GOLDEN MV HOLDINGS

3 December 2025

PHILIPPINE STOCK EXCHANGE
Philippine Stock Exchange Tower
5th Avenue corner 28th Street, Bonifacio Global City
Taguig City

Attention: **PSE Disclosures Department**

Subject: Villar Land Holdings, Corp.: **Definitive Information Statement**

Gentlemen:

Please see attached SEC Form 20-IS, Definitive Information Statement, filed today for the Company's Annual Stockholders Meeting on 29 December 2025.

Thank you.

Kate D. Cator
Officer-in-charge

COVER SHEET

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S.E.C. Registration Number										

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(Company's Full Name)

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(Business Address: No. Street/City/Province)

Estrellita S. Tan	(02) 8873-2922
Contact Person	Company Telephone Number

1	2	3	1
Month		*Day*	
Calendar Year			

20-IS Definitive Information Statement
FORM TYPE

0	7	1	5
Month		*Day*	
Annual Meeting			

N/A
Secondary License Type, If Applicable

Dept. Requiring this Doc.		Amended Articles Number/Section

Total Amount of Borrowings

Total No. of Stockholders	Domestic	Foreign

To be accomplished by SEC Personnel concerned

File Number								

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Document I.D.								

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GOLDEN MV HOLDINGS

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

Notice is hereby given that the annual meeting of stockholders of **VILLAR LAND HOLDINGS, CORP.** (the "**Company**" or "**HVN**") for the year 2025 will be held online on **29 December 2025**, **Monday,** at **10:00 a.m.** with the proceedings livestreamed and voting conducted in absentia through the Company's secure voting online facility which may be accessed through: https://vote.goldenmv.com.ph/vsrv/registration.

The following shall be the agenda of the meeting:

1. Call to order
2. Certification of notice and quorum
3. Approval of the minutes of the annual stockholders' meeting held on July 15, 2024
4. Presentation of the President's Report, Management Report and Financial Statements for the year 2024
5. Approval of the amendment to the By-laws of the Company for the purpose of reflecting the change in the corporate name of the Company, from Golden MV Holdings, Inc. to Villar Land Holdings, Corp.
6. Ratification of all acts and resolutions of the Board of Directors and Management from the date of the last annual stockholders' meeting until the date of this meeting
7. Election of the members of the Board of Directors, including the Independent Directors, for the year 2025
8. Appointment of External Auditors
9. Adjournment

Minutes of the 2024 Annual Meeting of Stockholders is available at the website of the Company (www.goldenhaven.com.ph).

Electronic copies of the Information Statement and Management Report with respect to the 2025 Annual Meeting of Stockholders of the Company, as well as the 2024 Annual Report (SEC Form 17A) and Quarterly Reports for periods ended 31 March 2025, 30 June 2025 and 30 September 2025 (SEC Form 17Q) of the Company, are available on the Company's website (www.goldenmv.com.ph) and PSE Edge (https://edge.pse.com.ph).

The Board of Directors has fixed the close of business on **16 December 2025** as the record date for the determination of stockholders entitled to notice of and to vote at the Annual Stockholders' Meeting.

For the convenience of the Company's stockholders, the Company will dispense with the physical attendance of stockholders at the meeting and will allow attendance only by remote communication and voting only *in absentia* or by appointing the Chairman of the meeting as their proxy.

Stockholders who intend to participate in the meeting via remote communication and to exercise their vote *in absentia* must notify the Corporate Secretary by registering at https://vote.goldenmv.com.ph/vsrv/registration on or before **23 December 2025**. All information submitted will be subject to verification and validation by the Corporate Secretary.

Stockholders who intend to appoint the Chairman of the Meeting as their proxy should submit duly accomplished proxy forms on or before **23 December 2025** at the Office of the Corporate Secretary at Picazo Buyco Tan Fider Santos & Dee Law Office, Penthouse, Liberty Center, 104 H.V. Dela Costa Street, Salcedo Village, Makati City and/or by email to ir@goldenhaven.com.ph.

The procedures for participating in the meeting through remote communication and for casting of votes *in absentia* are set forth in the Information Statement.

A visual/audio recording of the meeting shall be made for future reference.

GEMMA M. SANTOS
Corporate Secretary

Annex "A"

AGENDA DETAILS AND RATIONALE

1. Certification of Notice and Quorum

The Corporate Secretary, Atty. Gemma M. Santos, will certify that copies of the Notice of Meeting were duly published in the business section of two (2) newspapers of general circulation, and will certify the number of shares represented in the meeting, for the purpose of determining the existence of quorum to validly transact business.

Pursuant to Sections 23 and 57 of the Revised Corporation Code and SEC Memorandum Circular No. 6, Series of 2020, the Corporation has set up a designated web address which may be accessed by the stockholders to participate and vote in absentia on the agenda items presented for resolution at the meeting. A stockholder who votes in absentia as well as a stockholder participating in remote communication shall be deemed present for purposes of quorum.

The following are the rules and procedures for the conduct of the meeting:

i. Stockholders may attend the meeting remotely by registering through https://vote.goldenmv.com.ph/vsrv/registration (the "Website"). Stockholders may send their questions or comments prior to the meeting by e-mail at ir@goldenhaven.com.ph. The Website shall include a mechanism by which questions may be posted live during the meeting. The Company will endeavor to answer the questions submitted in the course of the meeting, or separately through the Company's Investor Relations Office within a reasonable period after the meeting.

ii. Each of the Agenda items which will be presented for resolution will be shown on the screen during the live streaming as the same is taken up at the meeting.

iii. Stockholders must notify the Company of their intention to participate in the meeting by remote communication to be included in determining quorum, together with the stockholders who voted in absentia and by proxy.

iv. Voting shall only be allowed for stockholders registered in the Company's Electronic Voting in Absentia System or through the Chairman of the meeting as proxy.

v. All the items in the Agenda for the approval by the stockholders will need the affirmative vote of stockholders representing at least a majority of the issued and outstanding voting stock represented at the meeting.

vi. The Election of directors will be by plurality of votes and every stockholder will be entitled to cumulate his votes.

vii. The Company's stock transfer agent and Corporate Secretary will tabulate and validate all votes received.

2. Approval of the minutes of the last Annual Meeting of Stockholders held on July 15, 2024

The minutes of the last Annual Meeting of Stockholders held on July 15, 2024 will be presented for approval by the stockholders, in keeping with Section 49(a) of the Revised Corporation Code.

A copy of such minutes has been uploaded on the Company's website immediately after the 2024 Annual Meeting of Stockholders.

3. **President's Report, Management Report and Audited Financial Statements as of and for the year ended December 31, 2024**

   The Audited Financial Statements of the Company as of and for the year ended December 31, 2024 (as audited by Punongbayan & Araullo) ("AFS"), a copy of which is incorporated in the Information Statement for this meeting, will be presented for approval by the stockholders. To give context to the AFS and bring to the stockholders' attention the highlights of the said AFS, the President, Ms. Cynthia J. Javarez, will deliver a report to the stockholders on the Company's performance for the year ended December 31, 2024 and the full year 2025 outlook.

   The Board and Management of the Company believe that in keeping with the Company's thrust to at all times observe best corporate governance practices, the results of operations and financial condition of the Company should be presented and explained to the stockholders. Any comments from the stockholders, and their approval or disapproval of these reports, will provide guidance to the Board and Management in running the business and affairs of the Company.

4. **Approval of the amendment to the By-laws of the Company for the purpose of reflecting the change in the corporate name of the Company, from Golden MV Holdings, Inc. to Villar Land Holdings, Corp**

   Approval by the stockholders will be sought to amend the Title and Article VI of the By-laws of the Company to reflect the change in corporate name from Golden MV Holdings, Inc. to Villar Land Holdings, Corp. which was approved by the stockholders via written assent on December 20, 2024 and by the Securities and Exchange Commission on April 15, 2025.

   The approval by a majority of the stockholders of the amendment to the By-laws to reflect the change in corporate name is in compliance with Section 47 of the Revised Corporation Code which requires amendments to the By-laws of a corporation to be approved at a regular or special meeting duly called for the purpose.

5. **Ratification of all acts and resolutions of the Board of Directors and Management from the date of the last annual stockholders' meeting until the date of this meeting.**

   Ratification by the stockholders will be sought for all the acts and the resolutions of the Board of Directors and all the acts of Management taken or adopted from the date of the last annual stockholders' meeting until the date of this meeting. A brief summary of these resolutions and actions is set forth in the Information Statement for this meeting. Copies of the minutes of the meetings of the Board of Directors are available for inspection by any stockholder at the principal office of the Company during business hours.

   The Board and Management of the Company believes that in keeping with the Company's thrust to at all times observe best corporate governance practices, the ratification of their acts and resolutions should be requested from the stockholders in this annual meeting. Such ratification will be a confirmation that the stockholders approve of the manner that the Board and Management have been running the business and affairs of the Company.

6. **Election of the members of the Board of Directors, including the Independent Directors, for the year 2025**

   The Corporate Secretary will present the names of the persons who have been duly nominated for election as directors and independent directors of the Company in accordance with the By-Laws and Manual on Corporate Governance of the Company and applicable laws and regulations. The voting procedure is set forth in the Information Statement for this meeting.

7. **Appointment of External Auditors**

   The Audit Committee is endorsing to the stockholders the re-appointment of Punongbayan & Araullo as external auditor of the Company for the year 2025.

PROXY

[NOTE: Stockholders who would like to be represented thereat by the Chairman of the Meeting as proxy may choose to execute and send a proxy form to the Office of the Corporate Secretary (Atty. Gemma M. Santos) at Picazo Buyco Tan Fider Santos & Dee Law Office, Penthouse, Liberty Center, 104 H.V. Dela Costa Street, Salcedo Village, Makati City, on or before v A sample proxy form is provided below. Stockholders may likewise email a copy of the accomplished proxy form to ir@goldenhaven.com.ph]

The undersigned stockholders of **VILLAR LAND HOLDINGS, CORP.** (the "**Company**") hereby appoints the Chairman of the Meeting as attorney-in-fact or proxy, with power of substitution, to represent and vote _____ shares registered in his/her/its name as proxy of the undersigned stockholder, at the Annual Stockholders' Meeting of the Company on **29 December 2025, Monday** at 10:00 a.m. and at any of the adjournments thereof for the purpose of acting on the following matters:

1. Approval of the minutes of the last Annual Meeting of Stockholders held on July 15, 2024.

   ❑ Yes ❑ No ❑ Abstain

2. Noting of the President's Report and Annual Report and Approval of the Audited Financial Statements for the year 2024

   ❑ Yes ❑ No ❑ Abstain

3. Ratification of all acts and resolutions of the Board of Directors and Management from the date of the last annual stockholders' meeting until the date of this meeting

   ❑ Yes ❑ No ❑ Abstain

4. Approval of the amendment to the By-laws of the Company for the purpose of reflecting the change in the corporate name of the Company, from Golden MV Holdings, Inc. to Villar Land Holdings, Corp

   ❑ Yes ❑ No ❑ Abstain

5. Election of the members of the Board of Directors, including the Independent Directors, for the year 2025

	No. of Votes
Manuel B. Villar, Jr.	_____
Cynthia J. Javarez	_____
Manuel Paolo A. Villar	_____
Rizalito J. Rosales	_____
Frances Rosalie T. Coloma	_____
Ma. Luisa B. Villacorta	_____
Marilou O. Adea	_____

6. Re-appointment of Punongbayan & Araullo as external auditor

   ❑ Yes ❑ No ❑ Abstain

Printed Name of the Stockholder	**Signature of Stockholder/ Authorized Signatory**	**Date**

This proxy should be received by the Corporate Secretary on or before **23 December 2025**, the deadline for submission of proxies.

This proxy, when properly executed, will be voted in the manner as directed herein by the stockholder(s). If no direction is made, this proxy will be voted for the election of all nominees and for the approval of the matters stated above and for such other matters as may properly come before the meeting in the manner described in the Information Statement.

A stockholder giving a proxy has the power to revoke it at any time before the right granted is exercised.

Notarization of this proxy is not required.

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 20-IS

INFORMATION STATEMENT PURSUANT TO SECTION 20 OF THE SECURITIES REGULATION CODE

1. Check the appropriate box:
[ ] Preliminary Information Statement
[x] Definitive Information Statement

2. Name of Registrant as specified in its charter:
VILLAR LAND HOLDINGS, CORP.
(formerly Golden MV Holdings, Inc.)

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

4. SEC Identification Number **108270**

5. BIR Tax Identification Code **000-768-991-000**

6. **San Ezekiel, C5 Extension, Las Piñas City** **1746**
Address of principal office Postal Code

7. **8873-2922 / 8873-2923**
Registrant's telephone number, including area code

8. Date, time and place of the meeting of security holders
29 December 2025, 10:00 a.m. (via Remote Communication)

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

3 December 2025

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

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
Common Stock	**644,117,649 Shares**

11. Are any or all of registrant's securities listed in a Stock Exchange?

Yes ___x___ No _____

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

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

PART I

INFORMATION STATEMENT

GENERAL INFORMATION

Date, time and place of meeting of security holders.

Date: **29 December 2025, Monday**
Time: 10:00 a.m.
Place: San Ezekiel, C5 Extension, Las Piñas City, Metro Manila. Attendance of shareholders shall also be via remote communication

The corporate mailing address of the principal office of the Registrant is San Ezekiel, C5 Extension, Las Piñas City.

This Information Statement may be accessed by the Company's stockholders beginning **3 December 2025** at the Company's website, www.goldenhaven.com.ph, and through the PSE disclosures portal: https://edge.pse.com.ph.

The Chairman, or in his absence, the President, shall act as presiding officer of the meeting and call and preside the stockholders' meeting in Las Pinas City. . Shareholders are expected to attend the meeting via remote communication.

Dissenters' Right of Appraisal

Under Sections 41 and 80, Title X, of the Revised Corporation Code of the Philippines ("**Revised Corporation Code**"), any stockholder of the Company shall have the right to dissent and demand payment of the fair value of his shares only in the following instances, as provided by the Revised Corporation Code:

1. In case any amendment to the articles of incorporation has the effect of changing or restricting the rights of any stockholder or class of shares, or of authorizing preferences in any respect superior to those outstanding shares of any class, or of extending or shortening the term of corporate existence;
2. In case of sale, lease, exchange, transfer, mortgage, pledge or other disposition of all or substantially all of the corporate property and assets;
3. In case of merger or consolidation; and
4. In case of investment of corporate funds for any purpose other than the primary purpose of the Company.

The appraisal right, when available, may be exercised by any stockholder who shall have voted against the proposed corporate action, by making a written demand on the corporation within thirty (30) days after the date on which the vote was taken, for payment of the fair value of his shares; provided, That failure to make the demand within such period shall be deemed a waiver of the appraisal right. A stockholder must have voted against the proposed corporate action in order to avail himself of the appraisal right. If the proposed corporate action is implemented or effected, the corporation shall pay to such stockholder upon surrender of his certificate(s) of stock representing his shares, the fair value thereof as of the day prior to the date on which the vote was taken, excluding any appreciation or depreciation in anticipation of such corporate action.

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

None of the matters that are proposed to be taken up during the meeting gives a dissenter the right of appraisal.

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

None of the officers or directors or any of their associates has any substantial interest, direct or indirect, in any of the matters to be acted upon in the stockholders' meeting.

No director has informed the Registrant in writing that he intends to oppose any action to be taken at the meeting.

CONTROL AND COMPENSATION INFORMATION

Voting Securities and Principal Holders Thereof

(a) Number of shares outstanding as of October 31, 2025

Common: 644,117,649

(b) Record Date: **16 December 2025**

Each common share of stock of the Registrant is entitled to one (1) vote. Pursuant to Article II, Section 7 of the Registrant's By-Laws, every holder of voting shares of stock may vote during all meetings of stockholders, including the Annual Stockholders' Meeting, either in person or by proxy executed in writing by the stockholder or his duly authorized attorney-in-fact.

Stockholders entitled to vote are also entitled to cumulative voting in the election of directors. Section 23 of the Revised Corporation Code provides, in part, that: "In stock corporations, stockholders entitled to vote shall have the right to vote the number of shares of stock standing in their own names in the stock books of the corporation, at the time fixed in the by-laws, or where the by-laws are silent, at the time of the election. The said stockholder may (a) vote such number of shares for as many persons as there are directors to be elected; (b) cumulate said shares and give one (1) candidate as many votes as the number of directors to be elected multiplied by the number of shares owned; (c) distribute them on the same principle among as many candidates as may be seen fit…."

For this year's meeting, the Board of Directors had adopted a resolution to allow stockholders entitled to notice of, and to attend the meeting, to exercise their right to vote *in absentia.*

Equity Ownership of Foreign and Local Shareholders

Foreign and local security ownership as of October 31, 2025:

	Foreign		Filipino		
Class	**Shares**	**Percent of Class/Total Outstanding Shares**	**Shares**	**Percent of Class/Total Outstanding Shares**	**Total Outstanding Shares**
Common	**4,571**	**0.001%**	**644,113,078**	**99.99%**	**644,117,649**

Security Ownership of Certain Beneficial Owners and Management

Security ownership of certain record and beneficial owners of more than 5.0% of the Registrant's voting securities as of October 31, 2025:

Title of Class of Securities	Name/Address of Record Owners and Relationship with Us	Name of Beneficial Owner /Relationship with Record Owner	Citizenship	No. of Shares Held	% of Ownership[1]
Common	PCD Nominee Corporation 37/F Tower 1, The Enterprise Ctr.6766 Ayala Ave. cor. Paseo de Roxas, Makati City Shareholder	Fine Properties, Inc./ Shares are lodged with PCD Nominee Corporation, record Owner is not the beneficial owner[2]	Filipino	412,057,800	63.97%
Common	Cambridge Group, Inc./ Shares are lodged with PCD Nominee Corporation, record Owner is not the beneficial owner[3]	Cambridge Group, Inc./ Shares are lodged with PCD Nominee Corporation, record Owner is not the beneficial owner	Filipino	158,744,255	24.65%
Common	PCD Nominee Corporation 37/F Tower 1, The Enterprise Ctr. 6766 Ayala Ave. cor. Paseo de Roxas, Makati City Shareholder	Record Owner is not the beneficial owner[4]	Filipino	70,119,845	10.89%

Other than the abovementioned, the Company has no knowledge of any person who, as of the record date, was directly or indirectly the beneficial owner of, or who has voting power or investment power (pursuant to a voting trust or other similar agreement) with respect to, shares comprising more than five percent (5%) of the Company's outstanding common shares of stock.

[1]Based on the Company's total issued and outstanding capital stocks as of October 31, 2025 of 644,117,649 common shares.

[2]Mr. Manuel B. Villar, Jr. and his spouse are the controlling shareholders of Fine Properties, Inc. The right to vote the shares held by Fine Properties, Inc. has in the past been, and in this stockholders' meeting is expected to be exercised by either Mr. Villar or Ms.Cynthia J. Javarez.

[3]Fine Properties Inc., is the Controlling Shareholder of Cambridge Group, Inc. The right to vote the shares held by Cambridge Group, Inc. has in the past been, and in this stockholders' meeting is expected to be exercised by Mr. Villar.

[4] PCD Nominee Corporation is the registered owner of shares beneficially owned by participants in the Philippine Depository &Trust Corporation, a private company organized to implement an automated book entry system of handling securities transactions in the Philippines (PCD). Under the PCD procedures, when an issuer of a PCD-eligible issue will hold a stockholders' meeting, the PCD shall execute a pro-forma proxy in favor of its participants for the total number of shares in their respective principal securities account as well as for the total number of shares in their client securities account. For the shares held in the principal securities account, the participant concerned is appointed as proxy with full voting rights and powers as registered owner of such shares. For the shares held in the client securities account, the participant concerned is appointed as proxy, with the obligation to constitute a sub-proxy in favor of its clients with full voting and other rights for the number of shares beneficially owned by such clients. Except as indicated above, the Registrant is not aware of any investor beneficially owning shares lodged with the PCD, which comprise more than five percent (5%) of the Registrant's total outstanding capital stock.

Security ownership of directors and executive officers as of October 31, 202:

Title of class	Name of beneficial owner	Amount and nature of beneficial ownership		Citizenship	Percent of Class[5]
Common	Manuel B. Villar, Jr. *(Chairman)* C. Masibay St., BF Resort Village, Talon, Las Piñas City	1,000	Indirect[2]	Filipino	0.00%
Common	Manuel B. Villar, Jr. *(Chairman)* C. Masibay St., BF Resort Village, Talon, Las Piñas City	570,802,055[3]	Indirect	Filipino	88.62%
Common	Cynthia J. Javarez *(President)* Blk 3A Lot 2 Vetta Di Citta Italia, Imus, Cavite	1,000	Indirect[2]	Filipino	0.00%
Common	Manuel Paolo A. Villar *(Director)* C. Masibay St., BF Resort Village, Talon, Las Piñas City	1,000	Indirect[2]	Filipino	0.00%
Common	Mark A. Villar *(Director)* 20 Dobiaco St. Portofino South Subd. Almanza Dos, Las Piñas City	1,000	Indirect[2]	Filipino	0.00%
Common	Camille A. Villar *(Director)* C. Masibay St., BF Resort Village, Talon, Las Piñas City	333,700	Indirect[2]	Filipino	0.05%
Common	Ana Marie V. Pagsibigan *(Independent Director)* 21 Matungao Bulacan, Bulacan	1	Indirect[2]	Filipino	0.00%
Common	Garth F. Castañeda *(Independent Director)* Unit 802, The Amaryllis Condominium 12th Street cor. E. Rodriguez Ave. Quezon City	1	Indirect[2]	Filipino	0.00%
N/A	Gemma M. Santos *(Corporate Secretary)* Penthouse, Liberty Center, 104 H.V. dela Costa Street, Salcedo Village, Makati City	None	N/A	N/A	N/A

[5] Based on the Company's total issued and outstanding capital stocks as of August 31, 2025 of 644,117,649 common shares.
[2] Shares lodged under PCD Nominee Corporation (Filipino).
[3] Includes 412,057,800 shares held thru Fine Properties Inc., and 158,744,255 shares held thru Cambridge Group, Inc.

Title of class	Name of beneficial owner	Amount and nature of beneficial ownership		Citizenship	Percent of Class[5]
N/A	Ma. Nalen SJ Rosero *(Asst. Corporate Secretary)* *Blk 5 Lot 1A New Victorianne Row, La Posada Subd., Sucat, Muntinlupa*	None	N/A	N/A	N/A
N/A	Estrellita S. Tan *(Chief Finance Officer, Chief Information Officer, Treasurer, Investor Relations)* #4 Jerusalem St. Camella Pilar, Las Pinas City	None	N/A	N/A	N/A
N/A	Kate D. Cator (*Compliance Officer*) Blk 11 Lot 13 Hummingbird St. Camella Homes 2, Muntinlupa City	None	N/A	N/A	N/A
Total		**573,972,357**			**89.11%**

[3] *Based on the Company's total outstanding and issued capital stocks of 644,117,649 common shares as of October 31, 2025.*

Except as indicated in the above table, the above-named officers have no indirect beneficial ownership in the registrant.

Except as aforementioned, no other officers of the Registrant hold, directly or indirectly, shares in the Registrant.

Voting Trust Holders of 5.0% or More

The Registrant is not aware of any person holding more than 5.0% of a class of shares under a voting trust or similar agreement.

Changes in Control

The Registrant is not aware of any arrangements which may result in a change in control of the Registrant. No change in control of the Registrant has occurred since the beginning of its last fiscal year.

Directors and Executive Officers of the Registrant

Term of Office

Each director holds office until the subsequent annual meeting of stockholders and his successor shall have been elected and qualified, except in case of death, resignation, disqualification or removal from office. The term of office of the officers is coterminous with that of directors that elected or appointed them.

Background Information

The following are the names, ages and citizenship of the incumbent directors/independent directors of the Company elected during the 2024 Annual Shareholders' Meeting and shall continue to serve until their successors have been elected and qualified:

Name	Age	Position	Citizenship
Manuel B. Villar, Jr.	75	Director and Chairman of the Board	Filipino
Cynthia J. Javarez	61	Director and President	Filipino
Manuel Paolo A. Villar	48	Director	Filipino
Mark A. Villar	47	Director	Filipino
Camille A. Villar	40	Director	Filipino
Ana Marie V. Pagsibigan	54	Independent Director	Filipino
Garth F. Castañeda	44	Independent Director	Filipino

The following are the names, ages and citizenship of the Registrant's executive officers in addition to its executive and independent directors listed above as of December 1, 2025.

Name	Age	Position	Citizenship
Gemma M. Santos	62	Corporate Secretary	Filipino
Estrellita S. Tan	61	Chief Financial Officer, Chief Information Officer Treasurer, Investor Relations	Filipino
Kate D. Cator	41	Compliance Officer	Filipino
Ma. Nalen SJ. Rosero	53	Asst. Corporate Secretary	Filipino

The following states the business experience of the incumbent directors and officers of the Registrant for the last five (5) years:

MANUEL B. VILLAR, JR., *Director and Chairman of the Board.* Mr. Villar was Senator of the Philippines from 2001 to June 2013. He served as Senate President from 2006 to 2008. He also served as a Congressman from 1992 to 2001 and as Speaker of the House of Representatives from 1998 to 2000. A Certified Public Accountant, Mr. Villar graduated from the University of the Philippines in 1970 with the degree of Bachelor of Science in Business Administration and in 1973 with the degree of Masters in Business Administration. He founded Camella Homes in the early 1970s and successfully managed said company over the years, to become the largest homebuilder in the Philippines now known as the Vista Land Group. Mr. Villar is also Chairman of the Board of Vistamalls, Inc. (formerly Starmalls, Inc.), AllHome Corp., AllValue Holdings Corp., AllDay Marts, Inc. and Vista Land and Lifescapes, Inc. He is a member of the following organizations: Makati Business Club, Manila Golf Club, Management Association of the Philippines, Financial Executive Institute of the Philippines (FINEX), Philippine Institute of Certified Public Accountants, and the Villar Social Institute for Poverty Alleviation and Governance (SIPAG).

CYNTHIA J. JAVAREZ, *Director and President*. Ms. Javarez graduated from the University of the East with the degree of Bachelor of Science in Business Administration major in Accounting. She is a Certified Public Accountant. She completed a Management Development Program at the Asian Institute of Management in 2006. Ms. Javarez was previously the Chief Financial Officer of Polar Property Holdings Corp. until 2011 and the Tax and Audit Head in the MB Villar Group of Companies until 2007. She was the Controller and Chief Financial Officer of VLL from 2013 until she became Chief Operating Officer from October 2017 to October 2022. She was the President of Camella Homes, Inc., Communities Philippines, Inc., Crown Asia Properties, Inc., Brittany Corporation and Vista Residences, Inc. until 2021. She is currently the Chairperson of the Board of Prime Asset Ventures, Inc. and is the President of Fine Properties, Inc

MANUEL PAOLO A. VILLAR, *Director*. Mr. Villar graduated from the Wharton School of the University of Pennsylvania, Philadelphia, USA with the degree of Bachelor of Science in Economics and Bachelor of Applied Science in 1999. He was an Analyst for McKinsey &Co. in the United States from 1999 to 2001. He joined the Vista Land Group in 2001 as Head of Corporate Planning then became the Chief Financial Officer of Vista Land & Lifescapes, Inc. in 2008. He was elected President and Chief Executive Officer of VLL in July 2011 and President of Vistamalls, Inc. (formerly Starmalls, Inc.) in June 2019. In addition, he is the CEO and Chairman of St. Augustine Gold and Copper Limited and Chairman of TVI Resources Development Philippines, Inc.,

Camella Homes, Inc., Communities Philippines, Inc., Crown Asia Properties, Inc., Brittany Corporation, Vista Residences, Inc., VistaREIT, Inc., and Powersource Phils Development Corp. Mr. Paolo Villar is also the majority shareholder of Prime Asset Ventures, Inc., and director of Fine Properties, Inc, and AllHome Corp.

MARK A. VILLAR, *Director*. Mr. Villar earned his Bachelor of Science in Economics from University of Pennsylvania, Philadelphia, USA and his Master's Degree in Business Administration at the University of Chicago Booth School of Business. He held various positions in the MB Villar Group of Companies before he was first elected to public office as Congressman of Las Pinas City in 2010. He was Secretary of the Department of Public Works and Highways from 2016 to 2021. He currently serves as a Senator since June 2022. He has been a director of the Company since August 30, 2017.

CAMILLE A. VILLAR, *Director*. Ms. Villar, graduated from Ateneo de Manila University with the degree of Bachelor of Science in Management. She obtained her Masters in Business Administration, Global Executive MBA Program from the IESE Business School, Barcelona, Spain. She joined the Corporate Communications Group of Brittany in 2007 until she assumed the position of Managing Director of the Vista Land Commercial Division. She is also a Director of Vista Land & Lifescapes, Inc., Director and Vice Chairman of the Board of AllHome Corp, Director and Vice Chairman of the Board of AllDay Marts, Inc. and Director and President of AllValue Holdings Corp. Ms. Villar was elected as Congresswoman, representing Las Pinas City in 2019. She currently serves as a Senator since June 2025. She has been a director of the Company since August 30, 2017.

ANA MARIE V. PAGSIBIGAN, *Independent Director*. Atty. Pagsibigan graduated from the University of the Philippines with a Bachelor's degree in History and from San Sebastian College with a Bachelor's degree in Law. She previously served as a director and the legal counsel of Great Domestic Insurance. She is currently the legal counsel of Primerose Properties Development, Inc., Reed Steel Fabricators, Inc. and Goldmine Realty Development, Corp. as well as the Corporate Secretary of SEDAS Security Specialist. She is a councilor-elect in the Municipality of Bulakan, Bulacan. Atty. Pagsibigan was elected as independent director of the Company in May 2016.

GARTH F. CASTANEDA, *Independent Director*. Atty. Castaneda graduated from the University of Sto. Tomas with a Bachelor's degree in Accountancy and from the University of the Philippines with a Bachelor's degree in Law. He previously served as a consultant of the Privatization Management Office. He is currently a partner at SYMECS Law and serves as a Chairman and Independent Director of Premier Island Power REIT Corporation, President and Chairman of Metro Pacific Land Holdings, Inc., Corporate Secretary of Collab Asia Philippines, Inc., Corporate Secretary and Liquidating Director of Neo Oracle Holdings, Inc and Metro Pacific Foundation Inc. Castaneda was elected as independent director of the Company in May 2016.

GEMMA M. SANTOS, *Corporate Secretary*. Atty. Santos graduated cum laude with the degree of Bachelor of Arts, Major in History from the University of the Philippines in 1981, and with the degree of Bachelor of Laws also from the University of the Philippines in 1985. She is Of Counsel of Picazo Buyco Tan Fider Santos & Dee Law Offices. She is also the Corporate Secretary of Vista Land and Lifescapes, Inc. and VistaREIT, Inc. and a director of Philippine Associated Smelting and Refining Corporation (PASAR), Fine Properties, Inc., and Bulakan Water Co., Inc., and Chairman of the Board of the Bulacan Water District.

