Period to Period in One or More Line of the Registrant's Financial Statements

Financial Condition (2024 vs. 2023)

- a. Increase in Cash and Cash Equivalents was due to sales and collections during the year.
- b. Increase in Short-term Investments was due to additional placements.
- c. Decrease in Installment Contract Receivables was attributed to the collection from past due accounts.
- d. Decrease in Contract Assets was substantially due to collection during the year.
- e. Increase in Cost to Obtain Contract was due to higher commission expense relative to the launching of City North Tower.
- f. Decrease in Notes Receivable was due matured placements during the year.
- g. Decrease in Other Receivables was substantially due to decrease in advances to condominium corporations and accrued interest.
- h. Increase in Real Estate Properties for Sale was primarily due to additional construction costs incurred.
- i. Decrease in Investments in the Trust Fund was due to the withdrawals made during the year.
- j. Increase in Real Estate Properties Held for Future Development was due additional cost capitalized.
- k. Increase in Investment Properties was due to additional capitalized costs.
- l. Decrease in Property and Equipment was due the depreciation expense.
- m. Increase in Retirement Plan Assets was primarily due to re-measurement gain recognized during the year.
- n. Increase in Other Assets was due to the additional placement of investment on equity securities.
- o. Increase in Accounts Payable and Accrued Expenses was substantially due to increase in customers' deposits and development costs relative to the construction of City North Tower and One Hidalgo.
- p. Increase in Contract Liabilities was due to the launching of City North Tower.
- q. Increase in Notes and Contract Payable was due to CLDI's issuance of commercial papers as authorized by the Securities and Exchange Commission (SEC) in December 2024. In the previous years, CLDI has no commercial papers registered with SEC.
- r. Decrease in Income Tax Payable was due to lower taxable income.
- s. Decrease in Pre-need and Other Reserves was due to maturities and termination of pension plan.
- t. Decrease in Retirement Benefits Liabilities was due to decrease in present value of defined benefit obligation.
- u. Increase in Deferred Income Tax Liabilities - net was due to increase in the related deferred income tax on accrued expenses, lease liabilities and cost to obtain contracts.
- v. Increase in Retained Earnings was due to recognized net income during the year net of cash dividends declared and distributed.
- w. Increase in Unrealized Fair Value Changes on Financial Assets at Fair Value through Other Comprehensive Income (FVOCI) was due to increase in market value of financial assets at FVOCI.

- x. Decrease in Accumulated Re-measurement Loss on Defined Benefit Plans was due to the actuarial gain on define benefit obligation recognized during the year.
- y. Increase in Non-Controlling Interest was due to the recognition of net income of subsidiaries.

Financial Condition (2023 vs. 2022)

- a. Decrease in Cash and Cash Equivalents was substantially due to decrease in sales, payment of operating and development costs, and placement of fund to secure cash bond and equity securities.
- b. Increase in Short-term Investments was due to shift of excess cash equivalents to shorter term investments.
- c. Increase in Installment Contract Receivables was due to sales of CPI during the year.
- d. Decrease in Contract Assets was substantially due to collection during the year and lower recognition of contract assets since CLDI's ongoing project- One Hidalgo is still at its early stage of construction.
- e. Decrease in Cost to Obtain Contract was recognition of commission expense relative to the increase in percentage of completion the Group's ongoing projects and completion of Pioneer Heights 1 and 101 Xavierville.
- f. Increase in Notes Receivable was due to additional placements.
- g. Increase in Other Receivables was substantially due to increase in accrued interest and due from related parties.
- h. Increase in Real Estate Properties for Sale was primarily due to additional construction costs incurred during the year.
- i. Increase in Investments in the Trust Fund was due to an additional contribution to the fund.
- j. Increase in Real Estate Properties Held for Future Development was due additional cost capitalized.
- k. Increase in Investment Properties was due to additional properties purchased this year.
- l. Increase in Property and Equipment was due the additional right of use asset as an effect of renewal of lease contracts, PFRS 16 - Leases.
- m. Decrease in Retirement Plan Assets primarily due to recognized re-measurement loss in 2023.
- n. Decrease in Other Assets was due to the utilization of unused input VAT.
- o. Decrease in Accounts Payable and Accrued Expenses was substantially due to decrease in accrued development cost, accrued directors' fee and withholdings taxes.
- p. Decrease in Contract Liabilities was due to completion of the Pioneer Heights I and 101 Xavierville.
- q. Increase in Notes and Contract Payable was due to increase in notes payable issued compared from previous year and due to the acquisition of properties.
- r. Increase in Income Tax Payable was due to the higher taxable income.
- s. Decrease in Pre-need and Other Reserves was due to maturities and termination of pension plan that cause the valuation in actuarial to decline.
- t. Increase in Retirement Benefits Liabilities was due to increase in present value of defined benefit obligation and remeasurement loss.
- u. Increase in Deferred Income Tax Liabilities was due to increase in realized gain on sale of real estate transactions and accrued expenses.
- v. Increase Capital Stock was due to issuance of 2.5% stock dividends.

- w. Increase in Retained Earnings was due to recognized net income during the year net of cash and stock dividends declared and distributed.
- x. Increase in Unrealized Fair Value Changes on Financial Assets at Fair Value through Other Comprehensive Income (FVOCI) was due to increase in market value of financial assets at FVOCI.
- y. Increase in Accumulated Re-measurement Loss on Defined Benefit Plans was due to the actuarial loss on define benefit obligation recognized during the year.
- z. Increase in Non-Controlling Interest was due to net income of subsidiaries.

Financial Condition (2022 vs. 2021)

- a. Increase in Cash and Cash Equivalentents was substantially due to increase in sales, collection of receivables and shift to shorter term investments.
- b. Decrease in Short-term Investments was due to shift to shorter term investments.
- c. Decrease in Installment Contract Receivables was due to collection of receivables.
- d. Increase in Contract Assets was substantially due to higher sales, completion of One Taft Residences and increase in the percentage of completion of the Group's ongoing projects.
- e. Decrease in Cost to Obtain Contract was due to the recognition of commission expense relative to the increase in percentage of completion of the Group's ongoing projects and completion of CLDI's project, One Taft Residences.
- f. Increase in Notes Receivable was due to increase in sales of real estate properties resulting to additional placements.
- g. Increase in Other Receivables was substantially due to higher advances to customers for the real estate property taxes of sold condominium units and expenses relating to the transfer of titles initially paid by the Group. In 2022, the advances to customers of CLDI also significantly increased due to the completion of One Taft Residences.
- h. Increase in Real Estate Properties for Sale was primarily due additional construction costs incurred and transfer from real estate properties held for future development. Also, in relation to the Memorandum of Agreement executed by CDC and CI, an increase in the account amounting to ₱155.56 million was recognized in the books of CDC in 2022.
- i. Decrease in Investments in Trust Fund was due to increase in withdrawals during the year brought about by the terminations/maturities of pension plans.
- j. Decrease in Real Estate Properties Held for Future Development was due to transfer of properties to real estate properties for sale.
- k. Increase in Investment Properties was due to additional properties purchased during the year and are currently being leased out to third parties.
- l. Decrease in Property and Equipment was due to depreciation expense and transfer to real estate properties for sale.
- m. Decrease in Retirement Plan Assets was due to was due to lower re-measurement gain recognized in 2022.
- n. Increase in Other Assets was due to the additional cash bonds issued to Credit and Land Holdings, Inc, in line with the HLURB requirements.
- o. Increase in Accounts Payable and Accrued Expenses was substantially due to increase in rental and customers' deposit, accrued development cost, accrued directors' fee, deferred rent income, dividends payable and withholding taxes payable.

- p. Decrease in Contract Liabilities was due to the completion of One Taft Residences and increase in percentage of completion of the Group's ongoing projects which satisfied the payments made by the clients.
- q. Increase in Notes and Contract Payable was due to higher notes payable availed by investors in 2022 as compared to the prior year.
- r. Increase in Income Tax Payable was due to higher taxable income brought about by the increase in sales.
- s. Decrease in Pre-need and Other Reserves was due to increase in return on investment used in the valuation of pension plans and decrease in the number of plans.
- t. Increase in Retirement Benefits Liabilities was due remeasurement loss recognized by CPI in 2021 which significantly affected the balance of plan assets.
- u. Increase in Deferred Income Tax Liabilities was due to increase in realized gain on sale of real estate transactions and accrued expenses.
- v. No movement in Capital Stock in 2022 since no stock dividends were declared and issued.
- w. Increase in Retained Earnings was due to net income recognized during the year, net of cash dividends declared.
- x. Decrease in Unrealized Fair Value Changes on Financial Assets at Fair Value through Other Comprehensive Income (FVOCI) was due to decline in market value of financial assets at FVOCI.
- y. Decrease in Accumulated Re-measurement Loss on Defined Benefit Plans was due to the actuarial gain on defined benefit obligation due to experience adjustments recognized during the year. This resulted to a re-measurement gain in the other comprehensive income.
- z. Increase in Non-Controlling Interest was due to net income of subsidiaries.

Results of Operations (2024 vs. 2023)

- a. Decrease in Sales of Real Estate Properties was due to lower sales generated and lower percentage of completion of the ongoing projects of CDC and CLDI.
- b. Increase in Financial Income was primarily due to the increase in dividend income and the recognition of interest income on significant financial component.
- c. Increase in Rental Income was due to new lease contracts entered into by the Group.
- d. Decrease in Other Income – net was lower due to the lower accounting income from forfeited units.
- e. Decrease in Costs of Real Estate Sales was due to lower sales generated.
- f. Increase in Operating Expenses was due to increase in personnel expenses, professional fees and taxes and licenses.
- g. Increase in Financial Expenses was due to recognition of interest expense on significant financial component and non-capitalization of borrowing costs.
- h. Decrease in Provision for Income Tax was due to the lower taxable income.
- i. Decrease in Net Income was primarily due to lower revenues.

Results of Operations (2023 vs. 2022)

- j. Decrease in Sales of Real Estate Properties was due to lower sales generated and lower percentage of completion of One Hidalgo.
- k. Increase in Financial Income was primarily due to the increase in dividend income and higher interest income from cash investments, notes receivable and guaranty deposits brought about by the increase in placements.
- l. Increase in Rental Income was due to new lease contracts entered into by the Group.
- m. Decrease in Other Income – net was due to the gain on exchange recognized by CDC in 2022.
- n. Decrease in Costs of Real Estate Sales was due to the low percentage of completion of One Hidalgo and the high number of sales with collection below 10%.
- o. Increase in Operating Expenses was due to increase in personnel expenses, taxes and licenses, outside services, power light and water, membership dues repairs and maintenance and others.
- p. Increase in Financial Expenses was due to recognition of interest expense on lease liability.
- q. Decrease in Provision for Income Tax was due to the lower taxable income.
- r. Decrease in Net Income was primarily due to lower revenues.

Results of Operations (2022 vs. 2021)

- s. Decrease in Sales of Real Estate Properties was due to lower sales generated and due to the percentage of completion One Hidalgo.
- t. Increase in Financial Income was primarily due to higher interest income earned from cash equivalents and short-term investments.
- u. Increase in Rental Income was due to additional contracts entered to the Group during the year.
- v. Decrease in Other Income – net was due to the loss on exchange recognized by CDC.
- w. Decrease in Costs of Real Estate Sales was due to lower sales of real estate properties.
- x. Increase in Operating Expenses was due to higher sales resulting in increase in personnel expenses, taxes and licenses, outside services, power light and water, membership dues repairs and maintenance and others.
- y. Increase in Financial Expenses was due to recognition of interest expense on lease liability.
- z. Decrease in Provision for Income Tax was due to the lower taxable income.
- aa. Decrease in Net Income was primarily due to lower revenues.

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CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

HORIZONTAL ANALYSIS

2024 vs 2023

| | December 31, 2024 | December 31, 2023 | Change | % Change |
|------------------------------------------------------------------|-----------------------|-----------------------|----------------------|---------------|
| ASSETS | | | | |
| Current Assets | | | | |
| Cash and cash equivalents | 1,290,565,425 | 685,887,140 | 604,678,285 | 88.16% |
| Short-term investments | 1,387,600,000 | 1,131,400,000 | 256,200,000 | 22.64% |
| Current portion of: | | | | |
| Installment contracts receivable | 8,296,040 | 16,433,171 | (8,137,131) | -49.52% |
| Contract assets | 814,345,563 | 654,289,571 | 160,055,992 | 24.46% |
| Cost to obtain contract | 6,435,800 | 717,790 | 5,718,010 | 796.61% |
| Notes receivable | 315,000,000 | 1,252,000,000 | (937,000,000) | -74.84% |
| Other receivables | 68,274,494 | 73,934,896 | (5,660,402) | -7.66% |
| Real estate properties for sale | 5,767,685,640 | 4,773,833,259 | 993,852,381 | 20.82% |
| Current portion of investments in trust funds | 2,596,220 | 2,870,130 | (273,910) | -9.54% |
| Other current assets | 162,360,714 | 107,020,598 | 55,340,116 | 51.71% |
| Total Current Assets | 9,823,159,896 | 8,698,386,555 | 1,124,773,341 | 12.93% |
| Noncurrent Assets | | | | |
| Installment contracts receivable - net of current portion | 26,561,292 | 25,666,335 | 894,957 | 3.49% |
| Long-term investments | 250,000,000 | 100,000,000 | 150,000,000 | 150.00% |
| Contract Assets-net of current portion | 1,272,824,832 | 1,553,867,706 | (281,042,874) | -18.09% |
| Cost to obtain contract - net of current portion | 15,697,824 | 5,023,133 | 10,674,691 | 212.51% |
| Notes receivable-net of current portion | 91,500,000 | - | 91,500,000 | - |
| Investment in trust funds - net of current portion | 31,643,937 | 34,080,497 | (2,436,560) | -7.15% |
| Other receivables - net of current portion | 1,480,282 | 840,277 | 640,005 | 76.17% |
| Real estate properties held for future development | 379,099,657 | 377,771,910 | 1,327,747 | 0.35% |
| Investment properties | 2,605,598,988 | 2,645,229,164 | (39,630,176) | -1.50% |
| Property and equipment | 70,588,057 | 76,161,811 | (5,573,754) | -7.32% |
| Net retirement plan assets | 8,233,051 | 5,877,044 | 2,356,007 | 40.09% |
| Other noncurrent assets | 424,099,720 | 364,743,642 | 59,356,078 | 16.27% |
| Total Noncurrent Assets | 5,177,327,640 | 5,189,261,519 | (11,933,879) | -0.23% |
| TOTAL ASSETS | 15,000,487,536 | 13,887,648,074 | 1,112,839,462 | 8.01% |
| LIABILITIES AND EQUITY | | | | |
| Current Liabilities | | | | |
| Accounts payable and accrued expenses | 542,463,331 | 401,486,977 | 140,976,354 | 35.11% |
| Current portion of contract liabilities | 181,581,626 | 10,704,561 | 170,877,065 | 1596.30% |
| Commitments | 1,344,300,000 | 1,237,556,450 | 106,743,550 | 8.63% |
| Income tax payable | 40,811,515 | 45,271,825 | (4,460,310) | -9.85% |
| Current portion of pre-need and other reserves | 838,584 | 1,115,430 | (276,846) | -24.82% |
| Total Current Liabilities | 2,109,995,056 | 1,696,135,243 | 413,859,813 | 24.40% |
| Noncurrent Liabilities | | | | |
| Accounts payable and accrued expenses - net of current portion | 265,354,855 | 299,152,865 | (33,798,010) | -11.30% |
| Contract liabilities - net of current portion | 86,567,334 | 38,662,390 | 47,904,944 | 100% |
| Pre-need and other reserves - net of current portion | 21,162,942 | 22,822,951 | (1,660,009) | -7.27% |
| Net retirement benefits liability | 1,141,823 | 3,569,282 | (2,427,459) | -68% |
| Deferred income tax liabilities - net | 244,902,253 | 237,182,561 | 7,719,692 | 3.25% |
| Total Noncurrent Liabilities | 619,129,207 | 601,390,049 | 17,739,158 | 2.95% |
| Total Liabilities | 2,729,124,263 | 2,297,525,292 | 431,598,971 | 18.79% |
| Equity | | | | |
| Attributable to Equity Holders of the Parent Company | | | | |
| Capital stock - 1 par value | | | | |
| Authorized - 5,000,000,000 shares in December 31, 2024 and | | | | |
| Issued - 4,976,499,325 shares held by | | | | |
| 634 and 640 equity holders as December 31, 2024 and | | | | |
| December 31, 2023, respectively | 4,978,437,272 | 4,978,437,272 | - | 0.00% |
| Additional paid-in capital | 7,277,651 | 7,277,651 | - | 0.00% |
| Unrealized fair value changes on equity securities at fair value | | | | |
| through other comprehensive income (FVOCI) | 12,579,327 | 7,633,682 | 4,945,645 | 64.79% |
| Accumulated re-measurement loss on defined benefit plan - net | | | | |
| of deferred income tax effect | (17,647,962) | (21,072,310) | 3,424,348 | -16.25% |
| Retained earnings | 5,811,262,558 | 5,223,093,820 | 588,168,738 | 11.26% |
| Treasury stock - at cost | (31,429,574) | (31,429,574) | - | 0.00% |
| | 10,760,479,272 | 10,163,940,541 | 596,538,731 | 5.87% |
| Non-controlling interests | 1,510,884,001 | 1,426,182,241 | 84,701,760 | 5.94% |
| Total Equity | 12,271,363,273 | 11,590,122,782 | 681,240,491 | 5.88% |
| TOTAL LIABILITIES AND EQUITY | 15,000,487,536 | 13,887,648,074 | 1,112,839,462 | 8.01% |

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

HORIZONTAL ANALYSIS

2023 vs 2022

| | December 31, 2023 | December 31, 2022 | Change | % Change |
|----------------------------------------------------------------------------------------------------------------|-----------------------|-----------------------|----------------------|----------------|
| ASSETS | | | | |
| Current Assets | | | | |
| Cash and cash equivalents | 685,887,140 | 1,106,544,817 | (420,657,677) | -38.02% |
| Short-term investments | 1,131,400,000 | 668,700,000 | 462,700,000 | 69.19% |
| Current portion of: | - | | | |
| Installment contracts receivable | 16,433,171 | 13,268,932 | 3,164,239 | 23.85% |
| Contract assets | 654,289,571 | 496,710,264 | 157,579,307 | 31.72% |
| Cost to obtain contract | 717,790 | 16,976,511 | (16,258,721) | -95.77% |
| Notes receivable | 1,252,000,000 | 1,031,000,000 | 221,000,000 | 21.44% |
| Other receivables | 73,934,896 | 68,676,913 | 5,257,983 | 7.66% |
| Real estate properties for sale | 4,773,833,259 | 4,399,033,169 | 374,800,090 | 8.52% |
| Current portion of investments in trust funds (Note 5) | 2,870,130 | 9,196,033 | (6,325,903) | -68.79% |
| Other current assets | 107,020,598 | 143,081,677 | (36,061,079) | -25.20% |
| Total Current Assets | 8,698,386,555 | 7,953,188,316 | 745,198,239 | 9.37% |
| Noncurrent Assets | | | | |
| Installment contracts receivable - net of current portion | 25,666,335 | 15,479,329 | 10,187,006 | 65.81% |
| Long-term investments | 100,000,000 | 200,000,000 | (100,000,000) | -50.00% |
| Contract Assets-net of current portion | 1,553,867,706 | 1,978,170,036 | (424,302,330) | -21.45% |
| Cost to obtain contract - net of current portion | 5,023,133 | - | 5,023,133 | 100.00% |
| Notes receivable-net of current portion | - | 100,000,000 | (100,000,000) | -100.00% |
| Investment in trust funds - net of current portion | 34,080,497 | 25,039,321 | 9,041,176 | 36.11% |
| Other receivables - net of current portion | 840,277 | 712,197 | 128,080 | 17.98% |
| Real estate properties held for future development | 377,771,910 | 376,574,395 | 1,197,515 | 0.32% |
| Investment properties | 2,645,229,164 | 2,412,409,565 | 232,819,599 | 9.65% |
| Property and equipment | 76,161,811 | 57,805,979 | 18,355,832 | 31.75% |
| Net retirement plan assets | 5,877,044 | 17,676,384 | (11,799,340) | -66.75% |
| Other noncurrent assets | 364,743,642 | 340,887,340 | 23,856,302 | 7.00% |
| Total Noncurrent Assets | 5,189,261,519 | 5,524,754,546 | (335,493,027) | -6.07% |
| TOTAL ASSETS | 13,887,648,074 | 13,477,942,862 | 409,705,212 | 3.04% |
| LIABILITIES AND EQUITY | | | | |
| Current Liabilities | | | | |
| Accounts payable and accrued expenses | 401,486,977 | 711,450,060 | (309,963,083) | -43.57% |
| Current portion of contract liabilities | 10,704,561 | 279,143,653 | (268,439,092) | -96.17% |
| Notes and contracts payable | 1,237,556,450 | 1,133,399,400 | 104,157,050 | 9.19% |
| Income tax payable | 45,271,825 | 25,624,815 | 19,647,010 | 76.67% |
| Current portion of pre-need and other reserves | 1,115,430 | 822,843 | 292,587 | 35.56% |
| Total Current Liabilities | 1,696,135,243 | 2,150,440,771 | (454,305,528) | -21.13% |
| Noncurrent Liabilities | | | | |
| Accounts payable and accrued expenses - net of current portion | 299,152,865 | 246,302,365 | 52,850,500 | 21.46% |
| Contract liabilities - net of current portion | 38,662,390 | - | 38,662,390 | 100% |
| Pre-need and other reserves - net of current portion | 22,822,951 | 23,192,535 | (369,584) | -1.59% |
| Net retirement benefits liability | 3,569,282 | 3,769 | 3,565,513 | 94601% |
| Deferred income tax liabilities - net | 237,182,561 | 215,637,818 | 21,544,743 | 9.99% |
| Total Noncurrent Liabilities | 601,390,049 | 485,136,487 | 116,253,562 | 23.96% |
| Total Liabilities | 2,297,525,292 | 2,635,577,258 | (338,051,966) | -12.83% |
| Equity | | | | |
| Attributable to Equity Holders of the Parent Company | | | | |
| Capital stock - 1 par value | | | | |
| Authorized - 5,000,000,000 shares in December 31, 2023 and December 31, 2022 | | | | |
| Issued - 4,976,499,325 shares and 4,857,059,542 shares held by 640 and 638 equity holders as December 31, 2023 | | | | |
| December 31, 2022, respectively | 4,978,437,272 | 4,857,059,542 | 121,377,730 | 2.50% |
| Additional paid-in capital | 7,277,651 | 7,277,651 | - | 0.00% |
| Unrealized fair value changes on equity securities at fair value through other comprehensive income (FVOCI) | 7,633,682 | 219,838 | 7,413,844 | 3372.41% |
| Accumulated re-measurement loss on defined benefit plan - net of deferred income tax effect | (21,072,310) | (10,419,993) | (10,652,317) | 102.23% |
| Retained earnings | 5,223,093,820 | 4,605,054,050 | 618,039,770 | 13.42% |
| Treasury stock - at cost | (31,429,574) | (31,429,574) | - | 0.00% |
| Total Equity | 10,163,940,541 | 9,427,761,514 | 736,179,027 | 7.81% |
| Non-controlling interests | 1,426,182,241 | 1,414,604,090 | 11,578,151 | 0.82% |
| TOTAL LIABILITIES AND EQUITY | 13,887,648,074 | 13,477,942,862 | 409,705,212 | 3.04% |

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

VERTICAL ANALYSIS

2024 vs 2023 vs 2022

| | December 31, 2024 | Percentage | December 31, 2023 | Percentage | December 31, 2022 | Percentage |
|-------------------------------------------------------------------------------------------------------------|-----------------------|----------------|-----------------------|----------------|-----------------------|----------------|
| ASSETS | | | | | | |
| Current Assets | | | | | | |
| Cash and cash equivalents | 1,290,565,425 | 8.60% | 685,887,140 | 4.94% | 1,106,544,817 | 8.21% |
| Short-term investments | 1,387,600,000 | 9.25% | 1,131,400,000 | 8.15% | 668,700,000 | 4.96% |
| Current portion of: | | | | | - | |
| Installment contracts receivable | 8,296,040 | 0.06% | 16,433,171 | 0.12% | 13,268,932 | 0.10% |
| Contract assets | 814,345,563 | 5.43% | 654,289,571 | 4.71% | 496,710,264 | 3.69% |
| Cost to obtain contract | 6,435,800 | 0.04% | 717,790 | 0.01% | 16,976,511 | 0.13% |
| Notes receivable | 315,000,000 | 2.10% | 1,252,000,000 | 9.02% | 1,031,000,000 | 7.65% |
| Investments in trust funds | 2,596,220 | 0.02% | 2,870,130 | 0.02% | 68,676,913 | 0.51% |
| Other receivable | 68,274,494 | 0.46% | 73,934,896 | 0.53% | 4,399,033,169 | 32.64% |
| Real estate properties for sale | 5,767,685,640 | 38.45% | 4,773,833,259 | 34.37% | 9,196,033 | 0.07% |
| Other current assets | 162,360,714 | 1.08% | 107,020,598 | 0.77% | 143,081,677 | 1.06% |
| Total Current Assets | 9,823,159,896 | 65.49% | 8,698,386,555 | 62.63% | 7,953,188,316 | 59.01% |
| Noncurrent Assets | | | | | | |
| Installment contracts receivable - net of current portion | 26,561,292 | 0.18% | 25,666,335 | 0.18% | 15,479,329 | 0.11% |
| Long-term investments | 250,000,000 | 1.67% | 100,000,000 | 0.72% | 200,000,000 | 1.48% |
| Contract assets - net of current portion | 1,272,824,832 | 8.49% | 1,553,867,706 | 11.19% | 1,978,170,036 | 14.68% |
| Cost to obtain contract - net of current portion | 15,697,824 | 0.10% | 5,023,133 | 0.04% | - | 0.00% |
| Notes receivable-net of current portion | 91,500,000 | 0.61% | - | 0.00% | 100,000,000 | 0.74% |
| Investments in trust funds - net of current portion | 31,643,937 | 0.21% | 34,080,497 | 0.25% | 25,039,321 | 0.19% |
| Other receivables - net of current portion | 1,480,282 | 0.01% | 840,277 | 0.01% | 712,197 | 0.01% |
| Real estate properties held for future development | 379,099,657 | 2.53% | 377,771,910 | 2.72% | 376,574,395 | 2.79% |
| Investment properties | 2,605,598,988 | 17.37% | 2,645,229,164 | 19.05% | 2,412,409,565 | 17.90% |
| Property and equipment | 70,588,057 | 0.47% | 76,161,811 | 0.55% | 57,805,979 | 0.43% |
| Net retirement plan assets | 8,233,051 | 0.05% | 5,877,044 | 0.04% | 17,676,384 | 0.13% |
| Other noncurrent assets | 424,099,720 | 2.83% | 364,743,642 | 2.63% | 340,887,340 | 2.53% |
| Total Noncurrent Assets | 5,177,327,640 | 34.51% | 5,189,261,519 | 37.37% | 5,524,754,546 | 40.99% |
| TOTAL ASSETS | 15,000,487,536 | 100.00% | 13,887,648,074 | 100.00% | 13,477,942,862 | 100.00% |
| LIABILITIES AND EQUITY | | | | | | |
| Current Liabilities | | | | | | |
| Accounts payable and accrued expenses | 542,463,331 | 3.62% | 401,486,977 | 2.89% | 711,450,060 | 5.28% |
| Current portion of contract liabilities | 181,581,626 | 1.21% | 10,704,561 | 0.08% | 279,143,653 | 2.07% |
| Notes and contracts payable | 1,344,300,000 | 8.96% | 1,237,556,450 | 8.91% | 1,133,399,400 | 8.41% |
| Income tax payable | 40,811,515 | 0.27% | 45,271,825 | 0.33% | 25,624,815 | 0.19% |
| Current portion of pre-need and other reserves | 838,584 | 0.01% | 1,115,430 | 0.01% | 822,843 | 0.01% |
| Total Current Liabilities | 2,109,995,056 | 14.07% | 1,696,135,243 | 12.21% | 2,150,440,771 | 15.96% |
| Noncurrent Liabilities | | | | | | |
| Accounts payable and accrued expenses - net of current portion | 265,354,855 | 1.77% | 299,152,865 | 2.15% | 246,302,365 | 1.83% |
| Contract liabilities - net of current portion | 86,567,334 | 0.58% | 38,662,390 | 0.28% | - | 0.00% |
| Pre-need and other reserves - net of current portion | 21,162,942 | 0.14% | 22,822,951 | 0.16% | 23,192,535 | 0.17% |
| Net retirement benefits liability | 1,141,823 | 0.01% | 3,569,282 | 0.03% | 3,769 | 0.00% |
| Deferred income tax liabilities - net | 244,902,253 | 1.63% | 237,182,561 | 1.71% | 215,637,818 | 1.60% |
| Total Noncurrent Liabilities | 619,129,207 | 4.13% | 601,390,049 | 4.33% | 485,136,487 | 3.60% |
| Total Liabilities | 2,729,124,263 | 18.19% | 2,297,525,292 | 16.54% | 2,635,577,258 | 19.55% |
| Equity | | | | | | |
| Attributable to Equity Holders of the Parent Company | | | | | | |
| Capital stock - 1 par value | | | | | | |
| Authorized - 5,000,000,000 shares in 2024 and 2023 | | | | | | |
| Issued - 4,976,499,325 shares held by | | | | | | |
| 634 and 640 equity holders as December 31, 2024 and | | | | | | |
| December 31, 2023, respectively | | | | | | |
| | 4,978,437,272 | 33.19% | 4,978,437,272 | 35.85% | 4,857,059,542 | 36.04% |
| Additional paid-in capital | 7,277,651 | 0.05% | 7,277,651 | 0.05% | 7,277,651 | 0.05% |
| Unrealized fair value changes on equity securities at fair value through other comprehensive income (FVOCI) | 12,579,327 | 0.08% | 7,633,682 | 0.05% | 219,838 | 0.00% |
| Accumulated re-measurement loss on defined benefit plan - net of deferred income tax effect | (17,647,962) | -0.12% | (21,072,310) | -0.15% | (10,419,993) | -0.08% |
| Retained earnings | 5,811,262,558 | 38.74% | 5,223,093,820 | 37.61% | 4,605,054,050 | 34.17% |
| Treasury stock - at cost | (31,429,574) | -0.21% | (31,429,574) | -0.23% | (31,429,574) | -0.23% |
| | 10,760,479,272 | 71.73% | 10,163,940,541 | 73.19% | 9,427,761,514 | 69.95% |
| Non-controlling interests | 1,510,884,001 | 10.07% | 1,426,182,241 | 10.27% | 1,414,604,090 | 10.50% |
| Total Equity | 12,271,363,273 | 81.81% | 11,590,122,782 | 83.46% | 10,842,365,604 | 80.45% |
| TOTAL LIABILITIES AND EQUITY | 15,000,487,536 | 100.00% | 13,887,648,074 | 100.00% | 13,477,942,862 | 100.00% |

CONSOLIDATED STATEMENTS OF INCOME

HORIZONTAL ANALYSIS

2024 vs 2023

| | <u>December 31, 2024</u> | <u>December 31, 2023</u> | <u>Change</u> | <u>% Change</u> |
|--------------------------------------|---------------------------------|---------------------------------|----------------------|----------------------------|
| REVENUE | | | | |
| Sales of real estate properties | 1,639,174,700 | 2,177,856,699 | (538,681,999) | -24.73% |
| Financial income | 620,667,702 | 505,718,410 | 114,949,292 | 22.73% |
| Rent income | 223,274,084 | 219,785,579 | 3,488,505 | 1.59% |
| Other income - net | 94,876,000 | 133,791,181 | (38,915,181) | -29.09% |
| | <u>2,577,992,486</u> | <u>3,037,151,869</u> | <u>(459,159,383)</u> | <u>-15.12%</u> |
| COST AND EXPENSES | | | | |
| Cost of real estate sales | 745,328,980 | 1,180,078,929 | (434,749,949) | -36.84% |
| Operating expenses | 709,233,953 | 608,726,462 | 100,507,491 | 16.51% |
| Financial expenses | 38,561,597 | 3,606,843 | 34,954,754 | 969.12% |
| | <u>1,493,124,530</u> | <u>1,792,412,234</u> | <u>(299,287,704)</u> | <u>-16.70%</u> |
| INCOME BEFORE INCOME TAX | 1,084,867,956 | 1,244,739,635 | (159,871,679) | -12.84% |
| PROVISION FOR INCOME TAX | 244,310,820 | 280,498,536 | (36,187,716) | -12.90% |
| NET INCOME | <u>840,557,136</u> | <u>964,241,099</u> | <u>(123,683,963)</u> | <u>-12.83%</u> |
| Attributable to: | | | | |
| Equity holders of the Parent Company | 783,136,329 | 882,560,366 | (99,424,037) | -11.27% |
| Non-controlling interests | 57,420,807 | 81,680,733 | (24,259,926) | -29.70% |
| | <u>840,557,136</u> | <u>964,241,099</u> | <u>(123,683,963)</u> | <u>-12.83%</u> |

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2023 vs 2022

| | December 31, 2023 | December 31, 2022 | Change | % Change |
|--------------------------------------|--------------------------|--------------------------|----------------------|---------------------|
| REVENUE | | | | |
| Sales of real estate properties | 2,177,856,699 | 2,556,337,564 | (378,480,865) | -14.81% |
| Financial income | 505,718,410 | 383,203,120 | 122,515,290 | 31.97% |
| Rent income | 219,785,579 | 188,581,479 | 31,204,100 | 16.55% |
| Other income - net | 133,791,181 | 257,667,356 | (123,876,175) | -48.08% |
| | <u>3,037,151,869</u> | <u>3,385,789,519</u> | <u>(348,637,650)</u> | <u>-10.30%</u> |
| COST AND EXPENSES | | | | |
| Cost of real estate sales | 1,180,078,929 | 1,188,728,457 | (8,649,528) | -0.73% |
| Operating expenses | 608,726,462 | 577,440,550 | 31,285,912 | 5.42% |
| Financial expenses | 3,606,843 | 3,204,377 | 402,466 | 12.56% |
| | <u>1,792,412,234</u> | <u>1,769,373,384</u> | <u>23,038,850</u> | <u>1.30%</u> |
| INCOME BEFORE INCOME TAX | 1,244,739,635 | 1,616,416,135 | (371,676,500) | -22.99% |
| PROVISION FOR INCOME TAX | 280,498,536 | 378,191,838 | (97,693,302) | -25.83% |
| NET INCOME | <u>964,241,099</u> | <u>1,238,224,297</u> | <u>(273,983,198)</u> | <u>-22.13%</u> |
| Attributable to: | | | | |
| Equity holders of the Parent Company | 882,560,366 | 1,030,402,598 | (147,842,232) | -14.35% |
| Non-controlling interests | 81,680,733 | 207,821,699 | (126,140,966) | -60.70% |
| | <u>964,241,099</u> | <u>1,238,224,297</u> | <u>-273,983,198</u> | <u>-22.13%</u> |

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CONSOLIDATED STATEMENTS OF INCOME

VERTICAL ANALYSIS

2024 vs 2023 vs 2022

| | December 31, 2024 | % | December 31, 2023 | % | December 31, 2022 | % |
|--------------------------------------|--------------------------|----------------|--------------------------|---------------------------------------------------|--------------------------|----------------|
| REVENUE | | | | | | |
| Sales of real estate properties | 1,639,174,700 | 63.58% | 2,177,856,699 | 71.71% ▲ | 2,556,337,564 | 75.50% |
| Financial income | 620,667,702 | 24.08% | 505,718,410 | 16.65% ▲ | 383,203,120 | 11.32% |
| Rent income | 223,274,084 | 8.66% | 219,785,579 | 7.24% ▲ | 188,581,479 | 5.57% |
| Other income - net | 94,876,000 | 3.68% | 133,791,181 | 4.41% ▲ | 257,667,356 | 7.61% |
| | 2,577,992,486 | 100.00% | 3,037,151,869 | 100.00% | 3,385,789,519 | 100.00% |
| COST AND EXPENSES | | | | | | |
| Cost of real estate sales | 745,328,980 | 28.91% | 1,180,078,929 | 38.85% ▲ | 1,188,728,457 | 35.11% |
| Operating expenses | 709,233,953 | 27.51% | 608,726,462 | 20.04% ▲ | 577,440,550 | 17.05% |
| Financial expenses | 38,561,597 | 1.50% | 3,606,843 | 0.12% ▲ | 3,204,377 | 0.09% |
| | 1,493,124,530 | 57.92% | 1,792,412,234 | 59.02% | 1,769,373,384 | 52.26% |
| INCOME BEFORE INCOME TAX | 1,084,867,956 | 42.08% | 1,244,739,635 | 40.98% | 1,616,416,135 | 47.74% |
| PROVISION FOR INCOME TAX | 244,310,820 | 9.48% | 280,498,536 | 9.24% ▲ | 378,191,838 | 11.17% |
| NET INCOME | 840,557,136 | 32.61% | 964,241,099 | 31.75% | 1,238,224,297 | 36.57% |
| Attributable to: | | | | | | |
| Equity holders of the Parent Company | 783,136,329 | 93.17% | 882,560,366 | 91.53% | 1,030,402,598 | 83.22% |
| Non-controlling interests | 57,420,807 | 6.83% | 81,680,733 | 8.47% ▲ | 207,821,699 | 16.78% |
| | 840,557,136 | 100.00% | 964,241,099 | 100.00% | 1,238,224,297 | 100.00% |

Information on Independent Accountant

Sycip Gorres Velayo & Co. is the Group's external auditor for the years 2024 and 2023. The engagement partner for the said years is Mr. Manolito R. Elle.

| | External Audit Fees | |
|-----------------------------------------------|----------------------------|-------------------|
| | 2024 | 2023 |
| Audit and audit-related fees (Parent Company) | ₱1,520,000 | ₱1,370,000 |
| Tax fees | - | - |
| All other fees | - | - |
| Total | ₱1,520,000 | ₱1,370,000 |

The Parent Company did not avail any non-audit related services from external parties.

The Audit and Risk Committee's approval policies and procedures consist of:

- a. Discussion with the external auditors regarding the Audited Financial Statements;
- b. Recommendation to the Board of Directors for the approval and release of the Audited Financial Statements; and

- c. Recommendation to the Board of Directors the appointment of the external auditors.

During the Annual Stockholders' Meeting of the Company, the appointment of the external auditors and approval of the audited financial statements are being presented for ratification by the stockholders.

Item VII. Financial Statements

Please refer to attached Annual Audited Consolidated Financial Statements.

Item VIII. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

There are no changes in and disagreements with accountants on accounting and financial disclosure.