MA. NALEN SJ. ROSERO, *Assistant Corporate Secretary,* Atty. Rosero graduated salutatorian from the San Beda College of Law in 1997. She is currently the Corporate Secretary and a Director of the following companies: Household Development Corporation, Brittany Corporation, Crown Asia Properties, Vista Residences, Inc., Communities Philippines, Inc., Camella Homes, Inc., Mandalay Resources, Inc., Prima Casa Land & Houses, Inc. amd Vista Leisure Club, Inc. She is also currently serving as the Chief Compliance Officer and Assistant Corporate Secretary of VistaREIT, Inc. She is also the Corporate Secretary of Vistamalls, Inc. (formerly Starmalls, Inc.). From 1997 to 2000, she was an Associate in the Litigation Group of Angara Abello Concepcion Relaga& Cruz (ACCRA) Law Offices. Atty. Rosero was appointed as Assistant Corporate Secretary last July 15, 2022.

ESTRELLITA S. TAN, *Chief Financial Officer, Chief Information Officer, Treasurer, Investor Relations Officer*, is a Certified Public Accountant and graduated with distinction from the Philippine School of Business Administration with the degree of Bachelor of Science in Business Administration Major in Accounting. She is

also a licensed Real Estate Broker and has completed a Management Development Program at the Vista Center for Professional Development. She previously served as the President and Chief Operating Officer of Prima Casa Land and Houses, Inc., an affiliate of Vista Land & Lifescapes, Inc. from 2014 to 2020. She currently serves as President of Bria Homes, Inc.

KATE D. CATOR, *Compliance Officer*. Ms. Cator graduated in 2004 from the Polytechnic University of the Philippines - Manila with a degree in Bachelor of Science in Accountancy and is a Certified Public Accountant. She joined Golden Haven in 2008 and has held various positions in the Company. She served as Investor Relations Officer for Villar Land Holdings, Corp. from 2019 to 2021 and is currently the Human Resources Head of the Company and a Director of Golden Future Life Plans, Inc. Ms. Cator was appointed as Compliance Officer of the Company on November 14, 2023.

Board Meeting Attendance*

Director's Name	Jan 5	Feb 16	Mar 1	Apr 29	May 15	May 17	Aug 14	Sep 30	Nov 13	Nov 27	Dec 3
Manuel B. Villar, Jr.	P	P	P	P	P	P	P	P	P	P	P
Cynthia J. Javarez	P	P	P	P	P	P	P	P	P	P	P
Manuel Paolo A. Villar	P	P	P	P	P	P	P	P	P	P	P
Mark A. Villar	P	P	P	P	P	P	P	P	P	P	P
Camille A. Villar	P	P	P	P	P	P	P	P	P	P	P
Ana Marie V. Pagsibigan	P	P	P	P	P	P	P	P	P	P	P
Garth F. Castañeda	A	A	A	P	A	P	P	P	P	A	P

Legend: (A) Absent, (P) Present, (-) Not applicable
**Meetings of the board for 2024*

Board of Directors

Directors elected during the annual meeting of stockholders will hold office for one year until their successors are duly elected and qualified. A director who was elected to fill any vacancy holds office only for the unexpired term of his predecessor.

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

Nomination and Election of Directors

The following are nominated for election to the Board of Directors during this year's Annual Stockholders' Meeting:

Name	Age	Citizenship	Current Director
Manuel B. Villar, Jr.	75	Filipino	Yes
Cynthia J. Javarez	61	Filipino	Yes
Manuel Paolo A. Villar	48	Filipino	Yes
Frances Rosalie T. Coloma	63	Filipino	No
Rizalito J. Reyes	54	Filipino	No
Marilou O. Adea	74	Filipino	No
Ma. Luisa B. Villarcorta	61	Filipino	No

FRANCES ROSALIE T. COLOMA, *Director*. Ms. Coloma graduated cum laude from the University of the Philippines with a degree of Bachelor of Science in Business Administration and Accountancy. She is a Certified Public Accountant. She is a Director of Vista Land and Lifescapes, Inc., and Golden Bria Holdings, Inc., Ms. Coloma was the Chief Financial Officer and Chief Information Officer of Villar Land Holdings Corp. (formerly Golden MV Holdings, Inc.) from 2016 to 2019. She was also the Chief Financial Officer of Starmalls, Inc. from

2012 to 2016. Prior to becoming the Chief Operating Officer of AllHome Corp., she served as the President of AllDay Marts Inc.

RIZALITO J. ROSALES, *Director*, Mr. Rosales holds a Master's degree in Business Administration from De La Salle University and completed his undergraduate studies at the Ateneo de Manila University, earning a Bachelor of Science degree in Management with a minor in Marketing. Mr. Rosales currently serves as the Chief Operating Officer (COO) of Lessandra, where he is instrumental in overseeing the company's strategic operations and driving its overall growth and market expansion. He served as President of Bria Homes, Inc. from 2017 to 2021 and as Managing Director for Vista Residences and Corporate Planning Officer of Vista Land from 2007 to 2016. Prior to these roles, Mr. Rosales held key positions as Division Head for Polar Realty from 2003 to 2006 and Division Head for Crown Asia from 2001 to 2003. A dedicated advocate for the real estate sector, Mr. Rosales has held key positions within the National Real Estate Association (NREA), reflecting his commitment to industry development and governance. He currently serves as the Board Vice Chairman, following his tenure as the National President in 2024.

MARILOU O. ADEA, *Independent Director*. Ms. Adea is currently a Consultant of FBO Management Network, Inc., a Director of Malarayat Rural Bank, Inc., and an Independent Director of Vistamalls, Inc., VProperty Management, Inc. and Philtown Properties, Inc. She was the Court Appointed Rehabilitation Receiver of Anna-Lynns, Inc., Manuela Corporation and 3N2J Shipping & Trading Services, Inc. Ms. Adea previously served as the Independent Director for Vista Land and Lifescapes, Inc. from 2007 to 2021, Project Director for Site Acquisition Director of Digital Telecommunications Phils. Inc. from 2000 to 2002, Executive Director for FBO Management Network, Inc. from 1989 to 2000 and BF Homes Inc. in Receivership from 1988 to 1994 and Vice President for Finance & Administration for L&H Resources Management Corporation from 1986 to 1988. She worked with the Home Development Mutual Fund (Pag-IBIG Fund) from 1978 to 1986. Ms. Adea holds a Degree in Bachelor of Science in Business Administration Major in Marketing Management from the University of the Philippines.

MA. LUISA B. VILLACORTA, *Independent Director.* Ms. Villacorta is a graduate of Sienna College, with a degree in BSBA major in Accounting (Magna cum laude) and holds a Master's Degree in Business from the University of Santo Tomas (Meritissimus or Summa cum laude). She likewise finished the academic units required for her PhD in Commerce from the same university. She had occupied numerous positions in the Philippine Institute of Certified Public Accountants (PICPA) and PICPA Metro Manila Region (MMR) in the previous years and had accorded various recognitions and awards such as the Past MMR Chair for Service Excellence, Honorary Life Member, Outstanding PICPA Member, Leadership Award, Outstanding and Young Achiever in the field of Commerce and Industry, among others. Ms. Villacorta was the Group Chief Financial Officer (CFO) and Executive Vice President (EVP) for Corporate Finance of Ulticon Builders, Inc. in Years 2018 to 2025. She was the CFO of Unistar Credit & Finance Corporation and its subsidiaries in Years 2012 to 2017. She was formerly the CFO and SVP for Corporate Finance & Strategy of Century Properties Group in Years 2009-2010. Prior to joining the Century Properties Group, she was the CFO of Anchor Land Holdings, Inc. ("ALHI"). In 2007, she became part of Manuela Corporation as the CFO. She was a Partner of VVC, CPAs in Years 2006 to 2007. She had a long stint with the Associated Broadcasting Company (ABC 5) from Years 1997 to 2005 as the Vice President for Finance and Finance Manager, respectively. She joined Digital Telecommunications, Inc. (Digitel) as Financial Planning Manager in Years 1995-1997. She was the Finance and Administrative Manager of Chung Fu Industries, Inc.

Independent Directors

The nominees for Independent Directors, Marilou O. Adea and Ma. Luisa B. Villacorta are independent of management and free from any business or other relationship, which could, or could reasonably be perceived to, materially interfere with their exercise of independent judgment in carrying out their responsibilities as directors of the Company.

Specifically, Ms. Adea and Ms. Villacorta: (i) are not directors or officers or substantial stockholders of the Company or its related companies or any of its substantial shareholders (other than as independent directors of any of the foregoing); (ii) are not relatives of any director, officer or substantial shareholder of the Company, or any of its related companies or any of its substantial shareholders; (iii) are not acting as nominees or representatives of a substantial shareholder of the Company, or any of its related companies or any of its substantial shareholders; (iv) have not been employed in any executive capacity by the Company, or any of its

related companies or by any of its substantial shareholders within the last two (2) years; (v) are not retained as professional advisers by the Company, any of its related companies or any of its substantial shareholders within the last two (2) years, either personally or through their firms; (vi) have not engaged and do not engage in any transaction with the Company or with any of its related companies or with any of its substantial shareholders, whether by themselves or with other persons or through a firm of which they are partners or companies of which they are directors or substantial shareholders, other than transactions which are conducted at arm's length and are immaterial; (vii) do not own more than two percent of the shares of the Company and/or its related companies or any of its substantial shareholders; (viii) are not affiliated with any non-profit organization that receives significant funding from the Company or any of its related companies or substantial shareholders; and (ix) are not employed as executive officers of another company where any of the Company's executives serve as directors. Ms. Adea and Ms. Villacortado not possess any of the disqualifications enumerated under the Code of Corporate Governance and SEC Memorandum Circular No. 19, Series of 2016.

The certification of the independent directors are attached hereto as Annexes "A-1 and A-2."

The Company has complied with the guidelines on the nomination and election of independent directors set forth in Rule 38 of the Amended Implementing Rules and Regulations of the Securities Regulation Code. The Nominations Committee of the Company is composed of Manuel B. VIllar, Jr. as Chairman and Cynthia J. Javarez and Ana Marie V. Pagsibigan as members.

Significant Employees

The Company has no other significant employee other than its Executive Officers.

Family Relationships

Mr. Manuel B. Villar Jr. is the father of Mr. Paulo A. Villar, Mr. Mark A. Villar and Ms. Camille A. Villar. They are part of the Company's Board of Directors.

Legal Proceedings

The Company is not currently involved in any material litigation, arbitration, or similar proceedings, and we are not aware of any such proceedings pending or threatened against the Company and its subsidiaries or any of its properties. There was no bankruptcy, receivership or similar proceedings initiated during the past five years.

The Company is currently involved in an administrative case pending before the Securities and Exchange Commission (SEC) as follows:

On 18 August 2025, the Company received a copy of the Order dated 18 August 2025 issued by the Markets and Securities Regulation Department (MSRD) of the SEC. The Order served as (i) a resolution of the Show Cause Order previously issued by the MSRD which directed the Company and its directors and officers to explain why its Registration Statement should not be suspended for failure to comply with the SEC's orders to file Annual and Quarterly reports pursuant to the Securities Regulation Code ("SRC") and its implementing rules ("SRC Rules"); and (ii) an order directing the Company, its directors, and its officers, to explain why they should not be held administratively liable for violating Sections 26.3 and 541.1 (c) of the SRC, Section 8 (c) of the Financial Products and Services Consumer Protection Act, and Section 30 of the Revised Corporation Code, on the basis of the disclosures made by the Company in its SEC Form 17-C dated 28 March 2025, wherein the Company disclosed that the Company's Board of Directors has approved and authorized the release of the financial statements for the year ended 31 December 2024.

On 28 August 2025, the Company filed its Response to the Show Cause Order contained in the Order, emphasizing that the disclosure made in the SEC Form 17-C dated 28 March 2025 was made in utmost good faith with a view of balancing the requirement of the Company, as a publicly-listed company, to timely disclose material facts or events with the Company's obligation to ensure that such disclosures are full, fair, and accurate. Proceeding from this premise, the Company argued that there is no basis for the Company, and much more its officers and directors to be held liable for the cited violations given that there is no willful and deliberate intent to disclose patently false and/or misleading statements through the SEC Form 17-C. In the Response, the Company also emphasized that its officers and directors cannot be held individually liable absent any clear act on their part to commit the alleged violations. Ultimately, the Company prayed that the MSRD earnestly consider

the explanation stated in the Response and to refrain from the imposition of administrative sanctions and penalties.

On 1 September 2025, the Company filed a Motion for Reconsideration seeking the reversal of resolution of the MSRD of the prior Show Cause Order issued against the Company for failing to file its Annual and Quarterly reports, through which the MSRD held the Company and its officers and directors administratively liable and imposed a monetary penalty for each of the respondents in the amount of Php1,000,000 and Php2,000 for each day of violation. In its Motion for Reconsideration, the Company emphasized that it was not responsible for the delay in the filings considering that the Company's Audited Financial Statements for the year ended 31 December 2024 is still not available at the time the reports were due.

Both the Response dated 28 August 2025 and the Motion for Reconsideration dated 1 September 2025 remain pending for resolution by the MSRD.

On 19 September 2025, the Company received the Show Cause Order dated 18 September 2025 issued by the MSRD, directing the Company to explain why it should not be held liable for violation of Section 25 of the Revised Corporation Code following the subsequent postponements of the Company's Annual Stockholders' Meeting ("ASM").

On 24 September 2025, the Company filed its Response, emphasizing that the Company did not intend to violate any provision of law in postponing the ASM nor was there intent to withhold the exercise of the rights of the Company's stockholders. The Company explained that the postponement of the ASM was necessary considering that the Audited Financial Statements of the Company for the year ended 31 December 20254 wais not yet ready for presentation to the shareholders, as required by the provisions of the SRC and the Revised Corporation Code.

The resolution of the Response is still pending before the MSRD.

The Group has taken steps to address the delay, including the completion and release of the 2024 audited financial statements and the submission of the required interim reports. However, the matter remains under regulatory review and may have implications for the Group's compliance status, public disclosures, and market perception.

Management, in consultation with legal counsel, believes that while the penalties are not expected to have a material adverse effect on the Group's financial position, the matter is disclosed herein due to its regulatory significance and potential reputational impact

Involvement of Directors and Officers in Certain Legal Proceedings

To the best of the Company's knowledge, in the last five years, none of the above-named directors or officers of the Company has been subject to the following:

i. any bankruptcy petition filed by or against any business of which such person was a general partner or executive officer either at the time of the bankruptcy or within two years prior to that time;

ii. any conviction by final judgment, including the nature of the offense, in a criminal proceeding, domestic or foreign, or being subject to a pending criminal proceeding, domestic or foreign, excluding traffic violations and other minor offenses;

iii. any order, judgment or decree, not subsequently reversed, suspended or vacated, of any court ofcompetent jurisdiction, domestic or foreign, permanently or temporarily enjoining, barring, suspending or otherwise limiting his or her involvement in any type of business, securities, commodities, or banking activities; or

iv. found by a domestic or foreign court of competent jurisdiction (in a civil action), the SEC 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.

Compensation of Directors and Executive Officers

Executive Compensation
The compensation for its executive officers for the years 2023 and 2024 (actual) and 2025 (projected) are shown below:

Name and Principal Position		Year	Salary	Bonus	Others
Manuel B. Villar Jr.	Chairman				
Cynthia J. Javarez	President of Villar Land Holdings, Corp.				
Eduardo T. Aguilar	Operations Head of Bria Homes, Inc.				
Estrellita S. Tan	Chief Financial Officer / Chief Information Officer / Treasurer / Investor Relations /				
Kate D. Cator	Compliance Officer				
Aggregate executive compensation for above named officers		Actual 2023	₱23.3M	₱11.3M	None
		Actual 2024	₱26.2M	₱12.0M	None
		Projected 2025	₱27.5M	₱12.5M	None
Aggregate executive compensation of all other officers and directors, unnamed		Actual 2023	₱19.8M	₱9.6M	None
		Actual 2024	₱20.4M	₱10.0M	None
		Projected 2025	₱21.2M	₱10.6M	None

Standard arrangements
Each director of the Company receives a per diem of Php30,000 for attendance in a Board meeting and a Php30,000 allowance for attendance in a committee meeting (except for independent directors). On September 2023, the per diem for attendance in a Board meeting and the allowance for attendance in a committee meeting was increased to Php30,000 from Php15,000

Other arrangements
Except for each of the individual Directors' participation in the Board, no Director of the Company enjoys other arrangements such as consulting contracts or similar arrangements.

Employment contract between the company and executive officers
There are no special employment contracts between the Company and the named executive officers.

Warrants and options held by the executive officers and directors
There are no outstanding warrants or options held by the Company's CEO, the named executive officers, and all officers and directors as a group.

Significant employee
While the Company values the contribution of each of its executive and non-executive employees, the Company believes there is no non-executive employee that the resignation or loss of whom would have a material adverse impact on the business of the Company. Other than standard employment contracts, there are no special arrangements with non-executive employees of the Company.

Certain relationships and related transactions
The Company, in the ordinary course of its business, engages in transactions with related parties. The Company's policy with respect to related party transactions is to ensure that these transactions are entered into on terms comparable to those available from unrelated third parties.

For further discussion on the Company's related party transactions, including detailed breakdowns of amounts receivable from and amounts payable to related parties, See Note 16 of the Company's AFS included in this report.

Except as disclosed in the Annual Report of the Registrant (SEC Form 17-A) for the year ended December 31, 2024, the Registrant has not had any transaction during the last two (2) years in which any director or executive officer of the Company or any of their immediate family members had a direct or indirect interest.

Independent Public Accountants

Punongbayan & Araullo, independent certified public accountants, audited the Company's consolidated financial statements without qualification as of and for the years ended December 31, 2022, 2023 and 2024, included in this report.

Punongbayan & Araullo has acted as the Company's external auditors since June 15, 2015. James Joseph Benjamin J. Araullo is the current audit partner for the Company and the other subsidiaries. The Company has not had any disagreements on accounting and financial disclosures with its current external auditors for the same periods or any subsequent interim period. Punongbayan & Araullo has neither shareholdings in the Company nor any right, whether legally enforceable or not, to nominate persons or to subscribe for the securities in the Company. The foregoing is in accordance with the Code of Ethics for Professional Accountants in the Philippines set by the Board of Accountancy and approved by the Professional Regulation Commission.

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

The following table sets out the aggregate fees billed for each of the last two years for professional services rendered by Punongbayan & Araullo:

	2024*	2023*
Audit and Audit-Related Fees:		
Fees for services that are normally provided by the external auditor in connection with statutory and regulatory filings or engagements	₱4,945,000	₱ 2,880,000
All other fees	310,500	-
Total	**₱5,255,500**	**₱2,880,000**

** Consolidated audit fees of the parent and the subsidiary*

Changes in and Disagreement with Accountants on Accounting and Financial Disclosure

Since the incorporation of the Registrant in 1982, there was no instance where the Registrant's public accountants resigned or indicated that they decline to stand for re-election or were dismissed nor was there any instance where the Registrant had any disagreement with its public accountants on any accounting or financial disclosure issue.

The 2024 audit of the Registrant is in compliance with paragraph (3)(b)(iv) of SRC Rule 68, as amended, which provides that the external auditor should be rotated, or the handling partner changed, every five (5) years or earlier.

Audit Committee's Approval Policies and Procedures

In relation to the audit of the Registrant's annual financial statements, the Registrant's Corporate Governance Manual provides that the Registrant's Audit Committee shall, among other activities, (i) evaluate significant issues reported by the external auditors in relation to the adequacy, efficiency and effectiveness of policies, controls, processes and activities of the Registrant; (ii) ensure that other non-audit work provided by the external auditors are not in conflict with their functions as external auditors; and (iii) ensure the compliance of the Registrant with acceptable auditing and accounting standards and regulations.

The Audit Committee of the Registrant is composed of Ana Marie V. Pagsibigan, the Chairman, and the committee members Garth F. Castaneda and Manuel Paulo A. Villar.

OTHER MATTERS

Action with Respect to Reports

The following reports will be submitted for approval by the stockholders:

1. Minutes of the last Annual Meeting of Stockholders held on July 15, 2024, covering the following matters: (i) approval of the President's Report and the Annual Report for the year 2024; (ii) approval and adoption of the Audited Financial Statements for the year ended December 31, 2024; (iii) Approval of the amendment to the By-laws of the Company for the purpose of reflecting the change in the corporate name of the Company, from Golden MV Holdings, Inc. to Villar Land Holdings, Corp (iv) ratification of all acts of the Board of Directors and Management since the annual stockholders' meeting held in July 2024; (v) election of the directors and independent directors of the Company for the ensuing fiscal year; and (vi) appointment of the external auditor of the Company for the fiscal year 2025.

2. Audited Financial Statements for the year 2024.

Matters Not Required to be Submitted

The Company has no actions to be taken with respect to any matter which is not required to be submitted to a vote of security holders.

Amendment of Charter, Bylaws or Other Documents

The Company intends to seek shareholders' approval to amend its By-Laws to reflect the change in its corporate name from Golden MV Holdings, Inc. to Villar Land Holdings, Corp. This follows the amendment of its Articles of Incorporation on November 28, 2024, which already reflects the new corporate name. This change aligns with the Company's recent acquisition of entities owning land within Villar City and will provide greater flexibility in pursuing its business expansion initiatives.

	By-Laws as of 13 September 2022	Proposed Changes
Header	**AMENDED BY LAWS** **OF** **GOLDEN MV HOLDINGS, INC.** (Formerly, GOLDEN BRIA HOLDINGS, INC.)	**AMENDED BY LAWS** **OF** **VILLAR LAND HOLDINGS, CORP.** (Formerly, GOLDEN MV HOLDINGS, INC.)
Article VI - Seal	**ARTICLE VI – SEAL** The corporate seal of the corporation shall bear the following words: GOLDEN MV HOLDINGS, INC.	**ARTICLE VI – SEAL** The corporate seal of the corporation shall bear the following words: VILLAR LAND HOLDINGS, CORP.

Other Proposed Action

1. Ratification of all acts and resolutions of the Board of Directors and Management from the date of the last annual stockholders' meeting until the date of this meeting as set forth in the minutes of the meetings of the

Board of Directors held during the same period and in the disclosures that have been duly filed with the SEC and the PSE. These minutes cover various resolutions of the Board, including approval of the 2024 Audited Financial Statements; appointment of Officers and Board Committee members; opening of bank accounts and availment of banking and financial products and services; appointment of authorized signatories for various transactions in the normal course of business of the Company; appointment of authorized signatories and representatives for memorial park and office transactions of the Company, application and registration of memorial park projects with local government units; appointment of authorized signatories for bank borrowings; land acquisitions (for the memorial park business); approval of Quarterly and Annual reports of the company as filed in the SEC and the PSE; and compliance with requirements of the SEC.

2. Approval of the appointment of Punongbayan & Araullo as external auditor of the Company for the year 2025.

Voting Procedures

Manner of voting

In all items for approval, except in the election of directors, each share of stock entitles its registered owner to one vote.

For the purpose of electing directors, a stockholder may vote such number of his shares for as many persons as there are directors to be elected or he may cumulate said shares and give one candidate as many votes as the number of directors to be elected multiplied by the number of his shares shall equal, or he may distribute them among as many candidates as he shall see fit.

For this year's meeting, the Board of Directors had adopted a resolution to allow stockholders entitled to notice of, and to attend the meeting, to exercise their right to vote *in absentia*.

Stockholders as of Record Date who have successfully registered their intention to participate in the annual meeting via remote communication and to vote *in absentia,* duly verified and validated by the Company, shall be provided with unique log-in credentials to securely access the voting portal. A stockholder voting electronically in absentia shall be deemed present for purposes of quorum.

Stockholders and the Chairman as proxy holder can cast their votes on specific matters for approval, including the election of directors.

Voting requirements

(a) With respect to the election of directors, candidates who received the highest number of votes shall be declared elected.

(b) With respect to the approval of the minutes of the last annual meeting of stockholders and the Audited Financial Statements for the year ended December 31, 2023, and the approval or ratification of the other actions set forth under the heading "Other Proposed Actions" above, the vote of majority of the outstanding capital stock entitled to vote and represented in the meeting is required to approve such matters.

Method of counting votes

The Corporate Secretary will be responsible for counting votes based on the number of shares entitled to vote owned by the stockholders who are participating in the meeting by remote communication and are voting in absentia or represented by proxies.

All votes received shall be tabulated by the Office of the Corporate Secretary with the assistance of the Company's stock transfer agent. The Corporate Secretary shall report the results of voting during the meeting.

Participation via Remote Communication

To comply with applicable regulations on mass gatherings, and/or requirements of social distancing to prevent the spread of COVID-19 and to ensure the safety, security, and welfare of our directors and stockholders, the Company will dispense with the physical attendance of stockholders at the meeting and will only allow attendance through remote communication, as set forth above, by voting in absentia or by voting through the Chairman of the meeting as proxy.

The live webcast of the Annual Stockholders Meeting may be accessed through https://vote.goldenmv.com.ph/vsrv/registration.

THE COMPANY'S ANNUAL REPORT IS POSTED IN THE COMPANY'S WEBSITE. UPON THE WRITTEN REQUEST OF A STOCKHOLDER, THE REGISTRANT UNDERTAKES TO FURNISH SAID STOCKHOLDER A COPY OF SEC FORM 17-A FREE OF CHARGE, EXCEPT FOR EXHIBITS ATTACHED THERETO WHICH SHALL BE CHARGED AT COST. ANY WRITTEN REQUEST FOR A COPY OF SEC FORM 17-A SHALL BE ADDRESSED AS FOLLOWS:

Villar Land Holdings, Corp.
San Ezekiel, C5 Extension
Las Piñas City, Philippines

Attention: Estrellita S. Tan

PART II

MANAGEMENT REPORT

I. FINANCIAL STATEMENTS

The Financial Statements of the Company as of and for the year ended December 31, 2024 are incorporated herein in the accompanying Index to Financial Statements and Supplementary Schedules.

II. INFORMATION ON INDEPENDENT ACCOUNTANT

Punongbayan & Araullo, independent certified public accountants, audited the Company's consolidated financial statements without qualification as of and for the year ended December 31, 2023 included in this report.

Punongbayan & Araullo has acted as the Company's external auditors since June 15, 2015. James Joseph Benjamin J. Araullo is the current audit partner for the Company and the other subsidiaries. The Company has not had any disagreements on accounting and financial disclosures with its current external auditors for the same periods or any subsequent interim period. Punongbayan & Araullo has neither shareholdings in the Company nor any right, whether legally enforceable or not, to nominate persons or to subscribe for the securities in the Company. The foregoing is in accordance with the Code of Ethics for Professional Accountants in the Philippines set by the Board of Accountancy and approved by the Professional Regulation Commission.

In relation to the audit of the Company's annual financial statements, the Company's Corporate Governance Manual provides that the audit committee shall, among other activities (i) evaluate significant issues reported by the external auditors in relation to the adequacy, efficiency and effectiveness of policies, controls, processes and activities of the Company; (ii) ensure that other non-audit work provided by the external auditors are not in conflict with their functions as external auditors; and (iii) ensure the compliance of the Company with acceptable auditing and accounting standards and regulations.

The following table sets out the aggregate fees billed for each of the last two years for professional services rendered by Punongbayan & Araullo:

	2024*	**2023***
Audit and Audit-Related Fees:		
Fees for services that are normally provided by the external auditor in connection with statutory and regulatory filings or engagements	₱4,945,000	**₱2,880,000**
All other fees	310,500	–
Total	**₱5,255,500**	**₱2,880,000**

**Consolidated audit fees of the parent and the subsidiary*

III. MANAGEMENT'S DISCUSSION AND ANALYSIS

RESULTS OF OPERATIONS COVERING 9-MONTHS OF 2025 VS. 9-MONTHS OF 2024

Revenues

The revenues of the Company decreased from **₱3,215.6 million** for the 9-months ended September 30, 2024 to **₱2,582.9 million** for the 9-months ended September 30, 2025**.** The **20%** decrease was primarily attributable to the following:

- **Real estate sales**
  Real estate sales of the group decreased to **₱2,386.4 million** for the 9-months of 2025, a **21%** decrease from **₱3,013.3 million** for the same period in 2024. This is due to the decrease in sales for the period as the Company is shifting its strategy to focus on expanding its real estate development footprint as the master developer of Villar City, supported by the recent acquisition of approximately 366 hectares within the Villar City masterplan

- **Interest income on contract receivables**
  Interest income on contract receivables were recorded at **₱84.7 million** for the 9-months of 2025, decreased by **13%** compared to **₱97.2 million** for the 9-months of 2024. This was due to the lower in-house financed sales during the period.

- **Interment income**
  There was a **10%** increase in interment income to **₱75.2 million** for the 9-months of 2025 from **₱68.6 million** in the same period in 2024. This was attributable to the increase in the number of services rendered.

Costs and Expenses

Cost and expenses decreased to **₱1,578.4 million** for the 9-months ended September 30, 2025, from **₱1,860.1 million** for period ended September 30, 2024. The **15%** decrease was primarily attributable to the following:.

- **Cost of sales and services**
  Cost of sales and services decreased from **₱1,109.4 million** for the 9-months of 2024 to **₱922.9 million** for the 9-months of 2025. The **17%** decrease was due mainly to decrease in residential units sold.

- **Other operating expenses**
  Other operating expenses decreased from **₱750.7 million** for the 9-months of 2024 to **₱655.5 million** for the 9-months of 2025. The **13%** decrease was due primarily to decrease in commission, promotions and advertising expenses.

Other Charges - Net

Other charges - net increased to **₱231.7 million** in the 9-months of 2025, from **₱128.7 million** in 9-months of 2024. The **80%** increase was mainly attributable to the increase in finance costs for the period.

Tax Expense

The Company's tax expense decreased by **42%,** to **₱68.2 million** for 9-months of 2025 from **₱118.1 million** for 9-months of 2024 primarily due to a lower taxable base for the period.

Net Income

As a result of the movements above, total net profits decreased by **36%**, to **₱704.5 million** in 9-months of 2025 from **₱1,108.8 million** recorded in 9-months of 2024.

For the 9-months of 2025, except as discussed in Note 1.2 of the 2025 Financial Statements, there were no other seasonal aspects that had a material effect on the financial condition or results of operations of the Group. Neither were there any trends, events or uncertainties that have had or that are reasonably expected

to have a material impact on the net sales or revenues or income from continuing operations. The Group is not aware of events that will cause a material change in the relationship between the costs and revenues.

There are no significant elements of income or loss that did not arise from the Group's continuing operations.

FINANCIAL CONDITION AS OF SEPTEMBER 30, 2025 VS. DECEMBER 31, 2024

The Group's total assets were recorded at **₱38,323.8 million** as of September 30, 2025, compared to the **₱35,749.6 million** recorded as of December 31, 2024, increasing by **7%.** This increase was due to the following movements:

- Cash on-hand and in-banks increased by **29%**, from **₱506.5 million** as of December 31, 2024, to **₱655.3 million** as of September 30, 2025, due primarily to cash generated from operations.