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PART III - CONTROL AND COMPENSATION INFORMATION

Item IX. Directors and Executive Officers

1) *Identify Directors and Executive Officers:*

The following are the Directors and Executive Officers of the Company for the year 2024 with updated information as of March 31, 2025:

| Name | Citizenship | Position(s) | Period of Service | Term of Office Age | | FAMILY RELATIONSHIP |
|---------------------------|--------------------|-----------------------------------------|--------------------------|---------------------------|----|-------------------------------------------------------------------------------------------------------------------------------------|
| Dr. Andrew I. Liuson | Filipino | Director | 09/25/1979 to Present | 1 | 80 | Husband of Grace C. Liuson; and brother of Benjamin I. Liuson |
| | | Chairman of the Board | 12/13/2017 to Present | | | |
| Grace C. Liuson | Filipino | Director | 09/25/1979 to Present | 1 | 79 | Wife of Dr. Andrew I. Liuson; sister-in-law of Helen C. Roxas & Benjamin I. Liuson; and aunt of Josef C. Gohoc & Jefferson C. Roxas |
| | | Vice Chairman of the Board | 01/05/2018 to Present | | | |
| | | Deputy Vice Chairman of the Board | 02/01/2011 to 01/04/2018 | | | |
| Helen C. Roxas | Filipino | Director | 09/25/1979 to Present | 1 | 75 | Sister-in-law of Dr. Andrew I. Liuson & Grace C. Liuson; and mother of Jefferson C. Roxas |
| Benjamin I. Liuson | Filipino | Director | 06/06/2019 to Present | 1 | 75 | Brother of Dr. Andrew I. Liuson; and brother-in-law of Grace C. Liuson |
| Josef C. Gohoc | Filipino | Director | 01/04/2011 to Present | 1 | 55 | Nephew of Dr. Andrew I. Liuson, Grace C. Liuson, & Helen C. Roxas; and cousin of Jefferson C. Roxas |
| | | President | 02/01/2011 to Present | | | |
| Jefferson C. Roxas | Filipino | Director | 12/07/2021 to Present | 1 | 42 | Nephew of Dr. Andrew I. Liuson, Grace C. Liuson; son of Helen C. Roxas; and cousin of Josef C. Gohoc |
| Peter S. Dee | Filipino | Independent Director | 10/1979 to Present | 1 | 83 | - |
| | | Chairman-Audit & Risk Committee | 08/2002 to Present | | | |
| George Edwin SyCip | American | Independent Director | 12/13/2017 to Present | 1 | 68 | - |
| | | Chairman-Corporate Governance Committee | 04/06/2018 to Present | | | |
| Bp. Eduardo C. Villanueva | Filipino | Independent Director | 03/10/2021 to Present | 1 | 78 | - |
| Emma A. Choa | Filipino | Executive Vice President | 01/01/2015 to Present | 1 | 64 | - |

| Name | Citizenship | Position(s) | Period of Service | Term of Office | Age | FAMILY RELATIONSHIP |
|--------------------------------|-------------|-----------------------------------------------------------|--------------------------|----------------|-----|---------------------|
| | | Chief Operating Officer | 06/07/2023 to Present | | | |
| | | Treasurer | 02/01/2011 to 06/06/2023 | | | |
| Melita L. Tan | Filipino | Vice President | 02/21/2004 to Present | 1 | 64 | - |
| | | Treasurer | 01/01/25 to Present | | | |
| Therese Raimunda A. Anos | FILIPINO | Vice President | 10/01/2024 TO PRESENT | 1 | 35 | - |
| | | Chief Financial Officer/ Corporate Information Officer | 01/01/2025 to Present | | | |
| Christopher T. Chu | FILIPINO | Vice President | 10/01/2024 TO PRESENT | 1 | 49 | - |
| Atty. Andre Anton S. Suarez | Filipino | Compliance Officer | 01/01/2025 to Present | 1 | 36 | - |
| Mary Margarette M. Marcelino | Filipino | Investor Relations Officer | 01/01/2025 to Present | 1 | 55 | - |
| Atty. Albert Anthony H. Ocampo | Filipino | Corporate Secretary | 04/05/2021 to Present | 1 | 58 | - |
| | | Data Protection Officer | 01/01/2025 to Present | | | |
| Jocelyn C. De Asis | Filipino | Assistant Corporate Secretary | 04/05/2021 to Present | 1 | 55 | - |
| Hazel Anne C. Paule | Filipino | Head of Internal Audit Department | 01/01/2024 to Present | 1 | 31 | - |

The following are the present and past positions for the past five (5) years of the Directors and Executive Officers in other institutions:

A) DR. ANDREW I. LIUSON

| Name of Office | Position | Date Assumed |
|-----------------------------------------------------|------------------------------|--------------------------------|
| <i>Present positions in other institutions:</i> | | |
| Cityland, Inc. | Director | May 15, 1979 |
| | Chairman of the Board | Feb. 1, 2022 |
| City & Land Developers, Incorporated | Director | June 28, 1988 |
| | Vice Chairman of the Board | Sept. 5, 2022 |
| Febias College of Bible | Chairman | - |
| International Graduate School of Leadership | Chairman | - |
| Makati Gospel Church | President/Trustee | - |
| <i>Past positions in other institutions:</i> | | |
| Cityland, Inc. | Vice Chairman of the Board | Jan. 16, 2008 to Jan. 31, 2022 |
| City & Land Developers, Incorporated | Chairman of the Board | Aug. 25, 2020 to Sept. 4, 2022 |
| | Acting Chairman of the Board | Jan. 16, 2020 to Aug. 24, 2020 |

| Name of Office | Position | Date Assumed |
|--------------------------------------------|----------------------------|--------------------------------|
| | Vice Chairman of the Board | Jan. 16, 2008 to Jan. 15, 2020 |
| Cityplans, Incorporated | Director | Oct. 27, 1988 to Mar. 8, 2022 |
| | Chairman of the Board | Sept. 25, 2006 to Mar. 8, 2022 |
| Philippine Council of Evangelical Churches | Chairman | July 2015 to July 8, 2021 |

B) GRACE C. LIUSON

| Name of Office | Position | Date Assumed |
|--------------------------------------------------------|------------------------------------|--------------------------------|
| <i>Present positions in other institutions:</i> | | |
| Cityland, Inc. | Director | May 15, 1979 |
| | Vice Chairman of the Board | Feb. 1, 2022 |
| City & Land Developers, Incorporated | Director | June 28, 1988 |
| | Deputy Vice Chairman of the Board | Sept. 5, 2022 |
| Youth Gospel Center in the Philippines | Treasurer/Trustee | - |
| <i>Past positions in other institutions:</i> | | |
| Cityland, Inc. | Deputy Vice Chairman of the Board | Feb. 1, 2011 to Jan. 31, 2022 |
| City & Land Developers, Incorporated | Vice Chairman of the Board | Aug. 25, 2020 to Sept. 4, 2022 |
| | Deputy Vice Chairman of the Board | Feb. 1, 2011 to Aug. 24, 2020 |
| Cityplans, Incorporated | Director | Oct. 27, 1988 to Mar. 8, 2022 |
| | Executive Vice President/Treasurer | Sept. 25, 2006 to Mar. 8, 2022 |
| Makati Gospel Church | Treasurer/Trustee | - |

C) HELEN C. ROXAS

| Name of Office | Position | Date Assumed |
|-----------------------------------------------------|---------------------|-------------------------------|
| <i>Present positions in other institutions:</i> | | |
| Cityland, Inc. | Director | May 15, 1979 |
| City & Land Developers, Incorporated | Director | June 28, 1988 |
| Jefcon Incorporated | President | - |
| Obadiah Incorporated | President | - |
| Good Tidings Foundation Inc. | Treasurer | 1992 |
| Center for Community Transformation | Trustee | - |
| CCT Kaibigan Ministry | Corporate Secretary | - |
| Christian Executives Inc. | Treasurer | - |
| <i>Past positions in other institutions:</i> | | |
| Cityplans, Incorporated | Director | Oct. 27, 1988 to Mar. 8, 2022 |
| MGC New Life Christian Academy | Trustee | 2015 to May 2020 |
| CityAds, Incorporated | Director | - |

| | | |
|-------------------------------|----------|---|
| Credit and Land Holding, Inc. | Director | - |
|-------------------------------|----------|---|

D) BENJAMIN I. LIUSON

| Name of Office | Position | Date Assumed |
|-------------------------------------------------------|-----------------|---------------------|
| <i>Present positions in other institution:</i> | | |
| Cityland, Inc. | Director | Nov. 19, 2019 |
| City & Land Developers, Incorporated | Director | June 11, 2019 |
| The Generics Pharmacy, Inc. | Chairman | 2020 |
| TGP Pharma Inc. | Chairman | 2020 |
| CL Realty Development Inc. | President | 1989 |
| Romans 828 Land, Inc. | President | 2010 |
| Silverwind Alloy Castings Inc. | Director | 1989 |
| Drugmakers Lab Inc. | Director | 2012 |
| Febias College of Bible | Trustee | 2001 |
| Center for Community Transformation, Inc. | Trustee | 2001 |
| Gospel Operation Phil. Inc. | Trustee | 2011 |
| Bless Foundation Inc. | Trustee | 2014 |
| Global Filipino Movement, Inc. | Trustee | 2013 |
| Makati Gospel Church | Trustee | 1990 |
| Jedidiah Inc. | President | 1996 |
| Keziah Inc. | President | 1996 |

Past positions in other institutions:

| | | |
|-----------------------------|---------------|--------------|
| The Generics Pharmacy, Inc. | Vice Chairman | 2016 to 2020 |
|-----------------------------|---------------|--------------|

E) JOSEF C. GOHOC

| Name of Office | Position | Date Assumed |
|--------------------------------------------------------|--------------------------------|---------------------|
| <i>Present positions in other institutions:</i> | | |
| Cityland, Inc. | Director | June 29, 2007 |
| | President | Feb. 1, 2011 |
| City & Land Developers, Incorporated | Director | Jan. 4, 2011 |
| | President | Feb. 1, 2011 |
| Cityplans, Incorporated | Director/Chairman of the Board | Mar. 8, 2022 |
| CityAds, Incorporated | President | Mar. 4, 2023 |
| Credit and Land Holdings, Inc. | President | July 20, 2023 |
| Asian Business Solutions, Inc. | Director | 1996 |
| Philippine Trading & Investment Corporation | Director | 1997 |
| Atlas Agricultural & Mercantile Development Corp. | Director | 1997 |
| Febias College of Bible | Board of Trustee | 2015 |

| | | |
|---------------------------------------------|-----------------------------------|-------------------------------|
| International Graduate School of Leadership | Board of Trustee | - |
| The Good Seed Sower Foundation, Inc. | Chairman | Feb. 1, 2024 |
| CityMerge Holdings, Inc. | Director/President | Oct. 24, 2023 |
| CityLots Holdings, Inc. | Director Chairman of the Board | Oct. 24, 2023 Mar. 4, 2025 |
| CityRise Holdings, Inc. | Director/President | June 3, 2024 |
| Build & Yield Holdings, Inc. | Director/President | June 3, 2024 |

Past positions in other institutions:

| | | |
|--------------------------------------|----------------------------|-------------------------------|
| The Good Seed Sower Foundation, Inc. | Board of Trustee/President | May 28, 2021 to Jan. 31, 2024 |
| CityLots Holdings, Inc. | President | Oct. 24, 2023 to Mar. 3, 2025 |

F) JEFFERSON C. ROXAS

| Name of Office | Position | Date Assumed |
|----------------|----------|--------------|
|----------------|----------|--------------|

Present positions in other institutions:

| | | |
|--------------------------------------|--------------------------------|-------------------------------|
| Cityland, Inc. | Director | Dec. 7, 2021 |
| City & Land Developers, Incorporated | Director | Dec. 7, 2021 |
| Cityplans, Incorporated | Director/President | Mar. 8, 2022 |
| CityAds, Incorporated | Chairman of the Board | Aug. 15, 2023 |
| Credit and Land Holdings, Inc. | Director/Chairman of the Board | July 20, 2023 |
| The Good Seed Sower Foundation, Inc. | Corporate Secretary | Feb. 1, 2024 |
| CityMerge Holdings, Inc. | Director/Vice President | Oct. 24, 2023 |
| CityLots Holdings, Inc. | Director President | Oct. 24, 2023 Mar. 4, 2025 |
| CityRise Holdings, Inc. | Director/Chairman | June 3, 2024 |
| Build & Yield Holdings, Inc. | Director/Chairman | June 3, 2024 |

Past positions in other institutions:

| | | |
|-------------------------|--------------------------|-------------------------------|
| CityAds, Incorporated | Executive Vice President | Mar. 4, 2023 to Aug. 14, 2023 |
| CityLots Holdings, Inc. | Vice President | Oct. 24, 2023 to Mar. 3, 2025 |

G) PETER S. DEE

| Name of Office | Position | Date Assumed |
|----------------|----------|--------------|
|----------------|----------|--------------|

Present positions in other institutions:

| | | |
|----------------------------------------|----------------------|---------------|
| Alpolac, Inc. | Director | 1994 |
| China Banking Corporation | Director | 1977 |
| CBC Properties & Computer Center, Inc. | Director/President | 1984 |
| Cityland, Inc. | Independent Director | Dec. 20, 2006 |

| Name of Office | Position | Date Assumed |
|-----------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------|
| | Chairman-Audit & Risk Committee | Jan. 2007 |
| | Chairman-Corporate Governance Committee | July 27, 2018 |
| City & Land Developers, Incorporated | Independent Director/Chairman-Audit & Risk Committee | Nov. 22, 2004 |
| Commonwealth Foods, Inc. | Director | May 2013 |
| GDSK Development Corporation | Director | 1990 |
| Makati Curbs Holdings Corporation | Director | 2012 |
| Great Expectation Holdings, Inc. | Director/Chairman/President | Oct. 2012 |
| The Big D Holdings Corporation | Director/Chairman/President | Apr. 2013 |
| <i>Past positions in other institutions:</i> | | |
| Cityplans, Incorporated | Independent Director Chairman-Compensation Committee/Chairman-Audit Committee/Member-Nomination and Election Committee | July 17, 1990 to Mar. 8, 2022 2002 to Mar. 8, 2022 |
| CBC Insurance Broker Inc. | Chairman of the Board | - |
| Can Lacquer, Inc. | Director | - |
| GPL Holdings, Inc. | Director | - |
| KK Converters Co. Ltd. | Director | - |
| MSD Company Inc. | Director | - |
| Prochem, Inc. | Director | - |
| Sinclair (Phils.) Inc. | Director | - |
| Sol Mar Y Tierra Resources | Director | - |
| Silver Falcon Insurance Agency | Director | - |
| Banker's Association of the Philippines | Director | - |
| China Banking Corp. | President & CEO | - |
| CBC Forex Corporation | Director/Chairman of the Board | - |
| Asean Finance Corporation Limited | Director | - |
| Hydee Management & Resources Corporation | Director | - |
| Kemwerke, Inc. | Director | - |

H) GEORGE EDWIN SYCIP

| Name of Office | Position | Date Assumed |
|--------------------------------------------------------|-----------------|---------------------|
| <i>Present positions in other institutions:</i> | | |
| Halanna Management Corp. | President | Dec. 1987 |
| Bank of the Orient | Director | May 1993 |
| Asian Alliance Holdings and Development Corp. | Director | Nov. 1995 |
| FMF Development Corporation | Director | July 1996 |
| Paxys, Inc. | Director | Oct. 2004 |
| Premiere Horizon Alliance Corporation | Director | Feb. 6, 2018 |
| <i>Past positions in other institutions:</i> | | |
| Beneficial Life Insurance Company | Director | July 1998 to 2018 |
| Alliance Select Foods International, Inc. | Director | June 2005 to 2018 |

I) BP. EDUARDO C. VILLANUEVA

| Name of Office | Position | Date Assumed |
|----------------------------------------------------------------|-------------------------------------------------------------------------------------|---------------------|
| <i>Present positions in other institutions:</i> | | |
| House of Representatives | Chairperson, Committee on Sustainable Development Goals - 19 th Congress | 2022 |
| | Representative, Citizens' Battle Against Corruption (CIBAC) party-list | 2022 |
| Jesus Is Lord Church Worldwide International | Founder/President & Spiritual Director | 1978 |
| Jesus Is Lord Colleges Foundation (JILCF), Inc. | Chancellor/Chairman of the Board | 1984 |
| Jesus the Healer Foundation, Inc. | President | June 1990 |
| Bangon Pilipinas National Renewal Movement (ARISE PHILIPPINES) | Chairman/President | 2004 |
| Asia for Christ Movement (AFCM) | President | 2011 |
| JV ZOE Agape, Inc. | Chairman & President | 2021 |
| Cityland, Inc. | Independent Director | Sept. 23, 2022 |
| Rural Bank of Batac | Director | - |
| <i>Past positions in other institutions:</i> | | |
| Agape Foods Corporation | Chairman & President | 1997 to 2018 |
| | Director | 2019 to 2021 |
| JV ZOE Agape, Inc. | Chairman & President/CEO | 2012 to 2018 |
| | Director | 2019 to 2021 |
| House of Representatives | | 2019 to 2022 |
| | Deputy Speaker for Good Governance & Moral Uprightness of the Philippine Congress | 2019 to 2022 |

| Name of Office | Position | Date Assumed |
|-----------------------|--------------------------------------------------------------|---------------------|
| | Representative, CIBAC Party-list - 18 th Congress | |

J) EMMA A. CHOA

| Name of Office | Position | Date Assumed |
|--------------------------------------------------------|--------------------------|---------------------|
| <i>Present positions in other institutions:</i> | | |
| Cityland, Inc. | Executive Vice President | Jan. 1, 2015 |
| | Chief Operating Officer | June 21, 2023 |
| City & Land Developers, Incorporated | Director | Aug. 25, 2020 |
| | Executive Vice President | Jan. 1, 2015 |
| | Chief Operating Officer | June 13, 2023 |
| Cityplans, Incorporated | Director | Mar. 8, 2022 |
| CityAds, Incorporated | Director | Aug. 15, 2023 |
| Credit and Land Holdings, Inc. | Board Member | July 20, 2023 |
| WorldNet Information and Services, Inc. | Director/Treasurer | - |
| CityMerge Holdings, Inc. | Director/Treasurer | Oct. 24, 2023 |

Past positions in other institutions:

| | | |
|--------------------------------------|----------------|-------------------------------|
| Cityland, Inc. | Treasurer | Feb. 1, 2011 to June 20, 2023 |
| City & Land Developers, Incorporated | Treasurer | Feb. 1, 2011 to June 12, 2023 |
| The Good Seed Sower Foundation, Inc. | Vice President | May 28, 2021 to Jan. 31, 2024 |

K) MELITA L. TAN

| Name of Office | Position | Date Assumed |
|--------------------------------------------------------|-----------------|---------------------|
| <i>Present positions in other institutions:</i> | | |
| Cityland, Inc. | Vice President | Feb. 21, 2004 |
| | Treasurer | Jan. 1, 2025 |
| City & Land Developers, Incorporated | Vice President | Feb. 21, 2004 |
| | Treasurer | Jan. 1, 2025 |
| Build & Yield Holdings, Inc. | Treasurer | June 3, 2024 |
| BuildInvest Holdings Inc. | Treasurer | Aug. 27, 2024 |

L) THERESE RAIMUNDA A. ANOOS

| Name of Office | Position | Date Assumed |
|--------------------------------------------------------|-------------------------------|-------------------------|
| <i>Present positions in other institutions:</i> | | |
| Cityland, Inc. | Vice President | Oct. 1, 2024 |
| | Chief Financial Officer | Jan. 1, 2025 |
| | Corporate Information Officer | Jan. 1, 2025 |
| City & Land Developers, Incorporated | Vice President | Oct. 1, 2024 |
| | Chief Financial Officer | Jan. 1, 2025 |
| | Corporate Information Officer | Jan. 1, 2025 |
| Cityplans, Incorporated | Vice President | Oct. 1, 2024 |
| | Chief Financial Officer | Jan. 1, 2025 |
| WorldNet Information and Services, Inc. | Vice President | Apr. 16, 2024 |
| <i>Past positions in other institutions:</i> | | |
| Cityland, Inc. | Assistant Vice President | Aug. 2018 to Sept. 2024 |
| City & Land Developers, Incorporated | Assistant Vice President | Aug. 2018 to Sept. 2024 |
| Cityplans, Incorporated | Assistant Vice President | Aug. 2018 to Sept. 2024 |

M) CHRISTOPHER T. CHU

| Name of Office | Position | Date Assumed |
|--------------------------------------------------------|-----------------|---------------------|
| <i>Present positions in other institutions:</i> | | |
| Cityland, Inc. | Vice President | Oct. 1, 2024 |
| City & Land Developers, Incorporated | Vice President | Oct. 1, 2024 |
| Cityplans, Incorporated | Vice President | Oct. 1, 2024 |
| Vernal Inc. | Treasurer | - |
| Blueterm Corporation | Director | - |

N) ATTY. ANDRE ANTON S. SUAREZ

| Name of Office | Position | Date Assumed |
|--------------------------------------------------------|-------------------------|---------------------|
| <i>Present positions in other institutions:</i> | | |
| City & Land Developers, Incorporated | Data Protection Officer | Jan. 1, 2025 |
| CityAds Incorporated | Corporate Secretary | Mar. 4, 2017 |
| Credit & Land Holdings, Inc. | Corporate Secretary | July 20, 2017 |

O) MARY MARGARETTE M. MARCELINO

| Name of Office | Position | Date Assumed |
|--------------------------------------------------------|----------------------------|---------------------|
| <i>Present positions in other institutions:</i> | | |
| Cityland, Inc. | Investor Relations Officer | Jan. 1, 2025 |
| City & Land Developers, Incorporated | Investor Relations Officer | Jan. 1, 2025 |

P) ATTY. ALBERT ANTHONY H. OCAMPO

| Name of Office | Position | Date Assumed |
|-------------------------------------------------|--------------------|---------------------|
| <i>Present positions in other institutions:</i> | | |
| Cityland, Inc. | Compliance Officer | Jan. 1, 2025 |
| Cityplans, Incorporated | Compliance Officer | Jan. 1, 2025 |
| AAAH Ocampo Property Leasing & Management | Proprietor | 2017 |
| PCG Leasing & Management Corporation | Director | 2018 |
| Billyounow Corporation | Director | 2020 |
| Hillspa Resort | Proprietor | 2022 |

Q) JOCELYN C. DE ASIS

| Name of Office | Position | Date Assumed |
|--------------------------------------------------------|-------------------------------|---------------------|
| <i>Present positions in other institutions:</i> | | |
| Cityland, Inc. | Corporate Secretary | Apr. 5, 2021 |
| | Data Protection Officer | Jan. 1, 2025 |
| City & Land Developers, Incorporated | Assistant Corporate Secretary | July 3, 2013 |
| | Compliance Officer | Jan. 1, 2025 |
| Cityplans, Incorporated | Corporate Secretary | Jan. 7, 2013 |
| WorldNet Information and Services, Inc. | President | Apr. 16, 2024 |

R) HAZEL ANNE C. PAULE

| Name of Office | Position | Date Assumed |
|--------------------------------------------------------|-----------------------------------|---------------------|
| <i>Present positions in other institutions:</i> | | |
| Cityland, Inc. | Head of Internal Audit Department | Jan. 1, 2024 |
| City & Land Developers, Incorporated | Head of Internal Audit Department | Jan. 1, 2024 |
| Cityplans, Incorporated | Head of Internal Audit Department | Jan. 1, 2024 |

The attendance of the Board of Directors of CDC on the Regular and Special Meetings for the year 2024 are as follows:

| | No. of Meetings Attended / Held |
|-----------------------|--------------------------------------------|
| Dr. Andrew I. Liuson | 28/28 |
| Grace C. Liuson | 28/28 |
| Josef C. Gohoc | 28/28 |
| Peter S. DeeSS | 28/28 |
| George Edwin Y. Sycip | 28/28 |
| Helen C. Roxas | 28/28 |
| Benjamin I. Liuson | 28/28 |
| Eduardo C. Villanueva | 27/28 |
| Jefferson C. Roxas | 28/28 |

2) *Identify Significant Employees*

There is no identifiable significant employee because the Group expects each employee to do his / her share in achieving the corporation's goal.

3) *Involvement in Certain Legal Proceedings of Any of the Directors and Executive Officers, during the past five years:*

During the past five years, there is no involvement in certain legal proceedings of any of the directors and executive officers in any court or administrative agency of the government.

- a. None of them has been involved in any bankruptcy petition.
- b. None of them has been convicted by final judgment in any criminal proceeding or being subject to a pending criminal proceeding, both domestic and foreign.
- c. None of them has been subjected to any order, judgment, or decree, not subsequently reversed, suspended or vacated, of any court of competent jurisdiction, domestic or foreign, permanently or temporarily enjoining, barring, suspending or otherwise limiting their involvement in any type of business, securities, and commodities or banking activities.
- d. None of them has been found by a domestic or foreign court of competent jurisdiction (in a civil action), the Commission or comparable body, or a domestic or foreign exchange or other organized trading market or self-regulatory organization, to have violated a securities or commodities law or regulation.

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Item X.

Executive Compensation

Executive Compensation Summary Table

| Name | Position | 2025 (estimate) |
|--------------------------------------------------------|-----------------|------------------------|
| Josef C. Gohoc | President | x |
| Therese Raimunda A. Anoos | Vice President | x |
| Christopher T. Chu | Vice President | x |
| Melita L. Tan | Vice President | x |
| Jennifer L. Callos | Senior Manager | x |
| Salaries | | ₱9,999,634 |
| Bonus | | 2,566,658 |
| Others | | 152,400 |
| Total (Top 5) | | ₱12,718,692 |
| Salaries | | ₱22,695,483 |
| Bonus | | 5,943,533 |
| Others | | 592,800 |
| All officers & directors as a group unnamed | | ₱29,231,816 |
| Grand Total | | ₱41,950,508 |

| Name | Position | 2024 (actual) |
|--------------------------------------------------------|-----------------|----------------------|
| Josef C. Gohoc | President | x |
| Therese Raimunda A. Anoos | Vice President | x |
| Christopher T. Chu | Vice President | x |
| Melita L. Tan | Vice President | x |
| Jennifer L. Callos | Senior Manager | x |
| Salaries | | ₱9,144,355 |
| Bonus | | 2,455,358 |
| Others | | 11,478,170 |
| Total (Top 5) | | ₱23,077,883 |
| Salaries | | ₱24,430,617 |
| Bonus | | 6,535,795 |
| Others | | 13,656,178 |
| All officers & directors as a group unnamed | | ₱44,622,590 |
| Grand Total | | ₱67,700,473 |

| Name | Position | 2023 (actual) |
|--------------------------------------------------------|--------------------------|----------------------|
| Josef C. Gohoc | President | x |
| Melita L. Tan | Vice President | x |
| Dorothy Uy So | Assistant Vice President | x |
| Therese Raimunda A. Anoos | Assistant Vice President | x |
| Jennifer L. Callos | Manager | x |
| Salaries | | ₱7,532,438 |
| Bonus | | 1,896,879 |
| Others | | 13,984,458 |
| Total (Top 5) | | ₱23,413,775 |
| Salaries | | ₱24,802,175 |
| Bonus | | 6,490,681 |
| Others | | 9,291,705 |
| All officers & directors as a group unnamed | | ₱40,584,561 |
| Grand Total | | ₱63,998,336 |

The Group has no standard arrangement with regard to the remuneration of its existing officers aside from the compensation received nor any other arrangement with employment contracts, compensatory plan and stock warrants or options offered to its employees.

Item XI. Security Ownership of Certain Beneficial Owners and Management

- a. Security Ownership of Record and Beneficial Owner owning more than 5% of the outstanding capital stock of the Registrant as of December 31, 2023:

| Title of Class | Name, Address & Relationship with Issuer | Beneficial Owner & Relationship | Citizenship | No. of Shares Held | % |
|----------------------------|-----------------------------------------------------------------------------------------------------------------------------------|---------------------------------|-------------|--------------------|--------|
| Unclassified common shares | Cityland, Inc. 3/F Cityland Condominium 10 Tower 1,156 H.V. Dela Costa Street, Makati City - principal stockholder | | Filipino | 2,536,813,215 | 50.98% |
| Unclassified common shares | PCD Corporation Flr., BDO Equitable Tower 8751 Paseo de Roxas Makati City | Nominee | Filipino | 1,092,731,897 | 21.96% |

* The following directors/stockholder direct the voting or disposition of the shares held by Cityland, Inc.: (Beneficial Owners)

| <u>Name</u> | <u>Position</u> |
|---------------------------|------------------------------------------------------------------------------------------------------------|
| Andrew I. Liuson | Director / Chairman of the Board |
| Grace C. Liuson | Director / Vice Chairman of the Board |
| Josef C. Gohoc | Director / President |
| Peter S. Dee | Independent Director / Chairman - Audit & Risk Committee / Chairman - Corporate Governance Committee |
| Bp. Eduardo C. Villanueva | Independent Director |
| Benjamin I. Liuson | Director |
| Helen C. Roxas | Director |
| Jefferson C. Roxas | Director |
| Stephen C. Roxas | Stockholder owning 28.20% of shares of Cityland, Inc. |

- b. No change of control in the corporation has occurred since the beginning of its last fiscal year.

- c. Security Ownership of Management as of December 31, 2024:

| Title of Class | Name of Beneficial Owner / Position | No. of Shares Held | Nature of Ownership | Citizenship | % |
|----------------------------|----------------------------------------------------------|--------------------|---------------------|-------------|-------|
| Directors: | | | | | |
| Unclassified common shares | Andrew I. Liuson Director / Chairman of the Board | 181,096,745 | Direct / Indirect | Filipino | 3.64% |
| Unclassified common shares | Grace C. Liuson Director / Vice Chairman of the Board | 238,252,393 | Direct | Filipino | 4.79% |

| Title of Class | Name of Beneficial Owner / Position | No. of Shares Held | Nature of Ownership | Citizenship | % |
|----------------------------|-------------------------------------------------------------------------------------------|---------------------------|----------------------------|--------------------|----------|
| Unclassified common shares | Josef C. Gohoc Director / President | 120,213,712 | Direct / Indirect | Filipino | 2.41% |
| Unclassified common shares | Peter S. Dee Independent Director / Chairman - Audit & Risk Committee | 636,314 | Direct | Filipino | 0.01% |
| Unclassified common shares | George Edwin Y. SyCip Independent Director / Chairman - Corporate Governance Committee | 1,263 | Direct | American | - |
| Unclassified common shares | Eduardo C. Villanueva Independent Director | 1,076 | Direct | Filipino | - |
| Unclassified common shares | Helen C. Roxas Director | 75,646,299 | Direct | Filipino | 1.52% |
| Unclassified common shares | Benjamin I. Liuson Director | 536,836 | Direct | Filipino | 0.01% |
| Unclassified common shares | Jefferson C. Roxas Director | 131,867,476 | Direct | Filipino | 2.65 |

| Executive Officers: | | | | | |
|----------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|--------|----------|-------|
| Unclassified common shares | Andrew I. Liuson Director / Chairman of the Board | - | - | Filipino | - |
| Unclassified common shares | Grace C. Liuson Director / Vice Chairman of the Board | - | - | Filipino | - |
| Unclassified common shares | Josef C. Gohoc Director / President | - | - | Filipino | - |
| Unclassified common shares | Emma A. Choa Executive Vice President & Treasurer | 3,360,960 | Direct | Filipino | 0.07% |
| Unclassified common shares | Rudy Go Senior Vice President / Chief Financial Officer / Compliance Officer & Corporate Information Officer / Data Protection Officer / Investor Relations Officer <i>*Retired Effective December 31, 2024</i> | 2,268,114 | Direct | Filipino | 0.04% |
| Unclassified common shares | Melita L. Tan Vice President | 761,204 | Direct | Filipino | 0.02% |
| - | Therese Raimunda A. Anoos Vice President - Financial Management Services Department / Chief Financial Officer <i>*Effective January 1, 2025</i> | - | - | Filipino | - |
| - | Christopher T. Chu Vice President - Purchasing Department <i>*Effective January 1, 2025</i> | - | - | Filipino | - |
| - | Atty. Albert Anthony H. Ocampo Corporate Secretary | - | - | Filipino | - |
| - | Jocelyn C. De Asis | - | - | Filipino | - |

| Title of Class | Name of Beneficial Owner / Position | No. of Shares Held | Nature of Ownership | Citizenship | % |
|-----------------------|----------------------------------------------------------|---------------------------|----------------------------|--------------------|----------|
| | Assistant Corporate Secretary | | | | |
| - | Hazel Anne C. Paule Head of Internal Audit Department | - | - | - | - |

Note: The above security ownership of management consists of unclassified common shares of 747,920,472 which is equivalent to 15.02%.

It is the policy of the Group to have a timely and accurate disclosures to regulatory agencies. Any change in the shareholdings of the Group resulting from transactions entered into by the directors and executive officers, either by acquisition or disposal are reported to the PSE and SEC within five days from the date of the transaction. The Group requires its directors and officers to report to the Group immediately any plan to transact with the Company's shares.

For the past five (5) years, there were no trading by insiders. The Group continues to adhere with existing government regulations.

- d. The Corporation knows no person holding more than 5% of common shares under a voting trust or similar agreement.

Item XII. Certain Relationships and Related Party Transactions

1) Transactions of Registrants with Any Director, Executive Officer of the Registrant and Any Nominee for Election as a Director

There are no material transactions (or series of similar transactions) with or involving the registrant or any of each subsidiary with a director, executive officer and a nominee for election as a director.

2) Related Party Transactions

The Company and its subsidiaries, in their regular conduct of business, have entered into transactions with its related parties principally consisting of advances, reimbursement of expenses and purchase and sale of real estate properties. These transactions to and from related parties are made at current market prices at the time of the transaction.

The following are some of the related party transactions of the Group:

- In 2019, the Parent Company entered into a Memorandum of Agreement with CI whereby the Parent Company shall assign its parcel of land to CI in exchange of certain number of condominium units and parking slots in One Premier, a project that of CI. In 2021, additional units were allocated to the Parent Company. In 2022, a Deed of Exchange relating to the exchange of properties was executed in line with the completion of the condominium project. CDC recognized an income from the exchange amounting to ₱155.56 million recorded under "Other income - net" in the consolidated statement of income.
- The Parent Company has an existing agreement with CI, CLDI and CPI whereby personnel costs and common recurring expenses such as water, electricity, rental, and other expenses for which the companies have benefited from such service shall be

shared among the companies and billed with a pre-agreed mark-up rate. These are recorded as part of "Operating expenses" in the consolidated statements of income. The income recognized as a result of the mark-up charged is recorded as "Other income - net" in the consolidated statements of income. These are unsecured, unguaranteed, non-interest bearing, and due within 30-60 days.

The Company or its related parties have no relationship on parties that fall outside the definition of related parties that enables to negotiate terms of material transactions that may not be available from others or independent parties on an arm's length basis. Moreover, the Registrant has no transactions with former senior management or persons that would result in negotiations of terms that are more or less favorable than those available on an arm's length basis from clearly independent parties that are material to the Registrant's financial position or financial performance.

Please refer to Note 26, *Related Party Transactions* of the Notes to 2024 Audited Consolidated Financial Statements which is incorporated in the Index to Financial Statements and Supplementary Schedules.

3) *Parent of the Registrant*

Cityland, Inc. owns 50.98% of the outstanding capital stock of the Registrant.

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PART IV - CORPORATE GOVERNANCE

Item XIII. Compliance with Leading Practices on Corporate Governance

The evaluation system employed by the Company is thru a periodic self-rating system based on the criteria on the leading practices and principles on good governance.

- 1) Measures being undertaken by the company to fully comply with the adopted Leading Practices on Good Corporate Governance.

We have implemented the periodic self-rating system. The Corporate Governance Committee meets regularly to review and assess the status of the Company's compliance with the Corporate Governance.

The Compliance Officer is also tasked to monitor and ensure the proper implementation of the Company's policies and procedures. The Company takes into consideration the recommendations provided in the Integrated Annual Corporate Governance and determines the relevance to the Company. Once the SEC recommendation is deemed applicable to the Company, the Compliance Team headed by the Compliance Officer prepares the policies for review of the Corporate Governance Committee and approval of the Board. Any new policy for implementation is cascaded to the employees. The Compliance Team monitors of the compliance of the policies and procedures and reports such to the Corporate Governance Committee.

The Committee discusses to the Board any significant matters needing Board's approval.

The Company's Manual on Corporate Governance is disclosed and posted on its website: <https://www.cityland.info/integrated-acgr>.

- 2) Any deviation from the company's manual of corporate governance (including a disclosure of the name and position of the persons involved and sanctions imposed on said individual).

There were no major deviations that require sanctions.

- 3) Any plan to improve corporate governance of the company.

A continuous review and assessment on the Corporate Governance of the Company is being conducted. As discussed in Item No. 1, the Company determines the relevance of the SEC recommendations and implements such after thorough review and assessment.

Pursuant to SEC Memorandum Circular No. 5, Series of 2013, the Corporate Governance Section of the Annual Report has been deleted and to be submitted separately to Securities and Exchange Commission.

AUDIT & RISK COMMITTEE

The Audit and Risk Committee consists of three (3) directors with an independent director as the chairman.

The Audit and Risk Committee's main function is to assist the Board in the performance of its oversight responsibility for the financial reporting process, system of internal control, audit process, and monitoring of compliance with applicable laws, rules and regulations.

The has an Audit and Risk Committee Charter and being disclosed in the Company's website.

PART V - EXHIBITS AND SCHEDULES

Item XIV. Exhibits and Reports on SEC Form 17-A

A. Exhibits - See Accompanying Index to Exhibits.

The following exhibit is filled as a separate section of this report:

(Exhibit 18) Majority Owned Subsidiaries of the Registrant

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

B. Reports on SEC Form 17-C

| <u>Report Date</u> | <u>Events Reported</u> |
|---------------------------|---------------------------------------------------------------------------|
| March 11, 2024 | Press release: City North Tower Launching |
| March 20, 2024 | Board Approval of the Parent and Consolidated Annual Financial Statements |
| April 18, 2024 | Notice of Annual Stockholders' Meeting on June 4, 2024 |
| May 24, 2024 | Declaration of Cash Dividends |
| June 3, 2024 | Retirement of Officer |
| June 4, 2024 | Results of Annual Stockholder's Meeting for the year 2024 |
| June 4, 2024 | Results of the BOD Organizational Meeting for the year 2024 |
| August 5, 2024 | Application of Php1.00 Billion worth of Commercial Papers |
| October 1, 2024 | Appointment of Officers |
| October 18, 2024 | SEC Approval of Php 1.00 Billion worth of Commercial Papers |
| December 11, 2024 | Retirement and Appointment of Officer |
| December 19, 2024 | Press Release: Topping-off Ceremony of City North Tower. |

C. Sustainability Report

In line with the SEC Memorandum Circular No. 4, Series of 2019, all publicly-listed companies are required to submit its Sustainability Report as an attachment to the Annual Report (SEC Form 17-A).

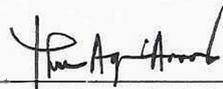
SIGNATURES

Pursuant to the requirements of Section 17 of the Securities Regulation Code and Section 177 of the Revised Corporation Code, this SEC Form 17-A is signed on behalf of **CITYLAND DEVELOPMENT CORPORATION**, by the undersigned, thereunto duly authorized, in the City of PASIG CITY on APR 11 2025

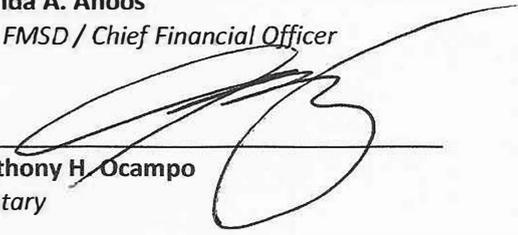
By:



Josef C. Gohoc
President / Chief Executive Officer



Therese Raimunda A. Anoos
Vice President - FMSSD / Chief Financial Officer

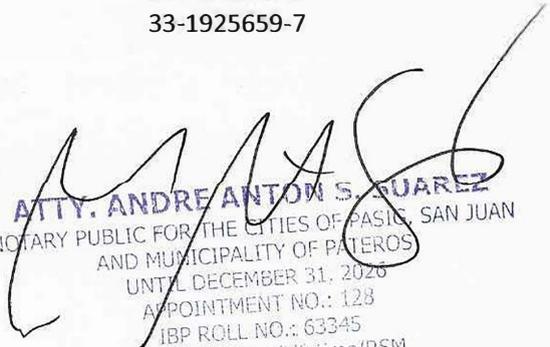


Atty. Albert Anthony H. Ocampo
Corporate Secretary

SUBSCRIBED AND SWORN to before me this APR 11 2025 at affiant(s) exhibiting to me their Social Security System (SSS) Numbers, as follows:

| <u>Name</u> | <u>SSS No.</u> |
|--------------------------------|----------------|
| Josef C. Gohoc | 33-0942784-4 |
| Therese Raimunda A. Anoos | 34-1845464-3 |
| Atty. Albert Anthony H. Ocampo | 33-1925659-7 |

Doc. No. 512
Page No. 104
Book No. I
Series of 2025.


ATTY. ANDRE ANTON S. SUAREZ
NOTARY PUBLIC FOR THE CITIES OF PASIG, SAN JUAN
AND MUNICIPALITY OF PATEROS
UNTIL DECEMBER 31, 2026
APPOINTMENT NO.: 128
IBP ROLL NO.: 63345
IBP NO.: 012664/Lifetime/RSM
PTR No.: 3020298/01-02-2025/Pasig
Unit 105 Grand Emerald Tower, Ortigas Center, Pasig City

INDEX TO EXHIBITS

Form 17-A

| <u>No.</u> | | <u>Page No.</u> |
|------------|--------------------------------------------------------------------------------------|-----------------|
| (3) | Plan of Acquisition, Reorganization, Arrangement, Liquidation, or Succession | * |
| (5) | Instrument Defining the Rights of Security Holders, Including Indentures | * |
| | ARTICLE IV : CERTIFICATE OF STOCK | 69 |
| | ARTICLE V : TRANSFER OF SHARES OF STOCK | 69 |
| | ARTICLE VII : STOCKHOLDERS' MEETING | 69 |
| | ARTICLE VIII : AMENDMENTS | 70 |
| (8) | Voting Trust Agreement | * |
| (9) | Material Contracts | * |
| (10) | Annual Report to Security Holders, Form 11-Q or Quarterly Report to Security Holders | * |
| (13) | Letters regarding Change in Certifying Accountant | * |
| (16) | Report Furnished to Security Holders | * |
| (18) | Subsidiaries of the Registrant | 71 |
| (19) | Published Report Regarding Matters Submitted to Vote of Security Holders | * |
| (20) | Consent of Experts and Independent Counsel | * |
| (21) | Power of Attorney | * |
| (29) | Additional Exhibits | * |

* These exhibits are either not applicable to the Group or require no answer.

ARTICLE IV
CERTIFICATE OF STOCK

Each stockholder whose share of stock has been paid in full shall be entitled to a stock certificate or certificates for such shares of stock.

The certificate of stock shall be in such form and design as may be determined by the Board of Directors. Every certificate shall be signed by the President and countersigned by the Secretary and shall be sealed with the Corporate seal and shall state on its face its number, the date of issue, the number of shares for which it was issued, and the name of the person in whose favor it was issued.

Each share of stock will represent a pro-rate equity in the assets of the Corporation and the rights represented in each and every share of stock shall be identical in all respects and shall be stated herein.

The stockholders shall have no pre-emptive right to subscribe to any issue or disposition of shares of any class and all the stockholders, their transferees and/or assignees take the shares subject to this condition.

ARTICLE V
TRANSFER OF SHARES OF STOCK

Shares of stock shall be transferred by delivery of the certificate endorsed by the owner or his attorney-in-fact or other person legally authorized to make the transfer, but no transfer shall be valid except as between the parties until the transfer is annotated in the books of the Corporation.

No surrendered certificate shall be cancelled by the Secretary before a new certificate in lieu thereof is issued, and the Secretary shall keep the cancelled certificate as a proof of substitution. Any person claiming a certificate of stock to be lost or destroyed shall make an affidavit of that fact and shall advertise the same in such manner as the Board may require, and shall give the Corporation a bond of indemnity, in the form and with the sureties satisfactory to the Board, in the sum at least double the par value of such certificate in lieu of the one alleged to be lost or destroyed, always subject to the approval of the Board, and provided further that the requirements of Republic Act No. 201 are first complied with.

ARTICLE VII
STOCKHOLDERS' MEETING

1. Place - All meetings of the stockholders shall be held at the principal office of the Corporation, unless written notices of such meetings should fix another place within the City of Manila.
2. Proxy - Stockholders may vote at all meetings either in person or by proxy. All proxies, voting trusts, and other voting arrangements must be received by the Corporate Secretary or the Assistant Corporate Secretary at the corporation's head office not later than five (5) working days before the date of the meeting. Before the deadline such proxies, voting trusts and

other voting arrangements may be accepted or rejected by a special committee of inspectors if they do not have the appearance of prima facie authenticity.

3. Quorum - No stockholders' meeting shall be competent to decide any matter or to transact any business unless a majority of the subscribed capital stock is present or represented thereat, except in those cases in which the Corporation law requires the affirmative vote of a greater proportion.
4. Vote - Voting upon all questions at all meetings of the stockholders shall be by shares of stock and not per capital.
5. Annual Meeting - The annual meeting of the stockholders shall be held on the first Tuesday of June of each calendar year, when the Board of Directors shall be elected by plurality of votes by ballot system or viva voce.

Written notice of the annual meeting of the Corporation shall be sent to each registered stockholder at least fifteen (15) working days prior to the date of such meeting. Waiver of such notice may only be made in writing.

Only stockholders of record at the close of business hours thirty (30) calendar days prior to the date of such meeting shall be entitled to receive the notice of said meeting and to vote and be voted thereat.

6. Special Meeting - Special meetings of the stockholders may be called by the President at his discretion, or on demand of stockholders holding the majority of the subscribed capital stock of the Corporation.

A written notice stating the day and place of the meeting and the general nature of the business to be transacted shall be sent to each stockholder at least fifteen (15) working days before the date of such special meeting; provided, that this requisite may be waived in writing by the stockholders.

Only stockholders of record at the close of business hours thirty (30) calendar days prior to the date of such meeting shall be entitled to receive the notice of said meeting and to vote and be voted thereat.

7. Minutes - Minutes of all meeting of the stockholders shall be kept and carefully preserved as a record of the business transacted at such meetings. The minutes shall contain such entries as may be required by law.

ARTICLE VIII **AMENDMENTS**

The provisions of these By-Laws may be amended or repealed by a majority vote of the Board of Directors and the owners of at least a majority of the outstanding capital stock at a regular or special meeting called for the purpose.

The power to amend or repeal these By-Laws may be delegated to the Board of Directors in the manner provided by law.

EXHIBIT 18 SUBSIDIARIES OF THE REGISTRANT

The following are the subsidiaries of Cityland Development Corporation:

| | Percentage of Ownership | Jurisdiction |
|--------------------------------------|----------------------------------------|---------------------|
| Cityplans, Incorporated | 90.81 | Philippines |
| City & Land Developers, Incorporated | 49.73 | Philippines |

*** NOTHING FOLLOWS ***

CITYLAND DEVELOPMENT CORPORATION SUSTAINABILITY REPORTING TEMPLATE

Contextual Information

| Company Details | |
|------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Name of Organization | Cityland Development Corporation |
| Location of Headquarters | 2/F Cityland Condominium 10, Tower I, 156 H.V. Dela Costa Street, Makati City |
| Location of Operations | <p><i>Office Address:</i> 2/F Cityland Condominium 10, Tower I, 156 H.V. Dela Costa Street, Makati City</p> <p><i>Buildings for Lease:</i></p> <ul style="list-style-type: none"> ● Citynet Central 298-B EDSA corner, Sultan Street, Barangay Highway Hills, Mandaluyong City ● CityNet1 #183 EDSA Ave., Wack-Wack, Mandaluyong City |
| Report Boundary: Legal entities (e.g. subsidiaries) included in this report* | None |
| Business Model, including Primary Activities, Brands, Products, and Services | Real Estate |
| Reporting Period | December 31, 2024 |
| Highest Ranking Person responsible for this report | Atty. Andre Anton S. Suarez <i>Compliance Officer</i> |

**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.*

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Materiality Process

Explain how you applied the materiality principle (or the materiality process) in identifying your material topics.¹

Cityland Development Corporation is dedicated to helping the Filipino people fulfill their dream of owning a real estate property. The company's vision is to provide affordable and reasonable residential units and lots to its clients.

The primary objective of the company is to establish an effective institutional medium for acquiring and developing appropriate land sites for various purposes such as residential, commercial, industrial, institutional, and office use. The company endeavors to follow the subdivision, condominium, and cooperative concepts of land-utilization and ownership.

Materiality Process

The Company has conducted a comprehensive assessment as part of its efforts to determine the material topics that must be included in the Sustainability Reporting Template. In order to identify these topics, the Company referred to the List of Topics from Global Reporting Initiative (GRI) 102-46, and also took into account the requirements provided by the regulating bodies governing the Company, given that it operates in the real estate industry.

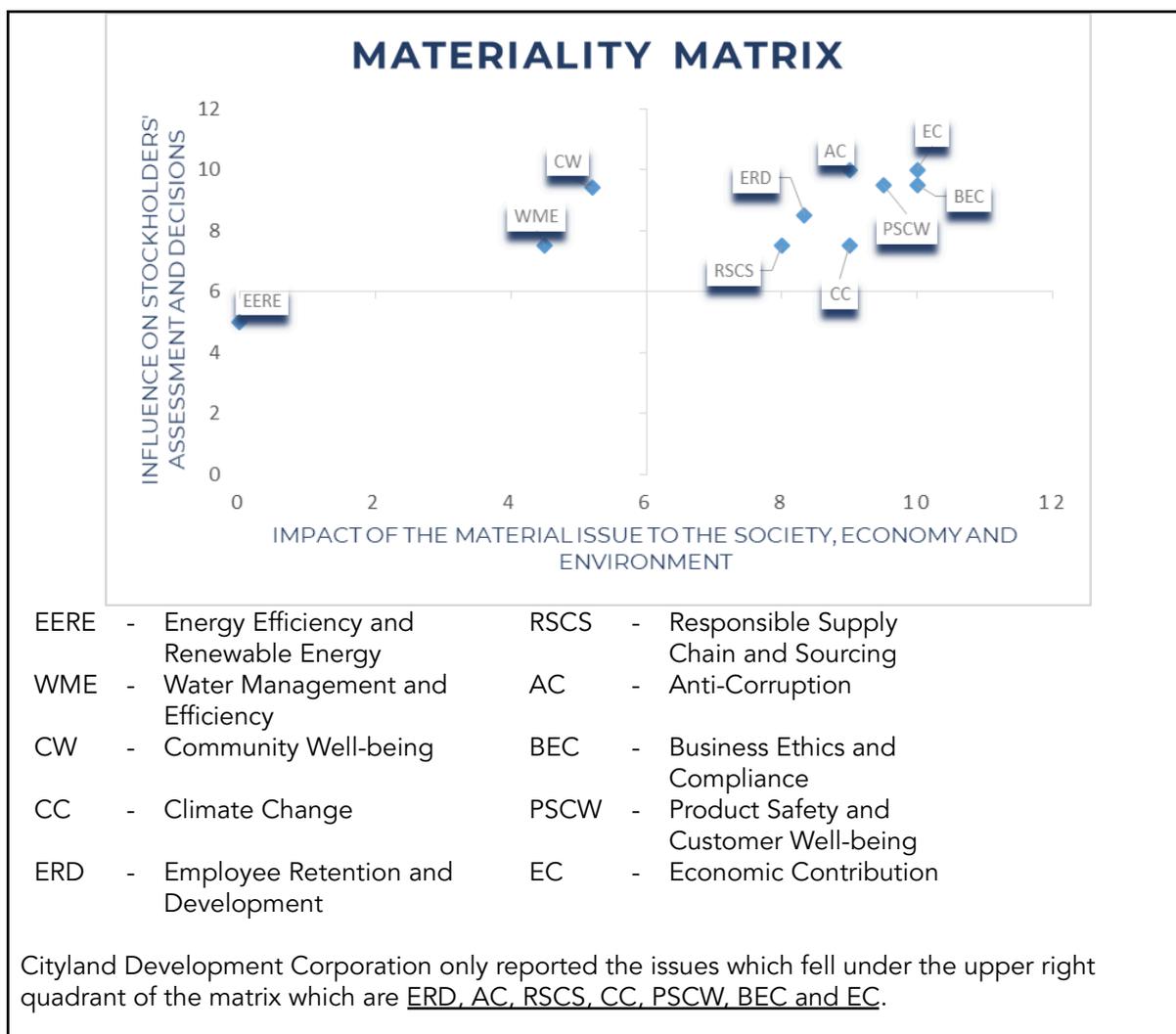
The Company has considered the topics as material that have a significant impact on its stakeholders, and has identified them based on the list provided in the GRI 102-46, which are considered material. The Compliance Officer has initiated the preparation of a questionnaire, which was then completed by the key stakeholders of the Company. The Compliance Team has been tasked with determining the relevance of the list selected for the subsequent years after its initial implementation, and with assessing whether there is a need to include other topics.