- Total contracts receivable and contract assets, including non-current, increased by **9%** from **₱16,228.4 million** as of December 31, 2024, to **₱17,739.8 million** as of September 30, 2025 due to sales on account recorded over the period.

- Due from related parties increased by **307%,** from **₱350.3 million** as of December 31, 2024 to **₱1,426.2 million** as of September 30, 2025 due primarily to advances made to related parties.

- Other receivables increased by **16%** from **₱1,908.9 million** as of December 31, 2024, to **₱2,216.3 million** as of September 30, 2025 due primarily to increase in receivables from contractors.

- Real estate inventories decreased by **6%**, from **₱6,757.1 million** of December 31, 2024 to **₱6,371.1 million** as of September 30, 2025 due to sales for the period.

- Other current assets decreased by **9%** from **₱708.3 million** as of December 31, 2024, to **₱644.9 million** as of September 30, 2025 due to decrease in prepaid assets for the period.

- Property and equipment-net decreased by **9%,** from **₱367.6 million** as of December 31, 2024 to **₱335.5 million** as of September 30, 2025, due to depreciation of property and equipment for the period.

- Other non-current assets decreased by **22%** from **₱46.2 million** as of December 31, 2024, to **₱35.8 million** as of September 30, 2025 due to decrease in security deposits for the period.

The total liabilities of the Group increased by **8%** from **₱22,081.5 million** as of December 31, 2024 to **₱23,951.1 million** as of September 30, 2025. This increase was due to the following:

Total interest-bearing loans, including non-current, decreased by **4%**, from **₱5,057.5 million** as of December 31, 2024 to **₱4,854.7 million** as of September 30, 2025, due to payments made by the Company during the period.

- Trade and other payables increased by **26%** from **₱3,037.3 million** as of December 31, 2024 to **₱3,811.8 million** as of September 30, 2025, due to new contracts in relation to construction and development of residential houses for the period.

- Customers' deposits increased by **8%**, from **₱1,271.8 million** as of December 31, 2024 to **₱1,376.7 million** as of September 30, 2025, due mainly to collections from reservation sales during the period.

- Due to related parties increased by **9%**, from **₱8,771.4 million** as of December 31, 2024 to **₱9,564.3 million** as of September 30, 2025, due mainly to advances made to the company during the period.

- Deferred tax liability increased by **4%**, from **₱1,256.3 million** as of December 31, 2024 to **₱1,307.7 million** as of September 30, 2025 due to the increase in temporary difference for the period.

- Reserved for Maintenance Care increased by **49%** from **₱754.1 million** as of December 31, 2024 to **₱1,126.5 million** as of September 30, 2025 due to sales recorded for the period.

Total stockholder's equity increased by **5%** or by **₱704.5 million** from **₱13,668.1 million** as of December 31, 2024 to **₱14,372.6 million** as of September 30, 2025, due mostly to an increase in retained earnings by **7%,** from **₱10,023.6 million** in December 31, 2024, to **₱10,728.1 million** as of September 30, 2025, coming from the net income earned during the period.

MATERIAL CHANGES TO THE GROUP'S STATEMENT OF FINANCIAL POSITION AS OF SEPTEMBER 30, 2025 COMPARED TO DECEMBER 31, 2024 (INCREASE/DECREASE OF 5% OR MORE)

- Cash on-hand and in-banks increased by **₱148.8 million**, or **29%,** from **₱506.5 million** as of December 31, 2024 to **₱655.3 million** as of September 30, 2025 due primarily to cash generated from operations.

- Total contracts receivable and contract assets, including non-current, increased by **₱1,511.3 million** or **9%** from **₱16,228.4 million** as of December 31, 2024, to **₱17,739.8 million** as of September 30, 2025 due to sales on account recorded over the period.

- Due from related parties increased by **₱1,075.9 million**, or **307%,** from **₱350.3 million** as of December 31, 2024 to **₱1,426.2 million** as of September 30, 2025 due primarily to advances made to related parties.

- Other receivables increased by **₱307.4 million**, or **16%** from **₱1,908.9 million** as of December 31, 2024, to **₱2,216.3 million** as of September 30, 2025 due primarily to an increase in receivables from contractors.
- Real estate inventories decreased by **₱386.0 million** or **6%**, from **₱6,757.1 million** as of December 31, 2024 to **₱6,371.1 million** as of September 30, 2025 due to sales for the period.

- Other current assets decreased by **₱63.4 million**, or **9%**, from **₱708.3 million** of December 31, 2024 to **₱644.9 million** as of September 30, 2025 due to decrease in prepaid assets for the period.

- Property and equipment-net decreased by **₱32.1 million** or **9%,** from **₱367.6 million** as of December 31, 2024 to **₱335.5 million** as of September 30, 2025, due to depreciation of property and equipment for the period.

- Other non-current assets decreased by **₱10.4 million**, or **22%**, from **₱46.2 million** of December 31, 2024 to **₱35.8 million** as of September 30, 2025 due to decrease in security deposits for the period.

- Trade and other payables increased by **₱774.5 million**, or **26%** from **₱3,037.3 million** as of December 31, 2024 to **₱3,811.8 million** as of September 30, 2025, due to new contracts in relation to construction and development of residential houses for the period.

- Due to related parties increased by **₱792.9 million**, or **9%**, from **₱8,771.4 million** as of December 31, 2024 to **₱9,564.3 million** as of September 30, 2025, due mainly to advances made to the company during the period.

- Customers' deposits increased by **₱104.9 million** or **8%**, from **₱1,271.8 million** as of December 31, 2024 to **₱1,376.7 million** as of September 30, 2025, due mainly to collections from reservation sales during the period.

- Income tax payable decreased by **₱6.7 million**, or **58%**, from **₱11.6 million** as of December 31, 2024 to **₱4.9 million** as of September 30, 2025, primarily due to payments made during the period.

- Reserved for Maintenance Care increased by **₱372.4 million**, or **49%**, from **₱754.1 million** as of December 31, 2024 to **₱1,126.5 million** as of September 30, 2025 due to sales recorded for the period.

- Total stockholder's equity increased by **₱704.5 million** or **5%** from **₱13,668.1 million** as of December 31, 2024 to **₱14,372.6 million** as of September 30, 2025, due mostly to an increase in retained earnings by **7%,** from **₱10,023.6 million** in December 31, 2024, to **₱10,728.1 million** as of September 30, 2025, due to net income earned during the period.

MATERIAL CHANGES TO THE GROUP'S STATEMENT OF INCOME FOR THE 9-MONTHS OF 2025 COMPARED TO THE 9-MONTHS OF 2024 (INCREASE/ DECREASE OF 5% OR MORE)

- Real estate sales decreased by **₱626.9 million** or **21%**, to **₱2,386.4 million** for the 9-months of 2025 from **₱3,013.3 million** for the same period in 2024. This is due to the decrease in sales for the period as the Company is shifting its strategy to focus on expanding its real estate development footprint as the master developer of Villar City, supported by the recent acquisition of approximately 366 hectares within the Villar City masterplan

- Interest income on contract receivables decreased by **₱12.5 million** or **13%**, to **₱84.7 million** for the 9-months of 2025 from **₱97.2 million** for the same period in 2024. This was due to lower in-house financed sales.

- Interment Income increased by **₱6.6 million** or **10%**, to **₱75.2 million** for the 9-months of 2025 from **₱68.6 million** for the 9-months of 2024 due to increase in the number of services rendered.

- Cost and expenses decreased by **₱281.6 million** or **15%,** to **₱1,578.4 million** for the 9-months of 2025, from **₱1,860.1 million** for the 9-months of 2024. The decrease was primarily attributable to the decrease in cost of real estate sales and other operating expenses.

- Other charges - net increased by **₱103.1 million** or **80%,** to **₱231.7 million** for the 9-months of 2025, from **₱128.7 million** in 9-months of 2024. The increase was mainly attributable to the increase in finance costs during the period.

- The Company's tax expense decreased by **₱49.9 million** or **42%**, to **₱68.2 million** for the 9-months of 2025, from **₱118.1 million** for the 9-months of 2024. The decrease was primarily due to a lower taxable base for the period.

- As a result of the movements above, net profit decreased by **₱404.3 million** or **36%,** to **₱704.5 million** for the 9-months of 2025 from **₱1,108.8 million** for the 9-months of 2024.

COMMITMENTS AND CONTINGENCIES

The Group is a lessee under non-cancellable operating lease agreements for its office spaces. The leases have terms ranging from three to five years with renewal options upon mutual written agreement between the parties, and include annual escalation in rental rates.

There are other commitments and contingent liabilities that arise in the normal course of the Company's operations, which are not reflected in the financial statements. Management is of the opinion that losses, if any, from these events and conditions will not have material effects on the Company's financial statements.

REVIEW OF YEAR-END 2024 VS YEAR-END 2023

RESULTS OF OPERATIONS

Revenues

The revenues of the Company decreased from **₱4,759 million** for the year ended December 31, 2023 to **₱3,577 million** for the year ended December 31, 2024, decreasing by **25%.** The decrease was primarily attributable to the following:

- Real estate sales decreased by **26%** from **₱4,459 million** for the year ended December 31, 2023 to **₱3,311million** for the year ended December 31, 2024, due to the decrease in sales.

- Interest income on contract receivables decreased from **₱191 million** for the year ended December 31, 2023 to **₱125 million** for the year ended December 31, 2024. This **34%** decrease was due mostly to a decrease on in-house financed sales over the year compared to previous year.

- Interment income increased from **₱75 million** for the year ended December 31, 2023 to **₱92 million** for the year ended December 31, 2024, increasing by **23%**, due to a higher number of interment services rendered for the year.

- Income from chapel services increased from **₱34 million** for the year ended December 31, 2023 to **₱48 million** for the year ended December 31, 2024. The **43%** increase was due to the higher number of memorial services rendered for the year.

Costs and Expenses

Cost and expenses of the Company decreased from **₱3,047 million** for the year ended December 31, 2023 to **₱2,361 million** for the year ended December 31, 2024. The **23%** decrease in the account was mainly attributable to the following:

- Cost of sales and services decreased from **₱1,936 million** for the year ended December 31, 2023 to **₱1,309 million** for the year ended December 31, 2024. The **32%** decrease was due mainly to a decrease in residential units sold.

- Other operating expenses decreased from **₱1,111 million** for the year ended December 31, 2023 to **₱1,053 million** for the year ended December 31, 2024. The **5%** decrease was due primarily to decrease in commission, promotions and outside services.

Tax Expense

Tax expense decreased by **19%**, from **₱179 million** for the year ended December 31, 2023 to **₱145 million** for the year ended December 31, 2024 primarily due to a lower taxable base for the year.

Net Income

As a result of the movements above, total net profits slightly increased from **₱1,416 million** for the year ended December 31, 2023 to **₱1,423 million** for the year ended December 31, 2024.

For the year-end 2024 except as discussed in Note 1.2 of the 2024 Financial Statements on the impact of Covid-19 Pandemic in the Group's business, there were no seasonal aspects that had a material effect on the financial condition or results of the operations of the Group. Neither were there any trends, events, or uncertainties that have had or are reasonably expected to have a material impact on the net sales or revenues or income from continuing operations. The Group is not aware of events that will cause a material change in the relationship between the costs and the revenues.

There are no significant elements of income or loss which did not arise from the Company's continuing operations.

FINANCIAL CONDITION

As of December 31, 2024 vs. December 31, 2023

The Company's total assets were recorded at **₱35,750 million** as of December 31, 2024, **28%** higher from **₱27,978 million** recorded as of December 31, 2023, due to the following:

- Cash on-hand and in-banks decreased by **48%**, from **₱981 million** as of December 31, 2023 to **₱506 million** as of December 31, 2024, mainly due to cash used in financing activities.

- Total contracts receivable and contract assets, including non-current, decreased by **6%** from **₱17,342 million** as of December 31, 2023 to **₱16,228 million** as of December 31, 2024 due mainly to collection of receivables over the year.

- Due from related parties increased by **62%** from **₱217 million** as of December 31, 2023 to **₱350 million** as of December 31, 2024 due to advances recorded for the year.

- Other Receivable increased by **4%** from **₱1,836 million** as of December 31, 2023 to **₱1,909 million** as of December 31, 2024 mainly due to advance payments to contractors.

- Real estate inventories increased by **4**% from **₱6,500 million** of December 31, 2023 to **₱6,757 million** as of December 31, 2024 due additional developments for the year.

- Other current assets, decreased by **7%,** from **₱758 million** as of December 31, 2023 to **₱708 million** as of December 31, 2024, due mostly to use of construction materials for development during the year.

- Property Plant and Equipment – net increased by **81**%, from **₱203 million** as of December 31, 2023 to **₱368 million** as of December 31, 2024, due mainly to acquisition of property and equipment for the year.

- Investment properties increased by **₱8,683 million** or **11462%**, from **₱76 million** as of December 31, 2023 to **₱8,759 million** as of December 31, 2024, due mainly to acquisition Althorp Land Holdings, Inc., Chalgrove Properties, Inc., and Los Valores Corporation which collectively owns 366 hectares of prime land within Villar City. Appraisal reports were obtained from SEC-accredited property appraisers to support the fair value measurement of investment properties in compliance with PFRS 13 (Fair Value Measurement). The properties were initially appraised using the income approach, resulting in an estimated value of approximately ₱1.3 trillion. The properties were also appraised under the market approach after discussions with the Company's external auditors, which assumes an as-is, stand-alone sale as of the valuation date. These valuation methodologies are not directly comparable, as they rely on different assumptions, development horizons, and intended use. The Company intends to develop these properties as part of the broader Villar City masterplan and should be the main consideration in determining its fair value. However, to complete the audit of the financial statements as of December 31, 2024, the Company agreed to use the valuation based on market approach.

- Right of use assets-net decreased by **28%,** from **₱24 million** as of December 31, 2023 to **₱17 million** as of December 31, 2024, due primarily to amortization for the year.

- Other non-current assets increased by **11%**, from **₱42 million** as of December 31, 2023 to **₱46 million** as of December 31, 2024, due mainly to the increase in security deposits for the year.

The total liabilities of the Company increased by **59%**, from **₱13,861 million** as of December 31, 2023 to **₱22,081 million** as of December 31, 2024, due to the following:

- Total Interest-bearing loans, including non-current, decreased by **4%**, from **₱5,250 million** as of December 31, 2023 to **₱5,058 million** as of December 31, 2024, due mostly to payment of interest-bearing loans.

- Trade and other payables increased by **35%** from **₱2,255 million** as of December 31, 2023 to **₱3,037 million** as of December 31, 2024 due to increase in trade payable to contractors and suppliers driven by the growth in construction and development activities during the year.

- Rawland payable increased by **93%** from **₱699 million** as of December 31, 2023 to **₱1,348 million** as of December 31, 2024 due to raw land acquisition during the year.

- Lease Liability, including non-current decreased by **27%** from **₱25 million** as of December 31, 2023 to **₱18 million** as of December 31, 2024, due primarily payments made during the year.

- Customers' deposits decreased by **32%** from **₱1,866 million** as of December 31, 2023 to **₱1,272 million** as of December 31, 2024, due to real estate sales recognition for the year.

- Due to related parties increased by **822%** from **₱952 million** as of December 31, 2023 to **₱8,771 million** as of December 31, 2024 due mainly to the acquisition of 3 companies during the year.

- Income tax payable decreased by **25%** from **₱15 million** as of December 31, 2023 to **₱12 million** as of December 31, 2024 due to a lower taxable base for the year

- Deferred tax liabilities-net increased by **6%** from **₱1,181 million** as of December 31, 2023 to **₱1,256 million** as of December 31, 2024 due to the increase in temporary difference for the period.

- Reserve for perpetual care decreased by **27%** from **₱1,027 million** as of December 31, 2023 to **₱754 million** as of December 31, 2024 due to remittance tor trust fund for the year.

- Retirement benefit obligation decreased by **16%** from **₱96million** as of December 31, 2023 to **₱80 million** as December 31, 2024 due to an increase in the present value of the obligation as recorded for the year.

Total stockholder's equity decreased by **3%** from **₱14,117 million** as of December 31, 2023 to **₱13,668 million** as of December 31, 2024, due to the following:

- A **4%** decrease in retained earnings, from **₱10,494 million** in December 31, 2023, to **₱10,024 million** as of December 31, 2024, mainly due to the offsetting effects of the impact of adoption of PFRS 15 and net income recorded for the year.

- A **236%** increase in revaluation reserves from **₱9 million** as of December 31, 2023 to **₱30 million** as of December 31, 2024 mainly due to the remeasurement of post-employment defined benefit plan.

Considered as the top five key performance indicators of the Company for the period as shown below:

KEY PERFORMANCE INDICATORS		2024	2023
Liquidity:			
Current Ratio	Current Assets/Current Liability	1.46 :1	3.48 :1
Solvency:			
Debt-to-Equity Ratio	Total Debt/Total Equity	0.37 :1	0.37 :1
Asset-to-equity:			
Asset-to-Equity ratio	Total Assets/Total Equity	2.62 :1	1.98 :1
Interest-rate-coverage:			
Interest-rate-coverage ratio	Profit Before Tax and Interest/Finance Costs (Including capitalized interest)	5.69: 1	5.32 : 1
Profitability:			
Return-on-equity	Net Income/Equity	10 %	10%

Material Changes to the Company's Statement of Financial Position as of December 31, 2023 compared to December 31, 2024 (increase/decrease of 5% or more)

Cash on-hand and in-banks decreased by **₱475 million** or **48%**, from **₱981 million** as of December 31, 2023 to **₱506 million** as of December 31, 2024, mainly due to cash used in financing activities.

Total contracts receivable and contract assets, including non-current decreased by **₱1,114 million** or **6%**, from **₱17,342 million** as of December 31, 2023 to **₱16,228 million** as of December 31, 2024, mainly due mainly to collection of receivables over the year.

Due from related parties increased by **₱133 million** or **62%** from **₱217 million** as of December 31, 2023 to **₱350 million** as of December 31, 2024 mainly due to advances recorded for the year.

Other current assets decreased by **₱50 million** or **7%,** from **₱758 million** as of December 31, 2023 to **₱708 million** as of December 31, 2024 due to advance payments to contractors.

Property Plant and Equipment – net increased by **₱165 million** or **81%**, from **₱203 million** as of December 31, 2023 to **₱368 million** as of December 31, 2024, due mainly to to acquisition of property and equipment for the year.

Right of use assets-net decreased by **₱7 million** or **28%,** from **₱17 million** as of December 31, 2023 to **₱24 million** as of December 31, 2024, due primarily to amortization for the year.

Investment properties increased by P8,683 million or 11462%, from P76 million as of December 31, 2023 to P8,759 million as of December 31, 2024, due mainly to to acquisition Althorp Land Holdings, Inc., Chalgrove Properties, Inc., and Los Valores Corporation which collectively owns 366 hectares of prime land within Villar City. Appraisal reports were obtained from SEC-accredited property appraisers to support the fair value measurement of investment properties in compliance with PFRS 13 (Fair Value Measurement). The properties were initially appraised using the income approach, resulting in an estimated value of approximately ₱1.3 trillion. The properties were also appraised under the market approach after discussions with the Company's external auditors, which assumes an as-is, stand-alone sale as of the valuation date. These valuation methodologies are not directly comparable, as they rely on different assumptions, development horizons, and intended use. The Company intends to develop these properties as part of the broader Villar City masterplan and should be the main consideration in determining its fair value. However, to complete the audit of the financial statements as of December 31, 2024, the Company agreed to use the valuation based on market approach.

Other non-current assets decreased by **₱4 million** or **11%**, from **₱42 million** as of December 31, 2023 to **₱46 million** as of December 31, 2024, due mainly to the acquisition of other assets for the year.

Trade and other payables increased by **₱782 million** or **35%** from **₱2,255 million** as of December 31, 2023 to **₱3,037 million** as of December 31, 2024 due to increase in trade payable to contractors and suppliers driven by the growth in construction and development activities during the year.

Rawland payable increased by **₱649 million** or **93%** from **₱699 million** as of December 31, 2023 to **₱1,348 million** as of December 31, 2024, due to acquisition of rawland for the year.

Customers' deposits decreased by **₱594 million** or **32%** from **₱1,866 million** as of December 31, 2023 to **₱1,272 million** as of December 31, 2024, due to real estate sales recognition for the year.

Due to related parties increased by **822%** from **₱952 million** as of December 31, 2023 to **₱8,771 million** as of December 31, 2024 due mainly to the acquisition of 3 companies during the year.

Lease liabilities including non-current portion decreased by **₱7 million** or **27%** from **₱25 million** as of December 31, 2023 to **₱18 million** as of December 31, 2024, due to payments made during the year.

Income tax payable decreased by **₱3 million** or **25%** from **₱15 million** as of December 31, 2023 to **₱12 million** as of December 31, 2024 due to a lower taxable base for the year.

Deferred tax liability increased by **₱75 million** or **6%** from **₱1,181 million** as of December 31, 2023 to **₱1,256 million** as of December 31, 2024 due to the increase in temporary difference for the period.

Reserve for perpetual care decreased by **₱273 million** or **27%** from **₱1,027 million** as of December 31, 2023 to **₱754 million** as of December 31, 2024 due to remittance tor trust fund for the year.

Retirement benefit obligation decreased by **₱16 million** or **16%** from **₱96 million** as of December 31, 2023 to **₱80 million** as of December 31, 2024 due to remittance tor trust fund for the year.

Material Changes to the Company's Statement of income for the year ended December 31, 2024 compared to year ended December 31, 2023 (increase/decrease of 5% or more)

Real estate sales decreased by **₱1,148 million**, or by **26%**, from **₱4,459 million** for the year ended December 31, 2023 to **₱3,311 million** for the year ended December 31, 2024. The decrease was due mainly to the decrease in sales.

Interest income on contract receivables decreased by **₱66 million**, or by **34%**, from **₱191 million** for the year ended December 31, 2023 to **₱125 million** for the year ended December 31, 2024. The decrease was due mainly to the decrease on in-house financed transactions for the year.

Interment income increased by **₱17 million** or **23%,** from **₱75 million** for the year ended December 31, 2023 to **₱92 million** for the year ended December 31, 2024, due to an increase in the number of interment services rendered for the year.

Income from chapel services increased by **₱14 million**, or by **41%**, from **₱34 million** for the year ended December 31, 2023 to **₱48 million** for the year ended December 31, 2024 due to the increase in memorial services rendered for the year.

Cost of sales and services decreased by **₱627 million** or **32%,** from **₱1,936 million** for the year ended December 31, 2023 to **₱1,309 million** in the year ended December 31, 2024, due primarily to decrease in residential units sold.

Other operating expenses decreased by **₱58 million** or **5%,** from **₱1,111 million** for the year ended December 31, 2023 to **₱1,053 million** in the year ended December 31, 2024, due primarily to decrease in commission, promotions and outside services.

Other charges – net increased by **₱468 million** or **403%** from a net charge of of **₱116 million** for the year ended December 31, 2023 to a net income **₱352 million** for the year ended December 31, 2024 due primarily to the increase in finance income for the year.

The Company's tax expense decreased by **₱34 million** or **19%**, from **₱179 million** for year ended December 31, 2023 to **₱145 million** for the year ended December 31, 2024. The decrease was mainly attributable to lower taxable base for the year.

There are no other material changes in the Company's financial position (changes of 5% or more) and condition that will warrant a more detailed discussion. Further, except as discussed in Note 1.2 of the 2024 Financial Statements on the impact of Covid-19 Pandemic in the Group's business, there are no material events and uncertainties known to management that would impact or change reported financial information and condition on the Company.

REVIEW OF YEAR-END 2023 VS YEAR-END 2022

RESULTS OF OPERATIONS

Revenues

The revenues of the Company decreased from **₱4,963 million** for the year ended December 31, 2022 to **₱4,759 million** for the year ended December 31, 2023, decreasing by **4%.** The decrease was primarily attributable to the following:

Real estate sales decreased by **5%** from **₱4,696 million** for the year ended December 31, 2022 to **₱4,459 million** for the year ended December 31, 2023, due to the decrease in sales of residential units.

Interest income on contract receivables increased from **₱169 million** for the year ended December 31, 2022 to **₱191 million** for the year ended December 31, 2023. This **13%** increase was due mostly to a increase on in-house financed sales over the year compared to previous year.

Interment income increased from **₱69 million** for the year ended December 31, 2022 to **₱75 million** for the year ended December 31, 2023, increasing by **10%**, due to a higher number of interment services rendered for the year.

Income from chapel services increased from **₱30 million** for the year ended December 31, 2022 to **₱34 million** for the year ended December 31, 2023. The **13%** increase was due to the higher number of memorial services rendered for the year.

Costs and Expenses

Cost and expenses of the Company decreased from **₱3,339 million** for the year ended December 31, 2022 to **₱3,047 million** for the year ended December 31, 2023. The **9%** decrease in the account was mainly attributable to the following:

- Cost of sales and services decreased from **₱2,173 million** for the year ended December 31, 2022 to **₱ 1,936 million** for the year ended December 31, 2023. The **11%** decrease was due mainly to a decrease in residential units sold.

- Other operating expenses decreased from **₱1,165 million** for the year ended December 31, 2022 to **₱ 1,111 million** for the year ended December 31, 2023. The decrease was due primarily to decrease in commissions, salaries and employee benefits and loss on cancellations.

Tax Expense

Tax expense increased by **23%**, from **₱146 million** for the year ended December 31, 2022 to **₱179 million** for the year ended December 31, 2023 primarily due to a higher taxable base for the year.

Net Income

As a result of the movements above, total net profits increased from **₱1,293 million** for the year ended December 31, 2022 to **₱1,416 million** for the year ended December 31, 2023, or an increase of **10%**.

For the year-end 2023 except as discussed in Note 1.2 of the 2023 Financial Statements on the impact of Covid-19 Pandemic in the Group's business, there were no seasonal aspects that had a material effect on the financial condition or results of the operations of the Group. Neither were there any trends, events, or uncertainties that have had or are reasonably expected to have a material impact on the net sales or revenues or income from continuing operations. The Group is not aware of events that will cause a material change in the relationship between the costs and the revenues.

There are no significant elements of income or loss, which did not arise from the Company's continuing operations.

FINANCIAL CONDITION

As of December 31, 2023 vs. December 31, 2022

The Company's total assets were recorded at **₱27,945 million** as of December 31, 2023, slightly lower**,** from **₱28,038 million** recorded as of December 31, 2022, due to the following:

Cash on-hand and in-banks increased by **7%**, from **₱919 million** as of December 31, 2022 to **₱981 million** as of December 31, 2023, mainly due to cash generated from operations.

Total contracts receivable and contract assets, including non-current, increased by **9%** from **₱15,858 million** as of December 31, 2022 to **₱17,310 million** as of December 31, 2023 due mainly to sales on account recorded over the year.

Due from related parties increased by **895%** from **₱22 million** as of December 31, 2022 to **₱217 million** as of December 31, 2023 due to advances recorded for the year.

Other Receivable decreased by **46%** from **₱3,400 million** as of December 31, 2022 to **₱1,836 million** as of December 31, 2023 mainly due to advance payments for strategic land acquisition.

Real estate inventories decreased by **2**% from **₱6,615 million** of December 31, 2022 to **₱6,500 million** as of December 31, 2023 due to sales for the year.

Other current assets, decreased by **10%,** from **₱844 million** as of December 31, 2022 to **₱758 million** as of December 31, 2023, due mostly to amortization of prepaid expense during the year.

Property Plant and Equipment – net decreased by **8**%, from **₱219 million** as of December 31, 2022 to **₱203 million** as of December 31, 2023, due mainly to sale of property and equipment and depreciation for the year.

Right of use assets-net decreased by **38%,** from **₱38 million** as of December 31, 2022 to **₱24 million** as of December 31, 2023, due primarily to pre-termination of certain leases as mutually agreed with its lessors.

Other non-current assets decreased by **13%**, from **₱48 million** as of December 31, 2022 to **₱42 million** as of December 31, 2023, due mainly to the decrease in other assets for the year.

The total liabilities of the Company decreased by **10%**, from **₱15,346 million** as of December 31, 2022 to **₱13,828 million** as of December 31, 2023, due to the following:

Total Interest-bearing loans, including non-current, decreased by **18%**, from **₱6,385 million** as of December 31, 2022 to **₱5,250 million** as of December 31, 2023, due mostly to payment of interest-bearing loans.

Trade and other payables increased by 11**%** from **₱2,033 million** as of December 31, 2022 to **₱2,255 million** as of December 31, 2023 due to provisions for future land development.

Rawland payable increased by **1%** from **₱691 million** as of December 31, 2022 to **₱699 million** as of December 31, 2023 due to raw land acquisition during the year.
Lease Liability, including non-current decreased by **38%** from **₱41 million** as of December 31, 2022 to **₱25 million** as of December 31, 2023, due primarily to pre-termination of certain leases as mutually agreed with its lessors.

Customers' deposits decreased by **26%** from **₱2,522 million** as of December 31, 2022 to **₱1,866 million** as of December 31, 2023, due to real estate sales recognition for the year.

Due to related parties decreased by **1%** from **₱961 million** as of December 31, 2022 to **₱952 million** as of December 31, 2023 due mainly to collection of advances made by the Company for the year.

Income tax payable increased by **79%** from **₱9 million** as of December 31, 2022 to **₱15 million** as of December 31, 2023 due to a higher taxable base for the year

Deferred tax liabilities-net increased by **12%** from **₱1,050 million** as of December 31, 2022 to **₱1,181 million** as of December 31, 2023 due to the increase in temporary difference for the period.

Reserve for perpetual care increased by **13%** from **₱912 million** as of December 31, 2022 to **₱1,027 million** as of December 31, 2023 due to sale of memorial lots for the year.

Retirement benefit obligation increased by **3%** from **₱93million** as of December 31, 2022 to **₱96 million** as December 31, 2023 due to an increase in the present value of the obligation as recorded for the year.

Total stockholder's equity increased by **11%** from **₱12,692 million** as of December 31, 2022 to **₱14,117 million** as of December 31, 2023, due to the following:

A **16%** increase in retained earnings, from **₱9,077 million** in December 31, 2022, to **₱10,494 million** as of December 31, 2023, mainly due to the net income recorded for the year.

A **1767%** increase in revaluation reserves from **₱0.5 million** as of December 31, 2022 to **₱9 million** as of December 31, 2023 mainly due to the remeasurement of post-employment defined benefit plan.

Considered as the top five key performance indicators of the Company for the period as shown below:

KEY PERFORMANCE INDICATORS		2023	2022
Liquidity:			
Current Ratio	Current Assets/Current Liability	3.48 :1	2.45 :1
Solvency:			
Debt-to-Equity Ratio	Total Debt/Total Equity	0.37 :1	0.50 :1
Asset-to-equity:			
Asset-to-Equity ratio	Total Assets/Total Equity	1.98 :1	2.21 :1
Interest-rate-coverage:			
Interest-rate-coverage ratio	Profit Before Tax and Interest/Finance Costs (Including capitalized interest)	5.32 : 1	5 : 1
Profitability:			
Return-on-equity	Net Income/Equity	10.03%	10.19%

Material Changes to the Company's Statement of Financial Position as of December 31, 2022 compared to December 31, 2023 (increase/decrease of 5% or more)

Cash on-hand and in-banks increased by **₱62 million** or **7%**, from **₱919 million** as of December 31, 2022 to **₱981 million** as of December 31, 2023, mainly due to cash generated from operations.

Total contracts receivable and contract assets, including non-current increased by **₱1,452 million** or **8%**, from **₱15,858 million** as of December 31, 2022 to **₱17,310 million** as of December 31, 2023, mainly due to sales on account recorded during the year.

Due from related parties increased by **₱194 million** or **895%** from **₱22 million** as of December 31, 2022 to **₱217 million** as of December 31, 2023 mainly due to advances recorded for the year.

Other Receivable decreased by **₱1,563 million** or **46%** from **₱3,400 million** as of December 31, 2022 to **₱1,836 million** as of December 31, 2023 mainly due to advance payments for future strategic land acquisition.

Other current assets decreased by **₱86 million** or **10%,** from **₱844 million** as of December 31, 2022 to **₱758 million** as of December 31, 2023, due mostly to amortization of prepaid expense during the year.

Property Plant and Equipment – net decreased by **₱16 million** or **8%**, from **₱219 million** as of December 31, 2022 to **₱203 million** as of December 31, 2023, due mainly to sale of property and equipment and depreciation for the year.

Right of use assets-net decreased by **₱14 million** or **38%,** from **₱38 million** as of December 31, 2022 to **₱24 million** as of December 31, 2023, due primarily to pre-termination of certain leases as mutually agreed with its lessors.

Other non-current assets decreased by **₱6 million** or **13%**, from **₱48 million** as of December 31, 2022 to **₱42 million** as of December 31, 2023, due mainly to the decrease in other assets for the year.

Total Interest-bearing loans, including non-current, decreased by **₱1,135 million** or **18%**, from **₱6,385 million** as of December 31, 2022 to **₱5,250 million** as of December 31, 2023, due mostly to interest-bearing loans payment made by the Company for the year.

Trade and other payables increased by **₱222 million** or **11%** from **₱2,033 million** as of December 31, 2022 to **₱2,255 million** as of December 31, 2023 due to provisions for future development.

Customers' deposits decreased by **₱656 million** or **26%** from **₱2,522 million** as of December 31, 2022 to **₱1,866 million** as of December 31, 2023, due to real estate sales recognition for the year.

Lease liabilities including non-current portion decreased by **₱16 million** or **38%** from **₱41 million** as of December 31, 2022 to **₱25 million** as of December 31, 2023, due primarily to pre-termination of certain leases as mutually agreed with its lessors.

Income tax payable increased by **₱6 million** or **79%** from **₱9 million** as of December 31, 2022 to **₱15 million** as of December 31, 2023 due to a higher taxable base for the year.

Deferred tax liability increased by **₱131 million** or **12%** from **₱1,050 million** as of December 31, 2022 to **₱1,181 million** as of December 31, 2023 due to the increase in temporary difference for the period.

Reserve for perpetual care increased by **₱115 million** or **13%** from **₱912 million** as of December 31, 2022 to **₱1,027 million** as of December 31, 2023 due to sales recorded for the year.

Total stockholder's equity increased by **₱1,425 million** or **11%,** from **₱12,692 million** as of December 31, 2022 to **₱14,117 million** as of December 31, 2023. This change was primarily due to the **16%** increase in retained earnings from **₱9,077 million** as of December 31, 2022 to **₱10,494 million** as of December 31, 2023, and a **1,767%** decrease in revaluation reserves from **₱0.5 million** as of December 31, 2022 to **₱9 million** as of December 31, 2023.

Material Changes to the Company's Statement of income for the year ended December 31, 2023 compared to year ended December 31, 2022 (increase/decrease of 5% or more)

Real estate sales decreased by **₱237 million**, or by **5%**, from **₱4,696 million** for the year ended December 31, 2022 to **₱4,459 million** for the year ended December 31, 2023. The decrease was due mainly to the decrease in sales of residential units.

Interest income on contract receivables increased by **₱22 million**, or by **13%**, from **₱169 million** for the year ended December 31, 2022 to **₱191 million** for the year ended December 31, 2023. The increase was due mainly to the increase on in-house financed transactions for the year.

Interment income increased by **₱7 million** or **10%,** from **₱69 million** for the year ended December 31, 2022 to **₱75 million** for the year ended December 31, 2023, due to a increase in the number of interment services rendered for the year.

Income from chapel services increased by **₱4 million**, or by **13%**, from **₱30 million** for the year ended December 31, 2022 to **₱34 million** for the year ended December 31, 2023 due to the increase in memorial services rendered for the year.

Cost of sales and services decreased by **₱237 million** or **11%,** from **₱2,173 million** for the year ended December 31, 2022 to **₱1,936 million** in the year ended December 31, 2023, due primarily to decrease in residential units sold.

Other operating expenses decreased by **₱54 million** or **5%,** from **₱1,165 million** for the year ended December 31, 2022 to **₱1,111 million** in the year ended December 31, 2023, due primarily to decrease in commissions, salaries and employee benefits and loss on cancellations.

Other charges – net decreased by **₱69 million** or **37%** from a of **₱185 million** for the year ended December 31, 2022 to **₱116 million** for the year ended December 31, 2023. This was due primarily to the increase in other income for the year.

The Company's tax expense increased by **₱33 million** or **23%**, from **₱146 million** for year ended December 31, 2022 to **₱179 million** for the year ended December 31, 2023. The increase was mainly attributable to higher taxable base for the year.

Net Profit increased by **₱123 million** or **10%,** from **₱1,293 million** for year ended December 31, 2022 to **₱1,416 million** for the year ended December 31, 2023.

There are no other material changes in the Company's financial position (changes of 5% or more) and condition that will warrant a more detailed discussion. Further, except as discussed in Note 1.2 of the 2023 Financial Statements on the impact of Covid-19 Pandemic in the Group's business, there are no material events and uncertainties known to management that would impact or change reported financial information and condition on the Company.

Factors which may have material impact in Company's operations

Economic factors

The economic situation in the Philippines significantly affects the performance of the Company's business. For the residential products, the Company is sensitive to changes in domestic interest and inflation rates. Higher interest rates tend to discourage potential consumers as deferred payment schemes become more expensive for them to maintain. An inflationary environment will adversely affect the Company, as well as other memorial park developers, by increases in costs such as land acquisition, labor, and materials. Although the Company may pass on the additional costs to buyers, there is no assurance that this will not significantly affect the Company's sales.

Other Information

1. Any known trends or any known demands, commitments, events or uncertainties that will result in or that will have a material impact on the company's liquidity.

   There are no known trends, demands, commitments, events, or uncertainties that will materially impact the Company's liquidity.

2. Events that will trigger direct or contingent financial obligation that is material to the company, including any default or acceleration of an obligation.

   There are no events that will trigger direct or contingent financial obligations that are material to the Company.

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

   There are no material off-balance sheet transactions, arrangements, obligations, or relationships with unconsolidated entities or other persons created during the reporting period.

Capital Expenditures

The table below sets out the Company's capital expenditures in 2022, 2023 and 2024.

	Expenditure *(in ₱ millions)*
2022 (actual)	2,707.33
2023 (actual)	1,656.97
2024 (actual)	1,957.73

**Consolidated amount of the parent and the subsidiary*

The Company's capital expenditures have, in the past, been financed by internally generated funds and long-term borrowings.

Components of the Company's capital expenditures for 2022, 2023 and 2024 are summarized below:

	For the years ended December 31,		
	2022	**2023**	**2024**
		(in ₱ millions)	
Land acquisition	₱59.00	₱65.07	₱669.64
Memorial park development	119.43	138.71	169.62
Memorial chapel construction	-	18.90	-
Land development	790.00	511.00	414.29
Construction	1,710.00	823.00	607.09
Property and equipment	28.90	100.29	97.09
Total	**₱2,707.33**	**₱1,656.97**	**₱1,957.73**

IV. NATURE AND SCOPE OF BUSINESS

Villar Land Holdings, Corp (the "Company"), formerly Golden MV Holdings, Inc., incorporated in November 1982, is one of Philippines' leading developers of memorial parks in the country in terms of number of projects, overall sales, and land developed. Aside from the development and sale of memorial parks, the Company likewise develops, constructs and operates columbarium and memorial chapel facilities. Through its subsidiary, Bria Homes, Inc. ("Bria"), the Company is also engaged in the construction and development of residential projects in various places all over the Philippines.

As part of its continued growth and expansion, the Company has acquired Althorp Land Holdings, Inc., Chalgrove Properties, Inc., and Los Valores Corporation which collectively owns 366 hectares of prime land

within Villar City, a 3,500-hectare visionary development spanning Metro Manila and parts of Cavite. The Company believes that this acquisition will grant access to a prime landbank, strengthening its foothold in a high-growth area. It will also enhance the Company's asset base, positioning it as a key player in the development of Villar City. Furthermore, this acquisition allows for strategic collaboration enabling synergized development strategies that complement each other within Villar City.

In relation to its deathcare business, which continues to operate under the brand Golden Haven,
the Company have established projects all over the country, making it one of the largest deathcare developer in the country. The Company also has columbaries projects within a selection of its memorial parks, with the largest being the 20,000-vault columbarium beneath Golden Haven's Sanctuario de San Ezekiel Moreno, located along C5 Road, Pulanglupa, Las Piñas. The company has also expanded its business into Memorial Chapel Services in Las Pinas which expanded the company's deathcare product offerings to funeral and cremation services, bringing it closer to becoming the country's first fully integrated deathcare service provider.

Further strengthening its commitment to innovation and service expansion, the Company has launched crematorium facility in Zamboanga to meet the rising demand for cremation services. Additionally, it has introduced pet crematorium projects in Cagayan de Oro (CDO), Cebu, and Las Piñas, providing pet owners with dignified and compassionate memorial options for their beloved companions.

For its park developments, the Company offers memorial lots at varying sizes and price points. The four basic lot packages are lawn lot; garden niche; family patio; and family estate. Purchasers of a family estate lot can elect to construct a mausoleum, with the design and construction of which must conform to the Company's parameters as part of the terms of the purchase.

As for its residential development business, operating under Bria Homes, a corporation duly organized and existing under the laws of the Republic of the Philippines. The primary purpose of Bria is to acquire, own, use, improve, develop, subdivide, sell, mortgage, engage, lease, develop, and hold for investment or otherwise improve, manage, or dispose of real estate of all kinds including buildings, houses, apartments, and other structures of whatever kind. Bria is principally engaged in the mass housing business with housing projects located in over 30 of the most progressive cities and municipalities around the country.

Bria Homes, Inc. is the fastest growing mass housing developer in the Philippines. It caters to ordinary Filipinos who dreams of having high quality and affordable homes. Bria established its national footprint by continuously growing and making quality projects. To date, Bria, has over 50 projects and developments around the country.

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

Market Information

Registrant's common shares are listed with the Philippine Stock Exchange. The Registrant was listed on June 29, 2016.

	2025			2024			2023			2022		
QTR	High	Low	Close	High	Low	Close	High	Low	Close	High	Low	Close
1st	2,494.00	2,160.00	2,340.00	1,065.00	875.00	1,065.00	788.00	650.00	788.00	685.00	540.00	685.00
2nd	2,350.00	2,200.00	2,296.00	1,275.00	1,070.00	1,274.00	830.00	786.00	830.00	690.00	635.00	675.00
3rd	2,296.00	2,296.00	2,296.00	1,690.00	1,275.00	1,690.00	859.00	796.00	850.00	675.00	519.00	519.00
4th				2,296.00	1,800.00	2,250.00	849.50	786.00	844.50	660.00	536.50	650.00

The market capitalization of HVN as of September 30, 2025 based on the closing price of P2,296.00/share on September 30, 2025, the last trading date for the third quarter of 2024, was approximately P1,478.9 billion.

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

Shareholders

There are approximately 14 holders of common equity security of the Company as of September 30, 2025 (based on the number of accounts registered with the Stock Transfer Agent). The following are the holders of the common securities of the Company:

	Name	No. of Shares	Percentage
1	FINE PROPERTIES, INC.	412,057,800	63.97%
2	CAMBRIDGE GROUP, INC. [2]	158,744,255	24.65%
3	PCD NOMINEE CORPORATION (FILIPINO)	72,962,845	11.33%
5	CAMILLE A. VILLAR[1]	333,700	0.05%
5	MYRA P. VILLANUEVA	6,600	0.00%
7	PCD NOMINEE CORPORATION (NON-FILIPINO)	4,571	0.00%
6	MYRNA P. VILLANUEVA	2,300	0.00%
8	MILAGROS P. VILLANUEVA	2,300	0.00%
9	MANUEL B. VILLAR[1]	1,000	0.00%
10	CYNTHIA J. JAVAREZ[1]	1,000	0.00%
11	MANUEL PAOLO A. VILLAR[1]	1,000	0.00%
12	MARK A. VILLAR[1]	1,000	0.00%
13	ANA MARIE V. PAGSIBIGAN[1]	1	0.00%
14	GARTH F. CASTAÑEDA[1]	1	0.00%
	TOTAL OUTSTANDING ISSUED AND SUBSCRIBED (COMMON)	**644,117,649**	**100.00%**

[1] *lodged under PCD Nominee Corp.*
[2] *8,744,255 lodged under PCD Nominee Corp. (Filipino)*

Dividend Policy

Under the Revised Corporation Code, the Company's shareholders are entitled to receive a proportionate share in cash dividends that may be declared by the Board out of the surplus profits derived from operations. The same right exists with respect to a stock dividend declaration, the declaration of which is subject to the approval of shareholders representing at least two-thirds of the outstanding capital stock entitled to vote.

The amount of dividends to be declared will depend on the profits, investment requirements and capital expenditures at that time.

The Company has not defined a minimum percentage of net earnings to be distributed to its common shareholders. Dividends may be declared only from the Company's unrestricted retained earnings, except when, among others: (i) justified by definite corporate expansion, or (ii) when the Company is prohibited under any loan agreement with any financial institution or creditor, whether local or foreign, from declaring dividends without its consent, and such consent has not been secured, or (iii) when it can be clearly shown that the retention of earnings is necessary under special circumstances obtaining in the Company, its assets and operations, such as when there is a need for special reserves for probable contingencies.

Record Date

Pursuant to existing Philippine SEC rules, cash dividends declared by a company must have a record date not less than 10, nor more than 30 days from the date the cash dividends are declared. With respect to stock dividends, the record date is to be not less than 10 or more than 30 days from the date of shareholder approval, provided however, that the set record date is not to be less than 10 trading days from receipt by the PSE of the notice of declaration of stock dividend. In the event that a stock dividend is declared in connection with an increase in authorized capital stock, the corresponding record date is to be fixed by the Philippine SEC.

Dividends

The Company has not declared dividends in any form for the two most recent fiscal years and any subsequent

interim period.

Recent Sale Of Unregistered Or Exempt Securities Including Recent Issuance Of Securities Constituting An Exempt Transaction

The Company has not issued or sold unregistered or exempt securities nor issued securities in an exempt transaction within the past three years.

Stock Options

None

VI. COMPLIANCE WITH LEADING PRACTICE ON CORPORATE GOVERNANCE

The Company's Board has adopted a Revised Manual on Corporate Governance on May 31, 2019. The Company's Revised Manual on Corporate Governance describes the terms and conditions by which the Company intends to conduct sound corporate governance practices that are consistent with the relevant laws and regulations of the Republic of the Philippines, and which seek to enhance business transparency and build shareholder value.

Ultimate responsibility and oversight of the Company's adherence to superior corporate governance practices rests with the Board of Directors. As a policy matter, the Board holds monthly meetings, at which any number of relevant corporate governance issues may be raised for discussion.
Practical oversight of the Company's corporate governance standards is exercised through the Board's Corporate Governance Committee.

The Company is committed to building a solid reputation for sound corporate governance practices, including a clear understanding by its Directors of the Company's strategic objectives, structures to ensure that such objectives are realized, systems to ensure the effective management of risks and the systems to ensure the Company's obligations are identified and discharged in all aspects of its business.

There are no known material deviations from the Company's Manual of Corporate Governance.

The Company is taking further steps to enhance adherence to principles and practices of good corporate governance.

PART III

SIGNATURES

Pursuant to the requirements of the Securities Regulation Code, the issuer has duly caused this report to be signed on behalf by the undersigned hereunto duly authorized.

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this report is true, complete and correct. This report is signed in the City of Las Piñas on 1 December 2025

GOLDEN MV HOLDINGS, INC.

By:

ESTRELLITA S. TAN
Chief Financial Officer
Chief Information Officer
Treasurer, Investor Relations Officer

GOLDEN MV HOLDINGS

November 12, 2025

PHILIPPINE STOCK EXCHANGE
Philippine Stock Exchange Tower
5th Avenue corner 28th Street, Bonifacio Global City
Taguig City

Attention: Atty. Johanne Daniel M. Negre
Officer in Charge, Disclosure Department

Subject: Golden MV Holdings, Inc.: **2024 Annual Report 17-A – 12/31/2024**

Gentlemen:

Please see attached Annual Report of Villar Land Holdings, Corp. for the year ended December 31, 2024.

Thank you.

Kate D. Cator
Officer-in-Charge

COVER SHEET

1	0	8	2	7	0					
S.E.C. Registration Number										

V	I	L	L	A	R		L	A	N	D		H	O	L	D	I	N	G	S	,	C	O	R	P

(Company's Full Name)

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L	A	S		P	I	Ñ	A	S		C	I	T	Y												

(Business Address: No. Street/City/Province)

Estrellita S. Tan	(02) 873-2922
Contact Person	Company Telephone Number

1	2	3	1	17-A	0	7	1	5
Month		*Day*		FORM TYPE	*Month*		*Day*	
Calendar Year					Annual Meeting			

Secondary License Type, If Applicable

Dept. Requiring this Doc.			Amended Articles Number/Section	

Total Amount of Borrowings

Total No. of Stockholders	Domestic	Foreign

To be accomplished by SEC Personnel concerned

File Number		LCU
Document I.D.		Cashier

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-A

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

1. For the fiscal year ended **December 31, 2024**

2. SEC Identification Number **108270**

3. BIR Tax Identification No. **000-768-991-000**

4. Exact name of issuer as specified in its charter **Villar Land Holdings, Corp.**
(formerly Golden MV Holdings, Inc.)

5. **Philippines** 6. [ ] (SEC Use Only)
Province, Country or other jurisdiction of incorporation or organization
Industry Classification Code:

7. **San Ezekiel, C5 Extension, Las Piñas City, Philippines** **1746**
Address of principal office Postal Code

8. **(+632) 8873-2922 / (+632) 8873-2543**
Issuer's telephone number, including area code

9. **Golden MV Holdings, Inc.**
Former name, former address, and former fiscal year, if changed since last report.

10. Securities registered pursuant to Sections 8 and 12 of the SRC, or Sec. 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
Common Stock	**644,117,649**

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

Yes [**x**] No [ ] **Name of Stock Exchange:** **Philippine Stock Exchange**
Class of Securities Listed: **Common Stocks**

12. Check whether the issuer:

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

Yes [**x**] No [ ]

(b) has been subject to such filing requirements for the past ninety (90) days.

Yes [**x**] No [ ]

13. Aggregate market value of voting stocks held by non-affiliates:

₱164.2 billion as of December 31, 2024

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

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

Yes [ ] No [ ] **NOT APPLICABLE**

DOCUMENTS INCORPORATED BY REFERENCE

15. Briefly describe documents incorporated by reference and identify the part of SEC Form 17-A into which the document is incorporated:

Consolidated Financial Statements as of and for the year ended **December 31, 2024** (incorporated as reference for Item 7 and 12 of SEC Form 17-A)

TABLE OF CONTENTS

PART I – BUSINESS 5

ITEM 1. BUSINESS 5
ITEM 2. PROPERTIES 36
ITEM 3. LEGAL PROCEEDINGS 37
ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS 37

PART II – OPERATIONAL AND FINANCIAL INFORMATION 38

ITEM 5. MARKET FOR ISSUER'S COMMON EQUITY AND RELATED STOCKHOLDERS MATTERS 38
ITEM 6. MANAGEMENT'S DISCUSSION AND ANALYSIS OR PLAN OF OPERATIKATEON 40
ITEM 7. FINANCIAL STATEMENTS 51
ITEM 8. INFORMATION ON INDEPENDENT ACCOUNTANT AND OTHER RELATED MATTERS 51

PART III – CONTROL AND COMPENSATION INFORMATION 53

ITEM 9. DIRECTORS AND EXECUTIVE OFFICERS OF THE ISSUER 53
ITEM 10. EXECUTIVE COMPENSATION 56
ITEM 11. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT 57
ITEM 12. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS 59

PART IV – CORPORATE GOVERNANCE 60

ITEM 13. ANNUAL CORPORARE GOVERNANCE REPORT (ACGR) 60

PART V – SUSTAINABILTY REPORT 61

PART VI – EXHIBITS AND SCHEDULES 62

ITEM 14. EXHIBITS AND REPORTS ON SEC FORM 17 – C 63

PART I – BUSINESS

Item 1. Business

Overview

Villar Land Holdings, Corp (the "Company"), formerly Golden MV Holdings, Inc., incorporated in November 1982, is one of Philippines' leading developers of memorial parks in the country in terms of number of projects, overall sales, and land developed. Aside from the development and sale of memorial parks, the Company likewise develops, constructs and operates columbarium and memorial chapel facilities. Through its subsidiary, Bria Homes, Inc. ("Bria"), the Company is also engaged in the construction and development of residential projects in various places all over the Philippines.

As part of its continued growth and expansion, the Company has acquired Althorp Land Holdings, Inc., Chalgrove Properties, Inc., and Los Valores Corporation which collectively owns 366 hectares of prime land within Villar City, a 3,500-hectare visionary development spanning Metro Manila and parts of Cavite. The Company believes that this acquisition will grant access to a prime landbank, strengthening its foothold in a high-growth area. It will also enhance the Company's asset base, positioning it as a key player in the development of Villar City. Furthermore, this acquisition allows for strategic collaboration enabling synergized development strategies that complement each other within Villar City.

In relation to its deathcare business, which continues to operate under the brand **Golden Haven**, the Company have established projects all over the country, making it one of the largest deathcare developer in the country. The Company also has columbaries projects within a selection of its memorial parks, with the largest being the 20,000-vault columbarium beneath Golden Haven's Sanctuario de San Ezekiel Moreno, located along C5 Road, Pulanglupa, Las Piñas. The company has also expanded its business into Memorial Chapel Services in Las Pinas which expanded the company's deathcare product offerings to funeral and cremation services, bringing it closer to becoming the country's first fully integrated deathcare service provider.

Further strengthening its commitment to innovation and service expansion, the Company has launched crematorium facility in Zamboanga to meet the rising demand for cremation services. Additionally, it has introduced pet crematorium projects in Cagayan de Oro (CDO), Cebu, and Las Piñas, providing pet owners with dignified and compassionate memorial options for their beloved companions.

For its park developments, the Company offers memorial lots at varying sizes and price points. The four basic lot packages are lawn lot; garden niche; family patio; and family estate. Purchasers of a family estate lot can elect to construct a mausoleum, with the design and construction of which must conform to the Company's parameters as part of the terms of the purchase.

As for its residential development business, operating under **Bria Homes**, a corporation duly organized and existing under the laws of the Republic of the Philippines. The primary purpose of Bria is to acquire, own, use, improve, develop, subdivide, sell, mortgage, engage, lease, develop, and hold for investment or otherwise improve, manage, or dispose of real estate of all kinds including buildings, houses, apartments, and other structures of whatever kind. Bria is principally engaged in the mass housing business with housing projects located in over 30 of the most progressive cities and municipalities around the country.

Bria Homes, Inc. is the fastest growing mass housing developer in the Philippines. It caters to ordinary Filipinos who dreams of having high quality and affordable homes. Bria established its national footprint by continuously growing and making quality projects. To date, Bria, has over 50 projects and developments around the country.

The company listed with the Philippine Stock Exchange (PSE) on 29 June 2016, at an initial price of ₱10.52 per share. As of 31 December 2024, the Company's shares are valued at ₱2,250.00 per share.

Recent Developments and Acquisitions

In line with the Company's plan to further expand and diversify both its project and product profile, Villar Land was able to significantly expand its holdings for both deathcare projects and for residential developments over the past years.

The Company, through its deathcare business Golden Haven, was able to expand to more than 30 developments all over the Philippines including both expansion and new project properties, making it one of the country's largest memorial park developers.

For its residential development business under Bria Homes, Inc., the Company was able to widen its product portfolio to appeal to both house and lot buyers and condo homelookers. Progress in Bria's developments were seen through fast-tracked construction and mass house and lot turnovers. As of 2024, Bria has more than 50 projects in the top municipalities across the country, with several projects currently in preselling and several more ready for occupancy.

In line with its long-term strategies, the Company acquired Althorp Land Holdings, Inc., Chalgrove Properties, Inc., and Los Valores Corporation securing 366 hectares of prime real estate within Villar City, a 3,500-hectare master-planned development spanning Metro Manila and Cavite. This acquisition strengthens the Company's asset base and allows the Company to concentrate on the strategic development of the Villar City project.

Products and Services

Villar City

Villar City is the 3,500-hectare master-planned metropolis, strategically located in Las Piñas, Bacoor, and neighboring areas of Cavite and Laguna. Positioned as the next central business and lifestyle hub, Villar City integrates residential, commercial, institutional, and leisure spaces into a single modern urban ecosystem.

Death care Business

The death care services market comprises products and services acquired or availed of during the period of mourning and grief following the death of a loved one. This line of products and services generally includes funeral services and funerary arrangements (care for the deceased and cosmetic embalming in preparation for viewing), burial or cremation services, and the sale of caskets, urns and memorabilia. There has been a significant focus on memorial alcoves, giving way to a new product line targeting the market in the Metro where vault rentals are rampant. With this product, we are giving our clients an option to purchase their own vaults. Also focusing on the upscale market, with the Company aiding its sales through an initiative called "Golden Shrines", wherein Family Estate purchasers are given complimentary designs made by Golden Haven's memorial architects.

The Company's key products and services consist of the sale of memorial lots and columbarium vaults made available to the public through the Company's developments. With the opening of its Memorial Chapel, the Company was able to expand the services and products it offers to more categories of the death care industry.

Most of the foregoing developments are wholly owned by the Company with the exception of a number of park developments which have been undertaken through a joint venture with a third-party landowner.

Residential Development Business

Bria Homes, Inc. is the fastest growing mass housing developer in the Philippines in terms of scale and expanse. It caters to ordinary Filipinos who dream of having high quality and affordable homes. The Company is already expanding its portfolio in a transition from simply being "Murang Pabahay" to becoming the Filipino's "Home of Choice". A moniker it wishes to achieve by adding new horizontal and vertical residential concepts in higher market segments, thereby completing the spectrum and ensuring that there is an apt Bria home for the everyday Filipino's defining moments of success.

The Company established its national footprint by continuously growing and making quality projects.

Distribution Methods of Products

Death care Business

The Company relies extensively on third party agents to sell its products and services in the country. As the terms of engagement by the Company of these agents are non-exclusive, these agents, in general, may likewise offer the products and services of the Company's competitors. The Company cannot give any assurance that these agents will give adequate focus to the Company's products and services and not favor or give priority to any other products these agents may otherwise offer. If a large number of these agents were to reduce focus on the Company's products and services, or otherwise terminate their arrangements with the Company, there can be no assurance that the Company would be able to replace these agents in a timely or effective manner.

The Company also has limited control over these third-party agents and cannot monitor all aspects of their work. With this limited control, the Company cannot give assurance that none of its third-party agents will make misleading representations and promises on the Company's products and services, leading to customer disputes and damage to the Company's reputation.

Residential Development Business

The Company's marketing network includes a network of agents and brokers, who are in key areas across the Philippines.

With offices across the country and a network of partners, we are able to reach consumers in major markets in the country and abroad. With the help of digital marketing, Bria is able to track consumer preferences, so that we can tailor our marketing efforts as needed.

As such, it believes that it is able to provide its clients with a unique experience by offering them a variety of opportunities to connect with other people who are interested in buying or selling homes.

The Company offers a wide range of products, including multiple bungalow house models and two-story house and lot units that would give potential customers a variety of options that best fits their needs.

Land Development and Acquisition

Death care Business

Part of the Company's key strategies is to continue to work on developing existing, undeveloped and contiguous land areas of its memorial parks, which would allow it to increase its inventories to meet emerging market demand for its products. Development activities will include site preparation, landscaping, and other related civil works on the relevant areas intended to make the same suitable for further development into memorial park spaces.

The Company also considers the feasibility of obtaining required governmental licenses, permits, authorizations, and adding necessary improvements and infrastructure, including sewage, roads and electricity against a purchase price that will maximize margins within the limits of available financing.

Residential Development Business

The Company sources land for its projects through direct purchase. The evaluation process on land acquisitions focuses on 4 major factors: (a) legality of the documents covering the piece of property; (b) valuation of the property; (c) technical characteristics of the property; and (d) other factors impacting on the suitability and feasibility of future projects. As and when needed, the Company also engages third parties, such as surveyors and engineers, to verify that the land it seeks to acquire is covered by the technical description of the title.

Before the Company acquires land for development, the Company also conducts its own valuation of the property based on, among other factors, other similar properties in the market and an assessment of the potential income derivable from any development suitable for the property.

Before directly acquiring land, the Company conducts engineering and environmental assessments to determine if the land is suitable for construction. The land must be topographically amenable to housing development.

The Company has developed specific procedures to identify land that is suitable for its needs and performs market research to determine demand for housing in the markets it wishes to enter. These factors include:

- the general economic condition of the broad environment of the property;
- suitable land must be located near areas with sufficient demand or that the anticipated demand can justify any development;
- site's accessibility from nearby roads and major thoroughfares;
- the availability of utility infrastructure, such as electric transmission facilities, telephone lines and water systems; and
- the overall competitive landscape and the neighboring environment and amenities.

The Company also considers the feasibility of obtaining required governmental licenses, permits, authorizations, and adding necessary improvements and infrastructure, including sewage, roads and electricity against a purchase price that will maximize margins within the limits of available financing.

Joint ventures

The Company has grown its land bank primarily through direct purchases. However, the Company, particularly for its memorial park business, has also entered into joint venture agreements with landowners or other park developers. These joint venture arrangements are seen to offer certain advantages to the Company, particularly because the Company is not required to pay for the land in advance. The Company's interest in these joint ventures varies depending on the value of the land against the estimated development cost.