The Company has gathered data from its key stakeholders by requesting them to rate the degree to which an issue affects their decisions and its impact on society, the economy, and the environment, using a scale of 0 to 10. These ratings have enabled the Company to determine which issues are deemed to have a significant effect on its stakeholders, and therefore, have been considered material by the Company.

Based on the results of the Company's assessment, the material topics determined through the completed questionnaires were discussed with the Corporate Governance Committee, and presented to the Board of Directors for their approval.

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

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



ECONOMIC

Economic Performance

Direct Economic Value Generated and Distributed

| Disclosure | Amount | Units |
|----------------------------------------------------------------------------|---------------|-------|
| Direct economic value generated (revenue) | 2,167,337,551 | PhP |
| Direct economic value distributed: | | |
| a. Operating costs | 588,436,185 | PhP |
| b. Employee wages and benefits | 203,027,486 | PhP |
| c. Payments to suppliers, other operating costs | 3,532,303,032 | PhP |
| d. Dividends given to stockholders and interest payments to loan providers | 237,379,014 | PhP |
| e. Taxes given to government | 547,808,295 | PhP |
| f. Investments to community (e.g. donations, CSR) | N/A | PhP |

| What is the impact and where does it occur? What is the organization's involvement in the impact? | Which stakeholders are affected? | Management Approach |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> Higher returns to be given to the stockholders due to increase in the value of their investments. Increase in the benefits granted to the employees (e.g. salaries, bonuses and incentives). Higher contributions to the economy as a result of increase in the taxes of which benefits shall be transmitted to the society. | <ul style="list-style-type: none"> Stockholders Employees Government & Society | <ul style="list-style-type: none"> Continuous review and evaluation of business strategies to further attain a positive result of financial performance. Bonuses were given to the employees based on the results of the financial operations of the Company and on the performance of the employee. The Company continuously constructs projects to generate higher sales which will be subjected for taxes that will benefit the community. |
| What are the Risk/s Identified? | Which stakeholders are affected? | Management Approach |
| <ul style="list-style-type: none"> Failure to meet the standards set by the regulating bodies that could result to decline in the income of the Company. Stricter rules implemented by agencies governing the Company. Failure to source suppliers who would provide quality products with affordable rates/prices. | <ul style="list-style-type: none"> Stockholders, Employees, Clients, Suppliers & Government | <ul style="list-style-type: none"> Thorough review of the policies implemented by the government and other regulating bodies to ensure compliance. Stricter process on supplier and contractor accreditation. Finding alternative resources to broaden the scope of suppliers. |
| What are the Opportunity/ies Identified? | Which stakeholders are affected? | Management Approach |
| <ul style="list-style-type: none"> Develop projects that will provide more convenience and greater benefits to the clients. | <ul style="list-style-type: none"> Stockholders, Clients, Employees & Suppliers | <ul style="list-style-type: none"> Provide continuous training to the employees to further enhance their skills regarding the real estate practices. Continuous discussion with regulating bodies to ensure compliance with their requirements. Further strengthen the research process in developing new condominium projects and other relevant information to improve the Company's products and services. |

Climate-related risks and opportunities²

| Governance | Strategy | Risk Management | Metrics and Targets |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>The Board has established an Audit and Risk Committee that is in charge in assessing the risks and opportunities of the Company, including the climate-related matters.</p> <p>Further, the Company has designated employees who will be in-charge in ensuring the compliance with the laws and regulations governing the Company.</p> | <p><u>Actual and Potential Impact:</u> The following are determined as the impacts in case of extreme weather disturbances:</p> <ul style="list-style-type: none"> o Lower sales / income brought about by the lesser number of individuals going out of their houses; o Delay in the completion of on-going projects since construction cannot be set at full blast which could lead to lower sales and lower number of repeat clients; o Possible additional costs to be incurred in case of damages in the properties; and o Possible employee lay-off to cover the losses of the Company. <p><u>Opportunities:</u> With the challenges which may actually and potentially arise due to the effect of extreme weather disturbances, the following are the opportunities determined by the Company:</p> | <p>Significant portion of the Company's source of revenue pertains to sale of real estate properties. In line with this, it is very critical for the Company to manage the risks in the construction of its projects. In managing such risks, the Company has set up a detailed plan before the launching of its project. It also follows the standard operating procedures in awarding the supplier and contractor for each trade. Further, an external third party is appointed to ensure the quality and percentage of completion of the project. The Company's Engineering Department performs a detailed inspection of the works done by the contractor.</p> <p>The Management together with the Board of Directors are also involved in determining the risks and managing such risks.</p> | <p>Before a project is launched, several activities are performed to ensure compliance with the laws set by the governing bodies.</p> <p>A thorough analysis is also being conducted on the impact of climate related matters. During the project construction, the Company has a monthly report on the status of the Project. The monthly report is being reviewed by the Management to determine compliance with the agreed action plans.</p> |

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.

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| | <ul style="list-style-type: none"> o Product innovation to cope with the emerging trends in the market; o Increase in sales due to the new sales and advertising set up; and o Higher number of repeat clients brought by enhanced client after-sale service. | | |
|--|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|--|

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 | 100 | % |

NOTE: The Company has accredited contractors assigned in the construction of its condominium projects.

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| What is the impact and where does it occur? What is the organization's involvement in the impact? | Which stakeholders are affected? | Management Approach |
| <ul style="list-style-type: none"> • Attracts investors to invest in our local economy. • Ensures continuous supply of items needed for daily operation or construction. | <ul style="list-style-type: none"> • Suppliers and Government | <ul style="list-style-type: none"> • To maintain its good relationship with the local suppliers. |
| What are the Risk/s Identified? | Which stakeholders are affected? | Management Approach |
| <ul style="list-style-type: none"> • Failure to source suppliers who would provide quality and safe products with affordable rates/prices especially during the pandemic. • Some resources for construction might not be available in the local market. | <ul style="list-style-type: none"> • Clients, Suppliers, Government | <ul style="list-style-type: none"> • Stricter process on supplier accreditation. • The Company to provide alternative for resources that are not available in the local market. |
| What are the Opportunity/ies Identified? | Which stakeholders are affected? | Management Approach |
| <ul style="list-style-type: none"> • The Company will be able to construct and complete more condominium projects if the supply for materials needed | <ul style="list-style-type: none"> • Employees, Suppliers, Government | <ul style="list-style-type: none"> • To continuously maintain its good relationship with its suppliers. |

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| provide a safe, environment-friendly and affordable housing. | | <ul style="list-style-type: none"> Establish stricter policy in the review of supplier/contractor accreditation. Thorough checking of the quality of the materials delivered. |
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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 | <i>There were no new directors and officers during the year.</i> | |
| 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 |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> Gained trust towards the employees and investors since even without existing policies and procedures regarding anti-corruption, there were no incidents of such within the organization. | <ul style="list-style-type: none"> Employees and Investors | <ul style="list-style-type: none"> The Management will implement Anti-corruption policies and procedures to the Company. The Management has established a Whistle-blowing Policy to encourage employees to report the violators within the Company without fear of retaliation. |
| What are the Risk/s Identified? | Which stakeholders are affected? | Management Approach |
| <ul style="list-style-type: none"> Corruption might occur within the organization lower income and/or additional expenses which might result to lower income and /or additional expenses. | <ul style="list-style-type: none"> Investors, Employees and Suppliers | <ul style="list-style-type: none"> The Company shall implement a detailed Anti-Corruption Policy. Human Resource Department will continue to remind the employees to comply with the Company's anti-corruption policies. New hires shall be oriented regarding the policy. The Internal Audit Department shall also conduct surprise audit on the tasks of different departments to ensure 100% compliance with the Company's policies. |
| What are the Opportunity/ies Identified? | Which stakeholders are affected? | Management Approach |

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| <ul style="list-style-type: none"> There is a need to ensure that all stakeholders know the policy. | <ul style="list-style-type: none"> Directors, Employees, Suppliers and Contractors | <ul style="list-style-type: none"> Human Resource Department shall continue to determine the compliance to the Anti-Corruption Policy. Internal Audit Department shall also consider this item in the conduct of their audit. |
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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 |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> Gained trust towards the employees and investors, as there are no incidents of corruption, fraud, bribery and other unethical issues within the organization. | <ul style="list-style-type: none"> Directors, Employees, Investors, Suppliers and Contractors | <ul style="list-style-type: none"> The Company emphasizes in the Personnel Manual that any form of corruption and bribery is prohibited. As such, strict compliance to this Company policy is being implemented. The Company has established a Corporate Governance Committee that shall ensure that appropriate policies are in place in the Company. Further, this Committee is in charge in ensuring that Directors including the Key Officers attend seminar in order to appropriately implement good corporate governance practices. |
| What are the Risk/s Identified? | Which stakeholders are affected? | Management Approach |
| <ul style="list-style-type: none"> Corruption might occur within the organization which might result to lower income and /or additional expenses might result to lower income and/or additional expenses. | <ul style="list-style-type: none"> Investors, Employees, and Suppliers | <ul style="list-style-type: none"> The Company shall implement a detailed Anti-Corruption Policy. Human Resource Department will continue to remind the employees to comply with the Company's anti-corruption policies. New hires shall be oriented regarding the policy. The Internal Audit Department shall also conduct surprise audit on the tasks of different department to ensure 100% compliance to the Company's |

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| | | policies. |
| What are the Opportunity/ies Identified? | Which stakeholders are affected? | Management Approach |
| <ul style="list-style-type: none"> There is necessity to ensure that all stakeholders know the policy. There is a need to ensure that all stakeholders know the policy. | <ul style="list-style-type: none"> Investors, Employees and Government | <ul style="list-style-type: none"> Human Resource Department shall continue to determine the compliance to the Anti-Corruption Policy. Internal Audit Department shall also consider this item in the conduct of their audit. |

ENVIRONMENT

Resource Management

The Company cannot determine these information since it hires contractors in the construction of its condominium project. But the Company ensures that these contractors meet the requirements in order to be accredited as a contractor of the Company. Additionally, close monitoring on the progress of the building is being implemented by the Company.

Energy consumption within the organization:

| Disclosure | Quantity | Units |
|----------------------------------------|----------|-------|
| Energy consumption (renewable sources) | | GJ |
| Energy consumption (gasoline) | | GJ |
| Energy consumption (LPG) | | GJ |
| Energy consumption (diesel) | | GJ |
| Energy consumption (electricity) | | kWh |

Reduction of energy consumption

| Disclosure | Quantity | Units |
|--------------------------------|----------|-------|
| Energy reduction (gasoline) | | GJ |
| Energy reduction (LPG) | | GJ |
| Energy reduction (diesel) | | GJ |
| Energy reduction (electricity) | | kWh |
| Energy reduction (gasoline) | | GJ |

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| What is the impact and where does it occur? What is the organization's involvement in the impact? | Which stakeholders are affected? | Management Approach |
| <p><i>Identify the impact and where it occurs (i.e., primary business operations and/or supply chain)</i></p> <p><i>Indicate involvement in the impact (i.e., caused by the organization or linked to impacts through its business relationship)</i></p> | <p><i>(e.g. employees, community, suppliers, government, vulnerable groups)</i></p> | <p><i>What policies, commitments, goals and targets, responsibilities, resources, grievance mechanisms, and/or projects, programs, and initiatives do you have to manage the material topic?</i></p> |
| What are the Risk/s Identified? | Which stakeholders are affected? | Management Approach |
| <p><i>Identify risk/s related to material topic of the organization</i></p> | | |

| | | |
|-----------------------------------------------------------------------------------|----------------------------------|---------------------|
| What are the Opportunity/ies Identified? | Which stakeholders are affected? | Management Approach |
| <i>Identify the opportunity/ies related to material topic of the organization</i> | | |

Water consumption within the organization

| Disclosure | Quantity | Units |
|---------------------------|----------|--------------|
| Water withdrawal | | Cubic meters |
| Water consumption | | Cubic meters |
| Water recycled and reused | | 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 |
| <i>Identify the impact and where it occurs (i.e., primary business operations and/or supply chain)</i> <i>Indicate involvement in the impact (i.e., caused by the organization or linked to impacts through its business relationship)</i> | <i>(e.g. employees, community, suppliers, government, vulnerable groups)</i> | <i>What policies, commitments, goals and targets, responsibilities, resources, grievance mechanisms, and/or projects, programs, and initiatives do you have to manage the material topic?</i> |
| What are the Risk/s Identified? | Which stakeholders are affected? | Management Approach |
| <i>Identify risk/s related to material topic of the organization</i> | | |
| What are the Opportunity/ies Identified? | Which stakeholders are affected? | Management Approach |
| <i>Identify the opportunity/ies related to material topic of the organization</i> | | |

Materials used by the organization

| Disclosure | Quantity | Units |
|-------------------------------------------------------------------------------------------------------------|----------|-------|
| Materials used by weight or volume | | |
| <ul style="list-style-type: none"> renewable non-renewable | | |
| Percentage of recycled input materials used to manufacture the organization's primary products and services | | |

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|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| What is the impact and where does it occur? What is the organization's involvement in the impact? | Which stakeholders are affected? | Management Approach |
| <ul style="list-style-type: none"> A large amount of non-renewable resources that are being used by the Company might result to the depletion of the said resources. | <ul style="list-style-type: none"> Investors, Government, and Society | <ul style="list-style-type: none"> The Company will consider reducing the usage of non-renewable resources and finding an alternative for such to prevent its depletion. |
| What are the Risk/s Identified? | Which stakeholders are affected? | Management Approach |

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| <ul style="list-style-type: none"> Running out of non-renewable resources that are being used for the Company's construction of projects. | <ul style="list-style-type: none"> Society, Investors, and Government | <ul style="list-style-type: none"> The Company will consider finding an alternative for the non-renewable resources that are being used. |
| What are the Opportunity/ies Identified? | Which stakeholders are affected? | Management Approach |
| <ul style="list-style-type: none"> Finding an alternative for non-renewable resources might help the Company in lessening the harm to the environment and also reduce its expenses. | <ul style="list-style-type: none"> Investors, Government, and Society | <ul style="list-style-type: none"> The Company will consider reducing the usage of non-renewable resources. |

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 | (identify all sites) | |
| Habitats protected or restored | | |
| IUCN ³ Red List species and national conservation list species with habitats in areas affected by operations | (list) | |

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|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| What is the impact and where does it occur? What is the organization's involvement in the impact? | Which stakeholders are affected? | Management Approach |
| <i>Identify the impact and where it occurs (i.e., primary business operations and/or supply chain) Indicate involvement in the impact (i.e., caused by the organization or linked to impacts through its business relationship)</i> | <i>(e.g. employees, community, suppliers, government, vulnerable groups)</i> | <i>What policies, commitments, goals and targets, responsibilities, resources, grievance mechanisms, and/or projects, programs, and initiatives do you have to manage the material topic?</i> |
| What are the Risk/s Identified? | Which stakeholders are affected? | Management Approach |
| <i>Identify risk/s related to material topic of the organization</i> | | |
| What are the Opportunity/ies Identified? | Which stakeholders are affected? | Management Approach |
| <i>Identify the opportunity/ies related to material topic of the organization</i> | | |

Environmental impact management

Air Emissions

GHG

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

³ 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 |
| <i>Identify the impact and where it occurs (i.e., primary business operations and/or supply chain) Indicate involvement in the impact (i.e., caused by the organization or linked to impacts through its business relationship)</i> | <i>(e.g. employees, community, suppliers, government, vulnerable groups)</i> | <i>What policies, commitments, goals and targets, responsibilities, resources, grievance mechanisms, and/or projects, programs, and initiatives do you have to manage the material topic?</i> |
| What are the Risk/s Identified? | Which stakeholders are affected? | Management Approach |
| <i>Identify risk/s related to material topic of the organization</i> | | |
| What are the Opportunity/ies Identified? | Which stakeholders are affected? | Management Approach |
| <i>Identify the opportunity/ies related to material topic of the organization</i> | | |

Air pollutants

| Disclosure | Quantity | Units |
|--------------------------------------|----------|-------|
| NO _x | | kg |
| SO _x | | kg |
| Persistent organic pollutants (POPs) | | kg |
| Volatile organic compounds (VOCs) | | kg |
| Hazardous air pollutants (HAPs) | | kg |
| Particulate matter (PM) | | kg |

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|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| What is the impact and where does it occur? What is the organization's involvement in the impact? | Which stakeholders are affected? | Management Approach |
| <i>Identify the impact and where it occurs (i.e., primary business operations and/or supply chain) Indicate involvement in the impact (i.e., caused by the organization or linked to impacts through its business relationship)</i> | <i>(e.g. employees, community, suppliers, government, vulnerable groups)</i> | <i>What policies, commitments, goals and targets, responsibilities, resources, grievance mechanisms, and/or projects, programs, and initiatives do you have to manage the material topic?</i> |
| What are the Risk/s Identified? | Which stakeholders are affected? | Management Approach |
| <i>Identify risk/s related to material topic of the organization</i> | | |
| What are the Opportunity/ies Identified? | Which stakeholders are affected? | Management Approach |
| <i>Identify the opportunity/ies related to material topic of the organization</i> | | |

Solid and Hazardous Wastes

Solid Waste

| Disclosure | Quantity | Units |
|-----------------------------|----------|-------|
| Total solid waste generated | | kg |
| Reusable | | kg |
| Recyclable | | kg |
| Composted | | kg |
| Incinerated | | kg |
| Residuals/Landfilled | | 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 |
| <i>Identify the impact and where it occurs (i.e., primary business operations and/or supply chain) Indicate involvement in the impact (i.e., caused by the organization or linked to impacts through its business relationship)</i> | <i>(e.g. employees, community, suppliers, government, vulnerable groups)</i> | <i>What policies, commitments, goals and targets, responsibilities, resources, grievance mechanisms, and/or projects, programs, and initiatives do you have to manage the material topic?</i> |
| What are the Risk/s Identified? | Which stakeholders are affected? | Management Approach |
| <i>Identify risk/s related to material topic of the organization</i> | | |
| What are the Opportunity/ies Identified? | Which stakeholders are affected? | Management Approach |
| <i>Identify the opportunity/ies related to material topic of the organization</i> | | |

Hazardous Waste

| Disclosure | Quantity | Units |
|---------------------------------------------|----------|-------|
| Total weight of hazardous waste generated | | kg |
| Total weight of hazardous waste transported | | 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 |
| <i>Identify the impact and where it occurs (i.e., primary business operations and/or supply chain) Indicate involvement in the impact (i.e., caused by the organization or linked to impacts through its business relationship)</i> | <i>(e.g. employees, community, suppliers, government, vulnerable groups)</i> | <i>What policies, commitments, goals and targets, responsibilities, resources, grievance mechanisms, and/or projects, programs, and initiatives do you have to manage the material topic?</i> |
| What are the Risk/s Identified? | Which stakeholders are affected? | Management Approach |
| <i>Identify risk/s related to material topic of the organization</i> | | |
| What are the Opportunity/ies Identified? | Which stakeholders are affected? | Management Approach |
| <i>Identify the opportunity/ies related to material topic of the organization</i> | | |

Effluents

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

| | | |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| What is the impact and where does it occur? What is the organization's involvement in the impact? | Which stakeholders are affected? | Management Approach |
| <i>Identify the impact and where it occurs (i.e., primary business operations and/or supply chain) Indicate involvement in the impact (i.e., caused by the organization or linked to impacts through its business relationship)</i> | <i>(e.g. employees, community, suppliers, government, vulnerable groups)</i> | <i>What policies, commitments, goals and targets, responsibilities, resources, grievance mechanisms, and/or projects, programs, and initiatives do you have to manage the material topic?</i> |
| What are the Risk/s Identified? | Which stakeholders are affected? | Management Approach |
| <i>Identify risk/s related to material topic of the organization</i> | | |
| What are the Opportunity/ies Identified? | Which stakeholders are affected? | Management Approach |
| <i>Identify the opportunity/ies related to material topic of the organization</i> | | |

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 | 0.00 | PhP |
| 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 |
| <ul style="list-style-type: none"> Nature is being conserved in accordance with the existing laws in the country which results to contribution to one of the SDG Goals — Life on Land. The people in the society will be able to live in a better and healthier environment. No significant portion of the Company's resources was spent for penalties. | <ul style="list-style-type: none"> Government Community Investors | <ul style="list-style-type: none"> Management will continue to find ways in order to lessen the harm on the environment and to comply with the existing environmental laws. The Company conducts its own research as to how it can help in preserving the environment. This includes finding alternative resources for the construction of its projects while ensuring the safety of its stakeholders. It also ensures that it complies with the standards set by the government agencies. |

| What are the Risk/s Identified? | Which stakeholders are affected? | Management Approach |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> Failure to meet the standards set by the regulating bodies that could result to decline in the income of the Company. Stricter rules implemented by agencies governing the Company. Failure to source suppliers who would provide quality products with affordable rates/prices. | <ul style="list-style-type: none"> Stockholders, Employees, Clients, Suppliers, Government | <ul style="list-style-type: none"> Thorough review of the policies implemented by the government and other regulating bodies to ensure compliance. Stricter process on supplier and contractor accreditation. |
| What are the Opportunity/ies Identified? | Which stakeholders are affected? | Management Approach |
| <ul style="list-style-type: none"> Attracts more clients that would lead to higher income for the Company as it guarantees a safe and environment-friendly condominium projects. The Company will be able to produce more condominium projects if the demand for a safe, environment-friendly and affordable housing increases. | <ul style="list-style-type: none"> Investors Employees | <ul style="list-style-type: none"> The Company will continue to build a safe and environment-friendly condominium projects through compliance with the existing laws and regulations. |

SOCIAL

Employee Management

Employee Hiring and Benefits

Employee data

| Disclosure | Quantity | Units |
|----------------------------------------------------|----------|-------|
| Total number of employees ⁴ | | |
| a. Number of female employees | 85 | # |
| b. Number of male employees | 42 | # |
| Attrition rate ⁵ | 13.18% | rate |
| Ratio of lowest paid employee against minimum wage | 0 | ratio |

⁴ Employees are individuals who are in an employment relationship with the organization, according to national law or its application ([GRI Standards 2016 Glossary](#))

⁵ 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)

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 | 30.59% | 26.19% |
| PhilHealth | Y | 9.41% | 2.38% |
| Pag-ibig | Y | 21.18% | 19.05% |
| Parental leaves | Y | 5.88% | 2.38% |
| Vacation leaves | Y | 97.65% | 95.24% |
| Sick leaves | Y | 87.06% | 80.95% |
| Medical benefits (aside from PhilHealth)) | Y | 44.71% | 35.71% |
| Housing assistance (aside from Pag-ibig) | N | N/A | N/A |
| Retirement fund (aside from SSS) | Y | 0.00% | 0.00% |
| Further education support | N | N/A | N/A |
| Company stock options | N | N/A | N/A |
| Telecommuting* | Y | 54.12% | 26.19% |
| Flexible-working Hours* | | | |
| (Others) | | | |

**Due to the pandemic that occurred in 2020, the Company offered flexible working hours to its employees.*

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| What is the impact and where does it occur? What is the organization's involvement in the impact? | Management Approach |
| <ul style="list-style-type: none"> Ensures that there is gender equality within the organization in which women are given equal opportunities with men. Employees are given work-life balance with the Parental, Sick and Vacation Leave benefits given by the Company. Employees are well-secured in terms of financial and health well-being. The percentage of the attrition rate is due to the COVID-19 pandemic wherein employees prefer to look for work in their respective provinces. | <ul style="list-style-type: none"> The Company ensures that it complies with the labor laws and regulations as implemented by the Department of Labor and Employment. The Company will continue to provide the mandatory benefits to its employees. Depending on the Company's financial performance, it may provide additional benefits / incentives to its employees. |
| What are the Risk/s Identified? | Management Approach |
| <ul style="list-style-type: none"> With the growing number of opportunities and benefits offered by other Companies, there might be risks of losing employees especially those who are well-performing. Increase in attrition rate. | <ul style="list-style-type: none"> The Company will continue to provide quality projects to increase net income and provide more benefits/incentives to its employees. Enhance employee evaluation to enable the employees to bring out their potentials. The Company will also ensure that employees are groomed to be leaders. |

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| | <ul style="list-style-type: none"> The Company has established a Corporate Governance Committee who shall ensure that there is a succession planning to each Department to ensure continuity of the completion of tasks. |
| What are the Opportunity/ies Identified? | Management Approach |
| <ul style="list-style-type: none"> The Company can acquire new talents who will be able provide value adding services. | <ul style="list-style-type: none"> The Human Resource Department shall continue to boost its hiring process to attract more prospective employees. Further, the Human Resource Department can research on the current market rates including available benefits given to the employees so the Company may be at par with the going rates, incentives, or benefits. |

Employee Training and Development

| Disclosure | Quantity | Units |
|----------------------------------------------|-------------------|----------------|
| Total training hours provided to employees | | |
| a. Female employees | No available data | hours |
| b. Male employees | No available data | hours |
| Average training hours provided to employees | | |
| a. Female employees | No available data | hours/employee |
| b. Male employees | No available data | hours/employee |

NOTE: Employees from different Departments/Sections attend various seminars/webinars that are related and relevant to their job.

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| What is the impact and where does it occur? What is the organization's involvement in the impact? | Management Approach |
| <ul style="list-style-type: none"> Lack of training | <ul style="list-style-type: none"> The Company allows the employees to have an exposure to other Departments that will help them in improving their skills and talents. Employees are attending seminars/webinars to enhance their skills and knowledge on the tasks assigned to them. |
| What are the Risk/s Identified? | Management Approach |
| <ul style="list-style-type: none"> Employees might look for other opportunities where they might improve and grow. | <ul style="list-style-type: none"> Human Resource Department to organize formal training programs for the employees. |
| What are the Opportunity/ies Identified? | Management Approach |
| <ul style="list-style-type: none"> With the risks determined in this section, more employees will stay with the Company if it opts to provide more employee trainings/seminars. | <ul style="list-style-type: none"> The Company will provide additional formal trainings to the employees. Human Resource Department can also explore exposing other employees to other Department to increase their knowledge about the Company's operations. |

Labor-Management Relations

| Disclosure | Quantity | Units |
|---------------------------------------------------------------------------------------|----------|-------|
| % of employees covered with Collective Bargaining Agreements | N/A | % |
| Number of consultations conducted with employees concerning employee-related policies | N/A | # |

| | |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>What is the impact and where does it occur? What is the organization's involvement in the impact?</p> <ul style="list-style-type: none"> No collective bargaining agreement. Employees have a good relationship with the Management of the Company. The Management maintains an open line of communication with its employees to ensure that concerns are being addressed properly and in a timely manner. | <p>Management Approach</p> <ul style="list-style-type: none"> The Company shall ensure compliance with the labor laws and regulations in the Philippines. |
| <p>What are the Risk/s Identified?</p> <ul style="list-style-type: none"> Some employees might not be treated fairly. | <p>Management Approach</p> <ul style="list-style-type: none"> The Company to continuously comply with the labor laws and regulations in the Philippines. The Company adopted policies protecting its employees such as the "No Discrimination Policy". |
| <p>What are the Opportunity/ies Identified?</p> <ul style="list-style-type: none"> Attracts more talents and/or suppliers knowing that the Company shows equality and fairness among its employees. | <p>Management Approach</p> <ul style="list-style-type: none"> The Company will comply with the labor laws and regulations in the Philippines. |

Diversity and Equal Opportunity

| Disclosure | Quantity | Units |
|---------------------------------------------------------------------------|----------|-------|
| % of female workers in the workforce | 66.93 | % |
| % of male workers in the workforce | 37.07 | % |
| Number of employees from indigenous communities and/or vulnerable sector* | 14 | # |

*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).

| | |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>What is the impact and where does it occur? What is the organization's involvement in the impact?</p> <ul style="list-style-type: none"> The % of female workers in the workforce is higher than the % of male workers. Those who are from the vulnerable sector are given a chance to support themselves and their families. | <p>Management Approach</p> <ul style="list-style-type: none"> The Company, through the "No Discrimination Policy", ensures that no aspiring applicants are being discriminated because of their gender, race, etc. The Company, through the Human Resource Department, shall ensure that all employees comply with the policies of the Company. Further, the Company has ensured the strict compliance with the labor laws and regulations in the Philippines. |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

| What are the Risk/s Identified? | Management Approach |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> Sexual harassment and gender inequality. Work limitation due to the work capacity of the employee which may lead to work redundancy and additional expense to the Company. | <ul style="list-style-type: none"> The Company's Personnel Manual includes policies to cover the risks identified. The Supervisors are required to evaluate the work performance of their staff to ensure that the employees are efficient and productive. |
| What are the Opportunity/ies Identified? | Management Approach |
| <ul style="list-style-type: none"> The Company to continuously improve diversity in the workplace. The Company to continuously give support to those who are from the vulnerable sector and indigenous communities, if any. Increase in the workforce available for the Company as there is a broad range of applicants being considered. | <ul style="list-style-type: none"> The Company will continuously enhance policies relative to diversity. The Human Resource Department shall continuously remind the employees to comply with the Company's policies. |

Workplace Conditions, Labor Standards, and Human Rights

Occupational Health and Safety

| Disclosure | Quantity | Units |
|--------------------------------|----------|-----------|
| Safe Man-Hours | 1,968 | 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 | 1 | # |

| What is the impact and where does it occur? What is the organization's involvement in the impact? | Management Approach |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> Employees are comfortable about their safety since the Company guarantees that the work area is safe and conducive for working. With the COVID-19 pandemic, the Company recognizes its duty in ensuring that the work premises are safe in order to avoid the spread of the COVID-19. Minimal amount of the Company's resources was spent on penalties. The health and welfare of the employees is the utmost priority of the Company. Due to the COVID-19 pandemic, the Company implemented strict policies in order to ensure the safety of its employees. The Company was not able to conduct safety drills in its office areas and commercial projects due to the restrictions brought by the pandemic. But the Company, through the Administration and Human Resource Department, implemented security measures to ensure the safety of all of its employees. | <ul style="list-style-type: none"> The Company implemented a work-from-home arrangement among its employees. The Management also ensures that alcohols/disinfectants are readily available within the office premises to ensure the safety of those who are reporting to the office. The Management ensures that it complies with the regulators' rules and regulations when it comes to the safety of the occupants inside the buildings/projects. The Human Resource Department timely issues Memos to employees to remind them about the Company's policies in ensuring the safety in the workplace. Employees are also given medical benefits that they can use to reimbursing their medical expenses. Sick leave credits are accumulated. Any available sick leave credits shall be monetized upon resignation or retirement. |

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| What are the Risk/s Identified? | Management Approach |
| <ul style="list-style-type: none"> Buildings might be destroyed due to inevitable events | <ul style="list-style-type: none"> The Management ensures that it complies with the regulators' rules and regulations when it comes to the safety of the occupants inside the building or projects. Strict monitoring of the building premises is also being conducted. |
| What are the Opportunity/ies Identified? | Management Approach |
| <ul style="list-style-type: none"> Constant trainings to be provided to the employees in order to minimize the risks of non-preparedness in case of emergency situations. | <ul style="list-style-type: none"> The Company may conduct trainings/seminars regularly to instill emergency preparedness to its employees. The Company may consider investing in equipment/tools that they can use in case of emergency. |

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 | Y | Orientation Process for New Employees |
| Child labor | Y | Minimum Age Requirement |
| Human Rights | Y | No Discrimination Policy |

| | |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| What is the impact and where does it occur? What is the organization's involvement in the impact? | Management Approach |
| <ul style="list-style-type: none"> Clients and investors are guaranteed that the Company is compliant with the requirements set by the agencies/bodies governing the Company. | <ul style="list-style-type: none"> To ensure strict compliance with the policies adopted by the Company regarding forced labor, child labor and human rights. The Management implemented policies for the well-being of its employees such as "No Discrimination Policy" and "Minimum Age Requirement". |
| What are the Risk/s Identified? | Management Approach |
| <ul style="list-style-type: none"> No thorough supplier/contractor accreditation process might result to nondetection of possible non-compliance of the suppliers/contractors which will result to the Company as an enabler of these acts. | <ul style="list-style-type: none"> Stricter process on supplier and contractor accreditation. The Company conducts a strict supplier accreditation process. |
| What are the Opportunity/ies Identified? | Management Approach |
| <ul style="list-style-type: none"> Attracts more talents and/or suppliers knowing that the Company protects its employees through their non-involvement of malicious/prohibited acts. Attracts more talents as the Company ensures the security of the employees by providing a safe work environment. | <ul style="list-style-type: none"> To ensure strict compliance with the policies adopted by the Company regarding forced labor, child labor and human rights. The Company will continue to implement more policies relating to the welfare of its |

| | |
|--|-------------------------------------------------------------|
| | employees such as implementing a policy about Forced Labor. |
|--|-------------------------------------------------------------|

Supply Chain Management

Do you have a supplier accreditation policy? If yes, please attach the policy or link to the policy: http://www.citylandcondo.com/main/docs_pdf/GENERAL_ACCREDITATION_PROCEDURES.pdf

Do you consider the following sustainability topics when accrediting suppliers?

| Topic | Y/N | If Yes, cite reference in the supplier policy |
|---------------------------|-----|-----------------------------------------------|
| Environmental performance | Y | Please refer to the above link. |
| Forced labor | Y | |
| Child labor | Y | |
| Human rights | Y | |
| Bribery and corruption | Y | |

| | |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| What is the impact and where does it occur? What is the organization's involvement in the impact? | Management Approach |
| <ul style="list-style-type: none"> • Clients and investors are guaranteed that all employees/suppliers/contractors are safe during the conduct of its operations. | <ul style="list-style-type: none"> • To ensure strict compliance with the policies adopted by the Company regarding forced labor, child labor and human rights. • The Management implemented policies for the well-being of its employees such as "No Discrimination Policy" and "Minimum Age Requirement". |
| What are the Risk/s Identified? | Management Approach |
| <ul style="list-style-type: none"> • The suppliers might practice forced labor, child labor and human rights abuses which will result the Company being an enabler of these acts. | <ul style="list-style-type: none"> • The Company will conduct a strict supplier accreditation process. |
| What are the Opportunity/ies Identified? | Management Approach |
| <ul style="list-style-type: none"> • Attracts more talents and/or suppliers knowing that the Company protects its employees through their non-involvement of malicious/prohibited acts. • Attracts more talents as the Company ensures the security of the employees by providing a safe work environment. | <ul style="list-style-type: none"> • To ensure strict compliance with the policies adopted by the Company regarding forced labor, child labor and human rights. • The Company opts to implement more policies relating to the welfare of its employees such as implementing a policy about Forced Labor. |

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) |
|--------------------------------------------------------------------------------------------------------------------------------------------|--------------|-------------------------------------|------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------|
| Cityland Condominium 10 <i>(Main Office)</i> | Makati City | 14 Employees | N | N/A | To maintain a clean and safe working environment for the employees. |
| Buildings for Lease o CityNet1 o CityNet Central | Metro Manila | | | | |

*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: NOT APPLICABLE

| Certificates | Quantity | Units |
|----------------------------------|----------|-------|
| FPIC process is still undergoing | | # |
| CP secured | | # |

| | |
|-------------------------------------------------------------------------------------------------------------------------------|---------------------|
| What are the Risk/s Identified? <i>Identify risk/s related to material topic of the organization</i> | Management Approach |
| What are the Opportunity/ies Identified? <i>Identify the opportunity/ies related to material topic of the organization</i> | Management Approach |

Customer Management

Customer Satisfaction

| Disclosure | Score | Did a third party conduct the customer satisfaction study (Y/N)? |
|-----------------------|-------|------------------------------------------------------------------|
| Customer satisfaction | N/A | No |

| | |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|
| What is the impact and where does it occur? What is the organization's involvement in the impact? <i>No significant complaints received in 2022 that would require disclosure or has affected the Company's operations.</i> | Management Approach |
| What are the Risk/s Identified? <i>Identify risk/s related to material topic of the organization</i> | Management Approach |
| What are the Opportunity/ies Identified? <i>Identify the opportunity/ies related to material topic of the organization</i> | Management Approach |

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 |
| <ul style="list-style-type: none"> The safety of all the stakeholders is the priority of the Company. Thus, the Company ensures to build condominium projects with quality. Negative feedback from customers will result to lower income to the Company. Thus, this may lead to dissatisfaction from its stakeholders. | <ul style="list-style-type: none"> The Company hires contractors with good background and has established credibility and integrity. The Company's Engineering Group conducts thorough checking of the status of the construction. |
| What are the Risk/s Identified? | Management Approach |
| <ul style="list-style-type: none"> The COVID-19 posed health risk globally which hampered the operations of the Company. The risk of hiring contractors and suppliers who fail to deliver. | <ul style="list-style-type: none"> The Company implemented a work-from-home arrangement to ensure the safety of the employees. Further, the Company ensures that alcohols are readily available within the office premises and commercial projects. The office areas and its commercial projects are also disinfected regularly. It also ensures that it complies with the health protocols set by DOH and DOLE. The Company's Bidding Committee screens all the contractors and suppliers and ensures that they can deliver the products with quality. |
| What are the Opportunity/ies Identified? | Management Approach |
| <ul style="list-style-type: none"> Supplier sourcing would lead to broader network which will help the Company to choose the best contractor/supplier. | <ul style="list-style-type: none"> Attend real estate forums to know who the leading contractors/suppliers in the market are. Enhance the bidding, supplier/contractor accreditation and purchasing process. |

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 |
| <ul style="list-style-type: none"> The Company's marketing and labelling strategies provide significant factor in establishing the brand of the products and services that it offers. There is a need for the Company to ensure that it complies with all the existing laws and regulations. | <ul style="list-style-type: none"> The Company ensures that it complies with the laws and regulations to avoid any complaints. |
| What are the Risk/s Identified? | Management Approach |
| <ul style="list-style-type: none"> Complaints may arise in case of unauthorized use of brand / label. | <ul style="list-style-type: none"> The Advertising Department conducts thorough research prior to releasing its materials for advertisement. |
| What are the Opportunity/ies Identified? | Management Approach |
| <ul style="list-style-type: none"> Coming up with a new label or marketing strategies that would create impact to the clients and to the Company. | <ul style="list-style-type: none"> Continuous research in order to provide better branding for the Company. |

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 | 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 |
| <ul style="list-style-type: none"> Individuals who transact with the Company are guaranteed that their information are kept confidential. Clients are at ease in disclosing their sensitive and/or personal information to the Company's staff. During the pandemic, employees and visitors are required to disclose in a "Health Declaration Form" any information related to the COVID-19 such as suffering any symptoms, their travel information from the past 14 days. | <ul style="list-style-type: none"> The Company is registered with the National Privacy Commission and ensures that the data are properly stored and disposed. The contact information of the Data Privacy Officer is disclosed to the public to ensure that those persons with concern about their data that are collected and being processed by the Company are properly attended. The Company informed the employees and visitors the importance of these forms. Also, the Company ensures that there is a privacy notice in each form. The Company has established several policies to ensure the proper handling of the forms being collected. |
| What are the Risk/s Identified? | Management Approach |

| | |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> Some of the data are collected in an easy-to-destroy means (<i>e.g. paper</i>). | <ul style="list-style-type: none"> The data collected are stored in a fireproof vault cabinet. |
| What are the Opportunity/ies Identified? | Management Approach |
| <ul style="list-style-type: none"> Clients, staff, suppliers, and other persons who engaged with the Company are enlightened on how important person data are. | <ul style="list-style-type: none"> To further promote awareness regarding data privacy. |

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 |
| <ul style="list-style-type: none"> Persons who have transactions with the Company are guaranteed that their data are kept secured. | <ul style="list-style-type: none"> The Company has implemented relevant policies to ensure that it complies with the requirements of the National Privacy Commission. The contact information of the Data Privacy Officer is disclosed to the public to ensure that concerns are addressed in timely and proper manner. |
| What are the Risk/s Identified? | Management Approach |
| <ul style="list-style-type: none"> There might be risk that information be leaked and data storage is hacked. | <ul style="list-style-type: none"> The Company ensures that the system is properly secured by conducting the following: <ul style="list-style-type: none"> Implementation of preventive measures to ensure the security of data, Human Resource Department also reminds the employees to ensure compliance with the Company's policies. |
| What are the Opportunity/ies Identified? | Management Approach |
| <ul style="list-style-type: none"> Clients, staff, suppliers, and other persons who have transactions with the Company are aware as to how important personal data are. | <ul style="list-style-type: none"> To further promote awareness regarding data privacy. |

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 |
|-----------------------------------|--------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Residential Condominium Buildings | <ul style="list-style-type: none"> Sustainable Cities and Communities | <ul style="list-style-type: none"> Residential condominiums cater a lot of occupants who may produce a lot of wastes or garbage that may | <ul style="list-style-type: none"> Established rules and regulations in maintaining the cleanliness of the building and its surrounding also. |

| | | | |
|----------------------|------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | <ul style="list-style-type: none"> Life on Land | <p>harm the environment.</p> <ul style="list-style-type: none"> Establishing buildings such as a residential condominium lessens the population of trees in the area. This may also contribute harm to the ozone layer as some of the occupants own car which contributes to air pollution. | <ul style="list-style-type: none"> Ensure that the building is properly managed by the Board of Trustees of the Homeowners. Continuous compliance with the "Advanced Energy and Green Building Technologies Curriculum Act" to lessen harm to the environment. Ensure compliance with the National Building Code of the Philippines. |
| Commercial Buildings | <ul style="list-style-type: none"> Sustainable Cities and Communities Life on Land | <ul style="list-style-type: none"> Commercial condominiums were being leased out to tenants who might produce waste or garbage that may harm the environment. Establishing buildings such as residential condominium projects lessens the green area. This may also contribute harm to the ozone layer as some of the occupants own car which emits air pollution. | <ul style="list-style-type: none"> Established rules and regulations in maintaining the cleanliness of the building and its surrounding also. Credit investigation is being conducted before accepting the clients. Continuous compliance with the "Advanced Energy and Green Building Technologies Curriculum Act" to lessen harm to the environment. |

** None/Not Applicable is not an acceptable answer. For holding companies, the services and products of its subsidiaries may be disclosed.*

The Company also extends support to the community through its Corporate Foundations:

| Key Products and Services | Societal Value / Contribution to UN SDGs | Potential Negative Impact of Contribution | Management Approach to Negative Impact |
|-----------------------------------------------|---------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Cityland Foundation, Inc. | <ul style="list-style-type: none"> Quality Education | <ul style="list-style-type: none"> Constant increase in tuition fees and other miscellaneous fees might increase the number of individuals who will apply with the Foundation. However, lower donations to the Foundation might limit the number of accepted applicants. | <ul style="list-style-type: none"> Continuous flow of income to the Company through selling of affordable real estate properties in order to cater higher number of scholars. |
| Cityland for Social Progress Foundation, Inc. | <ul style="list-style-type: none"> Zero hunger | <ul style="list-style-type: none"> Some of those in need are located in not accessible areas in the Philippines. Thus, the goal to lessen poverty might not be achieved. There might be an occurrence of financial problem in the time of crisis. | <ul style="list-style-type: none"> The Foundation partners with different individuals or organizations to reach out those in poverty sector. |

COVER SHEET

for

AUDITED FINANCIAL STATEMENTS

SEC Registration Number

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COMPANY NAME

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

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Form Type

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Department requiring the report

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Secondary License Type, If Applicable

| | | |
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| N | / | A |
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COMPANY INFORMATION

| | | |
|----------------------------------------------------------------|-----------------------------------------------------------------------|-------------------------------------------|
| Company's Email Address andre.suarez@cityland.net | Company's Telephone Number 8-893-6060 | Mobile Number 0962-072-2479 |
| No. of Stockholders 634 (as of December 31, 2024) | Annual Meeting (Month / Day) 1st Tuesday of June | Fiscal Year (Month / Day) 12/31 |

CONTACT PERSON INFORMATION

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

| | | | |
|--------------------------------------------------|-----------------------------------------------|-----------------------------------------|---------------------------------------|
| Name of Contact Person Therese A. Anos | Email Address taa_fmsd@cityland.net | Telephone Number/s 8-893-6060 | Mobile Number 0962-072-2479 |
|--------------------------------------------------|-----------------------------------------------|-----------------------------------------|---------------------------------------|

CONTACT PERSON'S ADDRESS

| |
|---------------------------------------------------------------------------------------|
| 3/F Cityland Condominium 10, Tower II, 154 H.V. Dela Costa Street, Makati 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.





Your BIR AFS eSubmission uploads were received

eafs@bir.gov.ph <eafs@bir.gov.ph>
To: FMSD1@cityland.net
Cc: FMSD1@cityland.net

Tue, Apr 15, 2025 at 9:38 AM

Hi CITYLAND DEVELOPMENT CORPORATION,

Valid files

- EAFS000527103OTHTY122024.pdf
- EAFS000527103RPTTY122024.pdf
- EAFS000527103ITRTY122024.pdf
- EAFS000527103TCRTY122024-02.pdf
- EAFS000527103AFSTY122024.pdf
- EAFS000527103TCRTY122024-03.pdf
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Transaction Code: **AFS-0-43TYW3PM0BGCK9GBDMSYZMXT40NRSPW3WT**
Submission Date/Time: **Apr 15, 2025 09:38 AM**
Company TIN: **000-527-103**

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- 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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CITYLAND DEVELOPMENT CORPORATION

STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR CONSOLIDATED FINANCIAL STATEMENTS

The Management of **Cityland Development Corporation** (the Company) is responsible for the preparation and fair presentation of the consolidated statements of financial position as at December 31, 2024 and 2023, and the consolidated statements of income, consolidated statements of comprehensive income, consolidated statements of changes in equity and consolidated statements of cash flows for each of the three years in the period ended December 31, 2024 and notes to the consolidated financial statements, including a summary of significant accounting policies and schedules attached therein, in accordance with Philippine Financial Reporting 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 Company's ability to continue as a going concern, disclosing, as applicable matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

SyCip Gorres Velayo & Co., the independent auditors appointed by the stockholders, has audited the consolidated 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.

DR. ANDREW I. LIUSON
Chairman of the Board

JOSEPH S. GOHOC
President / Chief Executive Officer

THERESE RAIMUNDA A. ANOOS
Vice President - FMSD / Chief Financial Officer

Signed this 10th day of April 2025.

APR 10 2025 MANILA

SUBSCRIBED AND SWORN to before me this day of _____ affiant(s) exhibiting to me their Social Security System Numbers, as follows:

| <u>Name</u> | <u>Type of Identification</u> | <u>Number</u> |
|---------------------------|-------------------------------|---------------|
| Dr. Andrew I. Liuson | SSS | 03-1872470-6 |
| Josef C. Gohoc | SSS | 33-0942784-4 |
| Therese Raimunda A. Anoos | SSS | 34-1845464-3 |

Doc No. 82
Page No. 18
Book No. 1v
Series of 2025.

ATTY. ALBERT ANTHONY H. OCAMPO
NOTARY PUBLIC FOR MANILA
UNTIL DECEMBER 31, 2025
APPOINTMENT NO.: 2024-073
ROLL NO.: 44239
IBP NO.: 07884/Lifetime/Laguna
PTR No.: 2093906/01-06-2025/Manila

INDEPENDENT AUDITOR'S REPORT

The Stockholders and the Board of Directors
Cityland Development Corporation
2/F, Cityland Condominium 10, Tower I
156 H.V. de la Costa Street
Makati City

Opinion

We have audited the consolidated financial statements of Cityland Development Corporation and its subsidiaries (the Group), which comprise the consolidated statements of financial position as at December 31, 2024 and 2023, and the consolidated statements of income, consolidated statements of comprehensive income, consolidated statements of changes in equity and consolidated statements of cash flows for each of the three years in the period ended December 31, 2024, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Group as of December 31, 2024 and 2023, and its financial performance and its cash flows for each of the three years in the period ended December 31, 2024 in accordance with Philippine Financial Reporting Standards (PFRS) Accounting Standards.

Basis for Opinion

We conducted our audits in accordance with Philippine Standards on Auditing (PSA). Our responsibilities under those standards are further described in the *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) together with the ethical requirements that are relevant to our audit of the consolidated financial statements in the Philippines, and we have 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. For each matter below, our description of how our audit addressed the matter is provided in that context.



We have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matter below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Real Estate Revenue Recognition

The Group's revenue recognition process, policies and procedures are significant to our audit because these involve application of significant judgment and estimation in the following areas: (1) assessment of the probability that the entity will collect the consideration from the buyer; (2) determination of transaction price; (3) application of the input method as the measure of progress in determining real estate revenue; and (4) estimation of the total project cost.

In evaluating whether collectability of the amount of consideration is probable, the Group considers the significance of the buyer's initial payments in relation to the total contract price (or buyer's equity). Collectability is also assessed by considering factors such as history with the buyer, and age and pricing of the property. Management regularly evaluates the historical sales cancellations and forfeitures, if it would still support its current threshold of buyers' equity before commencing revenue recognition.

Effective January 1, 2024, the Group adopted Philippine Interpretation Committee (PIC) Q&A 2018-12-D (as amended by PIC Q&A 2020-04) in assessing if the transaction price includes significant financing component. The Group applied the modified retrospective in its initial adoption.

In measuring the progress of its performance obligation over time, the Group uses the input method. Under this method, progress is measured based on actual costs incurred relative to the estimated total project cost. In the estimation of total project costs, the Group estimates all the inputs involved in the construction and development of the projects to include materials, labor and other costs directly related in the construction of the projects.

The disclosures related to the real estate revenue are included in Notes 2, 3 and 6 to the consolidated financial statements.

Audit Response

For the buyers' equity, we evaluated management's basis of the buyer's equity by comparing this to the historical analysis of sales cancellations from buyers with accumulated payments above the collection threshold. We traced the analysis to supporting schedules and documents such as past due report, history of payments and forfeiture slips.

For the determination of the transaction price, we obtained an understanding of the Group process in implementing PIC Q&A 2018-12-D (as amended by PIC Q&A 2020-04), including the determination of the population of contracts with customers related to real estate sale, the selection of the transition approach and election of available practical expedient. We obtained the financing component calculation of the management which includes an analysis whether the financing component of the Group's contract with customers is significant. We selected sample contracts from the sales contract database and traced these selected contracts to the calculation prepared by management.



For selected contracts, we traced the underlying data and assumptions used in the financing component calculation such as contract price, cash discount, payment scheme, payment amortization table and percentage of completion to the contract provision and projected percentage of completion schedule. We also recomputed the financing component for each sample selected.

For the application of the input method, in determining real estate revenue, we obtained an understanding of the Group's processes for determining the POC (which excludes land), including the cost accumulation process, and for determining and updating of total estimated development costs, and performed tests of the relevant controls on these processes. We assessed the competence, capabilities and objectivity of the project engineers by reference to their qualifications, experience and reporting responsibilities. For selected projects, we traced the accumulated incurred costs to the supporting documents such as contractors' and suppliers' invoices and receipts. For the estimation of total project costs, we obtained an understanding of the Group's budgeting process and project close-out process and, on a sampling basis, performed test of details (price and quantity) for the inputs for each of the major project development workstream. We performed a look-back analysis for both ongoing and fully completed projects in current and prior years and performed inquiries with the project engineers to understand the basis of the revisions to the budget. We visited selected project sites, made relevant inquiries with project engineers and correlated our observations with the reported project accomplishment. We performed test computation of the POC calculation of management.

We performed test computation of the transition adjustments and evaluated the relevant disclosures made on the initial adoption of the above PIC Q&A.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Securities and Exchange Commission (SEC) Form 20-IS (Definitive Information Statement) and SEC Form 17-A and Annual Report for the year ended December 31, 2024, but does not include the consolidated financial statements and our auditor's report thereon. The SEC Form 20-IS (Definitive Information Statement) and SEC Form 17-A and Annual Report for the year ended December 31, 2024 are expected to be made available to us after the date of this auditor's report.

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

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

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with PFRS Accounting Standards and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.



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

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

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 consolidated 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 Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group as basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

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

SYCIP GORRES VELAYO & CO.

Manolito R. Elle

Manolito R. Elle

Partner

CPA Certificate No. 106471

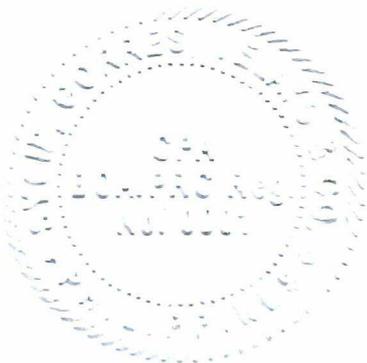
Tax Identification No. 220-881-929

BOA/PRC Reg. No. 0001, April 16, 2024, valid until August 23, 2026

BIR Accreditation No. 08-001998-128-2023, January 25, 2023, valid until January 24, 2026

PTR No. 10465300, January 2, 2025, Makati City

April 10, 2025



CITYLAND DEVELOPMENT CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

| | December 31 | |
|--------------------------------------------------------------------------|------------------------|------------------------|
| | 2024 | 2023 |
| ASSETS | | |
| Current Assets | | |
| Cash and cash equivalents (Note 4) | P1,290,565,425 | P685,887,140 |
| Short-term investments (Note 4) | 1,387,600,000 | 1,131,400,000 |
| Current portion of: | | |
| Installment contracts receivable (Note 6) | 8,296,040 | 16,433,171 |
| Contract assets (Notes 2 and 6) | 814,345,563 | 654,289,571 |
| Cost to obtain contract (Note 6) | 6,435,800 | 717,790 |
| Notes receivable (Note 7) | 315,000,000 | 1,252,000,000 |
| Investments in trust funds (Note 5) | 2,596,220 | 2,870,130 |
| Other receivables (Note 8) | 68,274,494 | 73,934,896 |
| Real estate properties for sale (Notes 2 and 9) | 5,767,685,640 | 4,773,833,259 |
| Other current assets (Note 12) | 162,360,714 | 107,020,598 |
| Total Current Assets | 9,823,159,896 | 8,698,386,555 |
| Noncurrent Assets | | |
| Installment contracts receivable - net of current portion (Note 6) | 26,561,292 | 25,666,335 |
| Long-term investments (Note 4) | 250,000,000 | 100,000,000 |
| Contract assets - net of current portion (Notes 2 and 6) | 1,272,824,832 | 1,553,867,706 |
| Cost to obtain contract - net of current portion (Note 6) | 15,697,824 | 5,023,133 |
| Notes receivable - net of current portion (Note 7) | 91,500,000 | - |
| Investments in trust funds - net of current portion (Note 5) | 31,643,937 | 34,080,497 |
| Other receivables - net of current portion (Note 8) | 1,480,282 | 840,277 |
| Real estate properties held for future development (Note 10) | 379,099,657 | 377,771,910 |
| Investment properties (Note 10) | 2,605,598,988 | 2,645,229,164 |
| Property and equipment (Note 11) | 70,588,057 | 76,161,811 |
| Net retirement plan assets (Note 23) | 8,233,051 | 5,877,044 |
| Other noncurrent assets (Note 12) | 424,099,720 | 364,743,642 |
| Total Noncurrent Assets | 5,177,327,640 | 5,189,261,519 |
| TOTAL ASSETS | P15,000,487,536 | P13,887,648,074 |
| LIABILITIES AND EQUITY | | |
| Current Liabilities | | |
| Accounts payable and accrued expenses (Note 13) | P542,463,331 | P401,486,977 |
| Current portion of contract liabilities (Notes 2 and 6) | 181,581,626 | 10,704,561 |
| Notes and contract payable (Note 14) | 1,344,300,000 | 1,237,556,450 |
| Income tax payable | 40,811,515 | 45,271,825 |
| Current portion of pre-need and other reserves (Note 5) | 838,584 | 1,115,430 |
| Total Current Liabilities | 2,109,995,056 | 1,696,135,243 |
| Noncurrent Liabilities | | |
| Accounts payable and accrued expenses - net of current portion (Note 13) | 265,354,855 | 299,152,865 |
| Contract liabilities - net of current portion (Notes 2 and 6) | 86,567,334 | 38,662,390 |
| Pre-need and other reserves - net of current portion (Note 5) | 21,162,942 | 22,822,951 |
| Net retirement benefits liability (Note 23) | 1,141,823 | 3,569,282 |
| Deferred income tax liabilities - net (Notes 2 and 24) | 244,902,253 | 237,182,561 |
| Total Noncurrent Liabilities | 619,129,207 | 601,390,049 |
| Total Liabilities | 2,729,124,263 | 2,297,525,292 |

(Forward)



| | December 31 | |
|--------------------------------------------------------------------------------------------------------------------------|------------------------|-----------------|
| | 2024 | 2023 |
| Equity | | |
| Attributable to Equity Holders of the Parent Company | | |
| Capital stock - ₱1 par value (Note 15) | | |
| Authorized - 5,000,000,000 shares in 2024 and 2023 | | |
| Issued - 4,978,437,272 shares held by 634 and 640 equity as of December 31, 2024 and 2023, respectively | ₱4,978,437,272 | ₱4,978,437,272 |
| Additional paid-in capital | 7,277,651 | 7,277,651 |
| Unrealized fair value changes on equity securities at fair value through other comprehensive income (FVOCI) [Note 12] | 12,579,327 | 7,633,682 |
| Accumulated re-measurement loss on defined benefit plan - net of deferred income tax effect (Note 23) | (17,647,962) | (21,072,310) |
| Retained earnings (Notes 2 and 15) | 5,811,262,558 | 5,223,093,820 |
| Treasury stock - at cost (Note 15) | (31,429,574) | (31,429,574) |
| | 10,760,479,272 | 10,163,940,541 |
| Non-controlling interests (Notes 2 and 16) | 1,510,884,001 | 1,426,182,241 |
| Total Equity | 12,271,363,273 | 11,590,122,782 |
| TOTAL LIABILITIES AND EQUITY | ₱15,000,487,536 | ₱13,887,648,074 |

See accompanying Notes to Consolidated Financial Statements.



CITYLAND DEVELOPMENT CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME

| | Years Ended December 31 | | |
|-------------------------------------------|-------------------------|-----------------|-----------------|
| | 2024 | 2023 | 2022 |
| REVENUE AND INCOME | | | |
| Sales of real estate properties (Note 6) | ₱1,639,174,700 | ₱2,177,856,699 | ₱2,556,337,564 |
| Financial income (Note 20) | 620,667,702 | 505,718,410 | 383,203,120 |
| Rent income (Note 10) | 223,274,084 | 219,785,579 | 188,581,479 |
| Other income - net (Note 22) | 94,876,000 | 133,791,181 | 257,667,356 |
| | 2,577,992,486 | 3,037,151,869 | 3,385,789,519 |
| COSTS AND EXPENSES | | | |
| Costs of real estate sales (Note 9) | (745,328,980) | (1,180,078,929) | (1,188,728,457) |
| Operating expenses (Note 17) | (709,233,953) | (608,726,462) | (577,440,550) |
| Financial expenses (Note 21) | (38,561,597) | (3,606,843) | (3,204,377) |
| | (1,493,124,530) | (1,792,412,234) | (1,769,373,384) |
| INCOME BEFORE INCOME TAX | 1,084,867,956 | 1,244,739,635 | 1,616,416,135 |
| PROVISION FOR INCOME TAX (Note 24) | (244,310,820) | (280,498,536) | (378,191,838) |
| NET INCOME | ₱840,557,136 | ₱964,241,099 | ₱1,238,224,297 |
| Attributable to: | | | |
| Equity holders of the Parent Company | ₱783,136,329 | ₱882,560,366 | ₱1,030,402,598 |
| Non-controlling interests (Note 16) | 57,420,807 | 81,680,733 | 207,821,699 |
| | ₱840,557,136 | ₱964,241,099 | ₱1,238,224,297 |
| BASIC/DILUTED EARNINGS PER SHARE | | | |
| (Note 28) | ₱0.16 | ₱0.18 | ₱0.21 |

See accompanying Notes to Consolidated Financial Statements.



CITYLAND DEVELOPMENT CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

| | Years Ended December 31 | | |
|------------------------------------------------------------------------------------------------------|-------------------------|--------------------|------------------|
| | 2024 | 2023 | 2022 |
| NET INCOME | ₱840,557,136 | ₱964,241,099 | ₱1,238,224,297 |
| OTHER COMPREHENSIVE INCOME (LOSS) | | | |
| <i>Not to be reclassified to profit or loss in subsequent periods:</i> | | | |
| Changes in fair value of equity securities at FVOCI | 4,933,747 | 7,274,989 | (290,432) |
| Re-measurement gain (loss) on defined benefit plan, net of income tax effect (Notes 23 and 24) | 4,157,745 | (12,809,315) | 2,229,599 |
| | 9,091,492 | (5,534,326) | 1,939,167 |
| TOTAL COMPREHENSIVE INCOME | ₱849,648,628 | ₱958,706,773 | ₱1,240,163,464 |
| Attributable to: | | | |
| Equity holders of the Parent Company | ₱791,506,322 | ₱879,321,893 | ₱1,031,733,409 |
| Non-controlling interests (Note 16) | 58,142,306 | 79,384,880 | 208,430,055 |
| | ₱849,648,628 | ₱958,706,773 | ₱1,240,163,464 |

See accompanying Notes to Consolidated Financial Statements.



CITYLAND DEVELOPMENT CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

FOR THE YEARS ENDED DECEMBER 31, 2024, 2023 AND 2022

Attributable to Equity Holders of the Parent Company

| | Capital Stock (Note 15) | Additional Paid-in Capital | Unrealized Fair Value Changes on Financial Assets at FVOCI (Note 12) | Accumulated Re-measurement Loss on Defined Benefit Plan - Net of Deferred Income Tax Effect (Note 23) | Retained Earnings (Note 15) | Treasury Stock (Note 15) | Subtotal | Non-controlling Interests (Note 16) | Total |
|--------------------------------------|----------------------------|-------------------------------|-------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------|--------------------------------|-----------------------------|------------------------|-------------------------------------------|------------------------|
| BALANCES AT DECEMBER 31, 2021 | ₱4,857,059,542 | ₱7,277,651 | ₱446,503 | (₱11,977,469) | ₱3,682,372,290 | (₱31,429,574) | ₱8,503,748,943 | ₱1,228,595,912 | ₱9,732,344,855 |
| Net income | – | – | – | – | 1,030,402,598 | – | 1,030,402,598 | 207,821,699 | 1,238,224,297 |
| Other comprehensive income (loss) | – | – | (226,665) | 1,557,476 | – | – | 1,330,811 | 608,356 | 1,939,167 |
| Total comprehensive income (loss) | – | – | (226,665) | 1,557,476 | 1,030,402,598 | – | 1,031,733,409 | 208,430,055 | 1,240,163,464 |
| Cash dividends - ₱0.0222 per share | – | – | – | – | (107,783,696) | – | (107,783,696) | – | (107,783,696) |
| Dividends received by CPI from CDC | – | – | – | – | 62,858 | – | 62,858 | – | 62,858 |
| Cash dividends declared by CLDI | – | – | – | – | – | – | – | (22,816,472) | (22,816,472) |
| Dividends received by CPI from CLDI | – | – | – | – | – | – | – | 394,595 | 394,595 |
| BALANCES AT DECEMBER 31, 2022 | ₱4,857,059,542 | ₱7,277,651 | ₱219,838 | (₱10,419,993) | ₱4,605,054,050 | (₱31,429,574) | ₱9,427,761,514 | ₱1,414,604,090 | ₱10,842,365,604 |
| BALANCES AT DECEMBER 31, 2022 | ₱4,857,059,542 | ₱7,277,651 | ₱219,838 | (₱10,419,993) | ₱4,605,054,050 | (₱31,429,574) | ₱9,427,761,514 | ₱1,414,604,090 | ₱10,842,365,604 |
| Net income | – | – | – | – | 882,560,366 | – | 882,560,366 | 81,680,733 | 964,241,099 |
| Other comprehensive income (loss) | – | – | 7,413,844 | (10,652,317) | – | – | (3,238,473) | (2,295,853) | (5,534,326) |
| Total comprehensive income (loss) | – | – | 7,413,844 | (10,652,317) | 882,560,366 | – | 879,321,893 | 79,384,880 | 958,706,773 |
| Cash dividends - ₱0.0295 per share | – | – | – | – | (143,226,084) | – | (143,226,084) | – | (143,226,084) |
| Stock dividends - 2.5% | 121,377,730 | – | – | – | (121,377,730) | – | – | – | – |
| Fractional shares | – | – | – | – | (310) | – | (310) | – | (310) |
| Dividends received by CPI from CDC | – | – | – | – | 83,528 | – | 83,528 | – | 83,528 |
| Cash dividends declared by CLDI | – | – | – | – | – | – | – | (69,000,034) | (69,000,034) |
| Dividends received by CPI from CLDI | – | – | – | – | – | – | – | 1,193,305 | 1,193,305 |
| BALANCES AT DECEMBER 31, 2023 | ₱4,978,437,272 | ₱7,277,651 | ₱7,633,682 | (₱21,072,310) | ₱5,223,093,820 | (₱31,429,574) | ₱10,163,940,541 | ₱1,426,182,241 | ₱11,590,122,782 |



Attributable to Equity Holders of the Parent Company

| | Capital Stock (Note 15) | Additional Paid-in Capital | Unrealized Fair Value Changes on Financial Assets at FVOCI (Note 12) | Accumulated Re-measurement Loss on Defined Benefit Plan - Net of Deferred Income Tax Effect (Note 23) | Retained Earnings (Notes 2 and 15) | Treasury Stock (Note 15) | Subtotal | Non-controlling Interests (Note 16) | Total |
|------------------------------------------------------------------------|----------------------------|-------------------------------|----------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------|------------------------------------------|-----------------------------|------------------------|-------------------------------------------|------------------------|
| BALANCES AT DECEMBER 31, 2023 | ₱4,978,437,272 | ₱7,277,651 | ₱7,633,682 | (₱21,072,310) | ₱5,223,093,820 | (₱31,429,574) | ₱10,163,940,541 | ₱1,426,182,241 | ₱11,590,122,782 |
| Impact of adoption of PFRS 15 covered by PIC Q&A 2018-12-D (Note 2) | - | - | - | - | 42,272,987 | - | 42,272,987 | 55,065,580 | 97,338,567 |
| BALANCES AT JANUARY 1, 2024, AS RESTATED | 4,978,437,272 | 7,277,651 | 7,633,682 | (21,072,310) | 5,265,366,807 | (31,429,574) | 10,206,213,528 | 1,481,247,821 | 11,687,461,349 |
| Net income | - | - | - | - | 783,136,329 | - | 783,136,329 | 57,420,807 | 840,557,136 |
| Other comprehensive income | - | - | 4,945,645 | 3,424,348 | - | - | 8,369,993 | 721,499 | 9,091,492 |
| Total comprehensive income | - | - | 4,945,645 | 3,424,348 | 783,136,329 | - | 791,506,322 | 58,142,306 | 849,648,628 |
| Cash dividends - ₱0.0477 per share | - | - | - | - | (237,379,015) | - | (237,379,015) | - | (237,379,015) |
| Dividends received by CPI from CDC | - | - | - | - | 138,437 | - | 138,437 | - | 138,437 |
| Cash dividends declared by CLDI | - | - | - | - | - | - | - | (27,285,451) | (27,285,451) |
| Cash dividends declared by CPI | - | - | - | - | - | - | - | (1,220,675) | (1,220,675) |
| BALANCES AT DECEMBER 31, 2024 | ₱4,978,437,272 | ₱7,277,651 | ₱12,579,327 | (₱17,647,962) | ₱5,811,262,558 | (₱31,429,574) | ₱10,760,479,272 | ₱1,510,884,001 | ₱12,271,363,273 |

See accompanying Notes to Consolidated Financial Statements.



CITYLAND DEVELOPMENT CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

| | Years Ended December 31 | | |
|---------------------------------------------------------------------|-------------------------|----------------|----------------|
| | 2024 | 2023 | 2022 |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Income before income tax | ₱1,084,867,956 | ₱1,244,739,635 | ₱1,616,416,135 |
| Adjustments for: | | | |
| Interest income (Note 20) | (608,912,726) | (505,703,449) | (383,181,846) |
| Depreciation (Note 19) | 59,272,796 | 58,323,213 | 57,854,509 |
| Interest expense (Note 21) | 35,674,539 | 2,391,902 | 1,855,346 |
| Dividend income (Note 20) | (11,754,976) | (14,961) | (21,274) |
| Retirement benefits costs (Note 23) | 6,130,025 | 3,776,932 | 4,363,660 |
| Trust fund loss (income) (Notes 5 and 22) | 327,381 | (4,583,069) | (437,236) |
| Operating income before working capital changes | 565,604,995 | 798,930,203 | 1,296,849,294 |
| Decrease (increase) in: | | | |
| Installment contracts receivable | 7,242,174 | (13,351,245) | 10,300,077 |
| Contract assets | 371,441,444 | 266,723,024 | (673,073,198) |
| Cost to obtain contract | (16,392,701) | 11,235,588 | 8,032,796 |
| Other receivables | 820,975 | 7,651,448 | (15,830,601) |
| Real estate properties for sale | (1,052,702,171) | (370,573,763) | 106,187,530 |
| Other assets | 40,160,065 | 35,843,987 | (149,759,699) |
| Increase (decrease) in: | | | |
| Accounts payable and accrued expenses | 106,643,900 | (267,914,951) | 139,660,958 |
| Contract liabilities | 210,066,875 | (229,776,702) | (144,987,001) |
| Pre-need and other reserves | (1,936,855) | (76,998) | (12,674,780) |
| Cash generated from operations | 230,948,701 | 238,690,591 | 564,705,376 |
| Interest received | 530,668,229 | 492,665,938 | 374,959,366 |
| Income taxes paid, including creditable and final withholding taxes | (266,290,343) | (234,267,063) | (267,141,789) |
| Contributions to the plan (Note 23) | (5,491,166) | (5,491,166) | (1,858,854) |
| Net cash flows from operating activities | 489,835,421 | 491,598,300 | 670,664,099 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Additions to: | | | |
| Investment properties (Note 10) | (11,024,919) | (249,017,966) | (817,963,635) |
| Property and equipment (Note 11) | (1,099,107) | (9,989,285) | – |
| Real estate properties held for future development (Note 10) | (1,327,747) | (1,197,515) | (454,570) |
| Proceeds from matured investments | 124,000,000 | – | 603,805,733 |
| Purchase of investments | (530,200,000) | (362,700,000) | – |
| Proceeds from matured (purchase of): | | | |
| Notes receivable (Note 7) | 845,500,000 | (121,000,000) | (129,553,544) |
| Financial assets at FVOCI (Note 12) | (150,000,000) | (180,007,500) | – |
| Payment for the acquisition of investment properties (Note 14) | (46,556,450) | – | – |
| Dividends received (Note 20) | 11,754,976 | 14,961 | 21,274 |
| Withdrawals from investments in trust funds (Note 5) | 2,355,450 | 1,891,127 | 9,140,959 |
| Proceeds from guaranty deposits (Note 12) | – | 162,850,000 | – |
| Contributions to investments in trust fund (Note 5) | – | – | (3,610,130) |
| Net cash flows from (used in) investing activities | 243,402,203 | (759,156,178) | (338,613,913) |

(Forward)



| | Years Ended December 31 | | |
|----------------------------------------------------|--------------------------------|-----------------|-----------------|
| | 2024 | 2023 | 2022 |
| CASH FLOWS FROM FINANCING | | | |
| ACTIVITIES | | | |
| Proceeds from issuance of notes payable (Note 14) | ₱4,825,364,395 | ₱5,412,760,528 | ₱6,690,600,553 |
| Payments of notes payable (Note 14) | (4,672,064,395) | (5,347,610,528) | (6,513,950,553) |
| Dividends paid (Note 13) | (262,916,679) | (211,491,438) | (128,025,721) |
| Interest paid (Notes 13 and 14) | (13,740,261) | (1,620,018) | (1,519,429) |
| Payment of lease liabilities (Note 13) | (5,202,399) | (5,138,343) | (5,055,158) |
| Net cash flows from (used in) financing activities | (128,559,339) | (153,099,799) | 42,049,692 |
| NET INCREASE (DECREASE) IN CASH | | | |
| AND CASH EQUIVALENTS | 604,678,285 | (420,657,677) | 374,099,878 |
| CASH AND CASH EQUIVALENTS | | | |
| AT BEGINNING OF YEAR | 685,887,140 | 1,106,544,817 | 732,444,939 |
| CASH AND CASH EQUIVALENTS | | | |
| AT END OF YEAR (Note 4) | ₱1,290,565,425 | ₱685,887,140 | ₱1,106,544,817 |

See accompanying Notes to Consolidated Financial Statements.



CITYLAND DEVELOPMENT CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. Corporate Information

Cityland Development Corporation (the Parent Company) was incorporated in the Philippines on January 31, 1978. It has two subsidiaries, Cityplans, Incorporated (CPI) and City & Land Developers, Incorporated (CLDI), a publicly listed company, which are all incorporated and domiciled in the Philippines. The primary purpose of the Parent Company and CLDI is to acquire, develop, improve, subdivide, cultivate, lease, sublease, sell, exchange, barter and/or dispose of agricultural, industrial, commercial, residential and other real properties, as well as to construct, improve, lease, sublease, sell and/or dispose of houses, buildings and other improvements thereon, and to manage and operate subdivisions and housing projects or otherwise engage in the financing and trading of real estate. CPI is engaged in the business of establishing, organizing, developing, maintaining, conducting, operating, marketing and selling pension plans. The Parent Company is 50.98%-owned by Cityland, Inc. (CI), the ultimate parent company incorporated in the Philippines, which also prepares consolidated financial statements.

The Parent Company's registered office and principal place of business is 2/F Cityland Condominium 10 Tower I, 156 H. V. Dela Costa Street, Makati City.

The consolidated financial statements of the Parent Company and its subsidiaries (the Group) as at December 31, 2024 and 2023 and for each of the three years in the period ended December 31, 2024 were authorized for issuance by the Board of Directors (BOD) on April 10, 2025.

2. Summary of Material Accounting Policy Information

Basis of Preparation

The consolidated financial statements of the Group have been prepared using the historical cost basis, except for financial assets measured at fair value through other comprehensive income (FVOCI) and investment properties included in the investments in trust funds account, that have been measured at fair values. These consolidated financial statements are presented in Philippine peso (₱ or Peso), which is the Parent Company's functional and presentation currency. All values are rounded to the nearest Peso except when otherwise indicated.

The consolidated financial statements have been prepared under the going concern assumption.

Statement of Compliance

The accompanying financial statements of the Group have been prepared in accordance with Philippine Financial Reporting Standard (PFRS) Accounting Standards.

Changes in Accounting Policies

The accounting policies adopted are consistent with those of the previous financial year, except for the adoption of new standards effective in 2024. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Unless otherwise indicated, adoption of these new standards did not have an impact on the consolidated financial statements of the Group.



- Amendments to Philippine Accounting Standards (PAS) 1, *Classification of Liabilities as Current or Non-current*

The amendments clarify:

- That only covenants with which an entity must comply on or before reporting date will affect a liability's classification as current or non-current.
- That classification is unaffected by the likelihood that an entity will exercise its deferral right.
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification.

- Amendments to PFRS 16, *Lease Liability in a Sale and Leaseback*

The amendments specify how a seller-lessee measures the lease liability arising in a sale and leaseback transaction in a way that it does not recognize any amount of the gain or loss that relates to the right of use retained.

- Amendments to PAS 7 and PFRS 7, *Disclosures: Supplier Finance Arrangements*

The amendments specify disclosure requirements to enhance the current requirements, which are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

The adoption of the above amendments did not have an impact on the consolidated financial statements.

Adoption of the provisions of Philippine Interpretation Committee (PIC) Q&A 2018-12, PFRS 15 Implementation Issues Affecting the Real Estate Industry (as amended by PIC Q&A 2020-02 and 2020-04)

On February 14, 2018, the PIC issued PIC Q&A 2018-12 which provides guidance on some PFRS 15 implementation issues affecting the real estate industry. On October 25, 2018, and February 8, 2019, the SEC issued SEC MC No. 14-2018 and SEC MC No. 3-2019, respectively, providing relief to the real estate industry by deferring the application of certain provisions of this PIC Q&A for a period of three years until December 31, 2020. On December 15, 2020, the SEC issued SEC MC No. 34-2020 which further extended the deferral of certain provisions of this PIC Q&A until December 31, 2023.

Starting January 1, 2024, the Group adopted the remaining provisions of PIC Q&A 2018-12, specifically on the (i) significant financing component, and (ii) implementing the IFRIC Agenda Decision on Over Time Transfer of Constructed Goods (PAS 23, *Borrowing Cost*). The Group opted to adopt the changes using modified retroactive approach in its annual financial statements effective January 1, 2024 and the impact was recognized in the opening retained earnings. The comparative information was not restated.

The Group has already adopted the provision of PIC Q&A 2018-12 relating to the exclusion of land in the determination of percentage of completion (POC) in previous years.



The following is the tabular format to show the impact of the adoption to balances of affected accounts as at January 1, 2024.

| | January 1, 2024 | | |
|-------------------------------------------|---------------------------|---------------------|-----------------------|
| | As previously reported | Adjustments | As restated |
| ASSETS | | | |
| Current Assets | | | |
| Current portion of contract assets | ₱654,289,571 | ₱165,893,578 | ₱820,183,149 |
| Real estate properties for sale | 4,773,833,259 | (58,849,790) | 4,714,983,469 |
| Noncurrent Asset | | | |
| Contract assets - net of current portion | 1,553,867,706 | 23,078,366 | 1,576,946,072 |
| | ₱6,981,990,536 | ₱130,122,154 | ₱7,112,112,690 |
| LIABILITIES AND EQUITY | | | |
| Current Liability | | | |
| Contract liabilities | ₱10,704,561 | ₱19,250,901 | ₱29,955,462 |
| Noncurrent Liabilities | | | |
| Contract liabilities - noncurrent portion | 38,662,390 | (10,535,767) | 28,126,623 |
| Deferred income tax liabilities - net | 237,182,561 | 24,068,453 | 261,251,014 |
| | 286,549,512 | 32,783,587 | 319,333,099 |
| Equity | | | |
| Retained earnings | 5,223,093,820 | 42,272,987 | 5,265,366,807 |
| Non-controlling interests | 1,426,182,241 | 55,065,580 | 1,481,247,821 |
| | 6,649,276,061 | 97,338,567 | 6,746,614,628 |
| | ₱6,935,825,573 | ₱130,122,154 | ₱7,065,947,727 |

The nature of adjustments are as follows:

| | Nature of Adjustments | | |
|-------------------------------------------|------------------------------|---------------------------------------|----------------------|
| | Increase (Decrease) | | |
| | Borrowing Cost | Significant Financing Component | Total Adjustments |
| ASSETS | | | |
| Current Assets | | | |
| Current portion of contract assets | ₱- | ₱165,893,578 | ₱165,893,578 |
| Real estate properties for sale | (58,849,790) | - | (58,849,790) |
| Noncurrent Asset | | | |
| Contract assets - net of current portion | - | 23,078,366 | 23,078,366 |
| | (₱58,849,790) | ₱188,971,944 | ₱130,122,154 |
| LIABILITIES AND EQUITY | | | |
| Current Liability | | | |
| Contract liabilities | ₱- | ₱19,250,901 | ₱19,250,901 |
| Noncurrent Liabilities | | | |
| Contract liabilities - noncurrent portion | - | (10,535,767) | (10,535,767) |
| Deferred income tax liabilities - net | (20,995,749) | 45,064,202 | 24,068,453 |
| | (20,995,749) | 53,779,336 | 32,783,587 |
| Equity | | | |
| Retained earnings | (37,854,041) | 80,127,028 | 42,272,987 |
| Non-controlling interests | - | 55,065,580 | 55,065,580 |
| | (37,854,041) | 135,192,608 | 97,338,567 |
| | (₱58,849,790) | ₱188,971,944 | ₱130,122,154 |



The impact of ₱97.34 million represents the reversal of unamortized discount on installment contract receivables and contract assets and reversal of capitalized borrowing cost.

Basis of Consolidation

The consolidated financial statements consist of the financial statements of the Parent Company and its subsidiaries as of December 31 of each year. The financial statements of the subsidiaries are prepared for the same reporting year as the Parent Company using consistent accounting policies.

The percentage of ownership of the Parent Company in these subsidiaries as of December 31, 2024 and 2023 are as follows:

| | Percentage of Ownership | Nature of Activity |
|------|----------------------------|------------------------|
| CPI | 90.81 | Pre-need pension plans |
| CLDI | 49.73 | Real estate |

The registered office and principal place of business of CLDI is 3/F Cityland Condominium 10 Tower I, 156 H. V. Dela Costa Street, Makati City. On the other hand, the registered office and principal address of CPI is at 3/F Cityland Condominium 10, Tower 2, 154 H.V. Dela Costa St., Salcedo Village, Makati City.

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

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

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

- the contractual arrangement with the other vote holders of the investee
- rights arising from other contractual arrangements
- the Parent Company's voting rights and potential voting rights

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

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All



intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. In such circumstances, the carrying amounts of the controlling and non-controlling interests shall be adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received shall be recognized directly in equity and attributed to the owners of the parent.

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

Non-controlling Interests

Non-controlling interests represent the interests in the subsidiaries not held by the Parent Company and are presented separately in the consolidated statements of income, consolidated statements of comprehensive income and within the equity section of the consolidated statements of financial position, separate from the Parent Company's equity.

Fair Value Measurement

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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level of input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level of input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level of input that is significant to the fair value measurement is unobservable



For assets and liabilities that are recognized in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, and subsequently measured at amortized cost, FVOCI and fair value through profit or loss (FVPL).

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. The Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Installment contract receivables and contract assets are measured at the transaction price determined under PFRS 15.

In order for a financial asset to be classified and measured at amortized cost or FVOCI, it needs to give rise to cash flows that are Solely Payments of Principal and Interest (SPPI) on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognized on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortized cost (debt instruments)
- Financial assets at FVOCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at FVOCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at FVPL

Financial assets at amortized cost (debt instruments)

This category is the most relevant to the Group. The Group measures financial assets at amortized cost if both of the following conditions are met:

- (a) the financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows and
- (b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.



Financial assets at amortized cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired.

The Group's financial assets at amortized cost include cash and cash equivalents, short-term and long-term investments, installment contracts receivable, contract assets, notes receivable, other receivables and deposits under "Other noncurrent assets".

Financial assets at FVOCI (debt instruments)

The Group measures debt instruments at FVOCI if both of the following conditions are met:

- (a) The financial asset is held within a business model with the objective of both holding to collect contractual cash flows and sell the financial asset; and
- (b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For debt instruments at FVOCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognized in the consolidated statements of income and computed in the same manner as for financial assets measured at amortized cost. The remaining fair value changes are recognized in OCI. Upon derecognition, the cumulative fair value change recognized in OCI is recycled to profit or loss.

As of December 31, 2024 and 2023, the Group's investment in trust fund has debt instruments at FVOCI.

Financial assets designated at FVOCI (equity instruments)

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at FVOCI 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 statements of 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 elected to classify irrevocably its listed equity investments under this category.

Financial assets at FVPL

Financial assets at FVPL include financial assets held for trading, financial assets designated upon initial recognition at FVPL, 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 FVPL, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortized cost or at FVOCI, as described above, debt instruments may be designated at FVPL on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.



Financial assets at FVPL are carried in the consolidated statements of financial position at fair value with net changes in fair value recognized in the consolidated statements of income.

The Group's investments in trust fund have financial assets at FVPL as of December 31, 2024 and 2023.

A derivative embedded in a hybrid contract, with a financial liability or non-financial host, is separated from the host and accounted for as a separate derivative if: the economic characteristics and risks are not closely related to the host; a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and the hybrid contract is not measured at FVPL. Embedded derivatives are measured at fair value with changes in fair value recognized in profit or loss. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the FVPL category.

A derivative embedded within a hybrid contract containing a financial asset host is not accounted for separately. The financial asset host together with the embedded derivative is required to be classified in its entirety as a financial asset at FVPL.

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 (i.e., removed from the consolidated statements of financial position) when:

- the rights to receive cash flows from the asset have expired, or
- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and
- either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group 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 of 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 its continuing involvement. In that case, the Group also recognized an associated liability. The transferred asset and the associated liability are measured on a 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 could be required to repay.

Impairment of financial assets

The Group recognizes an allowance for expected credit losses (ECLs) for all debt instruments not held at FVPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.



ECLs are recognized in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

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

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Financial Liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at FVPL, 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 accounts payable and accrued expenses, and notes and contract 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 consolidated statements of income.

This category generally applies to interest-bearing loans and borrowings.

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 income.



Investments in Trust Funds

The trust fund assets and liabilities are recognized in accordance with the provisions of the applicable PAS and PFRS Accounting Standards and their interpretations.

Investments in trust funds are restricted to cover the CPI's pre-need reserves. These are classified as current assets to the extent of the currently maturing pre-need reserves. The remaining portion is classified as noncurrent assets in the consolidated statements of financial position.

Real Estate Properties for Sale

Property acquired or being constructed for sale in the ordinary course of business, rather than to be held for rental or capital appreciation, is classified as real estate properties for sale and measured at the lower of cost and net realizable value (NRV).

Cost includes:

- Land cost
- Amounts paid to contractors for construction
- Planning and design costs, costs of site preparation, professional fees, property transfer taxes, construction overheads and other related costs.

NRV is the estimated selling price in the ordinary course of the business, based on market prices at the reporting date, less estimated costs to complete and the estimated costs necessary to make the sale. The Group recognizes the effect of revisions in the total project cost estimates in the year in which these changes become known.

Gains or losses resulting from cancellations and forfeitures of sale of real estate properties are credited or charged to "Other income - net" in the consolidated statements of income.

Real Estate Properties Held for Future Development and Investment Properties

Real estate properties held for future development and investment properties, which represent real estate properties for capital appreciation and for lease, are measured initially at cost, including transaction costs. The carrying amount includes the cost of replacing part of existing investment properties at the time that cost is incurred if the recognition criteria are met, and excludes the costs of day-to-day servicing of the property. The carrying values of revalued properties transferred to investment properties on January 1, 2004 were considered as the assets' deemed cost as of said date.

Subsequent to initial measurement, real estate properties held for future development and investment properties, except land, are carried at cost less accumulated depreciation and amortization and any impairment in value. Land is carried at cost less any impairment in value. Buildings for lease are depreciated over their useful life of 25 years while the building improvements are depreciated over their useful life of five (5) to 15 years or the remaining useful life of the building using the straight-line method.

Real estate properties held for future development and investment properties are derecognized when either they have been disposed of or when the property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of investment properties are recognized in the consolidated statement of income in the year of retirement or disposal.



Transfers are made to real estate properties held for future development and investment properties when, and only 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. Transfers are made from real estate properties held for future development and investment properties 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.

Transfers between real estate properties for future development and investment properties, owner-occupied property and inventories do not change the carrying amount of the property transferred and they do not change the cost of that property for measurement or disclosure purposes.

Construction in progress is stated at cost. This includes costs of construction and other direct costs related to the investment property being constructed. Construction in progress is not depreciated until such time when the relevant assets are complete and ready for use. When such construction is completed and assets are ready for use, the costs of the said assets are transferred to specific classification under "Investment properties" account.

Property and Equipment

The Group's property and equipment consist of land, building, equipment and right-of-use assets that do not qualify as real estate properties for future development and investment properties.

Property and equipment, except for office premises, are stated at cost less accumulated depreciation and any impairment in value. Office premises are stated at appraised values (asset's deemed cost) as determined by SEC-accredited and independent firms of appraisers at the date of transition to PFRS Accounting Standards, less accumulated depreciation and any impairment in value. Subsequent additions to office premises are stated at cost less accumulated depreciation and any impairment in value.

The initial cost of property and equipment consists of the purchase price and any directly attributable cost of bringing the assets to their working condition and location for their intended use. Expenditures incurred after the property and equipment have been put into operations, such as repairs and maintenance costs, are normally charged to the consolidated statements of income in the period in which the costs are incurred. In situations where it can be clearly demonstrated that the expenditures have resulted in an increase in the future economic benefits expected to be obtained from the use of an item of property and equipment beyond its originally assessed standard of performance, the expenditures are capitalized as an additional cost of property and equipment.

Depreciation of an item of property and equipment begins when the asset becomes available for use, i.e., when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. Depreciation ceases at the earlier of the date that the item is classified as held for sale (or included in a disposal group that is classified as held for sale) in accordance with PFRS 5, *Noncurrent Assets Held for Sale and Discontinued Operations*, and the date the asset is derecognized.

Depreciation is computed using the straight-line method over the estimated useful lives of the properties as follows:

| | Years |
|------------------------------------------|-------|
| Building | 25 |
| Office premises | 25 |
| Furniture, fixtures and office equipment | 5-15 |
| Transportation and other equipment | 5 |



The assets' useful lives and depreciation method are reviewed periodically to ensure that these are consistent with the expected pattern of economic benefits from items of property and equipment.

When property and equipment are sold or retired, the cost and related accumulated depreciation and any impairment in value are removed from the accounts, and any gains or losses from their disposal is included in the consolidated statements of income.

The Group's property and equipment consist of land, building, equipment and right-of-use assets that do not qualify as investment properties.

Property and equipment, except for land, are carried at cost less accumulated depreciation and amortization and any impairment in value. Land is carried at cost less any impairment in value. The initial cost of property and equipment comprises its construction cost or purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use, including borrowing costs.