Historically, the Company has not experienced any material difficulties in finding joint venture partners to supply land and currently does not expect to experience any such difficulties in the future. The Company believes that this is due to its strong track record, and the track record of its affiliates, which boasts numerous successfully completed projects all over the country, which gives its joint venture partners confidence that their specific project will be handled successfully. Further, there is a prevalence of landowners in the Philippines who wish to develop their land in a multitude of ways, but who may not have the resources, both financial and expertise, to do so.

The Company's joint venture arrangements typically require the joint venture partner to contribute the land to the project, with the Company bearing all costs related to land development, or the continuance thereof, and the construction of park facilities. The Company and its joint venture partner then agree on which of the resulting subdivided saleable lots will be allocated to the Company and which lots will be allocated to the joint venture partner, in accordance with their respective joint venture interests.

Site development and construction

Development and Operation of Death Care Facilities

In developing a death care facility, the Company conducts a site evaluation to assess the suitability of a property for development into any one type of death care facility, such as a memorial park, a columbarium, a crematorium or whether such property is best suited for ancillary services such as memorial chapels. Aside from property costs, land access, water and power supply and other infrastructure determine a site's suitability for each type of death care facility. The Company simultaneously conducts a market assessment, considering potential market size, the income levels and the presence of established competition in the area.

After a favorable feasibility study, the Company begins the project development process starting with the process of securing regulatory approvals and clearances from various government departments, including the DENR, the LLDA and, if necessary, the DAR, as well as the local government units having jurisdiction over the project area. For more information on the regulations applicable to the Company and its business, see the section "Regulatory and Environmental Matters".

Concurrent with its regulatory compliance efforts, the Company undertakes the process of master planning, design and engineering. Golden Haven has its own architects, engineers, and design experts to plan its developments, with a technical team composed of over 80 employees. On occasion, the Company may engage third party architects, designers and planners. Design and architectural and engineering development timetables vary by project, depending on its scale and design.

Once a project has received a development permit from the relevant local government unit, the Company then applies for a permit to sell from the HLURB to allow the pre-selling of memorial lots and columbarium niches.

Land development, landscaping, infrastructure, and construction work for the Company's projects are all contracted out to various independent contractors. Over its history, the Company has utilized a total of more than 50 independent contractors and is not dependent on any single firm or contractor.

As of the date of this filing, the Company believes that it has secured all material licenses, permits, consents and registrations from the relevant regulatory authorities which it is required to obtain under applicable law to enable it to engage in the development, operation and maintenance of memorial parks and columbaria.

Residential Development Business

For its residential development activities, the Company begins its project development process after extensive site evaluation by the Company and certain third-party contractors, acquisition of the land (either directly or through a joint venture agreement) and a final decision by the Company to develop such land.

Before the site development process can begin, the Company must obtain regulatory approvals and clearances from various government departments. These include the DENR and the DAR, as well as from the local government unit with jurisdiction over the area where the project will be located. For more information, see "Regulatory and Environmental Matters" for a discussion of government regulations with which the Company must comply in the course of developing its projects.

The Company routinely secures the required governmental approvals for its projects during the planning, construction and marketing stages of project development. The Company is not aware of any pending legislation or government regulation that is expected to materially affect its business. The Company believes that it has at all times obtained the required government approvals relevant for each project depending on its respective stage of development.

The site development process involves the planning of the potential project, including determination as to the suitable market segment, master planning, design of houses and landscape design. Development timetables vary from project to project, as each project differs in scale and design. Typically, site development after land acquisition takes at least one year, during which time the Company prepares both the master plan for the entire project (which can take several months and may be revised over the course of the project) and detailed plans for each project phase (which can take up to two months), obtains the necessary government approvals and permits and conducts pre-marketing activities. Once the project has received a development permit from the relevant local government unit and a permit to sell from the HLURB, pre-sales of subdivision lots can begin (often on an initial phase of the project), as well as some initial development work on the project site. Future expansion of the project will depend on the level of sales. As one phase is sold, a new phase of the project will be open for sales and this process is repeated until project completion.

The Company, as often as possible, utilizes its in-house design capabilities and market research data to plan developments. Aside from determining the feasibility of a project, the objective of this study is to determine the property type for development (i.e., whether a project will be developed as a lot-only project, a house and lot project or a combination of both). The Company believes that its extensive experience and expertise in residential real estate development allows it to reduce costs, maintain competitive prices and increase sales. From time to time, the Company hires third parties to design and plan projects. The work performed by these third parties must comply with specifications provided by the Company and, in all cases, is subject to the Company's review. In particular, the Company hires third parties, including international firms, to design projects which are complex and require specific technical expertise and to design specific high-end projects.

For its housing units, the Company internally develops the construction designs. The Company's architects and engineers are trained to design structures to maximize efficiency and minimize production costs. The Company's current designs allow customers to upgrade finishing details on a customized basis after the housing units are delivered and future vertical expansion through the addition of a second story. The Company will continue to invest in the development of design and planning construction to further reduce costs and continue to meet customer needs.

The Company finances the development of projects through a combination of pre-sales and internally generated funds, particularly for the construction of common areas and facilities during the early stages of a project. The Company also maintains some flexibility in timing the progress of its development projects to match the progress of pre-sales. Thus, the progress of development is greatly influenced by the level of pre-sales.

Maintenance Fund

Death care Business

Since the sale of the Company's memorial lots and columbarium vaults requires it to perform certain future and perpetual obligations, such as the payment of real estate and any other taxes that may be imposed on the memorial park or the columbarium facility, as well as the continuing operation or maintenance thereof, the Company has established perpetual care funds or maintenance funds designed to address these future and continuing obligations.

In general, the cost of these undertakings (or anticipated cost thereof) is incorporated into the purchase price for the memorial lot or the columbarium vault in the form of a one-time maintenance fee, and a portion of the proceeds collected from purchasers is then allocated into the relevant maintenance fund. Where the sale of the product is by way of installments, this maintenance fee is likewise collected ratably from each installment and set aside for such purpose.

The Company's maintenance funds typically take the form of funds escrowed with, and managed by, a third-party manager under an escrow and management agreement entered into by the Company for this purpose, and the income from such maintenance funds are then used to finance the operating and maintenance costs of the applicable death care facility. Under this fund management arrangement:

The Company has no right to amend the fund management arrangements established that may in any way reduce or impair the principal of the maintenance fund, or divert income thereof to any purpose other than the care and maintenance of the relevant memorial park or columbarium, including expenses for the maintenance and preservation of the scenery, background and landscape of its areas, cleaning, pruning and maintenance of the grounds, boundaries, walks, roadways and structures. Any release of income from the maintenance fund must be supported by receipts, billing statements, statements of account and similar documents evidencing the use of such funds for the maintenance and administrative costs of the relevant memorial park or columbarium.

The Company has no right or authority to decrease the principal amount of the maintenance fund except for major rehabilitation of the relevant memorial park or columbarium as a result of natural calamities, fire, earthquake, typhoons, floods, civil war and the like.

The Investment Manager shall administer, manage, protect and maintain the fund, in accordance with the Investment Guidelines with full power and authority to enter into such transactions as allowed under, and subject to the requirements of, the relevant provisions of the 2018 Bangko Sentral ng Pilipinas - Manual of Regulation for Banks (BSP-MORB).

The Investment Manager shall have the authority to invest and reinvest the Fund without distinction between principal and income, in one or more fixed income placements and securities whether in bank deposits and deposit substitute including deposits with the Investment Manager's own bank and with the Bangko Sentral ng Pilipinas, other money market or direct placement, or in government securities and other duly registered commercial papers, whether singly or commingled with other investment management account or accounts, provided that such commingling shall be limited to securities directly issued by the Philippine National Government, exchanged-traded equities and fixed income securities and commercial papers provided these securities and papers are registered with the Securities and Exchange Commission provided further that the investment in said securities shall not fall below Php 100,000.00 at any time as required by the Bangko Sentral ng Pilipinas on commingling of funds for Investment Management Accounts.

In the event that the income of the maintenance fund for a period is not adequate, the balance of any repair and maintenance expenses is then financed directly by the Company. Such financed amounts shall be reimbursed to the Company once the maintenance fund has sufficient balance to cover the shortage.

As of December 31, 2024, the balance of the Company's maintenance funds in the aggregate amounted to ₱754.1 million.

Contracts with Suppliers

Death care Business

In general, the Company enters into fixed-priced standard form contracts, awarded after a bidding process, with its contractors, with the cost of materials included as part of the contract price. Payments are generally on a percentage of completion or milestone basis. In each development, contractors are managed and evaluated by a project manager, directly employed by the Company.

Project duration from launch to completion for a memorial park project or a columbarium project typically takes anywhere from one to five years, depending on the scale and size of the memorial park project or the columbarium project.

After completion of a project, the Company then engages independent contractors to operate and maintain its memorial parks and columbarium facilities. These contractors customarily provide the security, janitorial, gardening and repair and maintenance requirements of each development. The Company engages several firms, based on a competitive selection process and for fixed terms or durations, and is not dependent on any single provider for each of these various services.

However, because of the technical and highly specialized nature of memorial services and cremations, the Company restricts the management and operation of its memorial service facilities and its crematorium to in-house personnel, rather than relying on contracted or third-party personnel. Each memorial service facility or crematorium will have its own manager, accounting and administrative, and customer support staff as well as the technical experts providing the services offered.

The Company has likewise standardized its maintenance protocols, including periodic re-planting, repainting and other maintenance activities, to which each contractor is expected to conform.

Residential Development Business

For its housing development activities, site development and construction work is contracted out to various qualified and accredited independent contractors. For larger projects, such as site development work, contracts are awarded based on competitive bidding. For smaller-scale projects, such as the construction of certain structures within a project or of specific housing units, the Company will directly contract specific contractors based on its previous experience with such contractor for a specific type of project. In all cases, the Company's accreditation procedure takes into consideration each contractor's experience, financial capability, resources and track record of adhering to quality, cost and time of completion commitments. The Company maintains relationships with over 40 accredited independent contractors and deals with each of them on an arm's-length basis. The Company is not and does not expect to be dependent upon one or a limited number of suppliers or contractors.

The Company does not enter into long-term arrangements with contractors. The awarded contracts typically cover the provision of the contractor's services in relation to a particular project or housing units. To ensure compliance with Company requirements and to maintain the quality of the development, the Company has a team of project engineers who perform the following functions:

- Directly managing site development and construction activities;
- Coordinating the activities of the Company's contractors and suppliers;
- Overseeing quality and cost controls; and
- Ensuring compliance with zoning and building codes and other regulatory requirements.

Typically, the Company enters into fixed-price contracts with its contractors, with the cost of materials included as part of the price.

Housing unit construction will typically take two to four months to complete depending on the size. Most construction materials are provided by the contractors themselves in accordance with the terms of their contracts. In certain cases, the Company guarantees payment to the Company-specified suppliers for purchases by contractors of construction materials. In these cases, the Company makes direct payments to such suppliers, with the amounts paid by the Company for construction materials deducted from payments to the contractors.

Progress payments are made to contractors during the term of the contract based on the accomplishment of pre-determined project performance milestones. The Company usually retains 5% to 10.0% of each progress payment in the form of cash for up to three months from the date the contracted work is completed and accepted by the Company. The amounts retained are used to meet contingency costs, such as addressing claims from purchasers thereby limiting the financial burden on the Company. The Company has a broad base of suppliers.

Research and Development

Death care Business

While the Company engages in research and development activities focusing on the types of materials and designs used for memorial park and memorial chapel developments all over the world, as well as market studies on potential locations and new products, and gathering market data on the local customer base, the expenses incurred by the Company in connection with these activities are not material.

The Company's research and development activities also include organizing regular trips for its operations personnel, architects and engineers to various cities to enable them to become more attuned to high quality developments and latest trends from overseas.

Residential Development Business

While the Company engages in research and development activities focusing on the types of construction materials used for its housing units, construction methodology, value-engineering for its projects and quality assurance, as well as market studies and gathering data on target retail customer base, the expenses incurred by the Company in connection with these activities are not material.

The Company's research and development activities include organizing regular trips for its operations personnel, architects and engineers to various cities to enable them to become more attuned to high quality developments and latest trends from overseas.

Insurance

Death care Business

The Company has insurance coverage for its real and personal properties, columbaries and its main office, covering fire, lightning, earthquake, typhoon and flood. The Company also maintains motor vehicle insurance, and death and total or partial disability for its employees with benefits depending on the employee's position in the Company. However, there is no assurance that the amount of cover will be adequate in the event of a covered event or that the insurers will pay in claims promptly and in full.

The Company does not carry any business interruption insurance.

Residential Development Business

The Company has insurance coverage that is required in the Philippines for real and personal property. Subject to the customary deductibles and exclusions, the Company's insurance policies include coverage for, among other things, buildings and improvements, machinery and equipment, furniture, fixtures and fittings against damage from fire and natural perils, machinery breakdown, third-party liability to the public and construction works. The Company does not carry business interruption insurance.

Sales and Marketing

Death care Business

Target Market

The Company believes that purchasers of its memorial lots, niches and eventually, its memorial services, are typically heads of households, between 30 to 60 years of age, with a median family income of between ₱100,000 to ₱150,000, and have generally attained financial stability.

In general, clients purchase the Company's memorial lots and niches in advance or before the need for such products arises.

The Company believes that proximity to the home of a prospective client dictates such client's decision to purchase a death care product or avail of death care services. Accordingly, the Company has built, and it will continue to build, death care facilities, products and services in various strategic locations across the country. The Company also believes that rising incomes and economic development in the provinces will drive demand for its products throughout the Philippines.

Sales and Agency Network

The Company has over 3,000 independent accredited agents organized into more than 200 sales networks located nationwide to generate sales of memorial lots and columbarium vaults.

The Company's agents are compensated solely on a commission basis. Agents are generally not exclusive and can offer real estate packages and other product and service offerings, including products and services that may compete with those of the Company.

The Company, through its internal marketing and sales organization, manages and monitors the performance of its sales teams and individual agents. Aside from the evaluation, training and management of the Company's independent agents, its sales and marketing organization is responsible for market evaluations, pricing and credit packages, and the preparation of marketing materials such as fliers and brochures.

Residential Development Business

Target Market

With the Company's continual growth together with its core values, the Company is truly the perfect choice for ordinary Filipinos - from OFWs to local office workers, from factory employees to entrepreneurs, from balikbayan to retirees. Until every Filipino attains the Bria Home they deserve, it will continue to welcome Filipinos to their new homes. Since its establishment, it primes itself on the development of affordable house and lot packages and easy-on-the-pocket condominium units that caters to ordinary Filipino families who aspire to acquire their own homes. It had become the perfect choice for average Filipino workers who wanted to invest in a home that is both high quality and affordable.

To date, the Company has about 30 developments across some of the country's most progressive towns and cities.

Sales and Agency Network

The Company believes it has one of the most extensive marketing networks of all Philippines housing development companies.

Local Marketing Network

The Company's local marketing and distribution network of independent contractors and agents for its housing development activities consists of various teams with a combined total of approximately 10,000 accredited agents.

The Company believes that it offers its marketing teams competitive compensation terms. The Company's commission structure and incentive schemes vary relative to the network's affiliation and sales structure.

The Company's exclusively contracted marketing teams are compensated through a monthly allowance and are provided with administrative support by the Company, including office space and expense allowances. Broker companies are compensated with relatively higher commissions with funding allocations for business development programs.

International Marketing Network

The Company believes that the OF (Overseas Filipinos) population constitutes a significant portion of the demand for its housing and land development projects. The demand comes from both the direct purchase by the OF or purchase by relatives of the OF financed by OF remittances. As such, the Company seeks to adequately service and reach the OF and international markets. For that purpose, the Company has established an extensive international marketing network.

Through this network, the Company is well-represented in key cities abroad with the highest concentration of OFW communities. The Company's presence is significant in countries and regions such as North America, Europe, Middle East and Asia including Japan. These international brokers are established in their respective areas and serve as the Company's marketing and promotion agents in their territories, to promote the Company and its products. In addition, some of these agents have bought houses from the Company in the past. The Company believes that its long-standing relationships with these agents over the years distinguish it from its competitors.

The Company, together with these international brokers and agents, regularly sponsors road shows and participates in international fairs and exhibits, Filipino social and professional gatherings, and other OF-related events.

Awareness efforts are now primarily conducted through digital saturation, advertising in social media platforms, and creating seamless customer experience through the company's professionally curated website. In lieu of face-to-face transactions, purely online sales conversion is now possible through dedicated e-commerce applications. Intensive campaigns are being run simultaneously to appeal to all of our target market segments everyday, and all the time.

Pricing and Installment Plans

Death care Business

The price of a memorial lot or niche is location specific and is dependent on several factors, including the cost of land, development and construction costs and the estimated operating costs of a memorial park or columbarium, pricing of competitors within proximity of the development, income levels of the target market, among other considerations.

Selling of prospective memorial parks and niches begin as soon as the Company has completed securing all the necessary government approvals and has completed the preparation of marketing materials. At launch, the Company has pre-determined the number of memorial lots or niches to be offered at the launch price. Succeeding releases of memorial lots and niches are at increasing prices, depending on market demand and the acquisition of any necessary government approval.

Aside from cash purchases, the Company also offers installment plans for its memorial lots and niches allowing for monthly payments over a term of between one to five years. Mandatory down payment is typically in between 15% to 20% of the purchase price. Monthly amortizations are inclusive of an effective interest rate of 10% to 12% per annum depending on the term of the installment plan.

Installment sales are documented through a purchase agreement between the purchaser and the Company. Under these agreements, in the event of a default, the purchaser forfeits all rights to the subject memorial park lot or columbarium vault. Any refund, after evaluation and deemed valid, shall be governed by the applicable laws at the time of the purchase; otherwise, the Company retains all payments made by the purchaser as liquidated damages.
The Company believes that through the combination of its customer selection process, pricing and installment plans, it has adequately managed the risk of defaults.

Upon full payment of a memorial lot or the niche, the Company issues to its purchasers a certificate evidencing the buyer's perpetual right to use the memorial lot or the niche, as applicable.

For its memorial chapels and crematorium, Packages for chapel viewing room, inclusive of body preparation and caskets, range from Php148,000 to P550,000 There is also a separate rate applied from cremation packages, with rates ranging from PHP 66,000 to PHP 600,000. Booking for these services require a down payment upon reservation, with balance paid upon use. The Company also offers bundled promotional rates that include both chapel viewing room, and cremation services at discounted rates.

Residential Development Business

The Company's customers can generally purchase the Company's products through:

- Government-assisted financing.
- In-house (Company-provided) financing;
- bank financing; and
- cash purchases;

Under these four major modes of payment, the Company designs flexible and creative financing packages for its customers to make their acquisitions possible.

Customers of the Company obtain financing from the Government. Government-subsidized loans under the government financial institution programs continue to be the largest source of purchaser financing for the socialized market.

The Company also offers in-house financing to buyers. There are cases wherein in-house financing schemes serve as stepping stone to facilitate transactions. In these instances, the buyers use the in-house financing facility but convert to bank financing within a certain period.

There are also instances where customers of the company obtain Mortgage loans from private banks. These are offered to buyers who are perceived to be acceptable credit risks and certain housing price points. To streamline the loan processing application, the Company has arrangements with several banks regarding the processing of applications with respect to the financing of unit purchases.

Cash-basis acquisitions are usually given special discounts. Negotiated discounts are also allowed for accelerated payment schedules and other bulk payments. This is to encourage capable buyers to pay upfront for their property acquisition.

In-house financing

The Company has established processes and procedures designed to screen home buyers applying for in-house financing to ensure that they are financially capable of paying their monthly amortizations. The Company conducts strict and thorough credit checks which include but are not limited to:

- employment/career/business background checks;
- credit card verification using national credit databases; and
- conducting physical verification of claims regarding residences and properties owned by the buyer.

The Company typically finances 90% of the total purchase price of the property being sold. The loans are then repaid through equal monthly installments over periods ranging from 5 to 15 years. The interest rates charged by the Company for in-house financing typically range from 12% per annum to 16% per annum, depending on the term of the loan, with the financing agreement providing for an escalation of the interest rate in the event of a general rise in interest rates charged by the banks and other financial institutions.

Where a buyer has obtained in-house financing for a purchase, the Company will retain the title to the property until full payment of the loan. During this period, if the buyer defaults on the payment of the monthly installments due, the Company has the right to cancel the sale and retain payments already made by the buyer. The Company faces certain risks relating to the cancellation of sales involving its residential projects and if the Company were to experience a material number of sales cancellations, the Company's historical revenues would be overstated.

Mortgage loans

Mortgage loans from commercial banks are available to individuals who meet the credit risk criteria set by the relevant bank and those individuals who are able to comply with such bank’s documentary requirements and credit investigation. To assist prospective buyers to obtain mortgage financing from commercial banks, the Company has arrangements with several commercial banks. Further, the Company ensures that all its units are properly and completely documented to adequately comply with the bank’s requirements.

In addition to taking security over the property, a bank may also seek repayment guarantees from the Home Guaranty Corporation ("HGC"). The HGC is a Government-owned and controlled corporation that operates a credit guaranty program in support of the Government's efforts to promote home ownership. It provides risk guarantees and fiscal incentives for loans and credit facilities for residential purposes provided by banks and financial institutions. In the event a buyer defaults in connection with an HGC-registered loan or credit facility, the HGC guarantees the payment to the extent of the outstanding balance, interest and yield. The interest and yield on loans and credits guaranteed by the HGC is exempt from taxation.

Customer service and warranties

The Company believes it is important to ensure that quality service is provided to homebuyers throughout and after the relevant sales period, including during house lay-out, construction, move-in and introduction to the homeowners' association. The Company's Customer Care Department (the "CCD") has qualified staff dedicated to addressing these concerns.

Apart from the standard contractual warranties on the purchased unit, for each project the Company engages in the services of a professional property management group which oversees the affairs of the homeowners' association. This helps homebuyers to achieve a smooth introduction to their new neighborhood and further enhances good customer relations. The property management group's functions include financial management, security, landscape maintenance and social association activities.

Construction stage

At this stage, the production team takes over and starts the actual construction of the unit. However, the CCD still takes active part by coordinating with the homebuyers and updating them on the developments of his housing unit. At any time of the construction, the homebuyer can opt to enroll in a CCD program where he can schedule a visit and inspection of his housing unit with the assistance of a technical staff who will be on hand to explain or answer any questions or requests.

Move-in and introduction to homeowners' association

Upon completion of the house, the CCD facilitates turnover of the unit to the homebuyer. This includes delivery of certificates of warranty/guarantee on the housing unit and a comprehensive homeowner's kit. The Company has an established system to address the homebuyer's concerns especially in the first 3 months of move-in. The Company puts great emphasis on the timing of responding to any such concerns, ensuring that repairs/rectification procedures are at par with the Company's standards. While there is a standard policy on repairs, the Company, on a case-to-case basis, extends its services beyond these procedures to better achieve total customer satisfaction.

Competition

Death care Business

The Philippine death care industry is fragmented. Companies within the industry provide only segments of the death care value chain which covers a range of products and services starting from memorial services (inclusive of embalming, cleaning, and cosmetic restoration), memorial chapel spaces leased out for the wake period prior to cremation or burial, death care merchandise sales (caskets, urns, keepsakes, tombstones, and other similar products), cremation, burial services, to the sale of memorial lots and columbarium niches.

Although the Company is unique in its capacity to offer products and services in more than one segment of the death care industry, the Company competes against other service providers in various segments of the death care value chain.

For the sale of memorial lots, the Company competes against other large developers such as the Manila Memorial Parks Group, the Eternal Gardens Memorial Parks Group and the Forest Lake Memorial Parks Group.

Aside from the foregoing major developers, the Company competes against smaller memorial park developers throughout the country. These would typically be family-owned corporations with relatively smaller memorial park projects in select provinces.

There are likewise several developers of columbarium projects in the country. The Company believes that most of these developers would be single-project companies, typically in Metro Manila and surrounding provinces. Several parish churches in Metro Manila have built small columbaries within or adjacent to the church compound which are offered to the public.

With respect to memorial services, the Company will compete against several established companies in the country, such as St. Peter Chapels, La Funeraria Paz, Loyola Memorial Chapels and the Cosmopolitan Memorial Chapels.

Residential Development Business

The residential development market in the Philippines is intensely competitive. The Company has significant competitors for its socialized housing and land development business particularly within each project's localized area, wherein family build-and-sell businesses thrive and are able to offer lower packages at the expense of quality. Nevertheless, the Company's strong regulatory know-how, solid execution track record and nationwide footprint are difficult to replicate and effectively serve as a strong barrier against competition on a nationwide level. Because of the availability of joint venture arrangements with landowners and the ability to finance these projects through unit pre-sales, it is relatively easy for smaller players to enter into this business. There is, therefore, competition for land that is suitable for project development. There is also competition among various developers for residential real estate brokers.

Currently, the Company's competitors in its residential development business include companies such as Deca Homes (8990 Holdings, Inc.), Homemark Inc., Charles Building (Charles Builder Group of Companies), New Apec, Fiesta Communities, Borland, Axeia, Lynville, Pro Friends and others. Based on publicly available information and its own market knowledge, the Company believes that it is positioned to be one of the leading property developers in the Philippines that is focused on the mass market segment. The Company's management also believes that the Company is able to offer competitive commissions and incentives for brokers and that the Company is able to compete on the basis of the pricing of its various products as well as brand recognition.

Transactions with related parties

Please refer to Item 12 of this report ("Certain Relationships and Related Transactions).

Intellectual Property

The Company owns a variety of intellectual property rights for its brands, including the trade or business name "Golden Haven" and the Golden Haven trademark, and has applications for registration of additional trademarks, including the Santuario de San Ezekiel Moreno, Bria Homes and Bria Flats trademark, pending with the Intellectual Property office. These trademarks are important in the aggregate because name recognition and exclusivity of use are contributing factors to the success of the Company's developments.

Trademarks are considered as one of the most effective marketing tools of a Company, because trademarks can easily be identified and remembered. As such, they are considered as brand or service identifiers. While Philippine law does not require the registration of trademark used or to be used by companies, nor is it required for business operations, the registration of company trademarks is necessary for the company to have the exclusive right to use the same in connection with the services it provides.

Regulatory and Environmental Matters

Death care Business

The development of death care facilities such as memorial parks, columbaries and crematory facilities is highly complex, and the construction, operation and maintenance thereof are subject to extensive and continuing regulation in the Philippines. The following is a discussion of the material Philippine legislation governing the death care business, though it does not purport to be a comprehensive description of all laws that may apply to the Company, its business and its operations.

As of the date of this filing, the Company believes that it has secured all material licenses, permits, consents and registrations from the relevant regulatory authorities that it is required to obtain under applicable law to enable it to engage in the development, operation and maintenance of memorial parks and columbaries.

Zoning and Land Use

Death care industry encompasses funeral homes, memorial parks or cemeteries and crematoria. Zoning is the delineation or division of a city or municipality into functional zones where only specific land uses are allowed.

Local Government Code

Land use may be limited by zoning ordinance enacted by Local Government Units ("LGUs"). Lands may be classified under zoning ordinances as commercial, industrial, residential or agricultural. The appropriate *Sanggunian Bayan* or the *Sangguniang Panglungsod* has the power to enact integrated zoning ordinances in consonance with the approved comprehensive land use plan.

The *Sangguniang Bayan* or the *Sangguniang Panglusod* also has the power to regulate the establishment, operation, and maintenance of funeral parlors and the burial or cremation of the dead.

Agrarian Reform Law

Under Republic Act No. 6657, otherwise known as the "Comprehensive Agrarian Reform Law of 1988", the approval by the DAR is necessary for the reclassification or conversion of land to non-agricultural use.

National Building Code of the Philippines

Presidential Decree No. 1096, otherwise known as the "National Building Code of the Philippines", establishes the framework of minimum standards and requirements for all buildings and structures by guiding, regulating, and controlling their location, site, design, quality of materials, construction, use, occupancy, and maintenance, including their environment, utilities, fixtures, equipment, and mechanical electrical, and other systems and installations.

A building permit from the Building Official shall be required in all construction, alteration, repair, movement, conversion or demolition of any building or structure.

Funeral establishments, memorial parks or cemeteries and crematoria must comply with the pertinent provisions of the National Building Code of the Philippines.

Housing and Land Use Regulatory Board

Executive Order No. 648 series of 1981 ("E.O. No. 648"), as amended by Executive Order No. 90, declared the HLURB as the planning, regulatory and quasi-judicial instrumentality of the government for land use development. HLURB has the power to promulgate zoning and other land use control standards and

guidelines which shall govern land use plans and zoning ordinances of LGUs. Pursuant to this, HLURB enacted rules and regulations for memorial parks or cemeteries and funeral establishments.

Funeral Establishments

HLURB, pursuant to E.O. No. 648, issued the "Implementing Rules and Regulations to Govern the Processing of Applications for Locational Clearance of Funeral Establishments" ("IRR for Funeral Establishments") on 10 March 1999. These regulations set out the guidelines for the application of locational clearance, design standards and necessary permits for the operation of funeral establishments.

Under the IRR for Funeral Establishments, funeral establishments are classified into three categories: (a) Category I - funeral establishments with chapels and embalming facilities and offering funeral services; (b) Category II - funeral establishments with chapels and offering funeral services without embalming facilities; and (c) Category III - funeral establishments offering only funeral services from the house of the deceased to the burial place. Depending on the category, a funeral establishment may only be established within a specific zone.

A locational clearance is required for all proposed funeral establishments. In addition, all funeral establishments must comply with the Code on Sanitation of the Philippines on sanitary permits and sanitary requirements for funeral chapels, embalming and dressing room and morgue.

The DOH and the respective LGU shall have the authority to monitor funeral establishments. HLURB, pursuant to E.O. No. 648, promulgated the "Rules and Regulations for Memorial Parks/Cemeteries". These regulations set out the guidelines for the development and operations of proposed and existing memorial parks or cemeteries and define location restrictions, design parameters and road specifications.

All memorial parks or cemeteries must be located in areas zoned for cemetery purposes, in accordance with the comprehensive land use plan or zoning ordinance, or in the absence thereof, in areas deemed appropriate by the HLURB. They shall not be allowed in environmentally critical areas, as defined in Presidential Proclamation No. 2146 series of 1981, or on grounds where water table is not higher than four and 4.50 meters below ground surface as certified by the National Water Resources Board ("NWRB").

The LGU concerned must approve the Preliminary Memorial Park or Cemetery Plan and Final Memorial Park or Cemetery Plan. Approval of the Preliminary Memorial Park or Cemetery Plan shall be valid only for a period of one hundred eight days from date of approval and may be revalidated once after expiration of said period.

The approval of the Final Memorial Park or Cemetery Plan is shown by the issuance of a development permit by the LGU concerned. The development permit shall be valid for a period of two years from date of issue; however, if physical development is not commenced within said period, the grantee of the permit may apply for its revalidation within the next succeeding year. If the development permit expires, no development shall be allowed unless a new application for approval is filed.

All existing memorial parks or cemeteries or proposed memorial parks or cemeteries which are being developed for perpetual lease or sale of plots and has accomplished at least 20% of the total development, must be registered with the HLURB is necessary. The survey returns of the mother title including the technical description of each lot (i.e., section and block with number of lots per block in each section of the lot), which shall form part of the certificate of lease or deed of sale, shall be registered with the HLURB. No owner or dealer shall lease or sell any plot without a license issued by the HLURB.

Crematoria

The Rules and Regulations for Memorial Parks/Cemeteries also set out the minimum requirements for the construction of crematoria. All crematoria must comply with design parameters such as types of rooms, design of the smokestack and crematorium oven temperature.

Code on Sanitation of the Philippines

Presidential Decree No. 856 ("P.D. No. 856"), otherwise known as the "Code on Sanitation of the Philippines", is the consolidation of health laws and regulation on sanitation to ensure that protection and promotion of health. Chapter XXI of P.D. No. 856 covers the disposal of dead persons. The sanitary requirements for funeral establishments, memorial parks or cemeteries and crematoria are laid out in the Code on Sanitation. The Regional Health Director, or his duly authorized representative, shall have the authority to monitor and implement the sanitary rules and regulations.

The DOH, through Administrative Order No. 2010-0033 ("DAO No. 2010-0033") issued on 6 December 2010, has promulgated revised implementing rules and regulations to regulate the practice of embalming. Embalmers are required to obtain a license from the DOH, which is renewable every three years, before they are allowed to practice. DAO No. 2010-033 has also expanded the coverage of communicable diseases, which require documentary requirements for the deceased to be transported from the place of death to burial or cremation.

Funeral Establishments

Funeral establishments are required to obtain sanitary permit issued by the local health office, which shall be valid for one year ending on the last day of December and shall be renewed every first month of the year.

Memorial parks or cemeteries

Memorial parks or cemeteries are required to obtain operational clearance issued by the regional health director and sanitary permit issued by the local health office.

Crematoria

All crematoria shall submit a feasibility study reviewed by the regional health office and approved by the Secretary of Health. A sanitary permit issued by the local health office shall also be required of all crematoria. The sanitary permit shall be valid for one year ending on the last day of December and shall be renewed every first month of the year.

Environmental Laws

Philippine Environmental Impact Statement System

The Philippine Environmental Impact Statement System was established by virtue of Presidential Decree No. 1586. Development projects that are classified by law as environmentally critical or projects within statutorily defined environmentally critical areas are required to obtain an Environmental Compliance Certificate ("ECC") prior to project construction and operation. Through its regional offices or through the Environmental Management Bureau ("EMB"), the DENR determines whether a project is environmentally critical or located in an environmentally critical area.

As a prerequisite for the issuance of an ECC, an environmentally critical project is required to submit an Environmental Impact Statement ("EIS") to the EMB while a project in an environmentally critical area is generally required to submit an Initial Environmental Examination ("IEE") to the proper DENR regional office, without prejudice to the power of the DENR to require a more detailed EIS. The EIS refers to both the document and the environmental impact assessment of a project, including a discussion of direct and indirect consequences to human welfare and ecology as well as environmental integrity. The IEE refers to the document and the study describing the environmental impact, including mitigation and enhancement measures, for projects in environmentally critical areas.

While the terms and conditions of an EIS or an IEE may vary from project to project, at a minimum, they contain all relevant information regarding the environmental effects of a project. The entire process of organization, administration and assessment of the effects of any project on the quality of the physical, biological and socio-economic environment as well as the design of appropriate preventive, mitigating and enhancement measures is known as the EIS system. The EIS system successfully culminates in the issuance of an ECC.

The ECC is a government certification that (i) the proposed project or undertaking will not cause a significant negative environmental impact, (ii) the proponent has complied with all the requirements of the EIS system, and (c) the proponent is committed to implement its approved environmental management plan in the EIS or, if an IEE was required, that it will comply with the mitigation measures suggested therein. The ECC contains specific measures and conditions that the project proponent must undertake before and during the operation of a project, and in some cases, during the abandonment phase of the project to mitigate identified environmental impact.

Project proponents that prepare an EIS are required to establish an Environmental Guarantee Fund ("EGF") when the ECC is issued to projects determined by the DENR to pose significant public risks to life, health, property and the environment. The EGF is intended to answer for damages caused by such projects as well as any rehabilitation and restoration measures. Project proponents that prepare an EIS are mandated to include a commitment to establish an Environmental Monitoring Fund ("EMF") when an ECC is eventually issued. The EMF shall be used to support activities of a multi-partite monitoring team that will be organized to monitor compliance with the ECC and applicable laws, rules, and regulations.

All development projects, installations and activities that discharge liquid waste into and pose a threat to the environment of the Laguna de Bay Region are also required to obtain a discharge permit from the Laguna Lake Development Authority.

Memorandum Circular No. 005-14 issued by the EMB on 7 July 2014 provides EMB with the guidelines in determining whether a proposal has potential impact to the environment. Criteria used in the categorization includes, among others, the likelihood, duration, frequency and magnitude of the potential impact as well as the spatial and temporal extent of the projected impact. To facilitate the expedient screening, a ready matrix for determining the category in which proposed projects fall is provided. Memorial parks or cemeteries with an area of more than five hectares while funeral establishments and crematoria with an area of more than one hectare are required to secure an ECC.

Philippine Clean Air Act of 1999

Republic Act No. 8749, otherwise known as the "Philippine Clean Air Act of 1999", focuses primarily on pollution prevention and provides for a comprehensive management program for air pollution. The law bans burning of municipal, biomedical and hazardous waste. However, crematoria are expressly exempt from this prohibition.

Consistent with the policies of said law, all planned sources of air pollution that have the potential to emit 100 tons per year or more of any regulated air pollutant, or when required under the ECC, must secure an Authority to Construct from the EMB prior to commencement of construction or modification activities. Once new source construction or modification is completed, the source owner shall request the EMB to convert to Authority to Construct to Permit to Operate. The Authority to Construct is a one-time permit. Permit to Operate is valid for the period specified but not beyond one year from the date of issuance, unless sooner suspended or revoked. It may be renewed at least thirty days before its expiration date.

Philippine Clean Water Act of 2004

Republic Act No. 9275, otherwise known as the "Philippine Clean Water Act of 2004", focuses primarily on water quality management in all water bodies and the abatement and control of pollution from land based sources. All owners or operators of facilities that discharge regulated effluents pursuant to this Act

are required to secure a permit to discharge. The discharge permit shall be the legal authorization granted by the DENR to discharge wastewater.

Ecological Solid Waste Management Act

Republic Act No. 9003, otherwise known as the "Ecological Solid Waste Management Act of 2000", provides the legal framework for the systematic, comprehensive, and ecological solid waste management program which shall ensure protection of the public health and the environment. Solid waste management is required to be observed by funeral establishments, memorial parks or cemeteries and crematoria, in accordance with the Code on Sanitation of the Philippines.

Regulatory and Environmental Matters

Residential Development Business

The Company secures various government approvals such as license to sell, development permits, environmental compliance certificates, etc. as part of the normal course of its business.

The Company has no principal products with pending government approval as of December 31, 2024.

The Company typically spends about 1% of the total costs of development for environmental laws compliance. By doing such compliance, the company is able to help in the preservation of the environment as part of its social corporate responsibility.

Property Taxation

Real property taxes are payable annually based on the property's assessed value. The assessed value of property and improvements vary depending on the location, use and the nature of the property. Land is ordinarily assessed at 20% to 50% of its fair market value; buildings may be assessed at up to 80% of their fair market value; and machinery may be assessed at 40% to 80% of its fair market value. Real property taxes may not exceed 2% of the assessed value in municipalities and cities within Metro Manila or in other chartered cities and 1% in all other areas. An additional special education fund tax of 1% of the assessed value of the property is also levied annually.

Employees

The following table provides a breakdown of the Company's regular employees as of December 31, 2024:

Department	**Headcount**
Operations	111
Technical	122
Administration	184
Total*	**417**

*consolidated number for death care and residential development business

The Company has no collective bargaining agreements with its employees and none of its employees belong to a labor union. The Company believes its relationships with its employees are generally good.

Risks related to the Company's Business

Risks relating to competition

Death care Business

The Philippine death care services industry is fragmented and is made up of several non-integrated service providers providing pre-need burial packages, memorial service packages and memorial lots or niches. At present, the Company believes that it is the only company in the Philippines that is positioned to provide the full range of integrated death care services, covering the provision of memorial, crematory and chapel services to the sale of death care merchandise, memorial lots and columbarium niches.

Despite this competitive positioning, the Company competes against several major companies in each aspect of death care. Some of its competitors have had a longer operating history and higher name recognition and there is no assurance that the Company will be a customer's first choice when death care services are required. Some of the current competitors and new entrants may also offer integrated services death care services, reducing the competitive positioning that the Company aims to achieve.

Aside from these major companies, the Company also competes against smaller, typically family-owned companies that operate memorial parks and provide other death care services in towns and provinces that the Company operates or intends to operate in. These smaller companies can offer death care services at substantially lower prices than the Company's offerings. Given the competition from various industry participants, the Company will continuously have to market, promote, and price its products and services but there is no assurance that such efforts will be successful.

Residential Development Business

The Company faces significant competition in the Philippine residential property development market. In particular, the Company competes with other developers in locating and acquiring (either directly or through joint venture arrangements) parcels of land of suitable size in prime locations and at attractive prices. The Company's continued growth also depends in large part on its ability either to acquire quality land at attractive prices or to enter into joint venture agreements with land-owning partners under terms that yield reasonable returns. Based on the Company's current development plans, the Company believes that it has sufficient land reserves for property developments for the next several years. If the Philippine economy continues to grow and if demand for residential properties remains relatively strong, the Company expects that competition among developers for land reserves that are suitable for property development (whether through acquisitions or joint venture agreements) will intensify and that land acquisition costs, and its cost of sales, will increase as a result.

The Philippine residential property development market is highly competitive. The Company's existing and potential competitors include major domestic developers and, to a lesser extent, foreign developers, including several leading developers from Asia and other parts of the world. Some of these competitors may have better track records, greater financial, human and other resources, larger sales networks and greater name recognition than the Company. Competition from other developers may adversely affect the Company's ability to develop and sell its products, and continued development by other market participants could result in saturation of the residential real estate market.

To mitigate this risk, the Company conducts regular market studies and business intelligence updates in order to understand industry and market dynamics.

Risks relating to land acquisition and land bank management

Beyond the sales of its existing and prospective inventory, the Company's future growth and development are heavily dependent on its ability to acquire or enter into agreements to develop additional tracts of land suitable for memorial parks, chapels, columbaria, memorial service facilities projects and mass residential

housing developments at commercially viable prices. Future land acquisition efforts may be adversely affected by competition for targeted properties from other death care service providers and mass residential housing developers, as well developers of other forms of real estate projects. There is no assurance that the Company can be successful in acquiring properties for its expansion or that the Company can acquire land at costs that will allow the Company to achieve the same level of profitability previously enjoyed.

Aside from competition, the ability to acquire lands for expansion can be adversely affected by existing and prospective Government policies and rules regarding land use, zoning and conversion. The Company may encounter instances where zoning conversion applications from agricultural land to cemetery land, for example, may not be granted or may entail time periods or costs that are significantly longer or greater than expected. In such situations, the financial position and growth prospects of the Company may adversely be affected.

In addition, other factors make the task of acquisition difficult, including (a) ideal location; (b) suitable size; (c) economically acceptable price; and (d) legal and informal settler issues.

The Company may have difficulty in attracting landowners to enter into joint venture agreements with it. Key issues revolve around profit and development cost sharing which affect expected investment returns. Other issues could be differences in intangible objectives, land ownership squabbles and other non-economic hindrances.

In the event the Company is unable to acquire suitable land, or to enter into agreements with joint venture partners to develop suitable land at acceptable prices, with reasonable returns, or at all, its growth prospects could be limited and its business and results of operations could be adversely affected.

The Company also faces risks relating to the management of its land bank, which could adversely affect its margins.

The land banking function is critical to the success and future operations of the Company. The Company must continuously acquire land for replacement and expansion of land inventory within its current markets. The risks inherent in purchasing and developing land increase as consumer demand for residential real estate decreases. The market value of land, subdivision lots and housing inventories can fluctuate significantly as a result of changing market conditions. The Company cannot assure investors that the measures it employs to manage land inventory risks will be successful. In the event of significant changes in economic, political, security or market conditions, the Company may have to sell subdivision lots and housing units at significantly lower margins or at a loss. Changes in economic or market conditions may also require the Company to defer the commencement of housing and land development projects. This would require the Company to continue to carry the cost of acquired but undeveloped land on its balance sheet, as well as reduce the amount of property available for sale. Any of the foregoing events would have a material adverse effect on the Company's business, financial condition and results of operations.

The Company mitigates this risk by having an in-house group composed of senior managers whose primary responsibility is to search (for suitable properties), negotiate (including joint-venture options), acquire and manage its strategic land bank. The land bank management group is comprised of technical, finance and legal experts, and is aided by the Company's network of brokers. The Company also maintains goodwill amongst the owners of major tracts of land in the Philippines. Through the foregoing, the Company continually identifies attractive locations for future projects, prospective partners and negotiates joint venture arrangements to ensure a long-term pipeline of developmental projects.

Titles over land owned by the Company may also be contested by third parties.

The Philippines has adopted a system of land registration which is intended to conclusively confirm land ownership, and which is binding on all persons (including the Government); however, it is not uncommon for third parties to claim ownership of land which has already been registered and over which a title has been issued. There have also been cases where third parties have produced false or forged title certificates

over land. From time to time the Company has had to defend itself against third parties who claim to be the rightful owners of land which has been either titled in the name of the persons selling the land to the Company or which has already been titled in the name of the Company.

Historically, these claims have not had a material adverse effect on the Company and its business, but in the event that a greater number of similar third-party claims are brought against the Company in the future, or any such claims are made against land that is material to the Company's housing and land development, memorial projects, the Company's management may be required to devote significant time and incur significant costs in defending against such claims. Should any of these claims prosper, the Company may have to either incur additional costs to settle such third-party claims or surrender title to land that may be material in the context of the Company's housing and land development projects. Any of the foregoing circumstances could adversely affect the Company's business, financial condition and results of operations, as well as on its business reputation.

To mitigate this risk, the Company uses legal and technical research to establish the integrity of the legal title to any piece of land before concluding any transaction, be it an acquisition or joint venture.

Risks relating to specific target markets on residential development segment

The Company's sales to OFWs and expatriate Filipinos comprise a significant portion of the Company's revenues. While the Company sees this segment as continuously growing and providing it with buyers in the years to come, it is also prone to downturns, which can affect the Company's performance. These downturns may lead to (a) reduced deployment of new OFWs; (b) reduced remittances from abroad; (c) a lower purchasing power of expatriate Filipinos than currently enjoyed; or (d) any combination or all of the above and could adversely affect demand for the Company's residential development projects from OFWs and expatriate Filipinos. Such reduction in demand could have a material adverse effect on the Company's business, financial condition and results of operations.
To mitigate the possible impact of a sudden downturn in the OFW market, it is the Company's business strategy to diversify its product offerings to serve as wide a market as possible. Any adverse developments in any one property sector may be offset or mitigated by more positive developments in other sectors. The Company also closely monitors the factors that may affect the OFW market so that the Company can take the necessary corrective measures.

Risks relating to property development and construction management

The Company is in a business that carries significant risks distinct from those involved in the ownership and operation of established properties. This includes the risk that the Company may invest significant time and money in a project that may not attract sufficient levels of demand in terms of anticipated sales and which may not be commercially viable. Slippages may occur in obtaining required Government approvals and permits, resulting in more costs than anticipated, or inability to complete the project on schedule and within budget.

Likewise, the time and the costs involved in completing the development and construction of projects can be adversely affected by many factors, including: (a) shortages of materials, equipment, skilled labor; (b) adverse weather conditions; (c) peso depreciation; (d) natural disasters; (e) labor disputes with contractors and subcontractors; (f) accidents; (g) changes in laws or in Government priorities; and (h) other unforeseen problems or circumstances. Where land to be used for a project is occupied by tenants and/or informal settlers, the Company may have to take steps, and incur additional costs, to remove such occupants and, if required by law, to provide relocation facilities for them. Any of these factors could result in project delays and cost overruns, which could negatively affect the Company's margins. This may also result in sales and resulting profits from a particular development not being recognized in the year wherein which it was originally expected to be recognized, which could adversely affect the Company's results of operations for that year. Further, the failure by the Company to complete construction of a project to its planned specifications or schedule may result in contractual liabilities to purchasers and lower returns.

Further, increasing demand for the Company's death care services requires a continuous ability to foresee, recognize and adapt to shifting consumer preferences and changes in the traditions, practices and cultural beliefs of the market. For example, a shift from the tradition of using memorial lots to vaults will adversely affect the demand for memorial park projects. A shift in the tradition of storing urns in columbarium facilities to home storage or spreading of ashes will affect the performance of columbarium projects. Emerging trends, such as resonation, cremation, green burials, among others, may reduce the demand for certain services that the Company currently offers. While the Company monitors prevailing market preferences, traditions and practices as part of its marketing and product development efforts, there can be no assurance that the Company will successfully identify, or adapt to, any such disruptive trends in time. Additionally, the emergence of such disruptive trends may require additional investments and costs to allow the Company to adapt to these changes, and any such costs may adversely affect the Company's results of operations and profit margins.

The Company cannot provide any assurance that such events will not occur in a manner that would materially and adversely affect its results of operations or financial condition.

To mitigate this risk, the Company continuously seeks to improve its internal control procedures and internal accounting and to enhance project management and planning. Further, the Company substantially finances its development projects through pre-sales and internally generated funds, which allows it to maintain some flexibility in timing the progress of its projects to match market conditions.

The Company relies to a significant extent on independent contractors for the development and construction of the Company's products. Their availability and quality of workmanship may not meet the Company's quality standards, or cause project delays and cost overruns. The Company's reputation will be adversely affected if projects are not completed on time or if projects do not meet customers' requirements.

The Company relies on independent contractors to provide various services, including land clearing and infrastructure development, various construction projects and building and property fitting-out works. There can be no assurance that the Company will be able to find or engage an independent contractor for any particular project or find a contractor who is willing to undertake a particular project within the Company's budget, which could result in costs increases or project delays. Further, although the Company's personnel actively supervise the work of such independent contractors, there can be no assurance that the services rendered by any of its independent contractors will always be satisfactory or match the Company's quality standard requirements. Contractors may also experience financial or other difficulties, and shortages or increases in the price of construction materials may occur, any of which could delay the completion or increase the cost of certain housing and land development projects, and the Company may incur additional costs as a result thereof. Any of these factors could have a material adverse effect on the Company's business, financial condition and results of operations.

If any of the Company's projects experience construction or infrastructure failures, design flaws, significant project delays, quality control issues or otherwise, this could have a negative effect on the Company's reputation and make it more difficult to attract new customers to its new and existing housing and land development projects. Any negative effect on the Company's reputation or its brand could also affect the Company's ability to pre-sell its housing and land development projects. This would impair the Company's ability to reduce its capital investment requirements. The Company cannot provide any assurance that such events will not occur in a manner that would adversely affect its results of operations or financial condition. As with most major property development companies, the Company manages these development and construction risks by ensuring that contractual arrangements with builders, engineers, suppliers and other contractors clearly specify costs, responsibilities and the appropriate benefits or penalties that may accrue to all parties in the event of favorable or adverse developments. The Company also maintains an experienced in-house team of engineers and technicians who are tasked to oversee and manage each project. As and when needed, the Company may also avail of the services of independent project managers and quantity surveyors to supplement its in-house project management capabilities

Risks relating to external marketing groups

The Company relies extensively on third party agents to sell its products and services in the country. As the terms of engagement by the Company of these agents are non-exclusive, these agents, in general, may likewise offer products and services of the Company's competitors. The Company cannot give any assurance that these agents will give adequate focus to the Company's products and services and not favor or give priority to any other products these agents may otherwise offer. If a large number of these agents were to reduce focus on the Company's products and services, or otherwise terminate their arrangements with the Company, there can be no assurance that the Company would be able to replace these agents in a timely or effective manner.

The Company also has limited control over these third-party agents and cannot monitor all aspects of their work. With this limited control, the Company cannot give assurance that none of its third-party agents will make misleading representations and promises on the Company's products and services, leading to customer disputes and damage to the Company's reputation.

The Company mitigates this risk by establishing its own in-house sales force, which are tasked to market and sell only Company products. The Company also provides its brokers and sales agents with competitive commission schemes and other incentives. Beyond this, the Company gives its sales force skills-build-up programs as a way of planning and managing their career growth with the Company. A parallel effort is the continuous recruitment of competent brokers and sales agents.

Risks relating to project and end-buyer financing

Fluctuations in interest rates, changes in Government borrowing patterns and Government regulations could have a material adverse effect on the Company's and its customers' ability to obtain financing.
Interest rates, and factors that affect interest rates, such as the Government's fiscal policy, could have a material adverse effect on the Company and on the demand for its products. For example:
In connection with the Company's property development business, higher interest rates make it more expensive for the Company to borrow funds to finance ongoing projects or to obtain financing for new projects.

Because a substantial portion of the Company's customers procure financing (either from banks or using the Company's in-house financing program) to fund their property purchases, higher interest rates make financing, and therefore purchases of real estate, more expensive, which could adversely affect demand for the Company's residential projects.

In order to mitigate these risks, the Company substantially finances its development projects through pre-sales and internally generated funds. In this way, the Company maintains some flexibility in timing the progress of its development projects to match market conditions. The Company attempts to keep its costs down and selling price stable by lowering material costs through purchasing in bulk.

The Company is exposed to risks associated with its in-house financing activities, including the risk of customer default, and it may not be able to sustain its in-house financing program.
The Company offers in-house financing to customers, which may expose the Company to risks of customers missing on their payments and/or defaulting on their obligations that may lead to sales cancellations. The Company cannot adequately assure the resale of any property whose prior sale has been cancelled.

The Company has used funds obtained from receivables rediscounting facilities with commercial banks to balance its liquidity position. An inability to sell receivables would remove a source of potential external financing, increasing its reliance on internally generated funds or non-receivable external financing.

To mitigate these risks, the Company attempts to decrease the occurrence of financial defaults and sales cancellations due to the inability to pay by enforcing strict credit investigation policies and procedures. For

ongoing in-house loans, the Company monitors each and every account to assist buyers and to provide immediate remedial measures in problem cases. The Company also spreads the financing risk by encouraging buyers to avail of commercial bank retail financing facilities.

The Company's business and financial performance could be adversely affected by a material number of sales cancellations.

As a developer and seller of residential real estate, the Company is subject to Republic Act No. 6552 (the "Maceda Law"), which applies to all transactions or contracts involving the sale or financing of real estate through installment payments, including residential condominium units. Under the Maceda Law, buyers who have paid at least two years of installments are granted a grace period of one month for every year of paid installments to cure any payment default. If the contract is cancelled, the buyer is entitled to receive a refund of at least 50% of the total payments made by the buyer, with an additional 5% per annum in cases where at least five years of installments have been paid (but with the total not to exceed 90% of the total payments). Buyers who have paid less than two years of installments and who default on installment payments are given a 60-day grace period to pay all unpaid installments before the sale can be cancelled, but without right of refund.

Historically, the Company has not experienced a material number of cancellations to which the Maceda Law has applied; however, this is no assurance that such an event will not happen. An economic downturn, high interest rate episodes, and others could trigger such sales cancellations. Should this happen, the Company may not have enough funds on hand to pay the necessary cash refunds to buyers, or the Company may have to incur indebtedness in order to pay such cash refunds. As mentioned earlier, the Company cannot assure the resale of a cancelled property, particularly during periods of economic slowdowns or downturns. Any of these events would adversely affect the Company's business, financial condition and results of operations.

In the event the Company experiences a material number of sales cancellations, the Company's historical revenues would have been overstated because such historical revenues would not have accurately reflected subsequent customer defaults or sales cancellations. Investors are also cautioned not to rely on the Company's historical income statements as indicators of the Company's future revenues or profits.

There can be no assurance that the Company will not suffer from substantial sales cancellations and that such cancellations will not have a material adverse effect on its financial condition and results of operations. To mitigate this risk, the Company has a structured and standardized credit approval process, which includes conducting background and credit checks on prospective buyers using national credit databases and, where feasible, conducting physical verification of claims regarding residences and properties owned. From time to time, the Company utilizes its receivables rediscounting lines with banks and other financial institutions and sells installment contract receivables. The Company ensures that all buyers are made aware of their responsibilities and obligations, and the resulting penalties for non-compliance. Each and every account is monitored to assist buyers and to provide immediate remedial measures in problem cases.

The Company faces risks associated with certain recent memorial park acquisitions.

As of the date of this filing, the Company has entered into agreements for the acquisition of properties with the objective of developing these properties into memorial parks with products conforming to the Company's product and pricing policies. While the Company believes that it has exercised prior due diligence in evaluating such acquisitions, there can be no assurance that the Company will not in the future be involved in or subject to claims, allegations or suits with respect to the previous business and operations of these memorial parks which arose prior to the acquisitions. Should such claims, allegations or suits arise, claimants may (rightfully or wrongly) seek redress or compensation for their claims against the Company's present management or assets, and the Company may still be at risk under principles of successor-in-interest liability. Despite the fact that the Company has, as part of such acquisitions, provided for indemnities against certain liabilities or claims or established other contractual protections, any adverse

claim or liability could expose the Company to negative publicity, which could have a material adverse effect on its business and prospects, financial condition, and results of operations.

Risks relating to management of growth

The Company intends to continue to pursue an aggressive growth strategy for its new memorial park developments; the construction and sales of more columbarium facilities, the provision of additional facilities for memorial services, sale of death care merchandise, and mass residential property and land development business. The Company foresees that this strategy will mean that management resources will be reallocated from the Company's current operations. The growth strategy will also entail creating and managing relationships with a larger group of third parties such as customers, suppliers, contractors, service providers, lenders, etc. This expansion of the Company's operations will require significant capital expenditure to finance new development projects, causing the Company to take on additional debt. It thus becomes necessary to manage the internal control and compliance functions so that compliance with legal and contractual obligations is maintained and, at the same time, operational and compliance risks are minimized.

The Company faces several risks in the execution of these initiatives; these include overestimated demand and sales expectations, actual supply and cost of land for its development, construction cost overruns, the timely grant of regulatory approvals and permits, and the performance of the Company's personnel and third-party contractors.

Even with these safeguards, there is no assurance that the Company will not experience any difficulties in the course of implementing its growth strategy. These difficulties can come in the form of capital constraints, construction delays, operational difficulties at new operational locations or difficulties in operating existing businesses and training personnel to manage and operate the expanded business. An inability or failure to successfully adapt to growth, including strains on management and logistics, could result in losses or development costs that are not recovered as quickly as anticipated, if at all. If the Company is not able to manage these execution risks, its expansion initiatives may fall short of expectations and these problems could adversely affect the Company's reputation, the business, and results of operations or financial condition.

To mitigate this risk, the Company substantially finances its development projects through pre-sales and internally generated funds. In this way, the Company maintains some flexibility in timing the progress of its development projects to match market conditions.

The Company is still in the process of fully upgrading and integrating its operational and financial reporting systems and may experience difficulty in providing the Company's management and investors with financial information, particularly for interim periods.

To mitigate this risk, the Company conducts regular meetings and requires briefing from key departments.

The Company faces risks relating to its prospective memorial parks and columbaria, chapels and memorial service facilities, including risks relating to project cost and completion.

A significant part of the Company's business is the development and sale of its memorial parks, and the development and sale of its columbarium projects. The Company also anticipates a steady stream of recurring revenues and income from services provided by its recently opened crematoriums, chapels and memorial service facilities. All these developments involve significant risks, such as the risk that the Company may invest significant time and money in a project that may not attract sufficient levels of demand in terms of anticipated sales or which may not be commercially viable. In addition, the time and the costs involved in completing the development and construction of these projects can be adversely affected by many factors, including shortages of materials, equipment and labor, adverse weather conditions, peso depreciation, natural disasters, labor disputes with contractors and subcontractors, accidents, changes in laws or in Government priorities and other unforeseen problems or circumstances.

Any of these factors could result in project delays and cost overruns, which could negatively affect the Company's margins. Especially in the case of revenues recognized from sales of its memorial lots and columbarium projects, project delays may also result in sales and resulting profits from a particular development not being recognized in the year in which it was originally expected to be recognized, which could adversely affect the Company's results of operations for that year. Further, the failure by the Company to complete construction of a project to its planned specifications or schedule may result in contractual liabilities to purchasers and lower returns. The Company cannot provide any assurance that such events will not occur in a manner that would materially and adversely affect its results of operations or financial condition.

Abrupt movements in inflation and yields on investment assets may adversely affect the Company's ability to meet its costs of maintaining its memorial parks and columbaria.

The Company relies on financial budgeting models to set up funds aimed to meet maintenance obligations of its memorial parks and columbaria and these models rely on assumptions with respect to sales volumes and collections, maintenance costs over time, and returns on the funds' investment assets. Significantly adverse deviations from these assumptions, such as slower than expected sales volumes, higher costs of materials and labour, the occurrence of natural disasters, fire and other similar events, and the yields on the investment funds assets, can make actual returns generated by investment funds insufficient to meet the Company's maintenance obligations. Such situations will reduce the Company's profits and cash flow in the future.

Compliance with environmental, health, safety and other government regulations and costs associated therewith may adversely affect the Company's results of operations or profit margins.

The Company's operations require compliance with government environmental, health, safety and other regulations and the procurement of various approvals, permits and licences from certain government agencies. For example, before any of the Company's properties may be fully developed into memorial parks or columbarium facilities, such development must have complied with pertinent regulations relating to, among others, land conversion, zoning and environmental clearances from the Housing and Land Use Regulatory Board ("HLURB"), the Laguna Lake Development Authority ("LLDA"), Department of Natural Resources ("DENR"), Department of Agrarian Reform ("DAR") and Department of Health ("DOH"), and other local government agencies. Other death care services, on the other hand, require periodic approvals, registrations and reportorial compliance with the DOH. The Company has incurred and will continue to incur costs and expenses to comply with such laws and regulations. Violations of these laws or regulations could result in regulatory actions with substantial penalties and there can be no assurance that the Company will not become involved in future litigation or other proceedings or be held responsible in any such future litigation or proceedings relating to environmental, health and safety matters, the costs of which could be material. In addition, any significant change in such laws or regulations or their interpretation, or the introduction of higher standards or more stringent laws or regulations could result in increased compliance costs or capital expenditures and can have adverse effects on the Company's profitability and growth prospects.

Risks relating to natural catastrophes

Natural or other catastrophes, including severe weather conditions, may materially disrupt the Company's operations, affect its ability to complete projects and result in losses not covered by its insurance.