It is the Group's policy to classify right-of-use assets as part of property and equipment. The Group recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are initially measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The initial cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, lease payments made at or before the commencement date less any lease incentives received and estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories.

Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognized right-of-use assets are depreciated on a straight-line basis over the shorter of their estimated useful life and lease term. Right-of-use assets are subject to impairment.

Impairment of Nonfinancial Assets

The carrying values of real estate properties held for future development, investment properties and property and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying values may not be recoverable. If any such indication exists and where the carrying value exceeds the estimated recoverable amount, the assets are either written down to their recoverable amount or provided with valuation allowance. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value-in-use. Impairment losses, if any, are recognized in the consolidated statements of income.

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. In determining fair value less costs of disposal, recent market transactions are taken into account.

The Group assesses at each reporting period whether there is an indication that previously recognized impairment losses may no longer exist or may have decreased. The Group considers external and internal sources of information in its assessment of the reversal of previously recognized impairment losses. A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is



recognized in the consolidated statements of income. After such a reversal, the depreciation is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

Value-added Tax (VAT)

Revenues, expenses, assets and liabilities are recognized net of the amount of VAT, except where the VAT incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the VAT is recognized as part of the cost of acquisition of the asset or as part of the expense item as applicable.

When VAT from sales of goods and/or services (output VAT) exceeds VAT passed on from purchases of goods or services (input VAT), the excess is recognized as payable in the consolidated statements of financial position. When VAT passed on from purchases of goods or services (input VAT) exceeds VAT from sales of goods and/or services (output VAT), the excess is recognized as an asset in the consolidated statements of financial position to the extent of the recoverable amount.

The net amount of VAT recoverable from or payable to, the taxation authority is included as part of "Other current assets" or "Accounts payable and accrued expenses," respectively, in the consolidated statements of financial position.

Pre-Need Reserves (PNR)

PNR for pension plans are calculated on the basis of the methodology and assumptions set out in Pre-Need Rule 31, as Amended, as follows:

- The amount of provision is the present value of the funding expected to be required to settle the obligation with due consideration of the different probabilities as follows:
 - i. Provision for termination values applying the inactivity and surrender rate experience of CPI.
 - ii. The liability is equivalent to the present value of future maturity benefits reduced by the present value of future trust fund contributions required per Product Model discounted at the lower of attainable rate or discount rate provided by the Insurance Commission (IC) for SEC-approved plans and the pricing discount rate for IC-approved plans.
- The rates of surrender, cancellation, reinstatement, utilization, and inflation considered the actual experience of CPI in the last three (3) years.
- The computation of the foregoing assumptions has been validated by the internal qualified actuary of CPI.
- Based on CPI's experience, the probability of pre-termination or surrender of fully paid plans is below 5% and therefore considered insignificant. The derecognition of liability shall be recorded at pre-termination date.
- Discount interest rate for the PNR

The transitory discount interest rate per year shall be used in the valuation of PNR shall not exceed the lower of the attainable rates as certified by the trustee banks and the following rates below:

| <u>Year</u> | <u>Discount interest rate</u> |
|------------------|-------------------------------|
| 2012 - 2016 | 8.00% |
| 2017 | 7.25% |
| 2018 | 6.50% |
| 2019 and onwards | 6.00% |



- Transitory PNR (TPNR)

In effecting the transition in the valuation of reserves for old basket of plans, the IC shall prescribe a PNR with a maximum transition period of 10 years.

For each of the pre-need plan categories, the TPNR shall be computed annually on the old basket of plans outstanding at the end of each year from 2012 to 2022 using the discount interest rates provided above. If the actual trust fund balance is higher than or equal to the resulting PNR then the liability setup shall be the PNR.

However, if the resulting PNR is greater than the actual trust fund balance at the end of the year, TPNR shall be computed.

The actual trust fund balance shall be the trust fund balance at the end of the year net of any receivables by CPI from the trustee for the contractual benefits outstanding as of the end of the year.

The TPNR liability shall be recognized each year. As of December 31, 2024 and 2023, the actual trust fund balance is higher than the resulting PNR (see Note 5).

Other reserves

CPI sets up other provisions in accordance with PAS 37, *Provisions, Contingent Liabilities and Contingent Assets*, to cover obligations such as Insurance Premium Reserves (IPR), pension bonus, and trust fund deficiency.

Unless the IC shall so specifically require, CPI may, at its option, set up other provisions as a prudent measure.

Capital Stock

Capital stock is measured at par value for all shares issued and outstanding. When the Parent Company issues more than one class of stock, a separate account is maintained for each class of stock and the number of shares issued. Incremental costs incurred directly attributable to the issuance of new shares are shown in equity as a deduction from proceeds, net of tax.

When the shares are sold at premium, the difference between the proceeds and the par value is credited to the "Additional paid-in capital" account. When shares are issued for a consideration other than cash, the proceeds are measured by the fair value of the consideration received. In case the shares are issued to extinguish or settle the liability of the Group, the shares shall be measured either at the fair value of the shares issued or fair value of the liability settled, whichever is more reliably determinable.

Retained Earnings

Retained earnings represent the cumulative balance of net income or loss, dividend distributions, effects of changes in accounting policy and other capital adjustments.

Unappropriated retained earnings represent that portion of retained earnings which can be declared as dividends to stockholders after adjustments for any unrealized items which are considered not available for dividend declaration. Appropriated retained earnings represent that portion of retained earnings which has been restricted and therefore is not available for any dividend declaration.



The retained earnings include deemed cost adjustments on real estate properties for sale, investment properties and property and equipment that arose when the Group transitioned to PFRS Accounting Standards in 2005. The deemed cost adjustment will be realized through depreciation in profit or loss for depreciable assets (property and equipment and investment properties) and through sale for inventories (classified under real estate properties for sale) and land (classified under investment properties).

Dividend distributions

Cash dividends on common shares are deducted from retained earnings upon declaration by the BOD.

Stock dividends on common shares are measured based on the total par value of declared stock dividend. Stock dividends are deducted from retained earnings when the BOD's declaration is ratified by the stockholders of the Group and the increase for authorized capital stock is approved by the SEC in cases of stock dividends issued to cover an increase in authorized capital stock. Unissued stock dividends are recorded as "Stock dividends distributable" and credited to "Capital stock" upon issuance.

Dividends for the year that are declared after the end of the reporting period but before the approval for issuance of consolidated financial statements are dealt with as an event after the reporting period.

Treasury Stock

Own equity instruments that are reacquired (treasury shares) are recognized at cost and deducted from equity. No gain or loss is recognized in the consolidated statement of income on the purchase, sale, issue or cancellation of the Group's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognized in the share premium.

Revenue Recognition

Revenue from contracts with customers

The Group primarily derives its real estate revenue from the sale of completed real estate projects and undeveloped land. Revenue from contracts with customers is recognized when control of the goods or services are transferred to the buyer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has generally concluded that it is acting as a principal in all of its revenue arrangements, except for the provisioning of water, electricity, air-conditioning and common use service area in its office leasing activities, wherein it is acting as agent.

The disclosures of significant accounting judgments, estimates and assumptions relating to revenue from contracts with customers are provided in Note 3.

Sales of real estate properties (CDC and CLDI)

CDC and CLDI derive its real estate revenue from sale of lots and condominium units. Revenue from the sale of these real estate projects under pre-completion stage are recognized over time during the construction period or POC since based on the terms and conditions of its contract with the buyers, the Group's performance does not create an asset with an alternative use and the Group has an enforceable right to payment for performance completed to date. In determining the transaction price, the Group considers whether the selling price of the real estate property includes significant financing component.

Revenue from sales of completed real estate properties and undeveloped land is recognized when control of the goods is transferred to the customer.



In measuring the progress of its performance obligation over time, the Group uses input method. Input method recognizes revenue on the basis of the entity's efforts or inputs to the satisfaction of a performance obligation. Progress is measured based on actual resources consumed such as materials, labor hours expended and actual overhead incurred relative to the total expected inputs to the satisfaction of that performance obligation, or the total estimated development costs of the real estate project. The Group uses the cost accumulated by the accounting department to determine the actual resources used. Input method excludes the effects of any inputs that do not depict the entity's performance in transferring control of goods or services to the buyer.

If the criteria for revenue recognition are not satisfied, any cash received by the Group is recorded as part of "Rental and customers' deposits" account which is included under "Accounts payable and accrued expenses" in the consolidated statement of financial position until all the conditions for recognizing the sale are met.

Estimated development costs of the real estate project include costs of land, land development, building costs, professional fees, depreciation of equipment directly used in the construction, payments for permits and licenses. Revisions in estimated development costs brought about by increases in projected costs in excess of the original budgeted amounts, form part of total project costs on a prospective basis.

Any excess of progress of work over the right to an amount of consideration is recorded either as installment contracts receivable (unconditional) or contract asset (conditional) while the excess of collection over progress of work is recorded as contract liability.

Any excess of collections over the total of recognized installment contracts receivable is included in the "Contract liabilities" account in the liabilities section of the consolidated statement of financial position.

The impact of the adoption of PIC Q&A 2018-12-D in 2024 arising from significant financing component on the transaction price has been considered.

Sales of real estate properties (CPI)

CPI derives its revenue from sale of condominium units. Revenue from the sale of these real estate projects is recognized at a point in time when control of the asset is transferred to the buyer, generally when the condominium units are delivered to and accepted by the buyer. The payment is collectible in monthly installments for periods ranging from one (1) to 10 years.

Costs of real estate sales

The Group recognizes costs relating to satisfied performance obligations as these are incurred taking into consideration the contract fulfillment assets such as land and connection fees. These include costs of land, land development costs, building costs, professional fees, depreciation, and permits and licenses. 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.

Costs of real estate sales is recognized consistent with the revenue recognition method applied. Cost of real estate properties sold before completion is determined using the POC used for revenue recognition applied on the acquisition cost of the land plus the total estimated development costs of the property.

In addition, the entities recognize as an asset only costs that give rise to resources that will be used in satisfying performance obligations in the future and that are expected to be recovered.



The cost of inventory recognized in profit or loss on disposal (costs of real estate sales) is determined with reference to the specific and allocated costs incurred on the sold property taking into account the POC. The costs of real estate sales also include the estimated development costs to complete the real estate property, as determined by independent project engineers, and taking into account the POC. The accrued development costs account is presented under “Accounts payable and accrued expenses” in the consolidated statements of financial position.

Any changes in estimated development costs used in the determination of the amount of revenue and expenses are recognized in consolidated statements of income in the period in which the change is made.

Costs of real estate sales (CPI)

CPI recognizes costs relating to satisfied performance obligations as these are incurred.

Contract Balances

Receivables

A receivable represents the Group’s right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the buyer. If the entities perform by transferring goods or services to a buyer before the buyer pays consideration or before payment is due, a contract asset is recognized for the earned consideration that is conditional.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a buyer for which the entities have received consideration (or an amount of consideration is due) from the buyer. If a buyer pays consideration before the entities transfer goods or services to the buyer, a contract liability is recognized when the payment is made or payment is due (whichever is earlier). Contract liabilities are recognized as revenue when the entities perform under the contract.

The contract liabilities also include payments received by the Group from the buyer for which revenue recognition has not yet commenced.

Costs to obtain contract

The incremental costs of obtaining a contract with a buyer are recognized as an asset if the Group expects to recover them. The Group has determined that commissions paid to brokers and marketing agents on the sale of pre-completed real estate units are deferred when recovery is reasonably expected and are charged to expense in the period in which the related revenue is recognized as earned. Commission expense is included in the “Operating expenses” account in the consolidated statement of income.

Costs incurred prior to obtaining contract with buyer are not capitalized but are expensed as incurred.

Amortization and derecognition of capitalized costs to obtain a contract

CDC and CLDI amortize capitalized costs to obtain a contract to cost of sales over the expected construction period using POC following the pattern of real estate revenue recognition. The amortization is included within operating expenses.

Capitalized costs to obtain a contract is derecognized either when it is disposed of or when no further economic benefits are expected to flow from its use or disposal.



Sales of pre-need plans

Premiums from sale of pre-need plans, included under “Other income - net” account in the consolidated statements of income are recognized as earned when collected.

Cost of contracts issued

This account pertains to (a) the increase or decrease in PNR as at the current year as compared to the provision for the same period of the previous year; (b) amount of trust funds contributed during the year including any trust fund deficiency; and (c) documentary stamp tax and SEC registration fees.

If there is a decrease in the PNR as a result of new information or developments, the amount shall be deducted from the cost of contracts issued in the current period. In case of material prior period errors, the requirements of PAS 8, *Accounting Policies, Changes in Accounting Estimates and Errors*, shall be complied with by CPI.

Interest Income

Interest income from cash in banks, cash equivalents and short-term and long-term investments, installment contracts receivable, contract assets, guaranty deposits and notes receivable is recognized as the interest accrues taking into account the effective yield on interest.

Dividend Income

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

Trust Fund Income

Trust fund income mainly pertains to rental income on investment properties under the trust fund account, as well as, trading gains and losses from buying and selling and changes in fair value of financial assets and financial liabilities categorized upon initial recognition as at FVPL investments under the trust fund account.

Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. It constitutes that the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

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

Lease liabilities

At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognized as expense in the period on which the event or condition that triggers the payment occurs.



In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of office space and transportation equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the leases of low-value assets recognition exemption to leases of office equipment that are considered of low value. The Group does not have any lease of low-value assets. Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

Operating leases - Group as a lessor

Operating leases represent those leases under which substantially all the risks and rewards of ownership of the leased assets remain with the lessors. Rent income from operating leases is recognized as income when earned on a straight-line basis over the term of the lease agreement. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the term on the same basis as rental income. Contingent rents are recognized as revenue in the period in which they are earned.

Lease modification

Lease modification is defined as a change in the scope of a lease, or the consideration for a lease, that was not part of the original terms and conditions of the lease e.g., addition or termination of the right to use one or more underlying assets, or the extension or shortening of the contractual lease term.

In case of a lease modification, the lessor shall account for any such modification by recognizing a new lease from the effective date of the modification, considering any prepaid or accrued lease payments relating to the original lease as part of the lease payments for the new lease. In case of change in lease payments for an operating lease that does not meet the definition of a lease modification, the lessor shall account for any such change as a negative variable lease payment and recognize lower lease income.

Financial Expenses

Financial expenses consist of interest incurred on notes payable. Interest attributable to a qualifying asset is capitalized as part of the cost of the asset while others are expensed as incurred.

For real estate inventories, interest is capitalized on the purchase cost of site of property acquired specifically for sale but only to the extent where activities necessary to prepare the asset for selling are in progress prior to pre-selling activities.

Retirement Benefits Cost

The net defined benefit liability or asset is the aggregate of the present value of the defined benefit obligation at the end of the reporting period reduced by the fair value of plan assets (if any), adjusted for any effect of limiting a net defined benefit asset to the asset ceiling. The asset ceiling is the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.

The cost of providing benefits under the defined benefit plans is actuarially determined using the projected unit credit method.



Retirement benefits cost comprises the following:

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

Service costs which include current service costs, past service costs and gains or losses on non-routine settlements are recognized as expense in the consolidated statements of income. Past service costs are recognized when plan amendment or curtailment occurs. These amounts are calculated periodically by independent qualified actuary.

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

Re-measurements comprising actuarial gains and losses, return on plan assets and any change in the effect of the asset ceiling (excluding net interest on defined benefit liability) are recognized immediately in the consolidated statements of comprehensive income in the period in which they arise. Re-measurements are not reclassified to the consolidated statements of income in subsequent periods. Plan assets are assets that are held by a long-term employee benefit fund. Plan assets are not available to the creditors of the Group, nor can they be paid directly to the Group. Fair value of plan assets is based on market price information. When no market price is available, the fair value of plan assets is estimated by discounting expected future cash flows using a discount rate that reflects both the risk associated with the plan assets and the maturity or expected disposal date of those assets (or, if they have no maturity, the expected period until the settlement of the related obligations). If the fair value of the plan assets is higher than the present value of the defined benefit obligation, the measurement of the resulting defined benefit asset is limited to the present value of economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.

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

Employee leave entitlement

Employee entitlements to annual leave are recognized as a liability when they are earned by the employees. The undiscounted liability for leave expected to be settled within 12 months after the end of the reporting period is recognized for services rendered by employees up to the end of the reporting period.

Provisions and Contingencies

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the consolidated statements of income net of any reimbursement. If the effect of the time value of money is material, provisions are determined by discounting the effective future cash flows at a pre-tax rate that reflects current market assessment of the time value of money and where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as an interest expense.



Contingent liabilities are not recognized in the consolidated financial statements. They are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. A contingent asset is not recognized in the consolidated financial statements but disclosed in the notes to consolidated financial statements when an inflow of economic benefits is probable.

Income Taxes

Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and the tax laws used to compute the amount are those that are enacted or substantively enacted at the end of reporting period.

Current income tax for current and prior periods shall, to the extent unpaid, be recognized as a liability under "Income tax payable" account in the consolidated statements of financial position. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess shall be recognized as an asset under "Other current assets" account in the consolidated statement of financial position.

Deferred income tax

Deferred income tax is recognized on all temporary differences at the end of reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognized for all taxable temporary differences, except (a) where the deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and (b) in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred income tax assets are recognized for all deductible temporary differences to the extent that it is probable that sufficient future taxable profits will be available against which the deductible temporary differences can be utilized. Deferred income tax assets and deferred income tax liabilities are not recognized when it arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred income tax assets is reviewed at each end of reporting period and reduced to the extent that it is no longer probable that sufficient future taxable profits will be available to allow all or part of the deferred income tax assets to be utilized. Unrecognized deferred income tax assets are reassessed at each end of reporting period and are recognized to the extent that it has become probable that sufficient future taxable profits will allow the deferred income tax asset to be recovered.

Deferred income tax assets and deferred income tax liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the end of reporting period.

Deferred income tax relating to items recognized directly in equity is recognized in equity and those directly in comprehensive income such as re-measurement of defined benefit plan are recognized in the consolidated statement of comprehensive income and not in the consolidated statement of income.

Deferred income tax assets and deferred income tax liabilities are offset, if a legally enforceable right exists to offset current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.



Segment Reporting

The Group's operating businesses 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 business segments is presented in Note 29 to the consolidated financial statements. The Group's asset-producing revenues are located in the Philippines (i.e., one geographical location). Therefore, geographical segment information is no longer presented.

Events After the Reporting Period

Post year-end events that provide additional information about the Group's financial position at the end of reporting period (adjusting events) are reflected in the consolidated financial statements. Post year-end events that are not adjusting events are disclosed in the notes to the consolidated financial statements when material.

Standards Issued but not yet Effective

Pronouncements issued but not yet effective are listed below. Unless otherwise indicated, the Group does not expect that the future adoption of the said pronouncements will have a significant impact on its financial statements. The Group intends to adopt the following pronouncements when they become effective.

Effective beginning on or after January 1, 2025

- Amendments to PAS 21, *Lack of exchangeability*

Effective beginning on or after January 1, 2026

- Amendments to PFRS 9 and PFRS 7, *Classification and Measurement of Financial Instruments*
- Annual Improvements to PFRS Accounting Standards—Volume 11
 - Amendments to PFRS 1, *Hedge Accounting by a First-time Adopter*
 - Amendments to PFRS 7, *Gain or Loss on Derecognition*
 - Amendments to PFRS 9, *Lessee Derecognition of Lease Liabilities and Transaction Price*
 - Amendments to PFRS 10, *Determination of a 'De Facto Agent'*
 - Amendments to PAS 7, *Cost Method*

Effective beginning on or after January 1, 2027

- PFRS 17, *Insurance Contracts*
- PFRS 18, *Presentation and Disclosure in Financial Statements*
- PFRS 19, *Subsidiaries without Public Accountability*

Deferred effectivity

- Amendments to PFRS 10, *Consolidated Financial Statements*, and PAS 28, *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

3. Significant Accounting Judgments, Estimates and Assumptions

The preparation of the consolidated financial statements requires management to make judgments, estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes.



In the opinion of management, these consolidated financial statements reflect all adjustments necessary to present fairly the results for the period presented. Actual results could differ from such estimates.

Judgments

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

Consolidation of CLDI in which the Group holds less than a majority of voting right (de facto control)

The Group consolidates the accounts of CLDI since it considers that it controls CLDI even though it owns less than 50% of voting interest. The factors that the Group considered in making this determination include the size of its block of voting shares and the relative size and dispersion of holdings by other stockholders. The Group is the single largest shareholder of CLDI with 49.73% equity interest. The Parent Company, some of its stockholders and affiliates (whose stockholders also own equity ownership in the Parent Company) collectively own more than 50% of the equity of CLDI giving the Parent Company effective control over CLDI.

Management has determined that it has control by virtue of its power to cast the majority of votes at meetings of the BOD in all of its subsidiaries.

Revenue recognition

Selecting the appropriate revenue recognition method for a particular real estate transaction requires certain judgments based on the following, among others:

a. *Existence of a contract*

The Group's primary document for a contract with a buyer 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 other signed documentation such as reservation agreement, official receipts and other documents, would contain all the criteria to qualify as a contract with the buyer under PFRS 15.

In addition, part of the assessment process of the Group before revenue recognition is to assess the probability that the Group will be able to collect the consideration to which it will be entitled in exchange for the real estate property that will be transferred to the buyer. In evaluating whether collectability of an amount of consideration is probable, an entity considers the significance of the buyer's initial payments in relation to the total contract price. Collectability is also assessed by considering factors such as the credit standing and financial capacity of the buyer, age and location of the property. Management regularly evaluates the historical cancellations and back-outs if it would still support its current threshold of buyers' equity before commencing revenue recognition.

b. *Revenue recognition method and measure of progress*

The Group, except for CPI, concluded that revenue for real estate sales is to be recognized over time because (a) the Group's performance does not create an asset with an alternative use; and (b) the Group has an enforceable right for performance completed to date. The promised property is specifically identified in the contract and the contractual restriction on the Group's ability to direct the promised property for another use is substantive. This is because the property promised to the buyer is not interchangeable with other properties without breaching the contract and without incurring significant costs that otherwise would not have been incurred in relation to that contract. In addition, under the current legal framework, the buyer is contractually obliged to make payments to the developer up to the performance completed to date.



The Group, except for CPI, has determined that input method used in measuring the progress of the performance obligation faithfully depicts the Group's performance in transferring control of real estate development to the buyer.

c. *Identifying performance obligation*

The Group has various contracts to sell covering its sale of condominium units and other real estate properties. The Group concluded that there is one performance obligation in each of these contracts because it has the obligation to deliver the condominium unit duly constructed in a specific lot and fully integrated into the serviced land in accordance with the approved plan. For the sale of real estate properties such as raw land, the Group integrates certain activities to the said property to be able to deliver the guaranteed property based on the contract with the buyer. Included also in this performance obligation is the Group's service is to transfer the title of the real estate unit to the buyer.

d. *Principal versus agent considerations*

The contract for the Group's buildings for lease includes the right to charge for the electricity usage, water usage, air conditioning charges and common use service area (CUSA) like maintenance, janitorial and security services.

For the electricity and water usage, the Group determined that it is acting as an agent because the commitment of the Group to the tenants is to arrange for the electricity and water supply to be provided by a utility company. The utility company, and not the real estate developer, is primary responsible for the provisioning of the utilities while the Group administers the leased spaces and coordinates with the utility companies to ensure that tenants have access to these utilities. The Group does not have the discretion on the pricing of the services provided since the price is based on the actual rate charged by the utility providers.

For the provision of air conditioning and services in the CUSA, the Group acts as a principal. This is because it is the Group who retains the right to direct the service provider of CUSA as it chooses and the party responsible to provide proper ventilation and air conditioning to the leased premises. The right to the services mentioned never transfers to the tenant and the Group has the discretion on how to price the CUSA and air conditioning charges.

Distinction between investment properties (real estate properties held for lease or for capital appreciation) and property and equipment

The Group determines whether a property qualifies as investment property. In making its judgment, the Group considers whether the property generates cash flows largely independent of the other assets held by the Group. Property and equipment generate cash flows that are attributable not only to the property but also to the other assets used for administrative purposes.

Some properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held 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 insignificant portion is held for administrative purposes. Judgment is applied in determining whether ancillary services are so significant that a property does not qualify as investment property. The Group considers each property separately in making its judgment.

Distinction between real estate properties for sale and investment properties (real estate properties held for lease or for capital appreciation) or real properties held for future development

The Group determines whether a property is classified as for sale, for lease or for capital appreciation. Real estate properties, which the Group develops and intends to sell within the normal operating cycle, are classified as real estate properties for sale.



Real estate properties which are not occupied substantially for use by, or in the operations of the Group, nor for sale in the ordinary course of business, but are held primarily to earn rental income and capital appreciation are classified as investment properties. On the other hand, real estate held for future development pertain to properties retained by the Group as part of its strategic land banking activities, and there is no concrete plan yet on the development of the properties.

Determination of impairment indicators on real estate properties held for future development, investment properties and property and equipment

The Group determines whether its nonfinancial assets such as real estate properties held for future development, investment properties and property and equipment are impaired when impairment indicators exist such as significant underperformance relative to expected historical or projected future operating results and significant negative industry or economic trends. When an impairment indicator is noted, the Group makes an estimation of the value-in-use of the cash-generating units to which the assets belong. Estimating the value-in-use requires the Group to make an estimate of the expected future cash flows from the cash-generating unit and also to choose an appropriate discount rate in order to calculate the present value of those cash flows.

Estimates

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

Measuring the progress of performance obligation over time and application of input method as the measure of progress in determining the real estate revenue

The measurement of progress for revenue recognition requires management to make use of estimates and assumptions. The Group's real estate sales is based on the POC method measured principally on the basis of total actual cost of resources consumed such as materials, labor hours expended and actual overhead incurred over the total estimated development cost of the project. Estimated development costs of the project include costs of land, land development, building costs, professional fees, depreciation of equipment directly used in the construction, payments for permits and licenses. The estimated development costs are prepared by the Group's project engineers and are independently reviewed by the Group's third-party independent project engineers. Revisions in estimated development costs brought about by increases in projected costs in excess of the original budgeted amounts, form part of total project costs on a prospective basis and is allocated between costs of sales and real estate inventories.

The amounts of sales of real estate properties are disclosed in Note 6 while the amounts of costs of real estate sales are disclosed in Note 9.

Leases - Estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when they need to be adjusted to reflect the terms and conditions of the lease (for example, when leases are not in the subsidiary's functional currency). The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the subsidiary's stand-alone credit rating).



The information about the Group's lease liabilities are disclosed in Note 13.

Provision for ECLs of installment contract receivables and contract assets

The Group uses a provision matrix to calculate ECLs for installment contract receivables and contract assets. The provision rates are based on past collection history and other factors, which include, but are not limited to the length of the Group's relationship with the buyer, the buyer's payment behavior and known market factors that affect the collectability of the accounts.

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information such as the inflation rate, gross domestic product, interest rate and unemployment rate. For instance, if forecast economic conditions (i.e., gross domestic product) are expected to deteriorate over the next year which can lead to an increased number of defaults in the real estate sector, the historical default rates are adjusted. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

The assessment of the correlation between historical observed default rates, forecast economic conditions, gross domestic product (GDP), and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of buyer's actual default in the future. The information about the ECLs on the Group's installment contracts receivable and contract assets is disclosed in Note 26.

No impairment of receivables was recognized in 2024, 2023 and 2022.

There was no provision for ECL on receivables in 2024 and 2023. As of December 31, 2023 and 2022, the carrying amounts of installment contracts receivable, contract assets and other receivables are disclosed in Notes 6, 7 and 8.

Determination of net realizable value of real estate properties for sale and held for future development

The Group's estimates of net realizable value of real estate properties for sale and held for future development are based on the most reliable evidence available at the time the estimates are made, or the amount that the real estate properties for sale and real estate properties held for future development are expected to be realized. These estimates consider the fluctuations of price or cost directly relating to events occurring after the end of the reporting period to the extent that such events confirm conditions existing at the end of the period. A new assessment is made of NRV in each subsequent period. When the circumstances that previously caused the real estate properties for sale to be written down below cost no longer exist or when there is clear evidence of an increase in NRV because of changes in economic circumstances, the amount of the write-down is reversed so that the new carrying amount is the lower of the cost and the revised NRV. The carrying amounts of real estate properties for sale as of December 31, 2024 and 2023 are disclosed in Note 9.

Estimation of useful lives of investment properties and property and equipment

The Group estimates the useful lives of investment properties and property and equipment based on the internal technical evaluation and experience with similar assets. Estimated lives of investment properties and property and equipment are reviewed periodically and updated if expectations differ from previous estimates due to wear and tear, technical and commercial obsolescence and other limits on the use of the assets. As of December 31, 2024 and 2023, net book value of depreciable investment properties are disclosed in Note 11.



Determination of the fair value of investment properties and real estate properties held for future development

The Group discloses the fair values of its investment properties and real estate properties held for future development in accordance with PAS 40, *Investment Property*. The Group engaged SEC-accredited and independent valuation specialists to assess fair value as of December 31, 2024 and 2023. The Group's investment properties consist of land and building pertaining to commercial properties while real estate properties held for future development pertain to land. These are valued by reference to sales of similar or substitute properties and other related market data had these properties been transacted in the market. The significant unobservable inputs used in determining the fair value are the sales price per square meter of similar or substitute property, location, size, shape of lot and the highest and best use. Another method used in determining the fair value of land properties is based on the market data approach. The value of land is based on sales and listings of comparable property registered within the vicinity. This requires adjustments of comparable property by reducing reasonable comparative sales and listings to a common denominator by adjusting the difference between the subject property and those actual sales and listings regarded as comparables. The comparison is premised on the factors of location; size and shape of the lot; time element and others (see Note 26).

The fair value of these properties as of December 31, 2024 and 2023 are disclosed in Notes 10 and 26 while the carrying amounts of these properties as of December 31, 2024 and 2023 are disclosed in Note 10.

Estimation of retirement benefits cost

The cost of the defined benefit plan and the present value of the defined benefit obligation are determined using actuarial valuations which involves making various assumptions that may differ from actual developments in the future. These assumptions include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

In determining the appropriate discount rate, management considers the various tenors, rates for intermediate durations were interpolated and the rates were then weighted by the expected benefits payments at those durations to arrive at the single weighted average discount rate.

The mortality rate is based on publicly available mortality table in the Philippines. Future salary increases are based on expected future inflation rates. Further details about assumptions used are given in Note 23.

The carrying amounts of net retirement benefits liabilities/plan assets as of December 31, 2024 and 2023 are disclosed in Note 23.

Estimation of reserves

Reserves are set up for all pre-need benefits guaranteed and payable by CPI as defined in the pre-need plan contracts. The determination of CPI's reserves is based on the actuarial formula, methods, and assumptions allowed by applicable SEC and IC circulars. This is dependent on management's selection of certain assumptions used by actuaries in computing this amount.

As of December 31, 2024 and 2023, the principal assumptions used in determining the PNR were based on the IC Circular Letter No. 23-2012 dated November 28, 2012. The transitory discount interest rate that shall be used in the valuation of pre-need reserves shall not exceed the lower of the attainable rates as certified by the Trustee is 3.76% and 3.66% in 2024 and 2023, respectively, and the IC rate of 6.00%.



The following are the assumptions used in the computation of pre-need reserves:

December 31, 2024:

a. Currently-Being-Paid Pension Plans - Actively Paying Plans

Plans issued prior to 2006 and after - 3.76% discount rate (ROI rate) and no surrender/lapse rates were used.

b. Currently-Being-Paid Pension Plans - Lapsed Plans

Plans issued prior to 2006 and after - reserves equal the termination values (as originally computed) at the date of lapse and no reinstatement rate was assumed.

c. Fully paid plans - Availing and Not Yet Availing

Plans with maturity dates in years 2024 and after - 3.76% discount rate (ROI rate) and no surrender rates were assumed for fully paid plans.

December 31, 2023:

c. Currently-Being-Paid Pension Plans - Actively Paying Plans

Plans issued prior to 2006 and after - 3.66% discount rate (ROI rate) and no surrender/lapse rates were used.

d. Currently-Being-Paid Pension Plans - Lapsed Plans

Plans issued prior to 2006 and after - reserves equal the termination values (as originally computed) at the date of lapse and no reinstatement rate was assumed.

c. Fully paid plans - Availing and Not Yet Availing

Plans with maturity dates in years 2023 and after - 3.66% discount rate (ROI rate) and no surrender rates were assumed for fully paid plans.

December 31, 2022:

a. Currently-Being-Paid Pension Plans - Actively Paying Plans

Plans issued prior to 2006 and after - 3.95% discount rate (ROI rate) and no surrender/lapse rates were used.

b. Currently-Being-Paid Pension Plans - Lapsed Plans

Plans issued prior to 2006 and after - reserves equal the termination values (as originally computed) at the date of lapse and no reinstatement rate was assumed.

c. Fully paid plans - Availing and Not Yet Availing

Plans with maturity dates in years 2022 and after - 3.95% discount rate (ROI rate) and no surrender rates were assumed for fully paid plans.



Management believes that the amount of pre-need reserves and other reserves recorded in the books closely reflect potential plan claims as of end of reporting period. The pre-need reserve and other reserves balance as of December 31, 2024 and 2023 are disclosed in Note 5.

Recognition of deferred income tax assets

The Group reviews the carrying amounts of deferred income tax assets at the end of each reporting period and reduces deferred income tax assets to the extent that it is no longer probable that sufficient future taxable profits will be available to allow all or part of the deferred income tax assets to be utilized.

The carrying amounts of deferred income tax assets as of December 31, 2024 and 2023 are disclosed in Note 24.

4. Cash and Cash Equivalents and Short-term and Long-term Investments

Cash and cash equivalents consist of:

| | 2024 | 2023 |
|---------------------------|-----------------------|--------------|
| Cash on hand and in banks | ₱178,565,425 | ₱104,919,024 |
| Cash equivalents | 1,112,000,000 | 580,968,116 |
| | ₱1,290,565,425 | ₱685,887,140 |

Cash in banks earn interest at the respective bank deposit rates. Cash equivalents are made for varying periods up to three (3) months depending on the immediate cash requirements of the Group, and earn interest at the respective investment rates.

Short-term investments consist of:

| | 2024 | 2023 |
|-----------------------------|-----------------------|----------------|
| Short-term cash investments | ₱892,100,000 | ₱853,700,000 |
| Short-term bond investments | 495,500,000 | 277,700,000 |
| | ₱1,387,600,000 | ₱1,131,400,000 |

Short-term investments pertain to cash and bond investments that have maturities of more than three (3) months to one (1) year from date of acquisition and earn interest at the prevailing market rates.

Long-term investments amounting to ₱250.00 million and ₱100.00 million as of December 31, 2024 and 2023, respectively, pertain to cash and bond investments that have maturities of more than one (1) year from the date of acquisition.

Interest income earned from cash in banks, cash equivalents and investments are disclosed in Note 20.



5. Investments in Trust Funds and Pre-need and Other Reserves

Investments in Trust Funds

Pursuant to the provisions of the SEC Memorandum Circular No. 6, *Guidelines on the Management of the Trust Fund of Pre-Need Corporation* (SEC Circular No. 4), the SEC requires, among others, that companies engaged in the sale of pre-need plans and similar contracts to planholders set up a trust fund to guarantee the delivery of property or performance of service in the future. Withdrawals from these trust funds are limited to, among others, payments of pension plan benefits, bank charges and investment expenses in the operation of the trust funds, termination value payable to plan holders, contributions to the trust funds of cancelled plans and final taxes on investment income of the trust funds.

In accordance with the SEC requirements, CPI has funds deposited with two local trustee banks aggregating to ₱34.24 million and ₱36.95 million as of December 31, 2024 and 2023, respectively, which are recorded under “Investments in trust funds” account in the consolidated statements of financial position.

The details of CPI’s investments in trust funds as of December 31 are as follows:

| | 2024 | 2023 |
|------------------------------------------------|---------------------|---------------------|
| Assets | | |
| Cash and cash equivalents: | | |
| Cash in banks | ₱149,964 | ₱240,933 |
| Cash equivalents | 2,699,343 | 2,629,197 |
| Financial assets at amortized cost | 20,386,041 | 20,509,410 |
| Financial assets at FVOCI | – | 681,157 |
| Financial assets at FVPL | 4,674,290 | 4,572,274 |
| Loans and receivables - net | 1,615,794 | 1,977,981 |
| Investment properties | 5,149,283 | 6,839,400 |
| Other assets | 304,902 | 297,575 |
| | 34,979,617 | 37,747,927 |
| Liabilities | | |
| Accrued trust fees | 42,332 | 27,126 |
| Accrued taxes | 210,754 | 141,915 |
| Unrealized gain on sale of investment property | 298,166 | 353,601 |
| Other liabilities | 188,208 | 274,658 |
| | 739,460 | 797,300 |
| Net equity | 34,240,157 | 36,950,627 |
| Less noncurrent portion | (31,643,937) | (34,080,497) |
| Current portion | ₱2,596,220 | ₱2,870,130 |

Based on the appraisal reports by SEC-accredited and independent firms of appraisers using market data and sales comparison approach at various dates in 2024 and 2023, the fair values of the investment properties held in trust fund amounted to ₱5.15 million and ₱6.84 million, as of dates of appraisal in 2024 and 2023, respectively.



Details of the net equity as of December 31 are as follows:

| | 2024 | 2023 |
|------------------------------------------------------------|--------------------|-------------|
| Net Equity | | |
| Fund balances at beginning of year | ₱36,950,627 | ₱34,235,354 |
| Withdrawals | (2,355,450) | (1,891,127) |
| Trust fund income (loss) | (327,381) | 4,583,069 |
| Other comprehensive income (loss) for the year: | | |
| Unrealized fair value changes on financial assets at FVOCI | (27,639) | 23,331 |
| Fund balances at end of year | ₱34,240,157 | ₱36,950,627 |

Total contributions to the trust funds amounted to nil in 2024 and 2023. Total withdrawals from the trust funds amounted to ₱2.36 million and ₱1.89 million in 2024 and 2023, respectively.

Mark-to-market gain (loss) of CPI's financial assets at FVOCI amounted to (₱0.03 million), ₱0.02 million and (₱0.13 million) in 2024, 2023 and 2022, respectively.

Movement in unrealized fair value changes on financial assets at FVOCI in 2024, 2023 and 2022 are as follows:

| | 2024 | 2023 | 2022 |
|-----------------------------------------|-----------------|---------|-----------|
| Balances at January 1 | ₱98,959 | ₱75,628 | ₱203,935 |
| Mark-to-market gain (loss) for the year | (27,639) | 23,331 | (128,307) |
| Balances at December 31 | ₱71,320 | ₱98,959 | ₱75,628 |

Pre-need and Other Reserves

Details of reserves are as follows:

| | 2024 | 2023 |
|---------------------------|---------------------|--------------|
| PNR | ₱21,848,202 | ₱23,771,931 |
| Pension bonus reserve | 117,364 | 126,278 |
| Insurance premium reserve | 35,960 | 40,172 |
| | 22,001,526 | 23,938,381 |
| Less noncurrent portion | (21,162,942) | (22,822,951) |
| | ₱838,584 | ₱1,115,430 |

Net contractual liabilities comprise the PNR and reserve for trust fund deficiency. In the opinion of management and the independent actuary, CPI's net contractual liabilities amounting to ₱21.85 million and ₱23.77 million as of December 31, 2024 and 2023, respectively, which is based on the actuarial reports, closely reflect actual potential plan claims as of those dates.

In accordance with IC Circular Letter No. 23-2012 issued on November 28, 2012, the Group computed for the transitory PNR which amounted to ₱21.85 million and ₱23.77 million as of December 31, 2024 and 2023, respectively. If the resulting pre-need reserve is greater than the actual trust fund balance at the end of the year, the transitory pre-need reserves shall be computed in accordance with the schedule provided in the IC Circular Letter.



As of December 31, CPI has recognized trust fund surplus as follows:

| | 2024 | 2023 | 2022 |
|-------------------------------------------------------------------|----------------------|---------------|---------------|
| Pre-need reserves | (P21,848,202) | (P23,771,931) | (P23,833,017) |
| Adjusted fund balance available for reserves per actuarial report | 27,177,585 | 28,933,494 | 28,787,460 |
| Trust fund surplus | P5,329,383 | P5,161,563 | P4,954,443 |

The trust fund surplus for the year represents the difference of pre-need reserve and trust fund investment, net of investment in trust funds allocated to pension bonus and unrealized gains.

The following presents the breakdown of the pre-need reserves by maturity dates as of December 31:

| | 2024 | 2023 |
|--------------------|--------------------|-------------|
| Within one year | P838,584 | P1,115,430 |
| More than one year | 21,009,618 | 22,656,501 |
| | P21,848,202 | P23,771,931 |

IC Circular Letter No. 2018-58

On November 14, 2018, the IC issued Circular Letter 2018-58 providing Regulatory Relief for the Pre-need Industry due to High Volatility in the Philippine Market. The circular provides the following regulatory relief:

a. Valuation of Publicly Listed Equity Securities

For listed equity securities acquired on or before December 31, 2017, pre-need companies shall have the option to use the prevailing market rate prescribed by PFRSs or the market rate as of December 31, 2017.

For listed equity securities acquired after December 31, 2017, pre-need companies shall have the option to use the prevailing market rate prescribed by PFRSs or the acquisition cost.

The above options apply provided the equity securities are not intended for sale in the short-term.

b. Valuation of Fixed Income Debt Securities

Pre-need companies shall have the option to value all the fixed income debt securities at amortized cost.

c. Pre-need reserves

Pre-need companies shall have the option to use the prevailing market rate or the discount rate for the reserves under Circular Letter 23-2012 in the valuation of pre-need reserves.

As of December 31, 2024 and 2023, CPI did not avail of the above regulatory relief on the valuation of assets and pre-need reserves. Hence, the assets and pre-need reserves are valued using market rates.



6. Revenue from Contracts with Customers

Disaggregated Revenue Information

The Group derives revenue from the real estate sales overtime in different product type and geographical location. The disaggregation of each sources of revenue from contracts with customers are presented below:

Real estate sales

| Type of Product | 2024 | 2023 | 2022 |
|--------------------------|-----------------------|----------------|----------------|
| High-rise condominium | ₱1,490,343,540 | ₱2,071,697,716 | ₱2,439,382,535 |
| Parking slots and others | 148,831,160 | 106,158,983 | 116,955,029 |
| Total | ₱1,639,174,700 | ₱2,177,856,699 | ₱2,556,337,564 |

Real estate sales of the Company pertain to sale of properties within Metro Manila in 2024, 2023 and 2022.

All of the Group's real estate sales, except for CPI, are revenue from contracts with customers recognized over time and are reported under "Sales of real estate properties" segment. For CPI, real estate sales are revenue from contracts with customers recognized at a point in time.

In 2024, 2023 and 2022 sales for real estate properties within Metro Manila arose from contracts with external buyers. There were no intercompany sales/transactions made on the said years.

Contract Balances

| | December 31, 2024 | January 1, 2024 | December 31, 2023 |
|----------------------------------|----------------------|--------------------|----------------------|
| Installment contracts receivable | | | |
| Current | ₱8,296,040 | ₱16,433,171 | ₱16,433,171 |
| Noncurrent | 26,561,292 | 25,666,335 | 25,666,335 |
| Contract assets | | | |
| Current | 814,345,563 | 820,183,149 | 654,289,571 |
| Noncurrent | 1,272,824,832 | 1,576,946,072 | 1,553,867,706 |
| Contract liabilities | | | |
| Current | (181,581,626) | (29,955,462) | (10,704,561) |
| Noncurrent | (86,567,334) | (28,126,623) | (38,662,390) |

Installment contracts receivable arises from sale of real estate properties and is collectible in monthly installments for periods ranging from one (1) to 10 years which bear monthly interest rates of 0.92% to 1.33% in 2024 and 2023, computed on the diminishing balance.

Interest income earned from installment contracts receivable and contract assets are disclosed in Note 20.

The Parent Company, CI and CLDI (collectively known as the Group) entered into various contract of guaranty under the group Retail Guaranty Line with Philippine Guarantee Corporation (PHILGUARANTEE). The amount of installment contract receivable enrolled and renewed by the Group totaled to ₱956.00 million and ₱1,450.00 million in 2024 and 2023, respectively. The Group paid a guaranty premium of 1.00% based on outstanding principal balance of the receivables in 2024, 2023 and 2022 (see Note 17).



Contract asset represents the right to consideration that was already delivered by the Group in excess of the amount recognized as installment contracts receivable. This is reclassified as installment contracts receivable when the monthly amortization of the buyer is already due for collection.

Contract liabilities refer to excess of collections over the goods and services transferred by the Group based on POC. Revenue included in the contract liability is recognized based on the movement of the POC. Contract liabilities amounting to ₱10.70 million, ₱279.14 million and ₱239.83 million were recognized as revenue in 2024, 2023 and 2022, respectively. The balance of contract liabilities amounting to ₱181.58 million is expected to be recognized as revenue by year 2024.

Movement in contract liabilities in 2024, 2023 and 2022 was recognized as income based on the POC of the ongoing projects.

No provision for ECL was recorded for the Group's installment contract receivables and contract assets in 2024, 2023 and 2022 (see Note 26).

Performance Obligations

Information about the Group's performance obligations are summarized below:

Real estate sales

The Group entered into contracts to sell with one identified performance obligation which is the sale of the real estate unit together with the services to transfer the title to the customer upon full payment of contract price. The amount of consideration indicated in the contract to sell is fixed and has no variable consideration.