The Philippines has experienced a number of major natural catastrophes over the years, including typhoons, droughts, volcanic eruptions and earthquakes. There can be no assurance that the occurrence of such natural catastrophes will not materially disrupt the Company's operations. These factors, which are not within the Company's control, could potentially have significant effects on the Company's housing and land development projects, many of which are large, complex estates with infrastructure, such as buildings, roads and perimeter walls, which are susceptible to damage. Damage to these structures resulting from such natural catastrophes could also give rise to claims against the Company from third parties or from

customers, for example for physical injuries or loss of property. Also, the value and attractiveness of memorial parks or columbarium facilities and housing units, for example, may be damaged by the occurrence of extremely destructive natural disasters and will adversely affect the Company's business and financial performance. As a result, the occurrence of natural or other catastrophes or severe weather conditions may adversely affect the Company's business, financial condition and results of operations. Should an uninsured loss or a loss in excess of insured limits occur, the Company could lose all or a portion of the capital invested in a property, as well as the anticipated future turnover from such property, while remaining liable for any project construction costs or other financial obligations related to the property. Any material uninsured loss could adversely affect the Company's business, financial condition and results of operations.

Risks relating to over-reliance on some key Company personnel

The Company's directors and members of its senior management have been an integral part of its success, and the experience, knowledge, business relationships and expertise that would be lost should any such persons depart could be difficult to replace and may result in a decrease in the Company's operating efficiency and financial performance. While the Company has provided its Directors and key Senior Management with generous compensation, a highly skilled and reputable executive is always subject to piracy by competitors. Additionally, key personnel could also be lost due to catastrophic diseases (i.e., cerebral stroke, cancer, heart attacks), incapacitated by an accidents and death.

To lessen the potential negative impact of these events, the Company has institutionalized critical operational systems and procedures as a way of minimizing the over-dependence on individuals. The Company also has established organizational development policies and procedures to ensure the continuous development of its officers and staff. Performances are regularly monitored and appraised, and appropriate and timely action is taken to reward or correct the performances of its officers and staff. The Company maintains a continuous training program and an informal apprenticeship agenda to provide a constant pool of executive-calibre personnel ready for promotion.

The Company's ability to plan, design and execute current and future projects depends on its ability to attract, train, motivate and retain highly skilled personnel, particularly architects and engineers. However, this valuable human resource is also in demand by the Company's competitors. It is important to point out that other development companies face the same risks.

Any inability on the part of Company to hire and, more importantly, retain qualified personnel could impair its ability to undertake project design, planning and execution activities in-house. If these situations occur, the Company will be left with no recourse but engage third-party consultants thereby incurring additional costs.

To mitigate this risk, the Company provides its technical personnel with competitive compensation. The investment assets of the Company's maintenance funds may not be sufficient to cover future death care services costs, specifically, the costs of operation and maintenance of the Company's memorial parks and columbaria, or such investment assets may suffer significant losses or experience sharp declines in their returns, which would have a material adverse effect on the Company's results of operations and its ability to discharge its obligations under sold funeral services packages and to properly maintain its memorial parks or columbaria.

Part of the Company's business involves discharging ongoing or future obligations, such as maintaining its memorial parks and columbarium facilities. To discharge these obligations, the Company has engaged professional fund managers to maintain and manage its maintenance funds that can only be utilized for such specific purposes. As of December 31, 2024, the aggregate balance of the Company's maintenance funds was ₱754.1 million.

These investments are subject to inherent investment risks, and there is no assurance that the investments will not suffer losses in the future, or that the return on the investments will be sufficient to cover future cemetery and columbarium facilities maintenance costs.

As these funds are maintained to discharge the Company's obligations of maintaining its memorial parks and columbaries, significant losses on these funds may result in insufficient funds for these purposes. Maintenance funds may fail to yield adequate returns to support the maintenance of the applicable cemetery using income of the fund. In such event, the Company may be required to cover any such shortfall using its cash resources, which may have a material adverse effect on the Company's liquidity.

Certain of the lands used by the Company for its memorial park lots remain titled in the names of the previous owners thereof.

The Company's key properties include its lands (raw and partially developed) designated or undergoing development into death care facilities such as memorial parks and columbaria, as well as those lands where existing death care facilities have been built or located.

Certain of such lands, including those used or otherwise underlying its existing memorial parks, remain registered in the names of the previous owners thereof despite the completion of the sale to and purchase by the Company of title to and ownership thereof, as evidenced by duly executed and fully consummated deeds of sale executed with such previous owners. As of this filing, the Company has initiated or is otherwise in the process of completing all administrative procedures necessary for the cancellation of the prior certificates of title covering such lands and the issuance of new certificates of title over the same properties in the name of the Company.

Under Philippine law, the certificates of title issued by the Register of Deeds issued over registered lands comprises the best evidence of ownership over such land, and third persons who may otherwise deal or transact with such lands are entitled to rely on such certificates of title. Since the relevant lands have not been registered in the name of the Company, it is therefore possible that third persons who hold claims against the previous owners of such lands may seek to enforce their claims against such previous owners against such lands to the extent the latter remain registered in the names of such persons.

The Company believes that the registration of its acquisition of the relevant lands will be completed in due course, and that the risk that the relevant Registers of Deeds will deny such formal registration or that third persons would be able to make claims against such lands is low, considering that the purchase thereof has been adequately documented, all taxes, charges or fees for which the Company is liable applicable to or arising from such purchase have been paid or otherwise accounted for, and the Company presently holds the original owners' duplicates of title covering such lands. Nevertheless, if such registration is denied or interested third persons successfully enforce their claims against such lands, the Company's current and prospective operations, its business and financial performance may be adversely affected.

The Company's major shareholder could affect matters concerning the Company.

Fine Properties, the ultimate parent company, continues to hold a substantial majority of the Company's outstanding voting stock, including the Common Shares. As a result, the Company's principal shareholder will be able to significantly affect the outcome of any shareholder voting, including the election of directors or most other corporate actions which require a vote by a corporation's shareholders, thereby affecting matters concerning the Company. The interest of the Company's major shareholder may not necessarily be aligned with those of minority shareholders of the Company, and Fine Properties is not under any legal obligation to exercise its rights as a shareholder in the Company in the Company's best interests or the best interests of the Company's other shareholders. If the interests of Fine Properties conflict with the interests of the Company, the Company could be disadvantaged by the actions that Fine Properties chooses to pursue.

Risks relating to the Company's reputation

Infringement of the Company's intellectual property rights over the various names, brands and logos, which are used for its operations would have a material adverse effect on the Company's business. There can be no assurance that the actions the Company has taken will be adequate to prevent third parties from using these names, brands and logos or from naming their products using the same.

In addition, there can be no assurance that third parties will not assert rights in, or ownership of the Company's name, trademarks and other intellectual property rights. Because the Company believes that the reputation and track record it has established under its brands is key to its future growth, the Company's business, financial condition and results of operations may be materially and adversely affected by the use of these names and of any associated trademarks by third parties or if the Company was restricted from using such marks.

The Company, through its corporate communications team maintains a clear, accurate brand and company image and perception in the market to mitigate this risk. The legal team also monitors all intellectual ownership issues of the Company.

Other risks that the Company may be exposed are the following:

- Risks relating to the general Philippine economic condition
- Risks relating to operating in a highly-regulated environment
- Risks relating to political uncertainties
- Risks relating to international credit valuators
- Risks relating to Philippine foreign ownership limitations
- Risks relating to changes in construction material, labor, power and other costs.

To mitigate the aforementioned risks, the Company shall continue to adopt appropriate risk management tools as well as conservative financial and operational controls and policies to properly manage the various business risks it faces.

Working Capital

The Company finances its working capital requirements mostly through a combination of internally-generated cash, pre-selling, joint ventures, borrowings and proceeds from investment properties.

Item 2. Properties

Death care Business

The Company's key properties consist of its lands (raw and partially developed) designated or undergoing development into death care facilities, its death care facilities such as its memorial parks and columbaria (existing and under construction) and its inventory of the memorial lots and/or columbarium vaults available for sale to the public. Except as otherwise discussed in this filing, the Company holds legal and/or beneficial title to each of its existing death care facilities, including the land on which such death facilities have been built or are intended to be built.

As of December 31, 2024, Company's total land size for deathcare developments all over the country with regional distribution summarized in the table below:

Location	Area (in hectares)
Luzon	105.65
Visayas	37.23
Mindanao	80.84
Total	**223.72**

As of December 31, 2024, the Company has a total of eight columbarium facilities with a total of 33,172 vaults offered all over the country.

Notwithstanding the sale of any of its memorial lots or columbarium vaults, title thereto is retained by the Company and a purchaser only receives certificates evidencing his or her perpetual right to use the memorial lot or columbarium vault. This perpetual right, however, may be transferred to any person designated by the original purchaser subject to compliance with the Company's procedures and regulations regarding such transfers.

Certain of the lands forming part of the Golden Haven Las Piñas Park and Golden Haven Cebu Park are subject to encumbrances, including rights of way and public easements granted to third parties including the Government. The Company believes that none of such encumbrances, rights of way or public easements materially affects its title to or ownership of the relevant lands, or the value thereof.

In addition, certain lands held by the Company remain registered in the names of the previous owners thereof. However, as of the date of this filing, ownership over such lands has been acquired by the Company via duly executed and fully-consummated deeds of sale executed with such prior owners, and each such purchase has been either annotated, in the process of being annotated on the relevant certificates of title covering such lands or proceedings for the cancellation of the prior certificate of title and the issuance of a new certificate of title in the name of the Company have been initiated.

Residential Development Business

Details of the Company's total land size as of December 31, 2024 are set out in the table below:

Location	Area (in hectares)
Luzon	438.19
Visayas	61.66
Mindanao	179.86
Total	**679.71**

Expansion of Landbank

On September 30, 2024, the Company acquired Althorp Land Holdings, Inc., Chalgrove Properties, Inc., and Los Valores Corporation which collectively owns 396.88 hectares of prime land within Villar City, a large-scale, master-planned development that spans approximately 3,500 hectares across Metro Manila and portions of Cavite.

The total land size of the acquired companies consist of the following:

	Area (in hectares)
Althorp Land Holdings, Inc.	25.19
Chalgrove Properties, Inc.:	173.73
Los Valores Corporation	167.42
Total	**366.34**

With these additional landholdings, the Company further expands its property portfolio and strengthens its asset base in one of the country's most strategically located and high-growth areas. This positions the Company to play a central role in the strategic development of the Villar City project while enabling it to operate complementary development strategies with Vista Land & Lifescapes, Inc.

Item 3. Legal Proceedings

The Company is not subject to any civil or criminal lawsuit or other legal actions. The Subsidiaries are subject to various civil and criminal lawsuits and legal actions arising in the ordinary course of business. Typical cases include adverse claims against a Subsidiary's title over parcels of land and claims brought by buyers seeking the return of deposits or cancellations of sales. In the opinion of the Company's management, none of the lawsuits or legal actions to which the Subsidiaries are currently subject will materially affect the daily operations of their business nor will they have a material adverse effect on the Company's consolidated financial position and results of operations.

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

There was no matter submitted to a vote of security holders during the fourth quarter of 2024.

PART II – OPERATIONAL AND FINANCIAL INFORMATION

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

Market Information

Registrant's common shares are listed with the Philippine Stock Exchange. The Registrant was listed on June 29, 2016.

	2025			2024			2023			2022		
QTR	High	Low	Close	High	Low	Close	High	Low	Close	High	Low	Close
1st	2,494.00	2,160.00	2,340.00	1,065.00	875.00	1,065.00	788.00	650.00	788.00	685.00	540.00	685.00
2nd	2,350.00	2,200.00	2,296.00	1,275.00	1,070.00	1,274.00	830.00	786.00	830.00	690.00	635.00	675.00
3rd	2,296.00	2,296.00	2,296.00	1,690.00	1,275.00	1,690.00	859.00	796.00	850.00	675.00	519.00	519.00
4th				2,296.00	1,800.00	2,250.00	849.50	786.00	844.50	660.00	536.50	650.00

The market capitalization of HVN as of December 31, 2024 based on the closing price of ₱2,250.00/share on December 27, 2024, the last trading date for the fourth quarter of 2024, was approximately ₱1,449.3 billion.

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

Common

There are approximately 14 holders of common equity security of the Company as of December 31, 2024 (based on the number of accounts registered with the Stock Transfer Agent). The following are the holders of the common securities of the Company:

	Name	No. of Shares	Percentage
1	FINE PROPERTIES, INC.	412,057,800	63.97%
2	CAMBRIDGE GROUP, INC.	158,744,255	24.65%
3	PCD NOMINEE CORPORATION (FILIPINO)	72,962,090	11.38%
4	CAMILLE A. VILLAR[1]	333,700	0.05%
5	MYRA P. VILLANUEVA	6,600	0.00%
6	PCD NOMINEE CORPORATION (NON-FILIPINO)	4,602	0.00%
7	MYRNA P. VILLANUEVA	2,300	0.00%
8	MILAGROS P. VILLANUEVA	2,300	0.00%
9	MANUEL B. VILLAR[1]	1,000	0.00%
10	CYNTHIA J. JAVAREZ[1]	1,000	0.00%
11	MANUEL PAOLO A. VILLAR[1]	1,000	0.00%
12	MARK A. VILLAR[1]	1,000	0.00%
13	ANA MARIE V. PAGSIBIGAN[1]	1	0.00%
14	GARTH F. CASTAÑEDA[1]	1	0.00%
	TOTAL OUTSTANDING ISSUED AND SUBSCRIBED (COMMON)	**644,117,649**	**100.00%**

[1] *lodged under PCD Nominee Corp. (Filipino)*

Dividend Policy

Under the Corporation Code, the Company's shareholders are entitled to receive a proportionate share in cash dividends that may be declared by the Board out of the surplus profits derived from operations. The same right exists with respect to a stock dividend declaration, the declaration of which is subject to the approval of shareholders representing at least two-thirds of the outstanding capital stock entitled to vote.

The amount of dividends to be declared will depend on the profits, investment requirements and capital expenditures at that time.

As of December 31, 2024, the Company has not defined a minimum percentage of net earnings to be distributed to its common shareholders. Dividends may be declared only from the Company's unrestricted retained earnings, except when, among others: (i) justified by definite corporate expansion, or (ii) when the Company is prohibited under any loan agreement with any financial institution or creditor, whether local or foreign, from declaring dividends without its consent, and such consent has not been secured, or (iii) when it can be clearly shown that the retention of earnings is necessary under special circumstances obtaining in the Company, its assets and operations, such as when there is a need for special reserves for probable contingencies.

Record Date

Pursuant to existing Philippine SEC rules, cash dividends declared by a company must have a record date not less than 10, nor more than 30 days from the date the cash dividends are declared. With respect to stock dividends, the record date is to be not less than 10 or more than 30 days from the date of shareholder approval, provided however, that the set record date is not to be less than 10 trading days from receipt by the PSE of the notice of declaration of stock dividend. In the event that a stock dividend is declared in connection with an increase in authorized capital stock, the corresponding record date is to be fixed by the Philippine SEC.

Dividends

On 29 December 2015, the Board declared cash dividends in the amount of ₱800 million. On March 8, 2016, the Board, with the approval of the Company's shareholders representing two-thirds of its outstanding capital stock in a special meeting duly called for the purpose and held on the same date, declared stock dividends in the amount of ₱400 million.

Other than the foregoing, the Company has not declared dividends in any form since the time of its incorporation.

Recent Sale Of Unregistered Or Exempt Securities Including Recent Issuance Of Securities Constituting An Exempt Transaction

On December 27, 2017, the Board of Directors authorized the issuance of 150,000,000 common shares to Cambridge Group, Inc., out of the unissued authorized capital stock of the Company, at the subscription price of ₱20.0935 per share or an aggregate subscription price of ₱3,014,027,483. The issuance is undertaken pursuant to the stockholders' approval for the issuance by way of private placement of up to 150,000,000 shares of the Company on October 16, 2017.

Stock Options

None.

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

REVIEW OF YEAR-END 2024 VS YEAR-END 2023

RESULTS OF OPERATIONS

Revenues

The revenues of the Company decreased from **₱4,759 million** for the year ended December 31, 2023 to **₱3,577 million** for the year ended December 31, 2024, decreasing by **25%.** The decrease was primarily attributable to the following:

- Real estate sales decreased by **26%** from **₱4,459 million** for the year ended December 31, 2023 to **₱3,311million** for the year ended December 31, 2024, due to the decrease in sales.

- Interest income on contract receivables decreased from **₱191 million** for the year ended December 31, 2023 to **₱125 million** for the year ended December 31, 2024. This **34%** decrease was due mostly to a decrease on in-house financed sales over the year compared to previous year.

- Interment income increased from **₱75 million** for the year ended December 31, 2023 to **₱92 million** for the year ended December 31, 2024, increasing by **23%**, due to a higher number of interment services rendered for the year.

- Income from chapel services increased from **₱34 million** for the year ended December 31, 2023 to **₱48 million** for the year ended December 31, 2024. The **43%** increase was due to the higher number of memorial services rendered for the year.

Costs and Expenses

Cost and expenses of the Company decreased from **₱3,047 million** for the year ended December 31, 2023 to **₱2,361 million** for the year ended December 31, 2024. The **23%** decrease in the account was mainly attributable to the following:

- Cost of sales and services decreased from **₱1,936 million** for the year ended December 31, 2023 to **₱1,309 million** for the year ended December 31, 2024. The **32%** decrease was due mainly to a decrease in residential units sold.

- Other operating expenses decreased from **₱1,111 million** for the year ended December 31, 2023 to **₱1,053 million** for the year ended December 31, 2024. The **5%** decrease was due primarily to decrease in commission, promotions and outside services.

Tax Expense

Tax expense decreased by **19%**, from **₱179 million** for the year ended December 31, 2023 to **₱145 million** for the year ended December 31, 2024 primarily due to a lower taxable base for the year.

Net Income

As a result of the movements above, total net profits slightly increased from **₱1,416 million** for the year ended December 31, 2023 to **₱1,423 million** for the year ended December 31, 2024.

For the year-end 2024 except as discussed in Note 1.2 of the 2024 Financial Statements on the impact of Covid-19 Pandemic in the Group's business, there were no seasonal aspects that had a material effect on the financial condition or results of the operations of the Group. Neither were there any trends, events, or

uncertainties that have had or are reasonably expected to have a material impact on the net sales or revenues or income from continuing operations. The Group is not aware of events that will cause a material change in the relationship between the costs and the revenues.

There are no significant elements of income or loss which did not arise from the Company's continuing operations.

FINANCIAL CONDITION

As of December 31, 2024 vs. December 31, 2023

The Company's total assets were recorded at **₱35,750 million** as of December 31, 2024, **28%** higher from **₱27,978 million** recorded as of December 31, 2023, due to the following:

- Cash on-hand and in-banks decreased by **48%**, from **₱981 million** as of December 31, 2023 to **₱506 million** as of December 31, 2024, mainly due to cash used in financing activities.

- Total contracts receivable and contract assets, including non-current, decreased by **6%** from **₱17,342 million** as of December 31, 2023 to **₱16,228 million** as of December 31, 2024 due mainly to collection of receivables over the year.

- Due from related parties increased by **62%** from **₱217 million** as of December 31, 2023 to **₱350 million** as of December 31, 2024 due to advances recorded for the year.

- Other Receivable increased by **4%** from **₱1,836 million** as of December 31, 2023 to **₱1,909 million** as of December 31, 2024 mainly due to advance payments to contractors.

- Real estate inventories increased by **4**% from **₱6,500 million** of December 31, 2023 to **₱6,757 million** as of December 31, 2024 due additional developments for the year.

- Other current assets, decreased by **7%,** from **₱758 million** as of December 31, 2023 to **₱708 million** as of December 31, 2024, due mostly to use of construction materials for development during the year.

- Property Plant and Equipment – net increased by **81**%, from **₱203 million** as of December 31, 2023 to **₱368 million** as of December 31, 2024, due mainly to acquisition of property and equipment for the year.

- Investment properties increased by **₱8,683 million** or **11462%**, from **₱76 million** as of December 31, 2023 to **₱8,759 million** as of December 31, 2024, due mainly to acquisition Althorp Land Holdings, Inc., Chalgrove Properties, Inc., and Los Valores Corporation which collectively owns 366 hectares of prime land within Villar City. Appraisal reports were obtained from SEC-accredited property appraisers to support the fair value measurement of investment properties in compliance with PFRS 13 (Fair Value Measurement). The properties were initially appraised using the income approach, resulting in an estimated value of approximately ₱1.3 trillion. The properties were also appraised under the market approach after discussions with the Company's external auditors, which assumes an as-is, stand-alone sale as of the valuation date. These valuation methodologies are not directly comparable, as they rely on different assumptions, development horizons, and intended use. The Company intends to develop these properties as part of the broader Villar City masterplan and should be the main consideration in determining its fair value. However, to complete the audit of the financial statements as of December 31, 2024, the Company agreed to use the valuation based on market approach.

- Right of use assets-net decreased by **28%,** from **₱24 million** as of December 31, 2023 to **₱17 million** as of December 31, 2024, due primarily to amortization for the year.

- Other non-current assets increased by **11%**, from **₱42 million** as of December 31, 2023 to **₱46 million** as of December 31, 2024, due mainly to the increase in security deposits for the year.

The total liabilities of the Company increased by **59%**, from **₱13,861 million** as of December 31, 2023 to **₱22,081 million** as of December 31, 2024, due to the following:

- Total Interest-bearing loans, including non-current, decreased by **4%**, from **₱5,250 million** as of December 31, 2023 to **₱5,058 million** as of December 31, 2024, due mostly to payment of interest-bearing loans.

- Trade and other payables increased by **35%** from **₱2,255 million** as of December 31, 2023 to **₱3,037 million** as of December 31, 2024 due to increase in trade payable to contractors and suppliers driven by the growth in construction and development activities during the year.

- Rawland payable increased by **93%** from **₱699 million** as of December 31, 2023 to **₱1,348 million** as of December 31, 2024 due to raw land acquisition during the year.

- Lease Liability, including non-current decreased by **27%** from **₱25 million** as of December 31, 2023 to **₱18 million** as of December 31, 2024, due primarily payments made during the year.

- Customers' deposits decreased by **32%** from **₱1,866 million** as of December 31, 2023 to **₱1,272 million** as of December 31, 2024, due to real estate sales recognition for the year.

- Due to related parties increased by **822%** from **₱952 million** as of December 31, 2023 to **₱8,771 million** as of December 31, 2024 due mainly to the acquisition of 3 companies during the year.

- Income tax payable decreased by **25%** from **₱15 million** as of December 31, 2023 to **₱12 million** as of December 31, 2024 due to a lower taxable base for the year

- Deferred tax liabilities-net increased by **6%** from **₱1,181 million** as of December 31, 2023 to **₱1,256 million** as of December 31, 2024 due to the increase in temporary difference for the period.

- Reserve for perpetual care decreased by **27%** from **₱1,027 million** as of December 31, 2023 to **₱754 million** as of December 31, 2024 due to remittance tor trust fund for the year.

- Retirement benefit obligation decreased by **16%** from **₱96million** as of December 31, 2023 to **₱80 million** as December 31, 2024 due to an increase in the present value of the obligation as recorded for the year.

Total stockholder's equity decreased by **3%** from **₱14,117 million** as of December 31, 2023 to **₱13,668 million** as of December 31, 2024, due to the following:

- A **4%** decrease in retained earnings, from **₱10,494 million** in December 31, 2023, to **₱10,024 million** as of December 31, 2024, mainly due to the offsetting effects of the impact of adoption of PFRS 15 and net income recorded for the year.

- A **236%** increase in revaluation reserves from **₱9 million** as of December 31, 2023 to **₱30 million** as of December 31, 2024 mainly due to the remeasurement of post-employment defined benefit plan.

Considered as the top five key performance indicators of the Company for the period as shown below:

KEY PERFORMANCE INDICATORS		2024	2023
Liquidity:			
Current Ratio	Current Assets/Current Liability	1.46 :1	3.48 :1
Solvency:			
Debt-to-Equity Ratio	Total Debt/Total Equity	0.37 :1	0.37 :1
Asset-to-equity:			
Asset-to-Equity ratio	Total Assets/Total Equity	2.62 :1	1.98 :1
Interest-rate-coverage:			
Interest-rate-coverage ratio	Profit Before Tax and Interest/Finance Costs (Including capitalized interest)	5.69: 1	5.32 : 1
Profitability:			
Return-on-equity	Net Income/Equity	10 %	10%

Material Changes to the Company's Statement of Financial Position as of December 31, 2023 compared to December 31, 2024 (increase/decrease of 5% or more)

Cash on-hand and in-banks decreased by **₱475 million** or **48%**, from **₱981 million** as of December 31, 2023 to **₱506 million** as of December 31, 2024, mainly due to cash used in financing activities.

Total contracts receivable and contract assets, including non-current decreased by **₱1,114 million** or **6%**, from **₱17,342 million** as of December 31, 2023 to **₱16,228 million** as of December 31, 2024, mainly due mainly to collection of receivables over the year.

Due from related parties increased by **₱133 million** or **62%** from **₱217 million** as of December 31, 2023 to **₱350 million** as of December 31, 2024 mainly due to advances recorded for the year.

Other current assets decreased by **₱50 million** or **7%,** from **₱758 million** as of December 31, 2023 to **₱708 million** as of December 31, 2024 due to advance payments to contractors.

Property Plant and Equipment – net increased by **₱165 million** or **81%**, from **₱203 million** as of December 31, 2023 to **₱368 million** as of December 31, 2024, due mainly to to acquisition of property and equipment for the year.

Right of use assets-net decreased by **₱7 million** or **28%,** from **₱17 million** as of December 31, 2023 to **₱24 million** as of December 31, 2024, due primarily to amortization for the year.

Investment properties increased by P8,683 million or 11462%, from P76 million as of December 31, 2023 to P8,759 million as of December 31, 2024, due mainly to to acquisition Althorp Land Holdings, Inc., Chalgrove Properties, Inc., and Los Valores Corporation which collectively owns 366 hectares of prime land within Villar City. Appraisal reports were obtained from SEC-accredited property appraisers to support the fair value measurement of investment properties in compliance with PFRS 13 (Fair Value Measurement). The properties were initially appraised using the income approach, resulting in an estimated value of approximately ₱1.3 trillion. The properties were also appraised under the market approach after discussions with the Company's external auditors, which assumes an as-is, stand-alone sale as of the valuation date. These valuation methodologies are not directly comparable, as they rely on different assumptions, development horizons, and intended use. The Company intends to develop these properties as part of the broader Villar City masterplan and should be the main consideration in determining

its fair value. However, to complete the audit of the financial statements as of December 31, 2024, the Company agreed to use the valuation based on market approach.

Other non-current assets decreased by **₱4 million** or **11%**, from **₱42 million** as of December 31, 2023 to **₱46 million** as of December 31, 2024, due mainly to the acquisition of other assets for the year.

Trade and other payables increased by **₱782 million** or **35%** from **₱2,255 million** as of December 31, 2023 to **₱3,037 million** as of December 31, 2024 due to increase in trade payable to contractors and suppliers driven by the growth in construction and development activities during the year.

Rawland payable increased by **₱649 million** or **93%** from **₱699 million** as of December 31, 2023 to **₱1,348 million** as of December 31, 2024, due to acquisition of rawland for the year.

Customers' deposits decreased by **₱594 million** or **32%** from **₱1,866 million** as of December 31, 2023 to **₱1,272 million** as of December 31, 2024, due to real estate sales recognition for the year.

Due to related parties increased by **822%** from **₱952 million** as of December 31, 2023 to **₱8,771 million** as of December 31, 2024 due mainly to the acquisition of 3 companies during the year.

Lease liabilities including non-current portion decreased by **₱7 million** or **27%** from **₱25 million** as of December 31, 2023 to **₱18 million** as of December 31, 2024, due to payments made during the year.

Income tax payable decreased by **₱3 million** or **25%** from **₱15 million** as of December 31, 2023 to **₱12 million** as of December 31, 2024 due to a lower taxable base for the year.

Deferred tax liability increased by **₱75 million** or **6%** from **₱1,181 million** as of December 31, 2023 to **₱1,256 million** as of December 31, 2024 due to the increase in temporary difference for the period.

Reserve for perpetual care decreased by **₱273 million** or **27%** from **₱1,027 million** as of December 31, 2023 to **₱754 million** as of December 31, 2024 due to remittance tor trust fund for the year.

Retirement benefit obligation decreased by **₱16 million** or **16%** from **₱96 million** as of December 31, 2023 to **₱80 million** as of December 31, 2024 due to remittance tor trust fund for the year.

Material Changes to the Company's Statement of income for the year ended December 31, 2024 compared to year ended December 31, 2023 (increase/decrease of 5% or more)

Real estate sales decreased by **₱1,148 million**, or by **26%**, from **₱4,459 million** for the year ended December 31, 2023 to **₱3,311 million** for the year ended December 31, 2024. The decrease was due mainly to the decrease in sales.

Interest income on contract receivables decreased by **₱66 million**, or by **34%**, from **₱191 million** for the year ended December 31, 2023 to **₱125 million** for the year ended December 31, 2024. The decrease was due mainly to the decrease on in-house financed transactions for the year.

Interment income increased by **₱17 million** or **23%,** from **₱75 million** for the year ended December 31, 2023 to **₱92 million** for the year ended December 31, 2024, due to an increase in the number of interment services rendered for the year.

Income from chapel services increased by **₱14 million**, or by **41%**, from **₱34 million** for the year ended December 31, 2023 to **₱48 million** for the year ended December 31, 2024 due to the increase in memorial services rendered for the year.

Cost of sales and services decreased by **₱627 million** or **32%,** from **₱1,936 million** for the year ended December 31, 2023 to **₱1,309 million** in the year ended December 31, 2024, due primarily to decrease in residential units sold.

Other operating expenses decreased by **₱58 million** or **5%,** from **₱1,111 million** for the year ended December 31, 2023 to **₱1,053 million** in the year ended December 31, 2024, due primarily to decrease in commission, promotions and outside services.

Other charges – net increased by **₱468 million** or **403%** from a net charge of of **₱116 million** for the year ended December 31, 2023 to a net income **₱352 million** for the year ended December 31, 2024 due primarily to the increase in finance income for the year.

The Company's tax expense decreased by **₱34 million** or **19%**, from **₱179 million** for year ended December 31, 2023 to **₱145 million** for the year ended December 31, 2024. The decrease was mainly attributable to lower taxable base for the year.

There are no other material changes in the Company's financial position (changes of 5% or more) and condition that will warrant a more detailed discussion. Further, except as discussed in Note 1.2 of the 2024 Financial Statements on the impact of Covid-19 Pandemic in the Group's business, there are no material events and uncertainties known to management that would impact or change reported financial information and condition on the Company.

REVIEW OF YEAR-END 2023 VS YEAR-END 2022

RESULTS OF OPERATIONS

Revenues

The revenues of the Company decreased from **₱4,963 million** for the year ended December 31, 2022 to **₱4,759 million** for the year ended December 31, 2023, decreasing by **4%.** The decrease was primarily attributable to the following:

Real estate sales decreased by **5%** from **₱4,696 million** for the year ended December 31, 2022 to **₱4,459 million** for the year ended December 31, 2023, due to the decrease in sales of residential units.