The sale of real estate unit may cover either the parking lot or condominium unit and the Group concluded that there is one performance obligation in each of these contracts. The Group, except for CPI, recognizes revenue from the sale of these real estate projects under pre-completed contract over time during the course of the construction. CPI recognizes revenue from the sale of these real estate projects at a point in time when control of the asset is transferred to the buyer, generally when the condominium units are delivered to and accepted by the customer.

Payment commences upon signing of the contract to sell and the consideration is payable in cash or under various financing schemes entered with the customer. The financing scheme would include down payment of generally 5% to 10% of the contract price with the remaining balance payable through in-house financing which ranges from one (1) month to 10 years with fixed monthly payment. The amount due for collection under the amortization schedule for each of the buyer does not necessarily coincide with the progress of construction, which results to either a contract asset or contract liability.

In order to cope with the current trend in the real estate industry, the Group offered to customers the "installment down payment" scheme starting 2020 wherein certain projects were offered with 21 months to pay the corresponding down payment. The new scheme introduced by the Group resulted to sales with percentage of collection lower than 10%. The Group records these collections as "Rental and customers' deposits" under "Accounts Payable and Accrued Expenses" account in the consolidated statement of financial position. The transaction price allocated to the remaining performance obligations (unsatisfied or partially satisfied) as at December 31 are as follows:

| | 2024 | 2023 |
|--------------------|-----------------------|--------------|
| Within one year | ₱373,627,614 | ₱58,630,368 |
| More than one year | 904,562,780 | 410,298,620 |
| | ₱1,278,190,394 | ₱468,928,988 |



The remaining performance obligations expected to be recognized within one (1) year and in more than one (1) year relate to the continuous development of the Group's real estate projects. The Group's condominium units are completed within three (3) to five (5) years from start of construction.

Costs to Obtain Contract

The balances below pertain to the cost to obtain contracts as of December 31 as presented in the consolidated statement of financial position:

| | 2024 | 2023 |
|-------------------------------|-------------------|-----------------|
| Balances at beginning of year | ₱5,740,923 | ₱16,976,511 |
| Additions | 37,473,981 | 43,251,348 |
| Amortization | (21,081,280) | (54,486,936) |
| Balances at end of year | 22,133,624 | 5,740,923 |
| Less noncurrent portion | (15,697,824) | (5,023,133) |
| Current portion | ₱6,435,800 | ₱717,790 |

7. Notes Receivable

Notes receivable from various financial institutions earns interest at the prevailing market interest rates ranging from 5.80% to 7.22% and 2.71% to 7.56% as of December 31, 2024 and 2023, respectively, are as follows:

| | 2024 | 2023 |
|-------------------------|---------------------|-----------------------|
| Notes receivable | ₱406,500,000 | ₱1,252,000,000 |
| Less noncurrent portion | (91,500,000) | - |
| Current portion | ₱315,000,000 | ₱1,252,000,000 |

There were no properties offered as collaterals for the said notes receivable.

Details of notes receivables are as follows:

| Date of Placement | Amount | Maturity Date |
|---------------------------------|---------------------|---------------|
| February 2024 | ₱50,000,000 | February 2025 |
| March 2024 | 80,000,000 | March 2025 |
| April 2024 | 10,000,000 | April 2025 |
| May 2024 | 25,000,000 | May 2025 |
| May 2024 | 50,000,000 | May 2025 |
| June 2024 | 100,000,000 | June 2025 |
| July 2024 | 91,500,000 | January 2031 |
| Balance as of December 31, 2024 | ₱406,500,000 | |



| Date of Placement | Amount | Maturity Date |
|----------------------------------------|-----------------------|---------------|
| December 2023 | ₱141,000,000 | March 2024 |
| November 2023 | 125,000,000 | November 2024 |
| November 2023 | 287,000,000 | February 2024 |
| November 2023 | 45,000,000 | January 2024 |
| October 2023 | 82,000,000 | October 2024 |
| October 2023 | 317,000,000 | January 2024 |
| September 2023 | 80,000,000 | March 2024 |
| August 2023 | 25,000,000 | August 2024 |
| May 2023 | 50,000,000 | May 2024 |
| July 2021 | 100,000,000 | July 2024 |
| Balance as of December 31, 2023 | ₱1,252,000,000 | |

Interest income earned from notes receivable is disclosed in Note 20. No provision for ECL was recorded for the Group's notes receivable in 2024, 2023 and 2022 (see Note 26).

8. Other Receivables

Other receivables consist of:

| | 2024 | 2023 |
|--------------------------------------|--------------------|--------------------|
| Accrued interest (Note 25) | ₱27,485,500 | ₱31,684,922 |
| Advances to customers | 23,028,887 | 11,361,428 |
| Rent receivable | 8,799,339 | 10,385,013 |
| Advances to condominium corporations | 4,218,021 | 7,167,660 |
| Retention | 902,092 | 1,582,091 |
| Due from related party (Note 25) | 18,049 | 12,030,722 |
| Others | 5,302,888 | 563,337 |
| | 69,754,776 | 74,775,173 |
| Less noncurrent portion | (1,480,282) | (840,277) |
| Current portion | ₱68,274,494 | ₱73,934,896 |

Accrued interest pertains to interest income earned as of December 31 but not yet received by the Group. Advances to customers are receivables of the Group for the real estate property taxes of sold condominium units initially paid by the Group. Rent receivable arose from the investment properties rented-out under non-cancellable long-term operating lease contracts (see Note 10). Advances to condominium corporations pertain to disbursements which are collectible from condominium corporations. Retention pertains to the amount held on cash sale of real estate properties. Due from related party pertains to the amount of receivables to be collected from related party where one party can exercise control or significant influence over another party. Other receivables include receivable from the retirement plan, employees' advances and receivables from buyers for expenses initially paid by Group. No provision for ECL was recorded for the Group's other receivables in 2024, 2023 and 2022 (see Note 26).



9. Real Estate Properties for Sale

Real estate properties for sale account consists of costs incurred in the development of condominium units and residential houses. Real estate properties for sale includes deemed cost adjustment amounting to ₱3.09 million and ₱3.1 million as of December 31, 2024 and 2023, respectively (see Note 15). The deemed cost adjustment arose when the Group transitioned to PFRS Accounting Standards in 2005.

The movements in real estate properties for sale are as follows:

| | 2024 | 2023 |
|-----------------------------------------|-----------------------|-----------------------|
| Balances at beginning of year | ₱4,773,833,259 | ₱4,399,033,169 |
| Construction/development costs incurred | 1,778,528,736 | 1,523,668,774 |
| Disposals (costs of real estate sales) | (745,328,980) | (1,180,078,929) |
| Adjustment on borrowing cost (Note 2) | (58,849,790) | - |
| Borrowing costs capitalized (Note 21) | - | 11,681,600 |
| Other adjustments - net | 19,502,415 | 19,528,645 |
| Balances at end of year | ₱5,767,685,640 | ₱4,773,833,259 |

Real estate properties for sale account includes capitalized borrowing costs incurred in 2023 in connection with the development of the properties. The average capitalization rate used to determine the amount of capitalized borrowing costs eligible for capitalization is 1.09%. On January 1, 2024, the Company ceased to capitalize borrowing cost (see Note 2).

Other adjustments include realized deemed cost adjustment and the recognition of repossessed real estate properties measured at fair value less cost to sell at the date of repossession.

10. Real Estate Properties Held for Future Development and Investment Properties

Real Estate Properties Held for Future Development

Real estate properties held for future development pertain to properties retained by the Group as part of its strategic land banking activities, and there is no concrete plan yet on the development of the properties.

Movements in real estate properties held for future development are as follows:

| | 2024 | 2023 |
|--------------------------------|---------------------|---------------------|
| Balances at beginning of year | ₱377,771,910 | ₱376,574,395 |
| Additions | 1,327,747 | 1,197,515 |
| Balances at end of year | ₱379,099,657 | ₱377,771,910 |

Investment Properties

Investment properties consist of the following:

| | 2024 | 2023 |
|------------------------------------------------------|-----------------------|-----------------------|
| Real estate properties for lease | ₱1,589,818,080 | ₱2,174,092,728 |
| Real estate properties held for capital appreciation | 1,015,780,908 | 471,136,436 |
| | ₱2,605,598,988 | ₱2,645,229,164 |



Movements in investment properties are as follows:

| 2024 | | | | |
|---------------------------------|-----------------------|---------------------|--------------------------|-----------------------|
| | Land | Building | Building Improvements | Total |
| Costs | | | | |
| Balances at beginning of year | ₱1,848,826,255 | ₱1,035,639,179 | ₱210,316,000 | ₱3,094,781,434 |
| Additions | 8,973,223 | 2,051,696 | – | 11,024,919 |
| Balances at end of year | 1,857,799,478 | 1,037,690,875 | 210,316,000 | 3,105,806,353 |
| Accumulated Depreciation | | | | |
| Balances at beginning of year | – | 339,340,147 | 110,212,123 | 449,552,270 |
| Depreciation (Notes 17 and 19) | – | 39,455,095 | 11,200,000 | 50,655,095 |
| Balances at end of year | – | 378,795,242 | 121,412,123 | 500,207,365 |
| Net Book Values | ₱1,857,799,478 | ₱658,895,633 | ₱88,903,877 | ₱2,605,598,988 |

| 2023 | | | | |
|---------------------------------|-----------------------|---------------------|--------------------------|-----------------------|
| | Land | Building | Building Improvements | Total |
| Costs | | | | |
| Balances at beginning of year | ₱1,560,801,239 | ₱1,046,020,350 | ₱210,316,000 | ₱2,817,137,589 |
| Cost adjustment | (5,014,240) | (4,226,327) | – | (9,240,567) |
| Additions | 293,039,256 | – | – | 293,039,256 |
| Retirement | – | (6,154,844) | – | (6,154,844) |
| Balances at end of year | 1,848,826,255 | 1,035,639,179 | 210,316,000 | 3,094,781,434 |
| Accumulated Depreciation | | | | |
| Balances at beginning of year | – | 305,715,901 | 99,012,123 | 404,728,024 |
| Depreciation (Notes 17 and 19) | – | 39,779,090 | 11,200,000 | 50,979,090 |
| Retirement | – | (6,154,844) | – | (6,154,844) |
| Balances at end of year | – | 339,340,147 | 110,212,123 | 449,552,270 |
| Net Book Values | ₱1,848,826,255 | ₱696,299,032 | ₱100,103,877 | ₱2,645,229,164 |

Investment properties as of December 31, 2024 and 2023 include the following buildings for lease registered with Philippine Economic Zone Authority (PEZA) which are leased out to third parties:

| | PEZA Registration No. | Date Registered |
|-----------------|--------------------------|-------------------|
| CityNet1 | EZ14-04 | March 3, 2014 |
| Citynet Central | EZ15-06 | February 17, 2015 |

The net book values of land and building include net deemed cost adjustment amounting to ₱158.67 million as of December 31, 2024 and 2023 (see Note 15). The deemed cost adjustment arose when the Group transitioned to PFRS Accounting Standards in 2005.

Based on the appraisal reports by SEC-accredited and independent firms of appraisers using market data and sales comparison approach at various dates in 2024 and 2023, appraised values of these investment properties and real estate properties held for future development amounted to ₱8,705.52 million and ₱2,752.16 million, respectively, as of dates of appraisal in 2024 and ₱9,048.28 million and ₱1,721.50 million, respectively, in 2023 (see Note 26).

Rental agreements

The Group entered into lease agreements for its buildings for lease with the following identified performance obligations: (a) lease of space, (b) provisioning of water and electricity, (c) provision of air conditioning and CUSA services and (d) administration fee. Revenue from lease of space is recognized on a straight-line basis over the lease term while revenue for the remaining performance obligations are recognized when services are rendered. The tenant is required to issue post-dated checks



on the monthly rental payments. In case of delay in payments, a penalty of about 4% per annum is charged for the amount due for the duration of delay. The lease arrangement for the Group's long-term lease transactions would typically require a tenant to pay advance rental equivalent to three (3) months and a security deposit equivalent to three (3) months rental to cover any breakages after the rental period, with the excess returned to the tenant.

The following are the long-term lease contracts entered into by the Group as of December 31, 2024:

| Commencement of lease term | Lessee (Third Parties) | Term |
|----------------------------|------------------------|-------------------------|
| 2024 | Domestic Corporation | 3 years |
| 2024 | Domestic Corporation | 3 years |
| 2024 | Domestic Corporation | 3 years |
| 2024 | Domestic Corporation | 5 years |
| 2024 | Domestic Corporation | 3 years |
| 2024 | Domestic Corporation | 5 years |
| 2024 | Domestic Corporation | 10 years |
| 2024 | Domestic Corporation | 3 years |
| 2024 | Domestic Corporation | 5 years |
| 2024 | Domestic Corporation | 2 years and 2 months |
| 2024 | Convenience Store | 5 years |
| 2024 | Domestic Corporation | 5 years |
| 2024 | Domestic Corporation | 3 years |
| 2024 | Domestic Corporation | 3 years |
| 2023 | Domestic Corporation | 3 years |
| 2023 | Convenience Store | 5 years |
| 2023 | Domestic Company | 5 years |
| 2023 | Domestic Company | 3 years |
| 2023 | Domestic Corporation | 5 years |
| 2023 | Convenience Store | 5 years |
| 2023 | Domestic Corporation | 3 years |
| 2023 | Domestic Corporation | 2 years |
| 2022 | Oil Company | 8 years |
| 2022 | Convenience Store | 5 years |
| 2022 | Domestic Corporation | 3 years |
| 2022 | Domestic Corporation | 5 years |
| 2022 | Domestic Corporation | 5 years |
| 2021 | Fast Food | 5 years |
| 2021 | Domestic Corporation | 3 years |
| 2021 | Domestic Corporation | 5 years |
| 2020 | Domestic Corporation | 5 years |
| 2020 | Domestic Corporation | 5 years |
| 2020 | Domestic Corporation | 5 years |
| 2020 | Domestic Corporation | 5 years |
| 2019 | Domestic Corporation | 5 years |
| 2019 | Domestic Corporation | 5 years |
| 2019 | Domestic Corporation | 5 years |
| 2019 | Domestic Corporation | 5 years |
| 2019 | Domestic Corporation | 5 years |
| 2019 | Domestic Corporation | 5 years |
| 2019 | Domestic Corporation | 5 years |
| 2017 | Fast Food | 10 years |



The lease contracts include clauses to enable periodic upward revision of the rental charge according to prevailing market conditions.

Three (3) lease contracts were terminated in 2024 and 2023.

The future minimum lease payments for these lease agreements as of December 31 are as follows:

| | 2024 | 2023 |
|---------------------------------------------|---------------------|--------------|
| Within one year | ₱108,874,994 | ₱134,732,387 |
| After one year but not more than five years | 223,108,801 | 181,766,262 |
| Later than five years | 15,903,569 | 3,771,298 |
| | ₱347,887,364 | ₱320,269,947 |

Other lease agreements with third parties are generally for a one-year term renewable every year.

Rent income from investment properties amounted to ₱223.27 million, ₱219.79 million and ₱188.58 million in 2024, 2023 and 2022, respectively (see Note 29). Direct operating expenses on investment properties pertaining to depreciation, real estate taxes and other expenses amounted to ₱101.92 million, ₱107.45 million and ₱98.55 million in 2024, 2023 and 2022, respectively (see Note 29).

11. Property and Equipment

Property and equipment consist of:

| | 2024 | | | | | | |
|------------------------------------------|--------------------|-------------------|--------------------|---------------------------------------------------|------------------------------------------|------------------------|--------------------|
| | Land | Building | Office Premises | Furniture, Fixtures and Office Equipment | Transportation and Other Equipment | Right-of-use Assets | Total |
| At Cost | | | | | | | |
| Balances at beginning of year | ₱44,124,342 | ₱9,169,134 | ₱- | ₱24,932,670 | ₱4,455,156 | ₱17,656,082 | ₱100,337,384 |
| Cash additions | - | - | - | - | 1,099,107 | - | 1,099,107 |
| Noncash additions | - | - | - | - | - | 1,944,840 | 1,944,840 |
| Disposal/retirement | - | - | - | - | (1,284,870) | (1,945,411) | (3,230,281) |
| Balances at end of year | 44,124,342 | 9,169,134 | - | 24,932,670 | 4,269,393 | 17,655,511 | 100,151,050 |
| Accumulated Depreciation | | | | | | | |
| Balances at beginning of year | - | 1,798,109 | - | 15,091,365 | 3,408,277 | 3,877,822 | 24,175,573 |
| Depreciation (Notes 17 and 19) | - | 377,717 | - | 3,209,820 | 215,716 | 4,814,448 | 8,617,701 |
| Disposal/retirement | - | - | - | - | (1,284,870) | (1,945,411) | (3,230,281) |
| Balances at end of year | - | 2,175,826 | - | 18,301,185 | 2,339,123 | 6,746,859 | 29,562,993 |
| Net Book Value | 44,124,342 | 6,993,308 | - | 6,631,485 | 1,930,270 | 10,908,652 | 70,588,057 |
| At Deemed Cost | | | | | | | |
| Balances at beginning and end of year | - | - | 253,365,628 | - | - | - | 253,365,628 |
| Accumulated Depreciation | | | | | | | |
| Balances at beginning and end of year | - | - | 253,365,628 | - | - | - | 253,365,628 |
| Net Deemed Cost | - | - | - | - | - | - | - |
| Total | ₱44,124,342 | ₱6,993,308 | ₱- | ₱6,631,485 | ₱1,930,270 | ₱10,908,652 | ₱70,588,057 |



| | 2023 | | | | | | |
|---------------------------------------|--------------------|-------------------|-----------------|------------------------------------------|------------------------------------|---------------------|--------------------|
| | Land | Building | Office Premises | Furniture, Fixtures and Office Equipment | Transportation and Other Equipment | Right-of-use Assets | Total |
| At Cost | | | | | | | |
| Balances at beginning of year | ₱44,124,342 | ₱9,169,134 | ₱- | ₱21,429,456 | ₱3,376,585 | ₱13,950,663 | ₱92,050,180 |
| Cash additions | - | - | - | 8,910,714 | 1,078,571 | - | 9,989,285 |
| Noncash additions | - | - | - | - | - | 15,710,670 | 15,710,670 |
| Disposal/retirement | - | - | - | (5,407,500) | - | (12,005,251) | (17,412,751) |
| Balances at end of year | 44,124,342 | 9,169,134 | - | 24,932,670 | 4,455,156 | 17,656,082 | 100,337,384 |
| Accumulated Depreciation | | | | | | | |
| Balances at beginning of year | - | 1,412,731 | - | 18,110,546 | 3,372,325 | 11,348,599 | 34,244,201 |
| Depreciation (Notes 17 and 19) | - | 385,378 | - | 2,388,319 | 35,952 | 4,534,474 | 7,344,123 |
| Disposal/retirement | - | - | - | (5,407,500) | - | (12,005,251) | (17,412,751) |
| Balances at end of year | - | 1,798,109 | - | 15,091,365 | 3,408,277 | 3,877,822 | 24,175,573 |
| Net Book Value | 44,124,342 | 7,371,025 | - | 9,841,305 | 1,046,879 | 13,778,260 | 76,161,811 |
| At Deemed Cost | | | | | | | |
| Balances at beginning and end of year | - | - | 253,365,628 | - | - | - | 253,365,628 |
| Accumulated Depreciation | | | | | | | |
| Balances at beginning and end of year | - | - | 253,365,628 | - | - | - | 253,365,628 |
| Net Deemed Cost | - | - | - | - | - | - | - |
| Total | ₱44,124,342 | ₱7,371,025 | ₱- | ₱9,841,305 | ₱1,046,879 | ₱13,778,260 | ₱76,161,811 |

The cost of fully depreciated property and equipment still used in operations amounted to ₱5.22 million and ₱5.88 million as of December 31, 2024 and 2023, respectively.

Other lease contracts entered by the Group pertain to short-term leases of office space and transportation equipment with rent expense amounting to ₱0.72 million, ₱1.30 million and ₱0.20 million incurred for the year ended December 31, 2024, 2023 and 2022, respectively (see Notes 14 and 17). The Group does not have any lease contracts pertaining to low value assets. Further, the Group does not have any sublease and leaseback transactions. Thus, there were no income arising from sublease, sale and leaseback transaction.

12. Other Assets

Other current assets amounting to ₱162.36 million and ₱107.02 million as of December 31, 2024 and 2023, respectively, consist of input VAT, advances to contractors and prepaid real estate taxes. In 2024, the Group made a guaranty deposit placement amounting to ₱76.12 million.

Other noncurrent assets consist of:

| | 2024 | 2023 |
|-----------------------------|---------------------|--------------|
| Financial assets at FVOCI | ₱342,592,161 | ₱187,630,775 |
| Guaranty deposits (Note 25) | 62,999,438 | 157,299,438 |
| Deposits and others | 18,462,407 | 17,513,779 |
| Unused input VAT | 40,714 | 203,571 |
| Advances to contractors | 5,000 | 2,096,079 |
| | ₱424,099,720 | ₱364,743,642 |

Guaranty deposits pertain to placements made by Credit and Land Holdings, Inc. (CLHI), an affiliate of the Parent Company, in favor of the Housing and Land Use Regulatory Board (HLURB) wherein the Parent Company and CLDI are required to secure a cash bond in relation to the construction and development of its ongoing projects (see Note 25). The interest income earned from guaranty deposits amounted to ₱9.77 million in 2024 and ₱17.82 million in 2023 and ₱13.33 million in 2022 (see Notes 20 and 25).



Deposits and others represent payments made by the Group to various utility companies for the installation of electric and water meters for unsold condominium units. Advances to contractors are advances made by the Group for the contractors' supply requirement.

Financial assets at FVOCI consist of investments in listed equity securities. The fair values of these financial assets were determined based on published prices in an active market. The Group made additional investments amounting to ₱150.00 million in 2024 and ₱180.01 million in 2023.

The movement of unrealized fair value changes on equity securities at FVOCI follows:

| | 2024 | 2023 |
|------------------------------|-------------|------------|
| Balance at beginning of year | ₱7,633,682 | ₱219,838 |
| Realized gain | - | (165,415) |
| Unrealized gain for the year | 4,945,645 | 7,579,259 |
| Balance at end of year | ₱12,579,327 | ₱7,633,682 |

13. Accounts Payable and Accrued Expenses

Accounts payable and accrued expenses consist of:

| | 2024 | 2023 |
|----------------------------------|---------------|---------------|
| Trade payables | ₱163,528,270 | ₱173,780,205 |
| Rental and customers' deposits | 151,233,288 | 111,640,288 |
| Accrued expenses: | | |
| Development costs | 323,159,201 | 239,111,895 |
| Directors' fee (Note 25) | 37,092,940 | 31,571,135 |
| Sick leave (Note 23) | 34,979,489 | 36,341,940 |
| Interest payable | 1,549,279 | 1,297,207 |
| Taxes, premiums, others | 7,857,180 | 1,590,274 |
| Deferred rent income | 34,952,685 | 50,643,988 |
| Dividends payable | 18,594,627 | 15,764,602 |
| Lease liabilities | 11,631,540 | 14,179,193 |
| Withholding taxes payable | 10,491,972 | 10,492,943 |
| Due to related parties (Note 25) | 2,556,165 | 4,192,337 |
| VAT payable | 108,712 | 1,641,406 |
| Others | 10,082,838 | 8,392,429 |
| | 807,818,186 | 700,639,842 |
| Less noncurrent portion | (265,354,855) | (299,152,865) |
| Current portion | ₱542,463,331 | ₱401,486,977 |

Trade payables consist of payables to suppliers, contractors and other counterparties. Rental and customers' deposits consist of buyers' reservation fees, collections pertaining to sales transactions with below 10% percentage of collection, rental deposits and collected deposits for water and electric meters of the sold units. Accrued development costs represent the corresponding accrued expenses for the completed condominium units of the Group. Deferred rent income pertains to rent received from long-term operating lease.

Lease liabilities pertain to the present value of the lease payments that are not yet paid during the remaining lease period. There were no expenses relating to variable lease payments that were not included in the measurement of lease liabilities.



Other payables consist substantially of commission payable, unclaimed checks of pension holders, and payables due to government agencies.

Group as a lessee

The Group has lease contracts for various items of plant assets used in its operations. Leases of plant assets generally have lease terms between 2 to 5 years. The Group's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Group is restricted from assigning and subleasing the leased assets and some contracts require the Group to maintain certain financial ratios. There are several lease contracts that include extension and termination options and variable lease payments, which are further discussed below.

The following are the amounts recognized in the consolidated statements of income:

| | 2024 | 2023 | 2022 |
|--------------------------------------------------------------|-------------------|------------|------------|
| Depreciation expense of right-of-use assets (Note 11) | ₱4,814,448 | ₱4,534,474 | ₱4,213,702 |
| Interest expense on lease liabilities (Note 21) | 709,905 | 680,313 | 207,967 |
| Expenses relating to short-term leases (Notes 11 and 17) | 724,370 | 1,299,656 | 197,447 |
| Total amount recognized in consolidated statements of income | ₱6,248,723 | ₱6,514,443 | ₱4,619,116 |
| Cash outflows from leases | ₱5,926,769 | ₱6,437,999 | ₱5,252,605 |

The rollforward analysis of lease liabilities as of December 31 is as follows:

| | 2024 | 2023 |
|-------------------------------|--------------------|-------------|
| Balances at beginning of year | ₱14,179,193 | ₱2,926,553 |
| Additions | 1,944,841 | 15,710,670 |
| Interest expense (Note 21) | 709,905 | 680,313 |
| Payments | (5,202,399) | (5,138,343) |
| Balances at end of year | ₱11,631,540 | ₱14,179,193 |

Shown below is the maturity analysis of the undiscounted lease payments:

| | 2024 | 2023 |
|------------------------------|-------------------|------------|
| 1 year | ₱5,315,408 | ₱5,116,251 |
| More than 1 years to 2 years | 3,598,530 | 4,281,643 |
| More than 2 years to 3 years | 2,616,469 | 2,650,911 |
| More than 3 years to 4 years | 1,112,264 | 3,728,733 |

Other payables consist of deferred credit and payable to employees.

The movements in dividends payable and accrued interest are as follows:

| | January 1, 2024 | Noncash movements | Cash flow movement | December 31, 2024 |
|-----------------------------|--------------------|----------------------|-----------------------|----------------------|
| Dividends payable (Note 15) | ₱15,764,602 | ₱265,746,704 | (₱262,916,679) | ₱18,594,627 |
| Lease liabilities | 2,926,552 | 16,390,983 | (5,138,343) | 14,179,192 |
| Accrued interest (Note 14) | 1,297,207 | 13,992,333 | (13,740,261) | 1,549,279 |
| | ₱19,988,361 | ₱296,130,020 | (₱281,795,283) | ₱34,323,098 |



| | January 1, 2023 | Noncash movements | Cash flow movement | December 31, 2023 |
|-----------------------------|--------------------|----------------------|-----------------------|----------------------|
| Dividends payable (Note 15) | ₱16,306,445 | ₱210,949,595 | (₱211,491,438) | ₱15,764,602 |
| Lease liabilities | 5,828,331 | 2,153,379 | (5,055,158) | 2,926,552 |
| Accrued interest (Note 14) | 1,205,636 | 1,711,589 | (1,620,018) | 1,297,207 |
| | ₱23,340,412 | ₱214,814,563 | (₱218,166,614) | ₱19,988,361 |

| | January 1, 2022 | Noncash movements | Cash flow movement | December 31, 2022 |
|-----------------------------|--------------------|----------------------|-----------------------|----------------------|
| Dividends payable (Note 15) | ₱14,189,450 | ₱130,142,716 | (₱128,025,721) | ₱16,306,445 |
| Lease liabilities | 5,828,331 | 2,153,379 | (5,055,158) | 2,926,552 |
| Accrued interest (Note 14) | 1,077,686 | 1,647,379 | (1,519,429) | 1,205,636 |
| | ₱21,095,467 | ₱133,943,474 | (₱134,600,308) | ₱20,438,633 |

14. Notes and Contracts Payable

Details of notes and contract payable are as follows:

| | 2024 | 2023 |
|------------------|-----------------------|-----------------------|
| Notes payable | ₱1,344,300,000 | ₱1,191,000,000 |
| Contract payable | – | 46,556,450 |
| | ₱1,344,300,000 | ₱1,237,556,450 |

Notes Payable

Notes payable pertains to commercial papers with varying maturities ranging from 30 to 365 days and annual interest rates ranging from 0.56 % to 1.13% as of December 31, 2024 and 2023.

On October 18, 2024 and October 19, 2023, the SEC authorized the Parent Company to issue ₱1,000.00 million and ₱1,000.00 million worth of commercial papers, respectively. Also, on December 20, 2024, the SEC approved CLDI's application of ₱400.00 million worth of commercial paper. Outstanding commercial papers issued by the Parent Company and CLDI as of December 31, 2024 and 2023 aggregated to ₱1,344.30 million and ₱1,191.00 million, respectively. The notes payable are not subject to debt covenants.

The movements in notes payable are as follows:

| | 2024 | 2023 |
|--------------------|------------------------|-----------------------|
| Beginning balances | ₱1,191,000,000 | ₱1,125,850,000 |
| Availments | 4,825,364,395 | 5,412,760,528 |
| Payments | (4,672,064,395) | (5,347,610,528) |
| Ending balances | ₱1,344,300,000 | ₱1,191,000,000 |

Interest expense related to notes payable amounted to ₱12.87 million, ₱11.68 million and ₱13.25 million in 2024, 2023 and 2022, respectively (see Note 21). Capitalized borrowing costs amounted to nil, ₱11.68 million and ₱13.25 million in 2024, 2023 and 2022, respectively (see Notes 9 and 21).

The Parent Company, CI, CLDI and CPI (the Cityland Group) have credit lines with financial institutions aggregating to about ₱2,300.00 million as of December 31, 2024 and 2023, of which ₱1,800.00 million are available for drawing by any of the companies in the Cityland Group. No loans were availed by Cityland Group from the credit line in 2024 and 2023.



The Parent Company has specific credit lines amounting to ₱500.00 million in 2024 and 2023 which is not available for drawing by the other companies. As of December 31, 2024, and 2023, no loans were availed from the credit line.

The carrying values of the Parent Company's investment properties and real estate properties for sale that can be used as collaterals for the Group's credit lines as of December 31, 2024 and 2023 are as follows:

| | |
|---------------------------------|---------------------|
| Investment properties | ₱146,666,172 |
| Real estate properties for sale | 51,220,833 |
| Total | ₱197,887,005 |

Contract Payable

Contract payable amounting to nil and ₱46.56 million as of December 31, 2024 and 2023, respectively represents liability arising from a contract entered into by the Parent Company and City & Land Developers, Incorporated (CLDI) to purchase properties (see Note 10).

The movements in contracts payable are as follows:

| | 2024 | 2023 |
|---------------------------|---------------------|--------------------|
| Beginning balances | ₱46,556,450 | ₱7,549,400 |
| Payments | (46,556,450) | (249,703,592) |
| Noncash additions | - | 293,724,882 |
| Cost adjustment (Note 10) | - | (5,014,240) |
| Ending balances | ₱- | ₱46,556,450 |

Noncash additions pertain to contract payable arising from acquisition of investment properties (see Note 10). Cost adjustment pertains to adjustment in the purchase price of one of the properties acquired by the Parent Company.

15. Equity

- a. The Parent Company registered 10,000,000 shares with the SEC on June 15, 1978 with an initial offer price of ₱10.00. On July 27, 2012, the SEC approved the Amended Articles of Incorporation on the application for increase in authorized capital stock from ₱3,000.00 million to ₱5,000.00 million with a par value of ₱1.00 each. As of December 31, 2024, and 2023, the Parent Company has 4,978,437,272 shares held by 634 and 640 equity holders, respectively.

The following table summarizes the reconciliation of the Parent Company's issued and outstanding shares of capital stock for each of the following:

| | 2024 | | 2023 | | 2022 | |
|-------------------------------------|---------------|----------------|---------------|----------------|---------------|----------------|
| | Shares | Amount | Shares | Amount | Shares | Amount |
| Authorized shares - ₱1 par value | 5,000,000,000 | ₱5,000,000,000 | 5,000,000,000 | ₱5,000,000,000 | 5,000,000,000 | ₱5,000,000,000 |
| Issued, beginning of year | 4,978,437,272 | ₱4,978,437,272 | 4,857,059,542 | ₱4,857,059,542 | 4,625,863,627 | ₱4,625,863,627 |
| Treasury stock | (4,769,406) | (4,769,406) | (4,769,406) | (4,769,406) | (4,769,406) | (4,769,406) |
| Outstanding | 4,973,667,866 | 4,973,667,866 | 4,852,290,136 | 4,852,290,136 | 4,621,094,221 | 4,621,094,221 |
| Stock dividends | - | - | 121,377,730 | 121,377,730 | 231,195,915 | 231,195,915 |
| Treasury stock | 4,769,406 | 4,769,406 | 4,769,406 | 4,769,406 | 4,769,406 | 4,769,406 |
| Issued, end of year | 4,978,437,272 | ₱4,978,437,272 | 4,978,437,272 | ₱4,978,437,272 | 4,857,059,542 | ₱4,857,059,542 |



Treasury stock includes 2,831,459 shares as of December 31, 2024 and 2023, respectively, held by CPI.

- b. Dividends declared and issued/paid by the Parent Company in 2024, 2023 and 2022 are as follows:

| Dividends | BOD Approval Date | Stockholders' Approval Date | Per Share | Stockholders of Record Date | Date Issued/Paid |
|-----------|-------------------|-----------------------------|-----------|-----------------------------|------------------|
| Cash | May 24, 2024 | – | ₱0.0477 | June 31, 2024 | July 17, 2024 |
| | May 31, 2023 | – | ₱0.0295 | June 30, 2023 | July 26, 2023 |
| | May 30, 2022 | – | ₱0.0222 | June 13, 2022 | June 30, 2022 |
| Stock | April 24, 2023 | June 6, 2023 | 2.5% | July 6, 2023 | August 1, 2023 |

No stock dividends were declared in 2024 and 2022.

On March 14, 2025, the CPI declared a cash dividend declaration of P0.1312 per share with record date of March 25, 2025 and payment date on April 8, 2025.

- c. As of December 31, 2024 and 2023, the retained earnings attributable to equity holders of the Parent Company and the non-controlling interest include the remaining balance of deemed cost adjustment which arose when the Group transitioned to PFRS Accounting Standards in 2005.

The components of the deemed cost adjustment, net of deferred income tax liabilities, included in equity as of December 31 are as follows:

| | 2024 | 2023 |
|------------------------------------------|---------------------|--------------|
| Real estate properties for sale (Note 9) | ₱3,086,811 | ₱3,145,536 |
| Investment properties (Note 10) | 158,666,020 | 158,666,020 |
| Deemed cost adjustment | 161,752,831 | 161,811,556 |
| Deferred income tax liability (Note 24) | (40,438,208) | (40,452,891) |
| Net deemed cost adjustment | ₱121,314,623 | ₱121,358,665 |

The net deemed cost adjustment is allocated in the consolidated statements of changes in equity as follows:

| | 2024 | 2023 |
|--------------------------------------|---------------------|--------------|
| Attributable to: | | |
| Equity holders of the Parent Company | ₱114,945,390 | ₱114,989,432 |
| Non-controlling interest | 6,369,233 | 6,369,233 |
| Net deemed cost adjustment | ₱121,314,623 | ₱121,358,665 |

The balance of retained earnings is restricted for the payment of dividends to the extent of the following:

| | 2024 | 2023 |
|------------------------------------------------------------|-----------------------|----------------|
| Undistributed earnings of subsidiaries | ₱1,544,289,842 | ₱1,672,986,123 |
| Net deemed cost adjustment in properties | 121,314,623 | 121,358,665 |
| Fair value adjustment arising from repossessed inventories | 134,582,287 | 71,069,351 |
| Cost of treasury stock | 31,429,574 | 31,429,574 |
| Deferred income tax assets (Note 24) | 21,386,457 | 25,151,025 |
| | ₱1,853,002,783 | ₱1,921,994,738 |



16. Material Partly Owned Subsidiary

Below is the summarized financial information of the subsidiaries that have non-controlling interests that are material to the Group. The amounts disclosed are based on financial information included in the consolidated financial statements before intercompany eliminations.

Proportion of equity interest held by non-controlling interests as of December 31, 2024 and 2023:

| | |
|------|--------|
| CLDI | 50.27% |
| CPI | 9.19% |

As of December 31, the summarized statements of financial position of the subsidiaries are as follows:

| | CLDI | | | CPI | | |
|-------------------------------------------|-----------------------|----------------|----------------|---------------------|--------------|--------------|
| | 2024 | 2023 | 2022 | 2024 | 2023 | 2022 |
| Total assets | ₱3,564,386,124 | ₱3,042,314,904 | ₱2,969,632,422 | ₱381,975,087 | ₱384,247,229 | ₱349,443,088 |
| Total liabilities | (626,619,420) | (273,613,353) | (216,525,807) | (36,726,847) | (40,796,281) | (33,349,861) |
| Equity | 2,937,766,704 | 2,768,701,551 | 2,753,106,615 | 345,248,240 | 343,450,948 | 316,093,227 |
| Attributable to non-controlling interests | 1,415,396,782 | 1,307,201,596 | 1,381,072,376 | 28,730,382 | 27,525,195 | 33,531,714 |

Summarized statements of income for the years ended December 31 are as follows:

| | CLDI | | | CPI | | |
|-------------------------------------------------|----------------------|---------------|----------------|---------------------|--------------|--------------|
| | 2024 | 2023 | 2022 | 2024 | 2023 | 2022 |
| Revenue and income | ₱410,067,398 | ₱512,672,389 | ₱1,170,362,612 | ₱39,785,275 | ₱70,612,634 | ₱19,593,155 |
| Costs and expenses | (267,625,200) | (314,021,143) | (630,722,980) | (18,710,680) | (36,236,373) | (11,915,182) |
| Provision for income tax | (31,184,099) | (41,230,162) | (127,386,207) | (4,846,512) | (6,681,446) | (368,969) |
| Net income | 111,258,099 | 157,421,084 | 412,253,425 | 16,228,083 | 27,694,815 | 7,309,004 |
| Attributable to non-controlling interests | 55,929,446 | 79,135,578 | 207,239,797 | 1,491,361 | 2,545,154 | 581,903 |
| Cash dividends paid to non-controlling interest | 26,821,591 | 69,000,034 | 22,816,472 | 1,684,535 | 1,193,305 | 394,595 |

Summarized statements of comprehensive income for the years ended December 31 are as follows:

| | CLDI | | | CPI | | |
|-------------------------------------------|---------------------|--------------|--------------|--------------------|-------------|------------|
| | 2024 | 2023 | 2022 | 2024 | 2023 | 2022 |
| Net income | ₱111,258,099 | ₱157,421,084 | ₱412,253,425 | ₱16,228,083 | ₱27,694,815 | ₱7,309,004 |
| Other comprehensive income (loss) | 1,622,143 | (4,567,776) | 1,223,780 | (1,148,291) | (337,094) | (33,300) |
| Total comprehensive income | 112,880,242 | 152,853,308 | 413,477,205 | 15,079,792 | 27,357,721 | 7,275,704 |
| Attributable to non-controlling interests | 56,775,629 | 76,839,357 | 207,854,991 | 1,385,833 | 2,545,522 | 575,064 |

Summarized statements of cash flows for the years ended December 31 are as follows:

| | CLDI | | | CPI | | |
|------------------------------------------------|-----------------------|---------------|---------------|--------------------|--------------|------------|
| | 2024 | 2023 | 2022 | 2024 | 2023 | 2022 |
| Cash flows from (used in) operating activities | (₱271,911,785) | ₱170,662,684 | ₱213,561,409 | ₱25,485,265 | ₱38,179,602 | ₱319,280 |
| Cash flows from (used in) investing activities | (79,171,456) | 41,065,183 | (276,361,364) | 23,526,639 | (59,485,451) | 35,518,119 |
| Cash flows from (used in) financing activities | 188,616,352 | (137,040,798) | (45,162,080) | - | - | - |

There are no significant restrictions on the ability of the subsidiaries to transfer funds to the Parent Company in the form of dividends, payment of advances, among others.



17. Operating Expenses

Operating expenses consist of:

| | 2024 | 2023 | 2022 |
|----------------------------------|---------------------|--------------|--------------|
| Personnel (Note 18) | ₱249,304,235 | ₱237,740,197 | ₱242,189,015 |
| Taxes and licenses | 121,695,624 | 96,878,474 | 73,351,526 |
| Professional fees | 74,311,112 | 50,485,482 | 57,486,852 |
| Depreciation (Note 19) | 59,272,796 | 58,323,213 | 57,854,509 |
| Light, power and water | 42,816,557 | 45,738,436 | 41,144,293 |
| Membership dues | 40,292,406 | 15,445,651 | 11,800,583 |
| Brokers' commission | 35,429,236 | 21,732,679 | 19,748,503 |
| Outside services | 28,799,559 | 22,259,819 | 19,888,881 |
| Repairs and maintenance | 17,794,035 | 23,504,260 | 11,692,085 |
| Insurance (Note 6) | 11,025,975 | 10,263,683 | 12,316,415 |
| Donations | 3,605,000 | 1,771,500 | 9,922,000 |
| Postage, telephone and telegraph | 2,189,956 | 2,067,030 | 2,711,946 |
| Advertising and promotions | 2,160,961 | 1,572,284 | 1,279,918 |
| Stationery and office supplies | 2,052,816 | 1,649,502 | 1,692,387 |
| Rent expense (Notes 11 and 13) | 724,370 | 1,299,656 | 197,447 |
| Others | 17,759,315 | 17,994,596 | 14,164,190 |
| | ₱709,233,953 | ₱608,726,462 | ₱577,440,550 |

Others include transportation and miscellaneous expenses.

18. Personnel Expenses

Personnel expenses consist of:

| | 2024 | 2023 | 2022 |
|-------------------------------------|---------------------|--------------|--------------|
| Salaries and wages | ₱126,373,719 | ₱101,487,077 | ₱103,831,020 |
| Bonuses and other employee benefits | 91,949,277 | 76,312,281 | 75,324,656 |
| Commissions | 24,851,214 | 56,163,907 | 58,669,679 |
| Retirement benefits cost (Note 23) | 6,130,025 | 3,776,932 | 4,363,660 |
| | ₱249,304,235 | ₱237,740,197 | ₱242,189,015 |

19. Depreciation

Depreciation consists of:

| | 2024 | 2023 | 2022 |
|----------------------------------|--------------------|-------------|-------------|
| Investment properties (Note 10) | ₱50,655,095 | ₱50,979,090 | ₱51,340,501 |
| Property and equipment (Note 11) | 8,617,701 | 7,344,123 | 6,514,008 |
| | ₱59,272,796 | ₱58,323,213 | ₱57,854,509 |



20. Financial Income

Financial income consists of:

| | 2024 | 2023 | 2022 |
|---------------------------------------------------------------------|---------------------|--------------|--------------|
| Interest income from: | | | |
| Installment contracts receivable and contract assets (Note 6) | ₱363,076,475 | ₱282,447,621 | ₱273,761,206 |
| Cash equivalents and investments (Note 4) | 146,293,185 | 121,113,237 | 65,977,284 |
| Notes receivable (Note 7) | 89,331,122 | 82,237,746 | 30,018,519 |
| Cash in banks (Note 4) | 156,815 | 2,087,566 | 98,489 |
| Guaranty deposits and others (Notes 12 and 25) | 10,055,129 | 17,817,279 | 13,326,348 |
| Dividend income | 11,754,976 | 14,961 | 21,274 |
| | ₱620,667,702 | ₱505,718,410 | ₱383,203,120 |

21. Financial Expenses

Financial expenses consist of:

| | 2024 | 2023 | 2022 |
|----------------------------------------------------------------|--------------------|--------------|--------------|
| Interest expense on notes payable (Note 14) | ₱12,286,625 | ₱11,681,600 | ₱13,254,903 |
| Less capitalized borrowing costs (Notes 2, 9 and 14) | - | (11,681,600) | (13,254,903) |
| | 12,286,625 | - | - |
| Interest expense - significant financial component (Note 6) | 20,972,301 | - | - |
| Interest expense on security deposits | 1,705,708 | 1,711,589 | 1,647,379 |
| Interest expense on lease liabilities (Note 13) | 709,905 | 680,313 | 207,967 |
| Finance charges and others | 2,887,058 | 1,214,941 | 1,349,031 |
| | ₱38,561,597 | ₱3,606,843 | ₱3,204,377 |

22. Other Income - Net

Other income - net amounting to ₱94.88 million, ₱133.79 million and ₱257.67 million in 2024, 2023 and 2022, respectively, pertains to gain or loss arising from revaluation of repossessed units at fair market value less cost to sell, trust fund income, penalties for buyers' late payments, sale of scraps, gain on sale of shares of stock and net gains or losses on forfeiture/cancellation of sales.

In 2022, the Parent Company recognized an income amounting to ₱155.56 million as a result of the exchange of properties with CI. This was recorded under "Other income - net" in the consolidated statement of income.



23. Employee Benefits

Under the existing regulatory framework, Republic Act No. 7641, *The Philippine Retirement Pay Law*, requires a provision for retirement pay to qualified private sector employees in the absence of any retirement plan in the entity, provided, however, that the employees retirement benefit under the collective bargaining and other agreements shall not be less than provided under the law. The law does not require minimum funding of the plan.

Retirement benefits cost

The Group, jointly with affiliated companies, has a funded, noncontributory defined benefit retirement plan, covering all of its permanent employees. This provides for payment of benefits to covered employees upon retirement subject to certain condition which is based on a certain percentage of the employee's final monthly salary and the number of years of service.

The fund is administered by a third-party trustee bank under the supervision of the Retirement Committee of the plan who is responsible for the investment strategy of the plan.

The details of net retirement benefits cost, which is included in "Personnel expenses" account (see Note 18), are as follows:

| | 2024 | 2023 | 2022 |
|-------------------------------------------------------|-------------------|-------------|------------|
| Current service cost | ₱6,270,103 | ₱5,033,456 | ₱5,220,388 |
| Net interest income on net defined benefit obligation | (140,078) | (1,256,524) | (856,728) |
| Net retirement benefits cost | ₱6,130,025 | ₱3,776,932 | ₱4,363,660 |

Re-measurement loss (gain) recognized in the consolidated statements of comprehensive income comprises the following:

| | 2024 | 2023 | 2022 |
|--------------------------------------------------------------------------------------|---------------------|-------------|--------------|
| Actuarial loss (gain) on defined benefit obligation: | | | |
| Due to experience adjustments | ₱314,602 | ₱12,698,942 | (₱6,275,124) |
| Due to change in financial assumption | (7,149,520) | 3,263,064 | 1,723,230 |
| Actuarial loss (gain) on plan assets excluding amounts included in net interest cost | 1,412,593 | 1,117,081 | 1,579,095 |
| Re-measurement loss (gain) | (5,422,325) | 17,079,087 | (2,972,799) |
| Tax effect (Note 24) | 1,264,580 | (4,269,772) | 743,200 |
| | (₱4,157,745) | ₱12,809,315 | (₱2,229,599) |

The details of the net retirement plan assets are as follows:

| | 2024 | 2023 |
|---------------------------------------------|----------------------|---------------|
| Present value of defined benefit obligation | (₱83,902,245) | (₱84,875,966) |
| Fair value of plan assets | 90,993,473 | 87,183,728 |
| Net retirement plan assets | ₱7,091,228 | ₱2,307,762 |



The breakdown of net retirement plan assets per entity as of December 31 as follows:

| | 2024 | 2023 |
|-----------------------------------|--------------------|-------------|
| Net retirement plan assets: | | |
| Parent Company | ₱8,233,051 | ₱5,877,044 |
| Net retirement benefit liability: | | |
| CPI | (19,386) | (17,451) |
| CLDI | (1,122,437) | (3,551,831) |
| | (1,141,823) | (3,569,282) |
| Net retirement plan assets | ₱7,091,228 | ₱2,307,762 |

Changes in net retirement plan assets are as follows:

| | 2024 | 2023 |
|----------------------------|--------------------|--------------|
| Beginning balances | ₱2,307,762 | ₱17,672,615 |
| Retirement benefits cost | (6,130,025) | (3,776,932) |
| Re-measurement gain (loss) | 5,422,325 | (17,079,087) |
| Contributions | 5,491,166 | 5,491,166 |
| Ending balances | ₱7,091,228 | ₱2,307,762 |

Changes in present value of defined benefit obligation are as follows:

| | 2024 | 2023 |
|-----------------------------------------|--------------------|-------------|
| Defined benefit obligation, January 1 | ₱84,875,966 | ₱67,167,634 |
| Current service cost | 6,270,103 | 5,033,456 |
| Interest cost on benefit obligation | 5,152,022 | 4,775,618 |
| Benefits paid | (5,561,708) | (8,062,748) |
| Actuarial losses (gains) | (6,834,918) | 15,962,006 |
| Defined benefit obligation, December 31 | ₱83,901,465 | ₱84,875,966 |

Changes in fair value of plan assets are as follows:

| | 2024 | 2023 |
|--------------------------------------------------------------------|--------------------|-------------|
| Fair value of plan assets, January 1 | ₱87,183,728 | ₱84,840,249 |
| Interest income | 5,292,100 | 6,032,142 |
| Actuarial loss excluding amount recognized in net interest cost | (1,412,593) | (1,117,081) |
| Contributions to the plan | 5,491,166 | 5,491,166 |
| Benefits paid | (5,561,708) | (8,062,748) |
| Fair value of plan assets, December 31 | ₱90,992,693 | ₱87,183,728 |

The major categories of plan assets of the Group with its affiliated companies as a percentage of the fair value of net plan assets are as follows:

| | 2024 | 2023 |
|----------------------------------|----------------|---------|
| Investment properties | 56.95% | 52.83% |
| Cash and cash equivalents | 39.42% | 43.68% |
| Investments in equity securities | 3.62% | 3.41% |
| Receivables | 0.14% | 0.15% |
| Payables | (0.13%) | (0.07%) |
| | 100.00% | 100.00% |



Investment properties pertain to condominium units which are held for lease and are stated at fair value. Cash and cash equivalents consist of savings deposits and short-term time deposits with maturities of less than three months. Investments in equity securities consist of investment in shares of stock of listed companies with quoted market prices in an active market. Loans and receivables include loans to individuals and accrued interest income.

The actual return amounted to ₱3.88 million and ₱4.92 million in 2024 and 2023, respectively.

The Group expects to contribute ₱7.90 million to the retirement fund in 2025. The Group does not currently employ any asset-liability matching strategy. The latest actuarial valuation report is as of December 31, 2024.

The principal assumptions used in determining retirement benefits cost for the Group's plan as of January 1 are as follows:

| | 2024 | 2023 |
|----------------------------------|-----------------------|-----------------------|
| Number of employees | 177 | 176 |
| Discount rate per annum | 6.07%-6.09% | 7.11%-7.12% |
| Future annual increase in salary | 5.00% | 4.00% |
| Mortality rate | 1994 GAM* | 1994 GAM* |
| Disability rate | 1952 Disability Study | 1994 Disability Study |

*Group Annuity Mortality Table

As of December 31, 2024, the discount rate is 6.11% while the future increase in salary is 4.00%.

The defined benefit obligation is subject to several key assumptions. The sensitivity analysis has been determined based on reasonably possible changes of each significant assumption on the defined benefit obligation as of December 31, assuming all other assumptions were held constant.

| | Increase (decrease) in basis points (bps) | Increase (decrease) in defined benefit obligation | |
|----------------------|----------------------------------------------|------------------------------------------------------|--------------|
| | | 2024 | 2023 |
| Discount rate | +0.50% | (₱3,074,537) | (₱3,582,826) |
| | -0.50% | 3,365,170 | 3,943,459 |
| Salary increase rate | +1.00% | 6,842,563 | 7,990,093 |
| | -1.00% | (5,814,823) | (6,727,294) |

There are no changes in the method of computing for sensitivity analysis for the years ended December 31, 2024 and 2023.

Shown below is the maturity analysis of the undiscounted expected benefit payments as of December 31, 2024:

| Plan year | No. of Retirees | Total Benefit |
|----------------------------------|-----------------|---------------|
| One year and less | 3 | ₱12,205,978 |
| More than one year to five years | 9 | 27,929,205 |
| More than five years to 10 years | 18 | 49,780,109 |
| More than 10 years to 15 years | 12 | 55,487,075 |
| More than 15 years to 20 years | 12 | 42,935,271 |
| More than 20 years | 123 | 511,647,136 |
| | 177 | ₱699,984,774 |



The average duration of the defined benefit obligation of each company as of December 31 are as follows:

| | 2024 | 2023 |
|------|-----------------|----------|
| CLDI | 22 years | 22 years |
| CPI | 28 years | 28 years |
| CDC | 21 years | 22 years |

Accrued sick leave

Employees are entitled to paid sick leave of 15 days per year of service after issuance of regular appointment, computed at 1.25 days per month of service, enjoyable only after one year of regular service. Unused sick leaves are cumulative and convertible to cash based on the employee's salary at the time that the employee is leaving the Group. Accrued sick leave, presented under "Accounts payable and accrued expenses - noncurrent portion" account, amounted to ₱34.98 million and ₱36.34 million as of December 31, 2024 and 2023, respectively (see Note 13).

24. Income Taxes

a. Provision for income tax consists of:

| | 2024 | 2023 | 2022 |
|------------------------------|---------------------|--------------|--------------|
| Current | ₱212,662,783 | ₱209,261,640 | ₱258,547,759 |
| Deferred | (17,519,213) | 26,584,463 | 97,759,951 |
| | 195,143,570 | 235,846,103 | 356,307,710 |
| Final tax on interest income | 49,167,250 | 44,652,433 | 21,884,128 |
| | ₱244,310,820 | ₱280,498,536 | ₱378,191,838 |

b. The components of net deferred income tax assets (liabilities) are as follows:

| | 2024 | 2023 |
|----------------------------------------------------------------------------------------|----------------------|---------------|
| Deferred income tax assets on: | | |
| Accrued expenses | ₱18,018,107 | ₱16,966,870 |
| Unearned rent revenue | 3,187,629 | 7,295,133 |
| Difference between right-of-use assets and lease liabilities (Notes 11 and 13) | 180,721 | 100,233 |
| Unamortized past service cost | - | 788,789 |
| | 21,386,457 | 25,151,025 |
| Deferred income tax liabilities on: | | |
| Difference between tax basis and book basis of accounting for real estate transactions | (218,563,639) | (198,285,172) |
| Deemed cost adjustment in properties (Note 15) | (27,900,655) | (27,915,339) |
| Net retirement plan assets | (8,588,831) | (8,750,686) |
| Cost to obtain contract (Notes 6) | (5,533,406) | (1,435,230) |
| Unamortized past service cost | (103,862) | - |
| Capitalized borrowing costs | - | (21,704,421) |
| | (260,690,393) | (258,090,848) |
| | (239,303,936) | (232,939,823) |

(Forward)



| | 2024 | 2023 |
|-----------------------------------------------------------------------------------------------------------------------|-----------------------|----------------|
| Deferred income tax liability recognized in retained earnings upon realization - deemed cost adjustment (Note 15) | (₱12,537,552) | (₱12,537,552) |
| Deferred income tax asset recognized in other comprehensive income - actuarial loss on defined benefit plan (Note 23) | 6,939,235 | 8,294,814 |
| Net deferred income tax liabilities | (₱244,902,253) | (₱237,182,561) |

The breakdown of net deferred income tax liabilities as of December 31 per entity follows:

| | 2024 | 2023 |
|----------------------------------------|-----------------------|----------------|
| Deferred income tax liabilities - net: | | |
| Parent Company | (₱201,049,765) | (₱224,550,428) |
| CLDI | (39,563,040) | (8,622,624) |
| CPI | (4,289,448) | (4,009,509) |
| | (₱244,902,253) | (₱237,182,561) |

Provision for deferred income tax recognized in other comprehensive income amounted to ₱1.26 million, ₱4.27 million and ₱0.74 million in 2024, 2023 and 2022, respectively (see Note 23). Benefit from deferred income tax recognized in retained earnings amounted to nil in 2024 and 2023 and ₱3.04 million in 2022.

- c. The reconciliation of income tax computed at statutory tax rate to provision for income tax follows:

| | 2024 | 2023 | 2022 |
|---------------------------------------------------------|---------------------|--------------|--------------|
| Income tax at statutory tax rate | ₱271,216,989 | ₱311,185,022 | ₱404,104,034 |
| Adjustments to income tax resulting from: | | | |
| Interest income subjected to final tax | (61,459,062) | (55,813,957) | (27,355,160) |
| Final tax on interest income | 49,167,250 | 44,652,433 | 21,884,128 |
| Tax-exempt interest income | (19,669,147) | (22,672,862) | (24,017,819) |
| Nondeductible interest expense | 3,481,635 | 3,348,297 | 3,311,242 |
| Nontaxable dividend income | (2,938,744) | (3,740) | (5,319) |
| Trust fund loss (income) already subjected to final tax | 81,845 | (1,145,767) | (109,309) |
| Others - net | 4,430,054 | 949,110 | 380,041 |
| Provision for income tax | ₱244,310,820 | ₱280,498,536 | ₱378,191,838 |

- d. On June 20, 2023, the Bureau of Internal Revenue issued Revenue Memorandum Circular (RMC) No. 69-2023 reverting the Minimum Corporate Income Tax (MCIT) rate to 2% of gross income effective July 1, 2023 pursuant to Republic Act No. 11534, otherwise known as the “Corporate Recovery and Tax Incentives for Enterprises (CREATE)” Act. MCIT rate was previously reduced from 2% to 1% effective July 1, 2020 to June 30, 2023 upon the effectivity of CREATE Act in 2021.



25. Related Party Transactions

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control or are controlled by or under common control with the Group, including holding companies, subsidiaries and fellow subsidiaries, are related parties of the Group. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Group that gives them significant influence over the enterprise, key management personnel, including directors and officers of the Group and close members of the family of these individuals, and companies associated with these individuals also constitute related parties. In considering each possible related entity relationship, attention is directed to the substance of the relationship and not merely the legal form.

The Group discloses the nature of the related party relationship and information about the transactions and outstanding balances necessary for an understanding of the potential effect of the relationship on the consolidated financial statements, including, as a minimum, the amount of outstanding balances and its terms and conditions including whether they are secured, and the nature of the consideration to be provided in settlement.

All individual material related party transactions shall be approved by at least two-thirds vote of the BOD, with at least a majority of the independent directors voting to approve the material related party transactions. In the event that the majority of the independent directors' vote is not secured, the material related party transactions may be ratified by the vote of the stockholders representing at least two-thirds of the outstanding capital stock. Material related party transactions refer to any related party transaction, either individually or in the aggregate over a twelve-month period with the same related party, with an amount equivalent to at least 10% of the Group's consolidated total assets.

The Group, in the normal course of business, has transactions and account balances with related parties consisting mainly of the following:

| Nature of Transaction | Amount of Transactions | | | Outstanding Balances | | | | Terms and Conditions |
|--------------------------------------------------------------------|------------------------|-------------|-------------|----------------------|-------------|---------------------|--------------|----------------------------------------------------------------|
| | 2024 | 2023 | 2022 | Receivable (Note 8) | | Payable (Note 13) | | |
| Ultimate parent (CI) | | | | | | | | |
| Sharing of expenses charged by the Parent Company - net (Note 25b) | (P10,376,952) | P15,059,584 | P11,550,101 | P18,049 | P12,030,722 | (P2,556,180) | (P4,191,887) | 30-day, unsecured, non-interest bearing; to be settled in cash |
| CLHI | | | | | | | | |
| Interest income from guaranty deposits (Note 25f) | 9,768,311 | 17,817,279 | 13,326,348 | 5,537,915 | 4,843,002 | - | - | Settled in cash |
| Retirement Plans | | | | | | | | |
| Contributions to the plans (Note 25c) | 5,491,166 | 5,491,166 | 1,858,854 | - | - | - | - | Settled in cash |
| Key management personnel | | | | | | | | |
| Salaries and other compensation (Note 25e) | 30,733,591 | 31,791,795 | 24,703,958 | - | - | - | - | Settled in cash |
| BOD | | | | | | | | |
| Directors' fees (Note 25e) | 49,462,053 | 43,150,911 | 22,352,174 | - | - | (37,092,940) | (31,571,135) | Settled in cash; outstanding balance is payable on demand |

The transactions of the Parent Company with CLDI and CPI are eliminated in the consolidated statements of financial positions and consolidated statements of income.

- a. In 2019, the Parent Company entered into a Memorandum of Agreement with CI whereby the Parent Company shall assign its parcel of land to CI in exchange of certain number of condominium units and parking lots on One Premier, a project of CI. In 2021, additional units were allocated to the Parent Company.



In 2022, the project was completed and the Parent Company and CI executed a Deed of Exchange relating to the exchange of properties. The assets were recorded as an addition in the “Real Estate Properties for Sale” account and treated as a noncash operating activity. The Parent Company recognized income from an exchange amounting to ₱155.56 million recorded under “Other income - net” in the consolidated statement of income.

- b. The Parent Company has an existing agreement with CI, CLDI and CPI whereby personnel costs and common recurring expenses such as water, electricity, rental, and other expenses for which the companies have benefited from such service shall be shared among the companies and billed with a pre-agreed mark-up rate. These are recorded as part of “Operating expenses” in the consolidated statements of income. The income recognized as a result of the mark-up charged is recorded as “Other income - net” in the consolidated statements of income. These are unsecured, unguaranteed, non-interest bearing, and due within 30-60 days.
- c. The Group, jointly with affiliated companies under common control, has a trust fund for the retirement plan of their employees. The trust fund is being maintained by a third-party trustee bank under the supervision of the Retirement Committee of the plan who is responsible for the investment strategy of the plan. The Group’s share on the fair value of plan assets amounted to ₱90.99 million and ₱87.18 million as of December 31, 2024 and 2023, respectively (see Note 23).

The major categories of plan assets are cash and cash equivalents, investments in equity securities, loans and receivables and investment properties (see Note 23). Investments in equity securities of plan assets include investment in the Parent Company’s shares. The third-party trustee bank exercises the voting rights over the shares. The fair value of the investment in the Parent Company’s shares amounted ₱4.38 million and ₱4.44 million as of December 31, 2024 and 2023 respectively, with original cost of ₱3.40 million. Unrealized gain on changes of fair value of these investments amounted to nil as of December 31, 2024 and 2023, respectively. Loans and receivables of plan assets include installment contracts receivable purchased in prior years on a non-recourse basis from the Parent Company amounting to ₱0.17 million and ₱0.20 million as of December 31, 2024 and 2023, respectively. The retirement plan assets as of December 31, 2024 and 2023 include fair value of investment properties held for lease amounting to ₱68.91 million and ₱68.91 million, respectively, which was purchased from the Parent Company in 2013. The sale was conducted in the normal course of business and was measured at current selling price and settled in cash.

Contributions to the fund amounted to ₱5.49 million in 2024 and 2023 (see Note 23).

- d. The Parent Company’s shares held by members of the BOD aggregated to ₱754.64 million and ₱758.35 million as of December 31, 2024 and 2023, respectively. On the other hand, shares held by the Ultimate Parent Company and CPI totaled ₱2,539.72 million and ₱2,539.72 million as of December 31, 2024 and 2023, respectively.
- e. Compensation of key management personnel are as follows:

| | 2024 | 2023 | 2022 |
|----------------------|--------------------|--------------------|--------------------|
| Short-term benefits: | | | |
| Salaries | ₱11,846,860 | ₱10,716,186 | ₱10,606,049 |
| Bonuses | 3,193,181 | 2,787,598 | 2,744,575 |
| Other benefits | 13,034,679 | 15,729,248 | 9,024,937 |
| Long-term benefits | 2,658,871 | 2,558,763 | 2,328,397 |
| | ₱30,733,591 | ₱31,791,795 | ₱24,703,958 |

Other benefits consist of incentives and performance bonuses.



The Group has no standard arrangements with regard to the remuneration of its directors. Moreover, the Group has no standard arrangement with regard to the remuneration of its existing officers aside from the compensation received or any other arrangements in the employment contracts and compensatory plan. The Group does not have any arrangements for stock warrants or options offered to its employees.

- f. In 2018, the Parent Company through its affiliate - Credit and Land Holdings, Inc., issued a cash bond amounting ₱257.15 million in favor of HLURB in relation to the construction and development of its ongoing projects which was recorded as guaranty deposit under “Other noncurrent assets”. The said amount was placed by CLHI to a financial institution with a maturity of five (5) years.

In 2022, CLDI also issued a cash bond amounting to ₱62.99 million in relation to its new project with maturity of five (5) years and six (6) months. In May 2023, CDC issued another cash bond amounting ₱94.30 million which was subsequently released in 2024 as a result of the completion of CDC’s on-going project. In 2024, the Parent Company placed a guaranty deposit amounting to ₱76.12 million which was recorded under “Other current assets”.

Interest income earned amounted to ₱9.77 million, ₱17.82 million and ₱13.33 million in 2024, 2023 and 2022, respectively (see Notes 12 and 20). Accrued interest amounting to ₱5.54 million and ₱4.84 million as of December 31, 2024 and 2023, respectively, was recorded under “Other receivables - accrued interest” account in the consolidated statements of financial position (see Note 8)..

- g. The following are the balances and transactions among related parties which are eliminated during consolidation:

| Amounts owed by | Amounts owed to | Nature | 2024 | 2023 | 2022 |
|-----------------|-----------------|--------------------------------|-------------------|-------------|---------|
| CLDI | Parent Company | Sharing of expenses | ₱1,280,873 | ₱17,746,064 | ₱- |
| Parent Company | CPI | Sharing of expenses | 2,237 | - | 828,316 |
| CPI | Parent Company | Sharing of expenses | 292,441 | 1,883,386 | 39,290 |
| CLDI | CPI | Sharing of expenses | 986 | - | 19,585 |
| CPI | CLDI | Sale of real estate properties | 66,738 | 493,810 | - |

| Investee | Investor | Nature | 2024 | 2023 | 2022 |
|----------------|----------|-----------------|-------------------|------------|------------|
| Parent Company | CPI | Shares of stock | ₱1,973,526 | ₱2,002,549 | ₱1,925,392 |
| CLDI | CPI | Shares of stock | 9,332,089 | 10,429,982 | 10,848,227 |

| Dividend declared to | Dividend declared by | 2024 | 2023 | 2022 |
|----------------------|----------------------|--------------------|-------------|-------------|
| Parent Company | CLDI | ₱26,533,473 | ₱68,258,836 | ₱22,571,378 |
| Parent Company | CPI | 13,282,644 | - | - |
| CPI | Parent Company | 138,437 | 83,528 | 62,858 |
| CPI | CLDI | 463,860 | 1,193,305 | 394,595 |



26. Financial Instruments and Fair Value Measurement

Financial Risk Management Objectives and Policies

The Group's principal financial instruments comprise cash and cash equivalents, short-term and long-term investments, notes receivable and notes payable and contract payable. The main purpose of these financial instruments is to finance the Group's operations. The Group's other financial instruments consist of financial assets at fair value through profit or loss and financial assets at FVOCI which are held for investing purposes and investments in trust funds to cover pre-need reserves obligation. The Group has various other financial instruments such as installment contracts receivable, contract assets, notes receivable, other receivables and accounts payable and accrued expenses which arise directly from its operations.

It is, and has been throughout the year under review, the Group's policy that no trading in financial instruments shall be undertaken.

The main risks arising from the Group's financial instruments are market risk (i.e., cash flow interest rate risk and equity price risk), credit risk and liquidity risk. The BOD reviews and approves policies for managing these risks and they are summarized as follows:

Market risk

Cash flow interest rate risk

Cash flow 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 Group's exposure to the risk for changes in market interest rates relates primarily to the Group's short-term notes payable, all with repriced interest rates.

The Group's policy in addressing volatility in interest rates includes maximizing the use of operating cash flows to be able to fulfill principal and interest obligations even in periods of rising interest rates.

The following table demonstrates the sensitivity of the Group's income before income tax to a reasonably possible change in interest rates based on forecasted and average movements of interest rates (with all other variables held constant):

| | Change in bps | Effect on Income before Income Tax |
|--------------------------|----------------------|-------------------------------------------|
| December 31, 2024 | +/-25 bps | +/-₱3,360,750 |
| December 31, 2023 | +/-21 bps | +/-₱2,554,695 |

There is no impact on the Group's equity other than those already affecting income before income tax.

Equity price risk

Equity price risk is the risk that the fair values of investments in equity securities will decrease as a result of changes in the market values of individual shares of stock. The Group is exposed to equity price risk because of investments held by the Group classified as financial assets at FVOCI included under "Other noncurrent asset" account in the consolidated statements of financial position. The Group employs the service of a third-party stockbroker to manage its investments in shares of stock.



The following table demonstrates the sensitivity analysis of the Group's equity to a reasonably possible change in equity price based on forecasted and average movements of equity prices (with all other variables held constant):

| | Change in equity price | Effect on equity |
|-------------|----------------------------|----------------------------------|
| 2024 | +/-₱0.05 | +/-₱17,129,608 |
| 2023 | +/- ₱ 0.02 | +/- ₱ 7,824,203 |

Credit risk

Credit risk arises when the Group will incur a loss because its buyers, clients or counterparties fail to discharge their obligations. The Group trades only with recognized, creditworthy third parties. It is the Group's policy that all buyers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an on-going basis with the objective that the Group's exposure to bad debts is not significant. The risk is further mitigated because the Group holds the title to the real estate properties with outstanding installment contracts receivable balance and the Group can repossess such real estate properties upon default of the buyer in paying the outstanding balance. The Group's policy is to enter into transactions with a diversity of creditworthy parties to mitigate any significant concentration of credit risk. There are no significant concentrations of credit risk within the Group.

The tables below show the Group's exposure to credit risk for the components of the consolidated statements of financial position. The exposure as of December 31, 2024 and 2023 is shown at gross, before taking the effect of mitigation through the use of collateral agreements and other credit enhancements, and at net, after taking the effect of mitigation through the use of collateral agreements and other credit enhancements.

December 31, 2024:

| | Gross maximum exposure | Fair value of collaterals | Net exposure | Financial effect of collateral/credit enhancements |
|---------------------------------------------------|------------------------------|------------------------------|-----------------------|----------------------------------------------------------|
| Financial assets | | | | |
| Investments in trust funds | ₱34,240,157 | ₱- | ₱34,240,157 | ₱- |
| Cash and cash equivalents, excluding cash on hand | 1,290,363,425 | - | 1,290,363,425 | - |
| Short-term investments | 1,387,600,000 | - | 1,387,600,000 | - |
| Long-term investments | 250,000,000 | - | 250,000,000 | - |
| Installment contracts receivable | 34,857,332 | 181,257,810 | - | 34,857,332 |
| Notes receivable | 406,500,000 | - | 406,500,000 | - |
| Guaranty deposit | 139,114,438 | - | 139,114,438 | - |
| Refundable deposits | 17,596,031 | - | 17,596,031 | - |
| Other receivables: | | | | |
| Accrued interest | 27,485,500 | - | 27,485,500 | - |
| Due from related party | 18,049 | - | 18,049 | - |
| Advances to customers | 23,028,887 | - | 23,028,887 | - |
| Rent receivable | 8,799,339 | - | 8,799,339 | - |
| Advances to condominium corporations | 4,218,021 | - | 4,218,021 | - |
| Retention | 902,092 | - | 902,092 | - |
| Others | 5,302,888 | - | 5,302,888 | - |
| Contract assets | 2,087,170,395 | 5,647,735,731 | - | 2,087,170,395 |
| Total credit risk exposure | ₱5,717,196,554 | ₱5,828,993,541 | ₱3,595,168,827 | ₱2,122,027,727 |



December 31, 2023:

| | Gross maximum exposure | Fair value of collaterals | Net exposure | Financial effect of collateral/credit enhancements |
|---------------------------------------------------|------------------------|---------------------------|-----------------------|----------------------------------------------------|
| Financial assets | | | | |
| Investments in trust funds | ₱36,950,627 | ₱– | ₱36,950,627 | ₱– |
| Cash and cash equivalents, excluding cash on hand | 685,683,140 | – | 685,683,140 | – |
| Short-term investments | 1,131,400,000 | – | 1,131,400,000 | – |
| Long-term investments | 100,000,000 | – | 100,000,000 | – |
| Installment contracts receivable | 42,099,506 | 587,220,583 | – | 42,099,506 |
| Notes receivable | 1,252,000,000 | – | 1,252,000,000 | – |
| Guaranty deposit | 157,299,438 | – | 157,299,438 | – |
| Refundable deposits | 16,647,403 | – | 16,647,403 | – |
| Other receivables: | | | | |
| Accrued interest | 31,684,922 | – | 31,684,922 | – |
| Due from related party | 12,030,722 | – | 12,030,722 | – |
| Advances to customers | 11,361,428 | – | 11,361,428 | – |
| Rent receivable | 10,385,013 | – | 10,385,013 | – |
| Advances to condominium corporations | 7,167,660 | – | 7,167,660 | – |
| Retention | 1,582,091 | – | 1,582,091 | – |
| Others | 563,337 | – | 563,337 | – |
| Contract assets | 2,208,157,277 | 5,506,099,636 | – | 2,208,157,277 |
| Total credit risk exposure | ₱5,705,012,564 | ₱6,093,320,219 | ₱3,454,755,781 | ₱2,250,256,783 |

The Group has performed an ECL calculation for its financial assets at amortized cost. The ECL is a product of the probability of default, loss given default and exposure at default.

In determining the probability of default, the Group used historical default rates for the last five years for the installment sales from its buyers and last two years for other receivables. The Group applied the possible effects of macroeconomic factors to the historical loss rate. For loss given default, the Group determined that the fair value less cost of repossession of collaterals upon default is higher than the exposure at default. Thus, no expected credit loss was recognized for the Group's installment contract receivables, contract assets and other receivables from its buyer.

The Group considers its cash and cash equivalents and short-term and long-term investments as high grade since these are placed with financial institutions of high credit standing. Accordingly, ECL relating to cash and cash equivalents and short-term and long-term investments rounds to nil.

The Group considers installment contract receivables, notes receivable, guaranty deposits, refundable deposits and other receivables from third parties and related parties as medium grade. Third parties are primarily managed through screening based on credit history and financial information submitted. Whereas, related parties have low risk of default and have a strong capacity to meet their contractual cash flows in the near term. The following tables summarize the aging analysis of receivables and contract assets on which expected credit loss rate was applied:

December 31, 2024:

| | Contract assets | Current and Not Yet Due | Days past due | | | | Total |
|----------------------------------|-----------------|-------------------------|---------------|------------|------------|--------------|---------------|
| | | | < 30 days | 30-60 days | 61-90 days | Over 90 days | |
| Installment contracts receivable | ₱– | ₱29,301,655 | ₱2,649,523 | ₱979,142 | ₱173,620 | ₱1,753,392 | ₱34,857,332 |
| Contract assets | 2,087,170,395 | – | – | – | – | – | 2,087,170,395 |
| Guaranty deposit | – | 139,114,438 | – | – | – | – | 139,114,438 |
| Refundable deposits | – | 17,596,031 | – | – | – | – | 17,596,031 |
| Notes receivable | – | 406,500,000 | – | – | – | – | 406,500,000 |

(Forward)



| | Contract assets | Current and Not Yet Due | Days past due | | | | Total |
|--------------------------------------|-----------------------|-------------------------|-------------------|-------------------|-----------------|-------------------|-----------------------|
| | | | < 30 days | 30-60 days | 61-90 days | Over 90 days | |
| Other receivables: | | | | | | | |
| Accrued interest | ₱- | ₱27,485,500 | ₱- | ₱- | ₱- | ₱- | ₱27,485,500 |
| Due from related party | - | 18,049 | - | - | - | - | 18,049 |
| Advances to customers | - | 21,773,189 | - | 82,631 | 204,678 | 968,389 | 23,028,887 |
| Rent receivable | - | 8,799,339 | - | - | - | - | 8,799,339 |
| Advances to condominium corporations | - | 4,218,021 | - | - | - | - | 4,218,021 |
| Retention | - | 902,092 | - | - | - | - | 902,092 |
| Others | - | 5,302,888 | - | - | - | - | 5,302,888 |
| | ₱2,087,170,395 | ₱661,011,202 | ₱2,649,523 | ₱1,061,773 | ₱378,298 | ₱2,721,781 | ₱2,754,992,972 |

December 31, 2023:

| | Contract assets | Current and Not Yet Due | Days past due | | | | Total |
|--------------------------------------|-----------------------|-------------------------|--------------------|-----------------|-----------------|-------------------|-----------------------|
| | | | < 30 days | 30-60 days | 61-90 days | Over 90 days | |
| Installment contracts receivable | ₱- | ₱29,271,549 | ₱10,919,943 | ₱443,663 | ₱43,992 | ₱1,420,359 | ₱42,099,506 |
| Contract assets | 2,208,157,277 | - | - | - | - | - | 2,208,157,277 |
| Guaranty deposit | - | 157,299,438 | - | - | - | - | 157,299,438 |
| Refundable deposits | - | 16,647,403 | - | - | - | - | 16,647,403 |
| Notes receivable | - | 1,252,000,000 | - | - | - | - | 1,252,000,000 |
| Other receivables: | | | | | | | |
| Accrued interest | - | 31,684,922 | - | - | - | - | 31,684,922 |
| Due from related party | - | 12,030,722 | - | - | - | - | 12,030,722 |
| Advances to customers | - | 10,070,765 | - | 61,696 | 130,636 | 1,098,331 | 11,361,428 |
| Rent receivable | - | 10,385,013 | - | - | - | - | 10,385,013 |
| Advances to condominium corporations | - | 7,167,660 | - | - | - | - | 7,167,660 |
| Retention | - | 1,582,091 | - | - | - | - | 1,582,091 |
| Others | - | 563,337 | - | - | - | - | 563,337 |
| | ₱2,208,157,277 | ₱1,528,702,900 | ₱10,919,943 | ₱505,359 | ₱174,628 | ₱2,518,690 | ₱3,750,978,797 |

The tables below show the credit quality by class of asset for loan-related consolidated statements of financial position lines based on the Group's credit rating system:

December 31, 2024:

| | High Grade* | Medium Grade** | Total |
|---------------------------------------------------|-----------------------|-----------------------|-----------------------|
| Financial assets | | | |
| Investments in trust funds | ₱34,240,157 | ₱- | ₱34,240,157 |
| Cash and cash equivalents, excluding cash on hand | 1,290,363,425 | - | 1,290,363,425 |
| Short-term investments | 1,387,600,000 | - | 1,387,600,000 |
| Long-term investments | 250,000,000 | - | 250,000,000 |
| Installment contracts receivable | - | 34,857,332 | 34,857,332 |
| Notes receivable | - | 406,500,000 | 406,500,000 |
| Guaranty deposits | - | 139,114,438 | 139,114,438 |
| Refundable deposits | - | 17,596,031 | 17,596,031 |
| Other receivables: | | | |
| Accrued interest | - | 27,485,500 | 27,485,500 |
| Due from related party | - | 18,049 | 18,049 |
| Advances to customers | - | 23,028,887 | 23,028,887 |
| Rent receivable | - | 8,799,339 | 8,799,339 |
| Advances to condominium corporations | - | 4,218,021 | 4,218,021 |
| Retention | - | 902,092 | 902,092 |
| Others | - | 5,302,888 | 5,302,888 |
| Contract assets | - | 2,087,170,395 | 2,087,170,395 |
| Total | ₱2,962,203,582 | ₱2,754,992,972 | ₱5,717,196,554 |

*High Grade - financial assets with reputable counterparties and which management believes to be reasonably assured to be recoverable.

** Medium Grade - financial assets for which there is low risk of default of counterparties.



December 31, 2023:

| | High Grade* | Medium Grade** | Total |
|------------------------------------------------------|-----------------------|-----------------------|-----------------------|
| Financial assets | | | |
| Investments in trust funds | ₱36,950,627 | ₱— | ₱36,950,627 |
| Cash and cash equivalents, excluding cash on hand | 685,683,140 | — | 685,683,140 |
| Short-term investments | 1,131,400,000 | — | 1,131,400,000 |
| Long-term investments | 100,000,000 | — | 100,000,000 |
| Installment contracts receivable | — | 42,099,506 | 42,099,506 |
| Notes receivable | — | 1,252,000,000 | 1,252,000,000 |
| Guaranty deposits | — | 157,299,438 | 157,299,438 |
| Refundable deposits | — | 16,647,403 | 16,647,403 |
| Other receivables: | | | |
| Accrued interest | — | 31,684,922 | 31,684,922 |
| Due from related party | — | 12,030,722 | 12,030,722 |
| Advances to customers | — | 11,361,428 | 11,361,428 |
| Rent receivable | — | 10,385,013 | 10,385,013 |
| Advances to condominium corporations | — | 7,167,660 | 7,167,660 |
| Retention | — | 1,582,091 | 1,582,091 |
| Others | — | 563,337 | 563,337 |
| Contract assets | — | 2,208,157,277 | 2,208,157,277 |
| Total | ₱1,954,033,767 | ₱3,750,978,797 | ₱5,705,012,564 |

*High Grade - financial assets with reputable counterparties and which management believes to be reasonably assured to be recoverable.

**Medium Grade - financial assets for which there is low risk of default of counterparties.

Liquidity risk

Liquidity risk is defined as the risk that the Group would not be able to settle or meet its obligations on time or at a reasonable price.

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of commercial papers.

The tables below summarize the maturity analysis of the consolidated financial assets held for managing liquidity and financial liabilities based on contractual undiscounted payments:

December 31, 2024:

| | 1-30 days | 31-90 days | 91-180 days | 181-365 days | Above 1 year | Total |
|----------------------------------------|-----------------------|---------------------|---------------------|---------------------|-----------------------|-----------------------|
| Financial Liabilities | | | | | | |
| Accounts payable and accrued expenses* | ₱475,321,790 | ₱1,227,246 | ₱10,519,357 | ₱1,335,020 | ₱109,447,297 | ₱597,850,710 |
| Lease liabilities** | 437,346 | 874,691 | 1,321,646 | 3,095,588 | 6,913,400 | 12,642,671 |
| Notes and contract payable** | 496,148,242 | 500,799,316 | 362,278,205 | — | — | 1,359,225,763 |
| Pre-need reserves | 58,250 | 101,000 | 151,500 | 527,834 | 21,162,942 | 22,001,526 |
| | 971,965,628 | 503,002,253 | 374,270,708 | 4,958,442 | 137,523,639 | 1,991,720,670 |
| Financial Assets | | | | | | |
| Cash and cash equivalents | 1,127,363,425 | 163,000,000 | — | — | — | 1,290,363,425 |
| Short-term investments*** | 836,308,588 | 414,368,419 | 103,873,787 | 45,751,346 | — | 1,400,302,140 |
| Long-term investments*** | — | — | — | — | 251,657,841 | 251,657,841 |
| Installment contracts receivable**** | 5,837,979 | 439,605 | 82,314 | 5,027,503 | 35,602,331 | 46,989,732 |
| Notes receivable**** | — | 130,780,504 | 185,869,771 | — | 92,784,974 | 409,435,249 |
| Guaranty deposit | — | — | — | 76,115,000 | 62,999,438 | 139,114,438 |
| Refundable deposits | — | — | — | — | 17,596,031 | 17,596,031 |
| Other receivables | 33,798,085 | 23,731,010 | 2,214,479 | 8,530,919 | 1,480,283 | 69,754,776 |
| Financial assets at FVOCI | — | — | — | — | 342,592,161 | 342,592,161 |
| Contract assets**** | 115,858,719 | 188,678,415 | 280,507,585 | 480,484,458 | 2,659,323,865 | 3,724,853,042 |
| | 2,119,166,796 | 920,997,953 | 572,547,936 | 615,909,226 | 3,464,036,924 | 7,692,658,835 |
| Liquidity position | ₱1,147,201,168 | ₱417,995,700 | ₱198,277,228 | ₱610,950,784 | ₱3,326,513,285 | ₱5,700,938,165 |

*Excludes statutory liabilities amounting to ₱10,491,972, deferred rent income amounting to ₱34,952,685, rental and customers' deposits amounting to ₱151,233,288, accrued interest amounting to ₱1,549,279, lease liabilities amounting to ₱11,631,540 and VAT payable amounting to ₱108,712.

**Includes forecasted interest expense until the end of lease term of lease liabilities amounting to ₱1,011,131 and interest expense until maturity of notes payable and contract payable amounting to ₱14,925,763.

***Includes interest to maturity for short-term investments amounting to ₱12,702,140 and long-term investments amounting to ₱1,657,841

****Includes interest to maturity for installment contract receivable amounting to ₱12,132,400, notes receivable amounting to ₱2,935,249 and contract assets amounting to ₱1,637,682,647.



December 31, 2023:

| | 1-30 days | 31-90 days | 91-180 days | 181-365 days | Above 1 year | Total |
|----------------------------------------|---------------|----------------|--------------|--------------|----------------|----------------|
| Financial Liabilities | | | | | | |
| Accounts payable and accrued expenses* | ₱304,688,447 | ₱815,456 | ₱32,455,533 | ₱1,894,704 | ₱170,890,678 | ₱510,744,818 |
| Lease liabilities** | 428,195 | 856,391 | 1,293,737 | 2,537,928 | 10,818,824 | 15,935,075 |
| Notes payable and contract payable** | 526,434,478 | 594,514,995 | 129,598,405 | – | – | 1,250,547,878 |
| Pre-need reserves | 59,300 | 363,243 | 285,099 | 407,788 | 22,822,951 | 23,938,381 |
| | 831,610,420 | 596,550,085 | 163,632,774 | 4,840,420 | 204,532,453 | 1,801,166,152 |
| Financial Assets | | | | | | |
| Cash and cash equivalents | 369,887,140 | 316,000,000 | – | – | – | 685,887,140 |
| Short-term investments*** | 597,866,698 | 397,760,602 | 141,469,215 | – | – | 1,137,096,515 |
| Long-term investments*** | – | – | – | – | 112,383,836 | 112,383,836 |
| Installment contracts receivable**** | 15,729,486 | 2,049,861 | 2,002,594 | 5,434,706 | 43,123,870 | 68,340,517 |
| Notes receivable**** | 119,431,592 | 757,538,381 | 385,147,222 | – | – | 1,262,117,195 |
| Guaranty deposit | – | – | – | – | 157,299,438 | 157,299,438 |
| Refundable deposits | – | – | – | – | 16,647,403 | 16,647,403 |
| Other receivables | 35,731,414 | 28,732,480 | 4,200,384 | 5,270,618 | 840,277 | 74,775,173 |
| Financial assets at FVOCI | – | – | – | – | 187,630,775 | 187,630,775 |
| Contract assets**** | 94,608,685 | 183,336,605 | 263,531,234 | 398,742,994 | 2,913,067,629 | 3,853,287,147 |
| | 1,233,255,015 | 1,685,417,929 | 796,350,649 | 409,448,318 | 3,430,993,228 | 7,555,465,139 |
| Liquidity position | ₱401,644,595 | ₱1,088,867,844 | ₱632,717,875 | ₱404,607,898 | ₱3,226,460,775 | ₱5,754,298,987 |

*Excludes statutory liabilities amounting to ₱10,492,943, deferred rent income amounting to ₱50,643,988, rental and customers' deposits amounting to ₱111,640,288, accrued interest amounting to ₱1,297,207, lease liabilities amounting to ₱14,179,192 and VAT payable amounting to ₱1,641,406.

**Includes forecasted interest expense until the end of lease term of lease liabilities amounting to ₱1,755,883 and interest expense until maturity of notes payable and contract payable amounting to ₱12,991,428.

***Includes interest to maturity for short-term investments amounting to ₱5,696,515 and long-term investments amounting to ₱12,383,836

****Includes interest to maturity for installment contract receivable amounting to ₱26,241,011, notes receivable amounting to ₱10,117,195 and contract assets amounting to ₱1,645,129,870.

Fair Values

The following tables provide fair value hierarchy of the Group's financial assets, financial liabilities and investment properties, other than those with carrying amounts which are reasonable approximations of fair values:

Date of valuation: December 31, 2024

| | Fair value | | |
|----------------------------------------------------|-------------|---------|---------------|
| | Level 1 | Level 2 | Level 3 |
| Assets measured at fair value: | | | |
| Investment in trust fund | | | |
| Financial assets at FVPL | ₱5,955,530 | ₱– | ₱– |
| Investment properties | – | – | 5,149,283 |
| Financial assets at FVOCI | 342,592,161 | – | – |
| Assets for which fair values are disclosed: | | | |
| Investment properties | – | – | 8,705,519,153 |
| Real estate properties held for future development | – | – | 2,752,160,000 |

Date of valuation: December 31, 2023

| | Fair value | | |
|----------------------------------------------------|-------------|---------|---------------|
| | Level 1 | Level 2 | Level 3 |
| Assets measured at fair value: | | | |
| Investment in trust fund | | | |
| Financial assets at FVPL | ₱4,572,274 | ₱– | ₱– |
| Financial assets at FVOCI | 681,157 | – | – |
| Investment properties | – | – | 6,839,400 |
| Financial assets at FVOCI | 187,630,775 | – | – |
| Assets for which fair values are disclosed: | | | |
| Investment properties | – | – | 9,048,280,748 |
| Real estate properties held for future development | – | – | 1,721,496,000 |



The following method and assumptions were used to estimate the fair value of each class of financial instruments and investment properties, for which it is practicable to estimate such value.

Cash and cash equivalents, short-term and long-term investments, installment contracts receivable, notes receivable, other receivables, accounts payable and accrued expenses and notes and contract payable

Due to the short-term nature of the transactions, the fair values of cash and cash equivalents, short-term investments, notes receivable, other receivables, accounts payable and accrued expenses and notes and contract payable approximate their carrying amounts. The fair values of long-term investments, notes receivable and installment contracts receivable approximate their carrying amounts as they carry interest rates that approximate the interest rates for comparable instruments in the market.

Financial assets at FVOCI

Financial assets at FVOCI are stated at fair value based on quoted market prices.

Investment properties and real estate properties held for future development

The fair value of certain investment properties and real estate properties held for future development are determined using sales comparison. Sales comparison approach considers the sales of similar or substitute properties and other related market data had the investment properties been transacted in the market. The significant unobservable inputs used in determining the fair value are the sales price per square meter of similar or substitute property, location, size, shape of lot and the highest and best use.

Another method used in determining the fair value of other properties is based on the market data approach. The value is based on sales and listings of comparable property registered within the vicinity. This requires adjustments of comparable property by reducing reasonable comparative sales and listings to a common denominator by adjusting the difference between the subject property and those actual sales and listings regarded as comparables. The comparison is premised on the factors of location; size and shape of the lot; time element and others.

The fair values of the above properties as of December 31, 2024 and 2023 approximate and represent the highest and best use of the said properties.

27. Capital Management

The primary objective of the Group's capital management is to ensure that it maintains a strong credit and healthy capital ratios in order to support its business and maximize shareholder value.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions. It monitors its use of capital using leverage ratios on both gross debt and net debt basis. Debt consists of short-term debt. Debt coverage includes short-term debt less cash and cash equivalents, short-term investments and current portion of notes receivable. The Group considers as capital the equity holders of the parent company excluding unrealized fair value changes on financial assets at FVOCI and accumulated re-measurement on defined benefit plan.

The Group was able to meet its capital management objectives as of December 31, 2024 and 2023.



As of December 31, the Group has the following ratios:

| | 2024 | 2023 |
|----------------------------------------------------|------------------------|-----------------|
| Notes and contract payable | ₱1,344,300,000 | ₱1,237,556,450 |
| Total equity holders of the Parent Company | 10,760,479,272 | 10,163,940,541 |
| Add (less): | | |
| Unrealized fair value changes on FVOCI | (12,579,327) | (7,633,682) |
| Accumulated re-measurement on defined benefit plan | 17,647,962 | 21,072,310 |
| Capital | ₱10,765,547,907 | ₱10,177,379,169 |
| Debt-to-capital ratio | 0.12:1 | 0.12:1 |

| | 2024 | 2023 |
|--------------------------------------|------------------------|-----------------|
| Cash and cash equivalents | ₱1,290,565,425 | ₱685,887,140 |
| Short-term investments | 1,387,600,000 | 1,131,400,000 |
| Current portion of notes receivable | 315,000,000 | 1,252,000,000 |
| Notes and contract payable | (1,344,300,000) | (1,237,556,450) |
| Current portion of lease liabilities | (5,180,500) | (4,415,979) |
| Debt coverage | ₱1,643,684,925 | ₱1,827,314,711 |

As of December 31, 2024, and 2023, the Group has no externally imposed capital requirements.

In accordance with the Rule on Minimum Public Ownership issued by the Philippine Stock Exchange (PSE) requiring listed companies to maintain a 10% public float at all times, the total number of shares owned by the public as of December 31, 2024 and 2023 are 1,675,700,229 shares and 1,671,988,994 shares, respectively, which are approximately 33.67% and 33.60%, respectively, of the total number of issued and outstanding shares of the Parent Company.

On August 2, 1983, the SEC and PSE approved the listing of the Parent Company's common shares totaling 10,000,000 shares. The shares were initially issued at an offer price of ₱10.00 per share.

After listing in 1983, there had been subsequent issuances covering a total of 4,855,121,595 shares.

Below is the summary of the Parent Company's track record of registration of securities with the SEC and PSE as at December 31, 2024:

| | Number of Shares Registered | Number of holders of securities as of year end |
|-----------------------|--------------------------------|---------------------------------------------------------|
| December 31, 2022 | 4,855,121,595 | 638 |
| Add/(Deduct) movement | 121,377,730 | 2 |
| December 31, 2023 | 4,976,499,325 | 640 |
| Add/(Deduct) movement | - | (6) |
| December 31, 2024 | 4,976,499,325 | 634 |



28. Basic/Diluted Earnings Per Share

Basic/diluted earnings per share amounts were computed as follows:

| | 2024 | 2023 | 2022 |
|---------------------------------------------------------------------|----------------------|---------------|----------------|
| Net income attributable to equity holders of the Parent Company (a) | ₱783,136,329 | ₱882,560,366 | ₱1,030,402,598 |
| Weighted average number of outstanding shares (b) | 4,976,499,325 | 4,976,499,325 | 4,976,499,325* |
| Basic/diluted earnings per share (a/b) | ₱0.16 | ₱0.18 | ₱0.21 |

*After retroactive effect of 2.5% stock dividends in 2023.

The Group has no potential dilutive common shares as of December 31, 2024, 2023 and 2022. Thus, the basic and diluted earnings per share are the same as of those dates.

29. Business Segments

The Group derives its revenues primarily from the sale and lease of real estate properties and its investments in trust funds. These are the operating segments classified as business groups which are consistent with the segments reported to the BOD, its Chief Operating Decision Maker (CODM).

The Group does not have any major buyers and all sales and leases of real estate properties are made to external buyers.

Segment Revenue and Expenses

| | 2024 | | | Total |
|-----------------------------------------|---------------------------------|---------------------------------|-------------------------|-----------------------|
| | Sales of Real Estate Properties | Lease of Real Estate Properties | Pension Plan Operations | |
| Revenue: | | | | |
| Sales of real estate | ₱1,639,174,700 | ₱- | ₱- | ₱1,639,174,700 |
| Financial income | 620,086,789 | | 580,913 | 620,667,702 |
| Rent income | - | 223,274,084 | - | 223,274,084 |
| Other income - net | 94,866,904 | - | 9,096 | 94,876,000 |
| Costs of real estate sales | (745,328,980) | - | - | (745,328,980) |
| Operating expenses: | | | | |
| Personnel | (248,811,385) | - | (492,850) | (249,304,235) |
| Taxes and licenses | (90,847,597) | (30,835,368) | (12,659) | (121,695,624) |
| Light, power and water | (42,804,052) | - | (12,505) | (42,816,557) |
| Professional fees | (74,203,112) | - | (108,000) | (74,311,112) |
| Depreciation | (4,727,753) | (49,757,089) | (4,787,954) | (59,272,796) |
| Others | (137,861,739) | (21,325,009) | (2,646,881) | (161,833,629) |
| Financial expenses | (38,561,597) | - | - | (38,561,597) |
| Benefit from (provision for) income tax | (215,658,965) | (30,339,154) | 1,687,299 | (244,310,820) |
| Net income (loss) | ₱755,323,213 | ₱91,017,464 | (₱5,783,541) | ₱840,557,136 |



| 2023 | | | | |
|-----------------------------------------|---------------------------------|---------------------------------|-------------------------|---------------------|
| | Sales of Real Estate Properties | Lease of Real Estate Properties | Pension Plan Operations | Total |
| Revenue: | | | | |
| Sales of real estate | ₱2,177,856,699 | ₱- | ₱- | ₱2,177,856,699 |
| Financial income | 504,104,198 | | 1,614,212 | 505,718,410 |
| Rent income | - | 219,785,579 | - | 219,785,579 |
| Other income - net | 129,244,604 | - | 4,546,577 | 133,791,181 |
| Costs of real estate sales | (1,180,078,929) | - | - | (1,180,078,929) |
| Operating expenses: | | | | |
| Personnel | (237,292,907) | - | (447,290) | (237,740,197) |
| Taxes and licenses | (67,520,918) | (29,346,943) | (10,613) | (96,878,474) |
| Light, power and water | (45,729,056) | - | (9,380) | (45,738,436) |
| Professional fees | (50,270,482) | - | (215,000) | (50,485,482) |
| Depreciation | (3,014,239) | (49,757,089) | (5,551,885) | (58,323,213) |
| Others | (87,769,039) | (28,345,625) | (3,445,996) | (119,560,660) |
| Financial expenses | (3,606,843) | - | - | (3,606,843) |
| Benefit from (provision for) income tax | (254,721,712) | (28,083,981) | 2,307,157 | (280,498,536) |
| Net income (loss) | ₱881,201,376 | ₱84,251,941 | (₱1,212,218) | ₱964,241,099 |

| 2022 | | | | |
|-----------------------------------------|---------------------------------|---------------------------------|-------------------------|-----------------------|
| | Sales of Real Estate Properties | Lease of Real Estate Properties | Pension Plan Operations | Total |
| Revenue: | | | | |
| Sales of real estate | ₱2,556,337,564 | ₱- | ₱- | ₱2,556,337,564 |
| Financial income | 383,091,333 | | 111,787 | 383,203,120 |
| Rent income | - | 188,581,479 | - | 188,581,479 |
| Other income - net | 257,209,467 | - | 457,889 | 257,667,356 |
| Costs of real estate sales | (1,188,728,457) | - | - | (1,188,728,457) |
| Operating expenses: | | | | |
| Personnel | (241,523,259) | - | (665,756) | (242,189,015) |
| Taxes and licenses | (47,509,042) | (25,827,475) | (15,009) | (73,351,526) |
| Light, power and water | (41,135,430) | - | (8,863) | (41,144,293) |
| Professional fees | (57,095,452) | - | (391,400) | (57,486,852) |
| Depreciation | (6,514,008) | (49,887,081) | (1,453,420) | (57,854,509) |
| Others | (80,938,868) | (22,833,228) | (1,642,259) | (105,414,355) |
| Financial expenses | (3,204,377) | - | - | (3,204,377) |
| Benefit from (provision for) income tax | (358,164,695) | (22,508,424) | 2,481,281 | (378,191,838) |
| Net income (loss) | ₱1,171,824,776 | ₱67,525,271 | (₱1,125,750) | ₱1,238,224,297 |

Segment Assets and Liabilities

December 31, 2024:

| | Sales of Real Estate Properties | Lease of Real Estate Properties | Pension Plan Operations | Total |
|----------------------------------------------------|---------------------------------|---------------------------------|-------------------------|-----------------|
| Total assets | ₱12,267,338,060 | ₱2,605,598,988 | ₱127,550,488 | ₱15,000,487,536 |
| Total liabilities | (2,700,885,621) | - | (28,238,642) | (2,729,124,263) |
| Additions to: | | | | |
| Real estate properties held for future development | 1,327,747 | - | - | 1,327,747 |
| Investment properties | - | 11,024,919 | - | 11,024,919 |



December 31, 2023:

| | Sales of Real Estate Properties | Lease of Real Estate Properties | Pension Plan Operations | Total |
|-------------------------------------------------------|---------------------------------------|---------------------------------------|----------------------------|-----------------|
| Total assets | ₱11,603,788,751 | ₱2,190,986,125 | ₱92,873,198 | ₱13,887,648,074 |
| Total liabilities | (2,262,842,805) | (4,373,606) | (30,308,881) | (2,297,525,292) |
| Additions to: | | | | |
| Real estate properties held for future development | 1,197,515 | – | – | 1,197,515 |
| Investment properties | – | 293,039,256 | – | 293,039,256 |

30. Contingencies

The Group is contingently liable for certain lawsuits or claims filed by third parties which are either pending decisions by the courts or are under negotiation, the outcomes of which are not presently determinable. In the opinion of management and its legal counsel, the eventual liability under these lawsuits or claims, if any, will not have a material effect on the consolidated financial statements. Hence, no provision was recognized as of December 31, 2024 and 2023.



INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY SCHEDULES

The Stockholders and the Board of Directors
Cityland Development Corporation
2/F, Cityland Condominium 10, Tower I
156 H.V. de la Costa Street
Makati City

We have audited, in accordance with Philippine Standards on Auditing, the consolidated financial statements of Cityland Development Corporation and its subsidiaries (the Group) as at December 31, 2024 and 2023 and for each of the three years in the period ended December 31, 2024 and have issued our report thereon dated April 10, 2025. Our audits were made for the purpose of forming an opinion on the basic consolidated financial statements taken as a whole. The schedules listed in the Index to the Consolidated Financial Statements and Supplementary Schedules are the responsibility of the Group's management. These schedules are presented for purposes of complying with the Revised Securities Regulation Code Rule 68, and are not part of the basic consolidated financial statements. These schedules have been subjected to the auditing procedures applied in the audit of the basic consolidated financial statements and, in our opinion, fairly state, in all material respects, the financial information required to be set forth therein in relation to the basic consolidated financial statements taken as a whole.

SYCIP GORRES VELAYO & CO.

Manolito R. Elle

Manolito R. Elle

Partner

CPA Certificate No. 106471

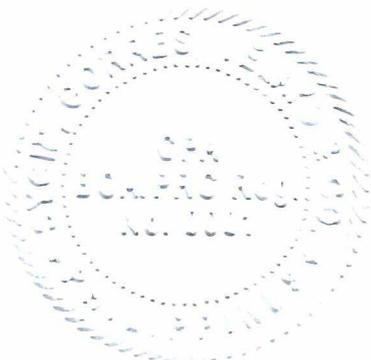
Tax Identification No. 220-881-929

BOA/PRC Reg. No. 0001, April 16, 2024, valid until August 23, 2026

BIR Accreditation No. 08-001998-128-2023, January 25, 2023, valid until January 24, 2026

PTR No. 10465300, January 2, 2025, Makati City

April 10, 2025



CITYLAND DEVELOPMENT CORPORATION AND SUBSIDIARIES
INDEX TO THE CONSOLIDATED FINANCIAL STATEMENTS AND
SUPPLEMENTARY SCHEDULES

- Schedule I : Supplementary schedules required by Annex 68-E
Schedule A: Financial Assets
Schedule B: Amounts Receivable from Directors, Officers, Employees, Related Parties and Principal Stockholders (Other Than Related Parties)
Schedule C: Amounts Receivable from Related Parties which are Eliminated during Consolidation of Financial Statements
Schedule D: Intangible Assets - Other Assets
Schedule E: Long-term Debt
Schedule F: Indebtedness to Related Parties
Schedule G: Guarantees of Securities of Other Issuers
Schedule H: Capital Stock
- Schedule II : Reconciliation of Retained Earnings Available for Dividend Declaration (Part 1, 4C, Annex 68-C)
- Schedule III : Map of the relationships of the companies within the group
- Schedule IV : Supplementary schedules of financial soundness indicators
- Schedule V : Schedule of gross and net proceeds of commercial papers issued
- Schedule VI : Supplementary schedule of external auditor fee - related information



SCHEDULE I

CITYLAND DEVELOPMENT CORPORATION AND SUBSIDIARIES
SUPPLEMENTARY SCHEDULES REQUIRED BY ANNEX 68-E

Schedule A. Financial Assets

| Name of Issuing Entity and Description of Each Issue | Number of Shares or Principal Amount of Bonds and Notes | Amount Shown in the Statements of Financial Position | Value Based on Market Quotations at Balance Sheet Date | Income Received and Accrued |
|------------------------------------------------------|---------------------------------------------------------|------------------------------------------------------|--------------------------------------------------------|-----------------------------|
| Cash and Cash Equivalents | | | | |
| Cash on hand and in banks | P- | P178,565,425 | P178,565,425 | P156,815 |
| Cash equivalents | | | | |
| Amalgamated Investment Bancorporation | - | - | - | 1,773,534 |
| China Bank Savings | - | 98,500,000 | 98,500,000 | 8,981,661 |
| Citysavings Bank | - | 30,000,000 | 30,000,000 | 6,883,265 |
| Malayan Bank | - | 40,000,000 | 40,000,000 | 1,324,365 |
| Metro Bank | - | 50,000,000 | 50,000,000 | 1,985,078 |
| Philippine National Bank | - | - | - | 278,444 |
| Philippine Trust Company | - | 647,500,000 | 647,500,000 | 31,241,569 |
| Rizal Commercial Banking Corporation | - | - | - | 26,396 |
| Landbank of the Philippines | - | 196,000,000 | 196,000,000 | 20,176,560 |
| Banco De Oro | - | 50,000,000 | 50,000,000 | 1,227,951 |
| Philippine Business Bank | - | - | - | 1,113,128 |
| | P- | P1,290,565,425 | P1,290,565,425 | P75,168,766 |
| Short-term Investments | | | | |
| Amalgamated Investment Bancorporation | P- | P495,500,000 | P495,500,000 | P5,073,094 |
| CitySavings Bank | - | 287,500,000 | 287,500,000 | 26,143,560 |
| Malayan Bank | - | 30,000,000 | 30,000,000 | 993,274 |
| China Bank Savings | - | 574,600,000 | 574,600,000 | 25,892,651 |
| | P- | P1,387,600,000 | P1,387,600,000 | P58,102,579 |
| Long-term Investments | | | | |
| First Metro Securities | P- | P250,000,000 | P250,000,000 | P13,021,840 |

| Name of Issuing Entity and Description of Each Issue | Number of Shares or Principal Amount of Bonds and Notes | Amount Shown in the Statements of Financial Position | Value Based on Market Quotations at Balance Sheet Date | Income Received and Accrued |
|-------------------------------------------------------------|---------------------------------------------------------|------------------------------------------------------|--------------------------------------------------------|-----------------------------|
| Financial Assets at FVOCI | | | | |
| Ayala Corp. "B" Preferred | 227 | ₱135,973 | ₱135,973 | ₱- |
| Ayala Land "B" Preferred | 16,875 | 1,688 | 1,688 | - |
| San Miguel Corp.- 2L Preferred | 1,333,400 | 103,538,510 | 103,538,510 | - |
| San Miguel Corp.- 2N Preferred | 1,066,700 | 85,015,990 | 85,015,990 | - |
| Ayala Corp. "B" Series 3 Preferred | 75,000 | 153,900,000 | 153,900,000 | - |
| | 2,492,202 | ₱342,592,161 | ₱342,592,161 | ₱- |
| Investments in Trust Funds | | | | |
| | - | ₱34,240,157 | ₱34,240,157 | ₱- |
| Installment Contracts Receivable and Contract Assets | | | | |
| | - | 2,122,027,727 | 2,122,027,727 | 363,076,475 |
| Notes Receivable | - | 406,500,000 | 406,500,000 | 89,331,122 |
| Guaranty Deposit | - | 139,114,438 | 139,114,438 | 10,055,129 |
| Refundable Deposit | - | 17,596,031 | 17,596,031 | - |
| Other Receivables | - | 69,754,776 | 69,754,776 | - |
| | - | 2,789,233,129 | 2,789,233,129 | 462,462,726 |
| | ₱2,492,202 | ₱6,059,990,715 | ₱6,059,990,715 | ₱608,755,911 |

Schedule B. Amounts Receivable from Directors, Officers, Employees, Related Parties and Principal Stockholders (Other Than Related Parties)

| Name and Designation of Debtor | Balance at beginning of period | Additions | Amounts collected | Amounts written off | Current | Non-current | Balance at end of period |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------|-----------|-------------------|---------------------|---------|-------------|--------------------------|
| Not applicable. The Group has no receivable from directors, officers, employees, related parties and principal stockholders (other than related parties). | | | | | | | |

Schedule C. Amounts Receivable from Related Parties which are Eliminated during Consolidation of Financial Statements

| Name and Designation of Debtor | Balance at beginning of period | Additions | Amounts collected | Amounts written-off | Current | Non-current | Balance at end of period |
|--------------------------------|--------------------------------|------------|-------------------|---------------------|-----------|-------------|--------------------------|
| CPI (Subsidiary) | ₱2,377,196 | ₱2,079,058 | ₱4,097,075 | ₱- | ₱359,179 | ₱- | ₱359,179 |
| CLDI (Subsidiary) | 17,746,064 | 5,842,771 | 22,307,962 | - | 1,280,873 | - | 1,280,873 |

Parent Company's transactions with CLDI and CPI are eliminated in the consolidated financial statements.

Schedule D. Intangible Assets - Other Assets

| Description | Beginning Balance | Additions at cost | Charged to cost and expenses | Charged to other accounts | Other changes additions (deductions) | Ending balance |
|-----------------------------------------------------|-------------------|-------------------|------------------------------|---------------------------|--------------------------------------|----------------|
| Not Applicable. The Group has no intangible assets. | | | | | | |

Schedule E. Long-term Debt

| Title of Issue and type of Obligation | Amount authorized by indenture | Amount shown under caption "Current portion of long-term debt" in related balance sheet | Amount shown under caption "Long-Term Debt" in related balance sheet |
|--------------------------------------------------|--------------------------------|-----------------------------------------------------------------------------------------|----------------------------------------------------------------------|
| Not applicable. The Group has no long-term debt. | | | |

Schedule F. Indebtedness to Related Parties

| Name of related parties | Balance at beginning of period | Balance at end of period |
|------------------------------|--------------------------------|--------------------------|
| Directors fees | ₱31,571,135 | ₱37,092,941 |
| Ultimate parent company (CI) | 4,191,887 | 2,556,180 |

Schedule G. Guarantees of Securities of Other Issuers

| Name of issuing entity of securities guaranteed by the company for which this statement is filed | Title of issue of each class of securities guaranteed | Total amount guaranteed and outstanding | Amount owned by person for which statement is filed | Nature of guarantee |
|--------------------------------------------------------------------------------------------------|-------------------------------------------------------|-----------------------------------------|-----------------------------------------------------|---------------------|
| Not applicable. The Group has no guarantees of securities of other issuers. | | | | |

Schedule H. Capital Stock

| Title of Issue | Number of Shares Authorized | Number of Shares Issued and Outstanding at shown under related Statements of Financial Position Caption | Number of Shares Reserved for Options, Warrants, Conversion and Other Rights | Number of Shares Held By | | |
|--------------------------------|-----------------------------|---------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------|--------------------------|-----------------------------------|---------------|
| | | | | Affiliates | Directors, Officers and Employees | Others |
| Common Stock - ₱1.00 par value | 5,000,000,000 | 4,976,499,325 (net of 1,937,947 treasury stock) | – | 2,546,156,704 | 754,642,392 | 1,675,700,229 |

SCHEDULE II

CITYLAND DEVELOPMENT CORPORATION AND SUBSIDIARIES
SUPPLEMENTARY SCHEDULE OF RETAINED EARNINGS
AVAILABLE FOR DIVIDEND DECLARATION
DECEMBER 31, 2024

| | |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|
| Unappropriated Retained Earnings, December 31, 2023 | ₱3,451,817,895 |
| Add: Category A: Items that are directly credited to Unappropriated Retained Earnings | |
| Reversal of Retained Earnings Appropriation/s | ₱– |
| Effect of restatements or prior-period adjustments | – |
| Others | 3,634,228 |
| | – |
| Less: Category B: Items that are directly debited to Unappropriated Retained Earnings | |
| Dividend declaration during the reporting period | (237,379,014) |
| Retained Earnings appropriated during the reporting period | – |
| Effect of restatements or prior-period adjustments | (12,201,081) |
| Others | – |
| Sub-total | (245,945,867) |
| Unappropriated Retained Earnings, as adjusted | 3,205,872,028 |
| Add: Net income for the current year | 747,786,811 |
| Less: Category C.1: Unrealized income recognized in the profit or loss during the reporting period (net of tax) | |
| Equity in net income of associate/joint venture, net of dividends declared | – |
| Unrealized foreign exchange gain, except those attributable to cash and cash equivalents | – |
| Unrealized fair value adjustment (mark-to-market gains) of financial instruments at fair value through profit or loss (FVTPL) | – |
| Unrealized fair value gain of investment property | – |
| Other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS | – |
| Sub-total | – |
| Add: Category C.2: Unrealized income recognized in the profit or loss in prior reporting periods but realized in the current reporting period (net of tax) | |
| Realized foreign exchange gain, except those attributable to cash and cash equivalents | – |
| Realized fair value adjustment (mark-to-market gains) of financial instruments at fair value through profit or loss (FVTPL) | – |
| Realized fair value gain of investment property | – |
| Fair value adjustment arising from repossessed inventories | 6,354,361 |
| Sub-total | 6,354,361 |

Add: Category C.3: Unrealized income recognized in profit or loss in prior periods but reversed in the current reporting period (net of tax)

| | |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------|---|
| Reversal of previously recorded foreign exchange gain, except those attributable to cash and cash equivalents | - |
| Reversal of previously recorded fair value adjustment (mark-to-market gains) of financial instruments at fair value through profit or loss (FVTPL) | - |
| Reversal of previously recorded fair value gain of investment property | - |
| Reversal of other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS, previously recorded | - |
| Sub-total | - |

Adjusted Net Income 754,141,172

Add: Category D: Non-actual losses recognized in profit or loss during the reporting period (net of tax)

| | |
|---------------------------------------------------|---|
| Depreciation on revaluation increment (after tax) | - |
| Sub-total | - |

Add/Less: Category E: Adjustments related to relief granted by the SEC and BSP

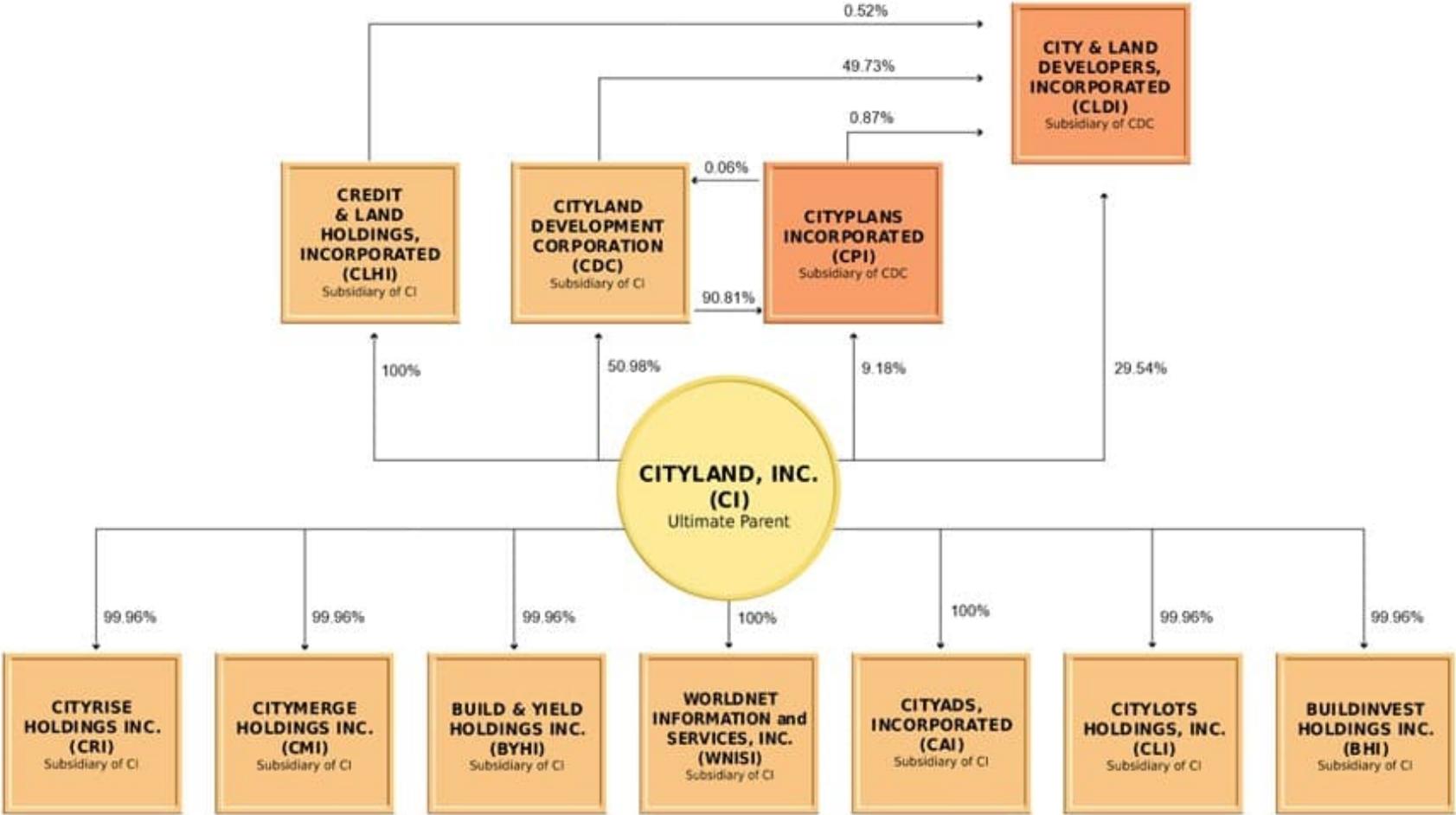
| | |
|----------------------------------------------------------|---|
| Amortization of the effect of reporting relief | - |
| Total amount of reporting relief granted during the year | - |
| Others | - |
| Sub-total | - |

Add/Less: Category F: Other items that should be excluded from the determination of the amount of available for dividends distribution

| | |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|
| Net movement of treasury shares (except for reacquisition of redeemable shares) | - |
| Net movement of deferred tax asset not considered in the reconciling items under the previous categories | 2,901,703 |
| Net movement in deferred tax asset and deferred tax liabilities related to same transaction, e.g., set up of right of use of asset and lease liability, set-up of asset and asset retirement obligation, and set-up of service concession asset and concession payable | - |
| Adjustment due to deviation from PFRS/GAAP - gain (loss) | - |
| Others | 44,041 |
| Sub-total | 2,945,744 |

Total Retained Earnings Available for Dividend Declaration, December 31, 2024 ₱3,962,958,944

CITYLAND DEVELOPMENT CORPORATION AND SUBSIDIARIES
MAP OF THE RELATIONSHIPS OF THE COMPANIES WITHIN THE GROUP



INDEPENDENT AUDITOR'S REPORT ON COMPONENTS OF FINANCIAL SOUNDNESS INDICATORS

The Stockholders and the Board of Directors
Cityland Development Corporation
2/F, Cityland Condominium 10, Tower I
156 H.V. de la Costa Street
Makati City

We have audited in accordance with Philippine Standards on Auditing, the consolidated financial statements of Cityland Development Corporation and its subsidiaries (the Group) as at December 31, 2024 and 2023 and for each of the three years in the period ended December 31, 2024, and have issued our report thereon dated April 10, 2025. Our audits were made for the purpose of forming an opinion on the basic consolidated financial statements taken as a whole. The Supplementary Schedule of Financial Soundness Indicators, including their definitions, formulas, calculation, and their appropriateness or usefulness to the intended users, are the responsibility of the Group's management. These financial soundness indicators are not measures of operating performance defined by Philippine Financial Reporting Standards (PFRS) Accounting Standards and may not be comparable to similarly titled measures presented by other companies. This schedule is presented for the purpose of complying with the Revised Securities Regulation Code Rule 68 issued by the Securities and Exchange Commission, and is not a required part of the basic consolidated financial statements prepared in accordance with PFRS Accounting Standards. The components of these financial soundness indicators have been traced to the Group's consolidated financial statements as at December 31, 2024 and 2023 and for each of the three years in the period ended December 31, 2024 and no material exceptions were noted.

SYCIP GORRES VELAYO & CO.

Manolito R. Elle

Manolito R. Elle
Partner

CPA Certificate No. 106471

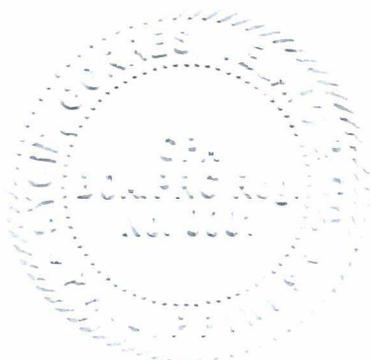
Tax Identification No. 220-881-929

BOA/PRC Reg. No. 0001, April 16, 2024, valid until August 23, 2026

BIR Accreditation No. 08-001998-128-2023, January 25, 2023, valid until January 24, 2026

PTR No. 10465300, January 2, 2025, Makati City

April 10, 2025



SCHEDULE IV

CITYLAND DEVELOPMENT CORPORATION AND SUBSIDIARIES
SUPPLEMENTARY SCHEDULE OF
FINANCIAL SOUNDNESS INDICATORS

| Financial Ratios | December 31 | | |
|----------------------------------|--------------------|-------------|-------------|
| | 2024 | 2023 | 2022 |
| Current | 4.66 | 5.13 | 3.70 |
| Asset-to-equity | 1.39 | 1.36 | 1.43 |
| Debt-to-equity | 0.12 | 0.12 | 0.12 |
| Asset-to-liability | 5.50 | 6.04 | 5.11 |
| Solvency | 0.33 | 0.45 | 0.49 |
| Interest rate coverage | 33.07 | 545.78 | 903.40 |
| Acid-test | 1.84 | 2.25 | 1.57 |
| Net profit margin | 32.61% | 56.15% | 36.63% |
| Return on equity (%) | 7.28% | 8.68% | 10.93% |
| Return on asset (%) | 5.60% | 6.94% | 9.19% |
| Basic/Diluted earnings per share | ₱0.16 | ₱0.18 | ₱0.21 |

Manner of Calculations:

| | | |
|------------------------------|---|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Current ratio | = | Total Current Assets / Total Current Liabilities |
| Asset-to-equity ratio | = | $\frac{\text{Total Assets}}{\text{Total equity attributable to equity holders of the Parent Company (net of unrealized fair value changes on financial assets at fair value through FVOCI and accumulated re-measurement on defined benefit plan)}}$ |
| Debt-to-equity ratio | = | $\frac{\text{Notes and Contracts Payable}}{\text{Total equity attributable to equity holders of the Parent Company (net of unrealized fair value changes on financial assets at fair value through FVOCI and accumulated re-measurement on defined benefit plan)}}$ |
| Asset-to-liability ratio | = | Total Assets / Total Liabilities |
| Solvency ratio | = | $\frac{\text{Net Income after Tax} + \text{Depreciation Expense}}{\text{Total Liabilities}}$ |
| Interest rate coverage ratio | = | $\frac{\text{Net Income Before Tax} + \text{Depreciation Expense} + \text{Interest expense}}{\text{Interest expense}}$ |
| Acid-test ratio | = | $\frac{\text{Cash and Cash Equivalents} + \text{Short-term Investments} + \text{Installment Contracts Receivable, current} + \text{Contract Assets, Current} + \text{Notes Receivable, current} + \text{Other Receivables, current}}{\text{Total Current Liabilities}}$ |
| Net profit margin | = | $\frac{\text{Net Income after Tax}}{\text{Total Revenue and Income}}$ |

| | | |
|----------------------------------|---|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Return on equity ratio | = | $\frac{\text{Net Income after Tax attributable to equity holders of the Parent Company}}{\text{Stockholder's Equity attributable to equity holders of the Parent Company}}$ |
| Return on assets ratio | = | $\frac{\text{Net Income after Tax}}{\text{Total Asset}}$ |
| Basic/Diluted earnings per share | = | $\frac{\text{Net income after Tax}}{\text{Outstanding number of shares}}$ |

SCHEDULE V

CITYLAND DEVELOPMENT CORPORATION

SCHEDULE OF GROSS AND NET PROCEEDS OF COMMERCIAL PAPERS ISSUED AS OF DECEMBER 31, 2024

SEC-MSRD Order No. 59, Series of 2023 dated October 19, 2023

A. As stated in the Final Prospectus (October 19, 2023 to October 19, 2024)

| | | |
|---------------------------|------------|-----------------------|
| Gross Proceeds | | ₱1,100,000,000 |
| Less: Expenses | | |
| Documentary Stamps Tax | ₱8,250,000 | |
| Registration Fees | 656,500 | |
| Printing Costs | 55,000 | |
| Exemptive Relief | 50,500 | |
| Publication Fees | 22,800 | |
| Legal and Accounting Fees | 20,000 | 9,054,800 |
| Net Proceeds | | ₱1,090,945,200 |
| Use of Proceeds | | |
| Project-related Costs | | ₱1,000,000,000 |
| Payment of Maturing Notes | | 78,958,500 |
| Interest Expense | | 11,986,700 |
| Total | | ₱1,090,945,200 |

B. Use of Proceeds

| | | |
|--------------------------------------------------------------------|----------------|-----------------------|
| Total Gross Proceeds (October 19, 2023 to October 19, 2024) | | ₱4,705,450,000 |
| Less: Expenses | | |
| Documentary Stamps Tax | ₱8,353,195 | |
| Registration Fees | 656,500 | |
| Exemptive Relief | 50,500 | |
| Printing Costs | 44,300 | |
| Publication Fees | 22,800 | |
| Legal and Accounting Fees | 20,000 | 9,147,295 |
| Total Net Proceeds | | ₱4,696,302,705 |
| Less: Use of Proceeds | | |
| Payment of Maturing Notes | ₱3,132,896,990 | |
| Project-related Costs | 1,563,405,715 | 4,696,302,705 |
| Balance of Proceeds as of October 19, 2024 | | - |

CITYLAND DEVELOPMENT CORPORATION
SCHEDULE OF GROSS AND NET PROCEEDS OF COMMERCIAL PAPERS ISSUED
AS OF DECEMBER 31, 2024

SEC-MSRD Order No. 94, Series of 2024 dated October 18, 2024

C. As stated in the Final Prospectus (October 18, 2024 to October 18, 2025)

| | | |
|---------------------------|------------|-----------------------|
| Gross Proceeds | | ₱1,000,000,000 |
| Less: Expenses | | |
| Documentary Stamps Tax | ₱7,500,000 | |
| Registration Fees | 631,250 | |
| Salesmen Commission | 82,000 | |
| Exemptive Relief | 50,500 | |
| Printing Costs | 50,000 | |
| Publication Fees | 22,800 | |
| Legal and Accounting Fees | 20,000 | 8,356,550 |
| Net Proceeds | | ₱991,643,450 |
| Use of Proceeds | | |
| Project-related Costs | | ₱510,000,000 |
| Payment of Maturing Notes | | 470,559,450 |
| Interest Expense | | 11,084,000 |
| Total | | ₱991,643,450 |

D. Use of Proceeds

| | | |
|---------------------------------------------------------------------|--------------|---------------------|
| Total Gross Proceeds (October 18, 2024 to December 31, 2024) | | ₱922,450,000 |
| Less: Expenses | | |
| Documentary Stamps Tax | ₱1,666,043 | |
| Registration Fees | 631,250 | |
| Salesmen Commission | 110,105 | |
| Exemptive Relief | 50,500 | |
| Publication Fees | 22,800 | |
| Legal and Accounting Fees | 20,000 | |
| Printing Costs | 12,900 | 2,513,598 |
| Total Net Proceeds | | ₱919,936,402 |
| Less: Use of Proceeds | | |
| Payment of Maturing Notes | ₱568,412,177 | |
| Project-related Costs | 351,524,225 | 919,936,402 |
| Balance of Proceeds as of December 31, 2024 | | - |

E. Outstanding Commercial Papers as of December 31, 2024

| | | |
|--------------------------------------------------------------|--|-----------------------|
| SEC-MSRD Order No. 59, Series of 2023 dated October 19, 2023 | | ₱225,100,000 |
| SEC-MSRD Order No. 94, Series of 2024 dated October 18, 2024 | | 878,800,000 |
| TOTAL | | ₱1,103,900,000 |

CITY & LAND DEVELOPERS, INCORPORATED
SCHEDULE OF GROSS AND NET PROCEEDS OF COMMERCIAL PAPERS ISSUED
AS OF DECEMBER 31, 2024

SEC-MSRD Order No. 114, Series of 2024 dated December 20, 2024

A. As stated in the Final Prospectus (December 20, 2024 to December 20, 2025)

| | | |
|---------------------------|------------|---------------------|
| Gross Proceeds | | ₱400,000,000 |
| Less: Expenses | | |
| Documentary Stamps Tax | ₱3,000,000 | |
| Registration Fees | 366,125 | |
| Salesmen Commission | 191,533 | |
| Exemptive Relief | 50,500 | |
| Publication Fees | 22,800 | |
| Legal and Accounting Fees | 20,000 | |
| Printing Costs | 20,000 | 3,670,958 |
| Net Proceeds | | ₱396,329,042 |
| Use of Proceeds | | |
| Project-related Costs | | ₱396,329,042 |
| Total | | ₱396,329,042 |

B. Use of Proceeds

| | | |
|----------------------------------------------------------------------|------------|---------------------|
| Total Gross Proceeds (December 20, 2024 to December 31, 2024) | | ₱240,400,000 |
| Less: Expenses | | |
| Documentary Stamps Tax | ₱1,328,520 | |
| Registration Fees | 366,125 | |
| Exemptive Relief | 50,500 | |
| Salesmen Commission | 44,042 | |
| Publication Fees | 22,800 | |
| Legal and Accounting Fees | 20,000 | |
| Printing Costs | 1,200 | 1,833,187 |
| Total Net Proceeds | | ₱238,566,813 |
| Less: Use of Proceeds | | |
| Project-related Costs | | ₱238,566,813 |
| Balance of Proceeds as of December 31, 2024 | | - |

C. Outstanding Commercial Papers as of December 31, 2024

| | |
|----------------------------------------------------------------|---------------------|
| SEC-MSRD Order No. 114, Series of 2024 dated December 20, 2024 | ₱240,400,000 |
|----------------------------------------------------------------|---------------------|

CITYLAND DEVELOPMENT CORPORATION
SCHEDULE OF GROSS AND NET PROCEEDS OF COMMERCIAL PAPERS ISSUED
AS OF DECEMBER 31, 2023

SEC-MSRD Order No. 72, Series of 2022 dated October 20, 2022

A. As stated in the Final Prospectus (October 20, 2022 to October 20, 2023)

| | | |
|---------------------------|-------------|-----------------------|
| Gross Proceeds | | ₱1,500,000,000 |
| Less: Expenses | | |
| Documentary Stamps Tax | ₱11,250,000 | |
| Registration Fees | 757,500 | |
| Printing Costs | 75,000 | |
| Exemptive Relief | 50,500 | |
| Publication Fees | 22,800 | |
| Legal and Accounting Fees | 20,000 | 12,175,800 |
| Net Proceeds | | ₱1,487,824,200 |
| Use of Proceeds | | |
| Project-related Costs | | ₱1,189,730,000 |
| Payment of Maturing Notes | | 281,723,200 |
| Interest Expense | | 16,371,000 |
| Total | | ₱1,487,824,200 |

B. Use of Proceeds

| | | |
|--------------------------------------------------------------------|----------------|-----------------------|
| Total Gross Proceeds (October 20, 2022 to October 20, 2023) | | ₱5,350,000,000 |
| Less: Expenses | | |
| Documentary Stamps Tax | ₱7,953,495 | |
| Registration Fees | 757,500 | |
| Printing Costs | 67,050 | |
| Exemptive Relief | 50,500 | |
| Publication Fees | 22,800 | |
| Legal and Accounting Fees | 20,000 | 8,871,345 |
| Total Net Proceeds | | ₱5,341,128,655 |
| Less: Use of Proceeds | | |
| Payment of Maturing Notes | ₱4,442,324,710 | |
| Project-related Costs | 898,803,945 | 5,341,128,655 |
| Balance of Proceeds as of October 20, 2023 | | ₱- |

CITYLAND DEVELOPMENT CORPORATION
SCHEDULE OF GROSS AND NET PROCEEDS OF COMMERCIAL PAPERS ISSUED
AS OF DECEMBER 31, 2023

SEC-MSRD Order No. 59, Series of 2023 dated October 19, 2023

A. As stated in the Final Prospectus (October 19, 2023 to October 19, 2024)

| | | |
|---------------------------|------------|------------------------------|
| Gross Proceeds | | ₱1,100,000,000 |
| Less: Expenses | | |
| Documentary Stamps Tax | ₱8,250,000 | |
| Registration Fees | 656,500 | |
| Printing Costs | 55,000 | |
| Exemptive Relief | 50,500 | |
| Publication Fees | 22,800 | |
| Legal and Accounting Fees | 20,000 | 9,054,800 |
| Net Proceeds | | <u>₱1,090,945,200</u> |
| Use of Proceeds | | |
| Project-related Costs | | ₱1,000,000,000 |
| Payment of Maturing Notes | | 78,958,500 |
| Interest Expense | | 11,986,700 |
| Total | | <u>₱1,090,945,200</u> |

B. Use of Proceeds

| | | |
|---------------------------------------------------------------------|--------------|------------------------------|
| Total Gross Proceeds (October 19, 2023 to December 31, 2023) | | ₱1,044,500,000 |
| Less: Expenses | | |
| Documentary Stamps Tax | ₱1,801,027 | |
| Registration Fees | 656,500 | |
| Exemptive Relief | 50,500 | |
| Publication Fees | 22,800 | |
| Legal and Accounting Fees | 20,000 | |
| Printing Costs | 11,450 | 2,562,277 |
| Total Net Proceeds | | <u>₱1,041,937,723</u> |
| Less: Use of Proceeds | | |
| Payment of Maturing Notes | ₱824,948,522 | |
| Project-related Costs | 216,989,201 | 1,041,937,723 |
| Balance of Proceeds as of December 31, 2023 | | <u>₱-</u> |

C. Outstanding Commercial Papers as of December 31, 2023

| | | |
|--------------------------------------------------------------|--|------------------------------|
| SEC-MSRD Order No. 72, Series of 2022 dated October 20, 2022 | | ₱208,000,000 |
| SEC-MSRD Order No. 59, Series of 2023 dated October 19, 2023 | | <u>983,000,000</u> |
| TOTAL | | <u>₱1,191,000,000</u> |

SCHEDULE VI

CITYLAND DEVELOPMENT CORPORATION AND SUBSIDIARIES
SUPPLEMENTARY SCHEDULE OF EXTERNAL AUDITOR FEE -
RELATED INFORMATION
DECEMBER 31, 2024

| | Years Ended December 31 | |
|---------------------------------------|--------------------------------|-------------------|
| | 2024 | 2023 |
| Total Audit Fees | ₱2,530,000 | ₱2,285,000 |
| Non-audit services fees: | | |
| Other assurance services | - | - |
| Tax services | - | - |
| All other services | - | - |
| Total Non-audit Fees | - | - |
| Total Audit and Non-audit Fees | ₱2,530,000 | ₱2,285,000 |