Interest income on contract receivables increased from **₱169 million** for the year ended December 31, 2022 to **₱191 million** for the year ended December 31, 2023. This **13%** increase was due mostly to a increase on in-house financed sales over the year compared to previous year.

Interment income increased from **₱69 million** for the year ended December 31, 2022 to **₱75 million** for the year ended December 31, 2023, increasing by **10%**, due to a higher number of interment services rendered for the year.

Income from chapel services increased from **₱30 million** for the year ended December 31, 2022 to **₱34 million** for the year ended December 31, 2023. The **13%** increase was due to the higher number of memorial services rendered for the year.

Costs and Expenses

Cost and expenses of the Company decreased from **₱3,339 million** for the year ended December 31, 2022 to **₱3,047 million** for the year ended December 31, 2023. The **9%** decrease in the account was mainly attributable to the following:

- Cost of sales and services decreased from **₱2,173 million** for the year ended December 31, 2022 to **₱1,936 million** for the year ended December 31, 2023. The **11%** decrease was due mainly to a decrease in residential units sold.

- Other operating expenses decreased from **₱1,165 million** for the year ended December 31, 2022 to **₱1,111 million** for the year ended December 31, 2023. The decrease was due primarily to decrease in commissions, salaries and employee benefits and loss on cancellations.

Tax Expense

Tax expense increased by **23%**, from **₱146 million** for the year ended December 31, 2022 to **₱179 million** for the year ended December 31, 2023 primarily due to a higher taxable base for the year.

Net Income

As a result of the movements above, total net profits increased from **₱1,293 million** for the year ended December 31, 2022 to **₱1,416 million** for the year ended December 31, 2023, or an increase of **10%**.

For the year-end 2023 except as discussed in Note 1.2 of the 2023 Financial Statements on the impact of Covid-19 Pandemic in the Group's business, there were no seasonal aspects that had a material effect on the financial condition or results of the operations of the Group. Neither were there any trends, events, or uncertainties that have had or are reasonably expected to have a material impact on the net sales or revenues or income from continuing operations. The Group is not aware of events that will cause a material change in the relationship between the costs and the revenues.

There are no significant elements of income or loss, which did not arise from the Company's continuing operations.

FINANCIAL CONDITION

As of December 31, 2023 vs. December 31, 2022

The Company's total assets were recorded at **₱27,945 million** as of December 31, 2023, slightly lower**,** from **₱28,038 million** recorded as of December 31, 2022, due to the following:

Cash on-hand and in-banks increased by **7%**, from **₱919 million** as of December 31, 2022 to **₱981 million** as of December 31, 2023, mainly due to cash generated from operations.

Total contracts receivable and contract assets, including non-current, increased by **9%** from **₱15,858 million** as of December 31, 2022 to **₱17,310 million** as of December 31, 2023 due mainly to sales on account recorded over the year.

Due from related parties increased by **895%** from **₱22 million** as of December 31, 2022 to **₱217 million** as of December 31, 2023 due to advances recorded for the year.

Other Receivable decreased by **46%** from **₱3,400 million** as of December 31, 2022 to **₱1,836 million** as of December 31, 2023 mainly due to advance payments for strategic land acquisition.

Real estate inventories decreased by **2**% from **₱6,615 million** of December 31, 2022 to **₱6,500 million** as of December 31, 2023 due to sales for the year.

Other current assets, decreased by **10%,** from **₱844 million** as of December 31, 2022 to **₱758 million** as of December 31, 2023, due mostly to amortization of prepaid expense during the year.

Property Plant and Equipment – net decreased by **8**%, from **₱219 million** as of December 31, 2022 to **₱203 million** as of December 31, 2023, due mainly to sale of property and equipment and depreciation for the year.

Right of use assets-net decreased by **38%,** from **₱38 million** as of December 31, 2022 to **₱24 million** as of December 31, 2023, due primarily to pre-termination of certain leases as mutually agreed with its lessors.

Other non-current assets decreased by **13%**, from **₱48 million** as of December 31, 2022 to **₱42 million** as of December 31, 2023, due mainly to the decrease in other assets for the year.

The total liabilities of the Company decreased by **10%**, from **₱15,346 million** as of December 31, 2022 to **₱13,828 million** as of December 31, 2023, due to the following:

Total Interest-bearing loans, including non-current, decreased by **18%**, from **₱6,385 million** as of December 31, 2022 to **₱5,250 million** as of December 31, 2023, due mostly to payment of interest-bearing loans.

Trade and other payables increased by 11**%** from **₱2,033 million** as of December 31, 2022 to**₱2,255 million** as of December 31, 2023 due to provisions for future land development.

Rawland payable increased by **1%** from **₱691 million** as of December 31, 2022 to**₱699 million** as of December 31, 2023 due to raw land acquisition during the year.
Lease Liability, including non-current decreased by **38%** from **₱41 million** as of December 31, 2022 to **₱25 million** as of December 31, 2023, due primarily to pre-termination of certain leases as mutually agreed with its lessors.

Customers' deposits decreased by **26%** from **₱2,522 million** as of December 31, 2022 to **₱1,866 million** as of December 31, 2023, due to real estate sales recognition for the year.

Due to related parties decreased by **1%** from **₱961 million** as of December 31, 2022 to **₱952 million** as of December 31, 2023 due mainly to collection of advances made by the Company for the year.

Income tax payable increased by **79%** from **₱9 million** as of December 31, 2022 to **₱15 million** as of December 31, 2023 due to a higher taxable base for the year

Deferred tax liabilities-net increased by **12%** from **₱1,050 million** as of December 31, 2022 to **₱1,181 million** as of December 31, 2023 due to the increase in temporary difference for the period.

Reserve for perpetual care increased by **13%** from **₱912 million** as of December 31, 2022 to **₱1,027 million** as of December 31, 2023 due to sale of memorial lots for the year.

Retirement benefit obligation increased by **3%** from **₱93million** as of December 31, 2022 to **₱96 million** as December 31, 2023 due to an increase in the present value of the obligation as recorded for the year.

Total stockholder's equity increased by **11%** from **₱12,692 million** as of December 31, 2022 to **₱14,117 million** as of December 31, 2023, due to the following:

A **16%** increase in retained earnings, from **₱9,077 million** in December 31, 2022, to **₱10,494 million** as of December 31, 2023, mainly due to the net income recorded for the year.

A **1767%** increase in revaluation reserves from **₱0.5 million** as of December 31, 2022 to **₱9 million** as of December 31, 2023 mainly due to the remeasurement of post-employment defined benefit plan.

Considered as the top five key performance indicators of the Company for the period as shown below:

KEY PERFORMANCE INDICATORS		2023	2022
Liquidity:			
Current Ratio	Current Assets/Current Liability	3.48 :1	2.45 :1
Solvency:			
Debt-to-Equity Ratio	Total Debt/Total Equity	0.37 :1	0.50 :1
Asset-to-equity:			
Asset-to-Equity ratio	Total Assets/Total Equity	1.98 :1	2.21 :1
Interest-rate-coverage:			
Interest-rate-coverage ratio	Profit Before Tax and Interest/Finance Costs (Including capitalized interest)	5.32 : 1	5 : 1
Profitability:			
Return-on-equity	Net Income/Equity	10.03%	10.19%

Material Changes to the Company's Statement of Financial Position as of December 31, 2022 compared to December 31, 2023 (increase/decrease of 5% or more)

Cash on-hand and in-banks increased by **₱62 million** or **7%**, from **₱919 million** as of December 31, 2022 to **₱981 million** as of December 31, 2023, mainly due to cash generated from operations.

Total contracts receivable and contract assets, including non-current increased by **₱1,452 million** or **8%**, from **₱15,858 million** as of December 31, 2022 to **₱17,310 million** as of December 31, 2023, mainly due to sales on account recorded during the year.

Due from related parties increased by **₱194 million** or **895%** from **₱22 million** as of December 31, 2022 to **₱217 million** as of December 31, 2023 mainly due to advances recorded for the year.

Other Receivable decreased by **₱1,563 million** or **46%** from **₱3,400 million** as of December 31, 2022 to **₱1,836 million** as of December 31, 2023 mainly due to advance payments for future strategic land acquisition.

Other current assets decreased by **₱86 million** or **10%,** from **₱844 million** as of December 31, 2022 to **₱758 million** as of December 31, 2023, due mostly to amortization of prepaid expense during the year.

Property Plant and Equipment – net decreased by **₱16 million** or **8%**, from **₱219 million** as of December 31, 2022 to **₱203 million** as of December 31, 2023, due mainly to sale of property and equipment and depreciation for the year.

Right of use assets-net decreased by **₱14 million** or **38%,** from **₱38 million** as of December 31, 2022 to **₱24 million** as of December 31, 2023, due primarily to pre-termination of certain leases as mutually agreed with its lessors.

Other non-current assets decreased by **₱6 million** or **13%**, from **₱48 million** as of December 31, 2022 to **₱42 million** as of December 31, 2023, due mainly to the decrease in other assets for the year.

Total Interest-bearing loans, including non-current, decreased by **₱1,135 million** or **18%**, from **₱6,385 million** as of December 31, 2022 to **₱5,250 million** as of December 31, 2023, due mostly to interest-bearing loans payment made by the Company for the year.

Trade and other payables increased by **₱222 million** or **11%** from **₱2,033 million** as of December 31, 2022 to **₱2,255 million** as of December 31, 2023 due to provisions for future development.

Customers' deposits decreased by **₱656 million** or **26%** from **₱2,522 million** as of December 31, 2022 to **₱1,866 million** as of December 31, 2023, due to real estate sales recognition for the year.

Lease liabilities including non-current portion decreased by **₱16 million** or **38%** from **₱41 million** as of December 31, 2022 to **₱25 million** as of December 31, 2023, due primarily to pre-termination of certain leases as mutually agreed with its lessors.

Income tax payable increased by **₱6 million** or **79%** from **₱9 million** as of December 31, 2022 to **₱15 million** as of December 31, 2023 due to a higher taxable base for the year.

Deferred tax liability increased by **₱131 million** or **12%** from **₱1,050 million** as of December 31, 2022 to **₱1,181 million** as of December 31, 2023 due to the increase in temporary difference for the period.

Reserve for perpetual care increased by **₱115 million** or **13%** from **₱912 million** as of December 31, 2022 to **₱1,027 million** as of December 31, 2023 due to sales recorded for the year.

Total stockholder's equity increased by **₱1,425 million** or **11%,** from **₱12,692 million** as of December 31, 2022 to **₱14,117 million** as of December 31, 2023. This change was primarily due to the **16%** increase in retained earnings from **₱9,077 million** as of December 31, 2022 to **₱10,494 million** as of December 31, 2023, and a **1,767%** decrease in revaluation reserves from **₱0.5 million** as of December 31, 2022 to **₱9 million** as of December 31, 2023.

Material Changes to the Company's Statement of income for the year ended December 31, 2023 compared to year ended December 31, 2022 (increase/decrease of 5% or more)

Real estate sales decreased by **₱237 million**, or by **5%**, from **₱4,696 million** for the year ended December 31, 2022 to **₱4,459 million** for the year ended December 31, 2023. The decrease was due mainly to the decrease in sales of residential units.

Interest income on contract receivables increased by **₱22 million**, or by **13%**, from **₱169 million** for the year ended December 31, 2022 to **₱191 million** for the year ended December 31, 2023. The increase was due mainly to the increase on in-house financed transactions for the year.

Interment income increased by **₱7 million** or **10%,** from **₱69 million** for the year ended December 31, 2022 to **₱75 million** for the year ended December 31, 2023, due to a increase in the number of interment services rendered for the year.

Income from chapel services increased by **₱4 million**, or by **13%**, from **₱30 million** for the year ended December 31, 2022 to **₱34 million** for the year ended December 31, 2023 due to the increase in memorial services rendered for the year.

Cost of sales and services decreased by **₱237 million** or **11%,** from **₱2,173 million** for the year ended December 31, 2022 to **₱1,936 million** in the year ended December 31, 2023, due primarily to decrease in residential units sold.

Other operating expenses decreased by **₱54 million** or **5%,** from **₱1,165 million** for the year ended December 31, 2022 to **₱1,111 million** in the year ended December 31, 2023, due primarily to decrease in commissions, salaries and employee benefits and loss on cancellations.

Other charges – net decreased by **₱69 million** or **37%** from a of **₱185 million** for the year ended December 31, 2022 to **₱116 million** for the year ended December 31, 2023. This was due primarily to the increase in other income for the year.

The Company's tax expense increased by **₱33 million** or **23%**, from **₱146 million** for year ended December 31, 2022 to **₱179 million** for the year ended December 31, 2023. The increase was mainly attributable to higher taxable base for the year.

Net Profit increased by **₱123 million** or **10%,** from **₱1,293 million** for year ended December 31, 2022 to **₱1,416 million** for the year ended December 31, 2023.

There are no other material changes in the Company's financial position (changes of 5% or more) and condition that will warrant a more detailed discussion. Further, except as discussed in Note 1.2 of the 2023 Financial Statements on the impact of Covid-19 Pandemic in the Group's business, there are no material events and uncertainties known to management that would impact or change reported financial information and condition on the Company.

Factors which may have material impact in Company's operations

Economic factors

The economic situation in the Philippines significantly affects the performance of the Company's business. For the residential products, the Company is sensitive to changes in domestic interest and inflation rates. Higher interest rates tend to discourage potential consumers as deferred payment schemes become more expensive for them to maintain. An inflationary environment will adversely affect the Company, as well as other memorial park developers, by increases in costs such as land acquisition, labor, and materials. Although the Company may pass on the additional costs to buyers, there is no assurance that this will not significantly affect the Company's sales.

Competition

Please refer to the discussion on Competition found in Item 1 of this report.

Capital Expenditures

The table below sets out the Company's capital expenditures in 2022, 2023 and 2024.

	Expenditure *(in ₱ millions)*
2022 (actual)	2,707.33
2023 (actual)	1,656.97
2024 (actual)	1,957.73

**Consolidated amount of the parent and the subsidiary*

The Company's capital expenditures have, in the past, been financed by internally generated funds and long-term borrowings.

Components of the Company's capital expenditures for 2022, 2023 and 2024 are summarized below:

	For the years ended December 31,		
	2022	2023	2024
	(in ₱ millions)		
Land acquisition	₱59.00	₱65.07	₱669.64
Memorial park development	119.43	138.71	169.62
Memorial chapel construction	-	18.90	-
Land development	790.00	511.00	414.29
Construction	1,710.00	823.00	607.09
Property and equipment	28.90	100.29	97.09
Total	**₱2,707.33**	**₱1,656.97**	**₱1,957.73**

Item 7. Financial Statements

The Consolidated Financial Statements of the Company as of and for the year ended December 31, 2024 are incorporated herein in the accompanying Index to Financial Statements and Supplementary Schedules.

Item 8. Information on Independent Accountant and Other Related Matters

Independent Public Accountants

Punongbayan & Araullo, independent certified public accountants, audited the Company's consolidated financial statements without qualification as of and for the years ended December 31, 2022, 2023 and 2024, included in this report.

Punongbayan & Araullo has acted as the Company's external auditors since June 15, 2015. James Joseph Benjamin J. Araullo is the current audit partner for the Company and the other subsidiaries. The Company has not had any disagreements on accounting and financial disclosures with its current external auditors for the same periods or any subsequent interim period. Punongbayan & Araullo has neither shareholdings in the Company nor any right, whether legally enforceable or not, to nominate persons or to subscribe for the securities in the Company. Punongbayan & Araullo will not receive any direct or indirect interest in the Company or in any securities thereof (including options, warrants or rights thereto) pursuant to or in connection with the Offer. The foregoing is in accordance with the Code of Ethics for Professional Accountants in the Philippines set by the Board of Accountancy and approved by the Professional Regulation Commission.

In relation to the audit of the Company's annual financial statements, the Company's Corporate Governance Manual provides that the audit committee shall, among other activities (i) evaluate significant issues reported by the external auditors in relation to the adequacy, efficiency and effectiveness of policies, controls, processes and activities of the Company; (ii) ensure that other non-audit work provided by the external auditors are not in conflict with their functions as external auditors; and (iii) ensure the compliance of the Company with acceptable auditing and accounting standards and regulations.

The following table sets out the aggregate fees billed for each of the last two years for professional services rendered by Punongbayan & Araullo:

	2024*	**2023***
Audit and Audit-Related Fees:		
Fees for services that are normally provided by the external auditor in connection with statutory and regulatory filings or engagements	₱4,945,000	₱ 2,880,000
All other fees	310,500	–
Total	**₱5,255,500**	**₱2,880,000**

**Consolidated audit fees of the parent and the subsidiary*

Changes in and Disagreement with Accountants on Accounting and Financial Disclosure

Since the incorporation of the Registrant in 1982, there was no instance where the Registrant's public accountants resigned or indicated that they decline to stand for re-election or were dismissed nor was there any instance where the Registrant had any disagreement with its public accountants on any accounting or financial disclosure issue.

The 2024 audit of the Registrant is in compliance with paragraph (3)(b)(iv) of SRC Rule 68, as amended, which provides that the external auditor should be rotated, or the handling partner changed, every five (5) years or earlier.

PART III – CONTROL AND COMPENSATION INFORMATION

Item 9. Directors and Executive Officers of the Issuer

Board of Directors and Executive Officers

The overall management and supervision of the Company is undertaken by its Board. The Company's executive officers and management team cooperate with the Board by preparing appropriate information and documents concerning the Company's business operations, financial condition and results of operations for its review. Currently, the Board consists of seven members, of which two are independent directors. The following are the names, ages and citizenship of the incumbent directors/independent directors of the Registrant:

Name	Age	Position	Citizenship
Manuel B. Villar, Jr.	75	Director and Chairman of the Board	Filipino
Cynthia J. Javarez	61	Director and President	Filipino
Manuel Paolo A. Villar	48	Director	Filipino
Mark A. Villar	46	Director	Filipino
Camille A. Villar	40	Director	Filipino
Ana Marie V. Pagsibigan	55	Independent Director	Filipino
Garth F. Castañeda	44	Independent Director	Filipino

The following are the names, ages and citizenship of the Registrant's executive officers in addition to its executive and independent directors listed above as of December 31, 2024.

Name	Age	Position	Citizenship
Gemma M. Santos	63	Corporate Secretary	Filipino
Estrellita S. Tan	61	Chief Financial Officer, Chief Information Officer Treasurer, Investor Relations	Filipino
Kate D. Cator	41	Compliance Officer	Filipino
Ma. Nalen SJ. Rosero	53	Assistant Corporate Secretary	Filipino

The following states the business experience of the incumbent directors and officers of the Registrant for the last five (5) years:

MANUEL B. VILLAR, JR., *Director and Chairman of the Board.* Mr. Villar was Senator of the Philippines from 2001 to June 2013. He served as Senate President from 2006 to 2008. He also served as a Congressman from 1992 to 2001 and as Speaker of the House of Representatives from 1998 to 2000. A Certified Public Accountant, Mr. Villar graduated from the University of the Philippines in 1970 with the degree of Bachelor of Science in Business Administration and in 1973 with the degree of Masters in Business Administration. He founded Camella Homes in the early 1970s and successfully managed said company over the years, to become the largest homebuilder in the Philippines now known as the Vista Land Group. Mr. Villar is also Chairman of the Board of Vistamalls, Inc. (formerly Starmalls, Inc.), AllHome Corp., AllValue Holdings Corp., AllDay Marts, Inc. and Villar Land Holdings, Corp. (formerly Golden MV Holdings, Inc.).He is a member of the following organizations: Makati Business Club, Manila Golf Club, Management Association of the Philippines, Financial Executive Institute of the Philippines (FINEX), Philippine Institute of Certified Public Accountants, and the Villar Social Institute for Poverty Alleviation and Governance (SIPAG).

CYNTHIA J. JAVAREZ, *Director and President*. Ms. Javarez graduated from the University of the East with the degree of Bachelor of Science in Business Administration major in Accounting. She is a Certified Public Accountant. She completed a Management Development Program at the Asian Institute of Management in 2006. Ms. Javarez was previously the Chief Financial Officer of Polar Property Holdings Corp. until 2011 and the Tax and Audit Head in the MB Villar Group of

Companies until 2007. She was the Controller and Chief Financial Officer of VLL from 2013 until she became Chief Operating Officer from October 2017 to October 2022. She was the President of Camella Homes, Inc., Communities Philippines, Inc., Crown Asia Properties, Inc., Brittany Corporation and Vista Residences, Inc. until 2021. She is currently the Chairperson of the Board of Prime Asset Ventures, Inc. and is the President of Fine Properties, Inc

MANUEL PAOLO A. VILLAR, *Director*. Mr. Villar graduated from the Wharton School of the University of Pennsylvania, Philadelphia, USA with the degree of Bachelor of Science in Economics and Bachelor of Applied Science in 1999. He was an Analyst for McKinsey &Co. in the United States from 1999 to 2001. He joined the Vista Land Group in 2001 as Head of Corporate Planning then became the Chief Financial Officer of Vista Land & Lifescapes, Inc. in 2008. He was elected President and Chief Executive Officer of VLL in July 2011 and President of Vistamalls, Inc. (formerly Starmalls, Inc.) in June 2019. In addition, he is the CEO and Chairman of St. Augustine Gold and Copper Limited and Chairman of TVI Resources Development Philippines, Inc., Camella Homes, Inc., Communities Philippines, Inc., Crown Asia Properties, Inc., Brittany Corporation, Vista Residences, Inc., VistaREIT, Inc., and Powersource Phils Development Corp. Mr. Paolo Villar is also the majority shareholder of Prime Asset Ventures, Inc., and director of Fine Properties, Inc, and AllHome Corp.

MARK A. VILLAR, *Director*. Mr. Villar earned his Bachelor of Science in Economics from University of Pennsylvania, Philadelphia, USA and his Master's Degree in Business Administration at the University of Chicago Booth School of Business. He held various positions in the MB Villar Group of Companies before he was first elected to public office as Congressman of Las Pinas City in 2010. He was Secretary of the Department of Public Works and Highways from 2016 to 2021. He currently serves as a Senator since June 2022. He has been a director of the Company since August 30, 2017.

CAMILLE A. VILLAR, *Director*. Ms. Villar, graduated from Ateneo de Manila University with the degree of Bachelor of Science in Management. She obtained her Masters in Business Administration, Global Executive MBA Program from the IESE Business School, Barcelona, Spain. She joined the Corporate Communications Group of Brittany in 2007 until she assumed the position of Managing Director of the Vista Land Commercial Division. She is also a Director of Vista Land & Lifescapes, Inc., Director and Vice Chairman of the Board of AllHome Corp, Director and Vice Chairman of the Board of AllDay Marts, Inc. and Director and President of AllValue Holdings Corp. Ms. Villar was elected as Congresswoman, representing Las Pinas City in 2019. She currently serves as a Senator since June 2025. She has been a director of the Company since August 30, 2017.

ANA MARIE V. PAGSIBIGAN, *Independent Director*. Atty. Pagsibigan graduated from the University of the Philippines with a Bachelor's degree in History and from San Sebastian College with a Bachelor's degree in Law. She previously served as a director and the legal counsel of Great Domestic Insurance. She is currently the legal counsel of Primerose Properties Development, Inc., Reed Steel Fabricators, Inc. and Goldmine Realty Development, Corp. as well as the Corporate Secretary of SEDAS Security Specialist. She is a councilor-elect in the Municipality of Bulakan, Bulacan. Atty. Pagsibigan was elected as independent director of the Company in May 2016.

GARTH F. CASTANEDA, Independent Director. Atty. Castaneda graduated from the University of Sto. Tomas with a Bachelor's degree in Accountancy and from the University of the Philippines with a Bachelor's degree in Law. He previously served as a consultant of the Privatization Management Office. He is currently a partner at SYMECS Law and serves as a Chairman and Independent Director of Premier Island Power REIT Corporation, President and Chairman of Metro Pacific Land Holdings, Inc., Corporate Secretary of Collab Asia Philippines, Inc., Corporate Secretary and Liquidating Director of Neo Oracle Holdings, Inc and Metro Pacific Foundation Inc. Castaneda was elected as independent director of the Company in May 2016.

GEMMA M. SANTOS, *Corporate Secretary*. Atty. Santos graduated cum laude with the degree of Bachelor of Arts, Major in History from the University of the Philippines in 1981, and with the degree of Bachelor of Laws also from the University of the Philippines in 1985. She is Of Counsel of Picazo Buyco Tan Fider & Santos Law Offices. She is also the Corporate Secretary of Vista Land and Lifescapes, Inc. and VistaREIT, Inc. and a director of Philippine Associated Smelting and Refining Corporation (PASAR), Fine Properties, Inc., and Bulakan Water Co., Inc., and Chairman of the Board of the Bulacan Water District.

MA. NALEN SJ. ROSERO, *Assistant Corporate Secretary,* Atty. Rosero graduated salutatorian from the San Beda College of Law in 1997. She is currently the Corporate Secretary and a Director of the following companies: Household Development Corporation, Brittany Corporation, Crown Asia Properties, Vista Residences, Inc., Communities Philippines, Inc., Camella Homes, Inc., Mandalay Resources, Inc., Prima Casa Land & Houses, Inc. amd Vista Leisure Club, Inc. She is also currently serving as the Chief Compliance Officer and Assistant Corporate Secretary of VistaREIT, Inc. She is also the Corporate Secretary of Vistamalls, Inc. (formerly Starmalls, Inc.). From 1997 to 2000, she was an Associate in the Litigation Group of Angara Abello Concepcion Relaga& Cruz (ACCRA) Law Offices. Atty. Rosero was appointed as Assistant Corporate Secretary last July 15, 2022.

ESTRELLITA S. TAN, *Chief Financial Officer, Chief Information Officer, Treasurer, Investor Relations Officer*, is a Certified Public Accountant and graduated with distinction from the Philippine School of Business Administration with the degree of Bachelor of Science in Business Administration Major in Accounting. She is also a licensed Real Estate Broker and has completed a Management Development Program at the Vista Center for Professional Development. She previously served as the President and Chief Operating Officer of Prima Casa Land and Houses, Inc., an affiliate of Vista Land & Lifescapes, Inc. from 2014 to 2020. She currently serves as President of Bria Homes, Inc.

KATE D. CATOR, *Compliance Officer*. Ms. Cator graduated in 2004 from the Polytechnic University of the Philippines - Manila with a degree in Bachelor of Science in Accountancy and is a Certified Public Accountant. She joined Golden Haven in 2008 and has held various positions in the Company. She served as Investor Relations Officer for Villar Land Holdings, Corp. from 2019 to 2021 and is currently the Human Resources Head of the Company and a Director of Golden Future Life Plans, Inc. Ms. Cator was appointed as Compliance Officer of the Company on November 14, 2023.

Family relationships

Mr. Manuel B. Villar Jr. is the father of Mr. Paulo A. Villar, Mr. Mark A. Villar and Ms. Camille A Villar. They are part of the Company's Board of Directors.

Involvement in Certain Legal Proceedings of Directors and Executive Officers

To the best knowledge of the Company, none of its present directors, executive officers or its nominees for independent directors has been subject to the following:

- Any bankruptcy petition filed by or against any business of which such person was a general partner or executive officer either at the time of the bankruptcy or within two years prior to that time;
- Any conviction by final judgment, including the nature of the offense, in a criminal proceeding, domestic or foreign, excluding traffic violations and other minor offenses;
- 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;

Being found by a domestic or foreign court of competent jurisdiction (in a civil action), the SEC 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 10. Executive Compensation

Executive Compensation

The compensation for its executive officers for the years 2023, 2024 (actual), and 2025 (projected) are shown below:

Name and Principal Position		Year	Salary	Bonus	Others
Manuel B. Villar Jr.	Chairman				
Cynthia J. Javarez	President of Villar Land Holdings, Corp.				
Eduardo T. Aguilar	Operations Head of Bria Homes, Inc.				
Estrellita S. Tan	Chief Financial Officer / Chief Information Officer / Treasurer / Investor Relations /				
Kate D. Cator	Compliance Officer				
Aggregate executive compensation for above named officers		Actual 2023	₱23.3M	₱11.3M	None
		Actual 2024	₱26.2M	₱12.0M	None
		Projected 2025	₱27.5M	₱12.5M	None
Aggregate executive compensation of all other officers and directors, unnamed		Actual 2023	₱19.8M	₱9.6M	None
		Actual 2024	₱20.4M	₱10.0M	None
		Projected 2025	₱21.2M	₱10.6M	None

Standard arrangements

Each director of the Company receives a per diem of ₱30,000 determined by the Board of Directors for attendance in a Board meeting and for attendance in a committee meeting (except for independent directors). On September 2023, the per diem for attendance in a Board meeting and the allowance for attendance in a committee meeting was increased to ₱30,000 from ₱15,000.

Other arrangements

Except for each of the individual Directors' participation in the Board, no Director of the Company enjoys other arrangements such as consulting contracts or similar arrangements.

Employment contract between the company and executive officers

There are no special employment contracts between the Company and the named executive officers.

Warrants and options held by the executive officers and directors

There are no outstanding warrants or options held by the Company's CEO, the named executive officers, and all officers and directors as a group.

Significant employee

While the Company values the contribution of each of its executive and non-executive employees, the Company believes there is no non-executive employee that the resignation or loss of whom would have a material adverse impact on the business of the Company. Other than standard employment contracts, there are no special arrangements with non-executive employees of the Company.

Item 11. Security Ownership of Certain Beneficial Owners and Management

Security Ownership of Record and Beneficial Owners

Security ownership of certain record and beneficial owners of more than 5.0% of the Registrant's voting securities as of December 31, 2024:

Title of Class of Securities	**Name/Address of Record Owners and Relationship with Us**	**Name of Beneficial Owner /Relationship with Record Owner**	**Citizenship**	**No. of Shares Held**	**% of Ownership [1]**
Common	PCD Nominee Corporation 37/F Tower 1, The Enterprise Ctr. 6766 Ayala Ave. cor. Paseo de Roxas, Makati City Shareholder	Fine Properties, Inc./ Record Owner is not the beneficial owner[2]	Filipino	412,057,800	63.97%
Common	Cambridge Group, Inc. Lower Ground Floor, Building B, Evia Lifestyle Center, Vista City, Daang Hari, Las Piñas City	Fine Properties, Inc./ Record Owner is not the beneficial owner[2]	Filipino	158,744,255	24.65%
Common	PCD Nominee Corporation 37/F Tower 1, The Enterprise Ctr 6766 Ayala Ave. cor. Paseo de Roxas, Makati City	Record Owner is not the beneficial owner[3]	Filipino	70,113,410	10.89%

[1] Based on the Company's total issued and outstanding capital stocks as of December 31, 2024 of 644,117,649 common shares.

[2] Mr. Manuel B. Villar, Jr. and his spouse are the controlling shareholders of Fine Properties, Inc. The right to vote the shares held by Fine Properties, Inc. has in the past been, and is expected to be exercised by Mr. Manuel B. Villar, Jr.

[3] PCD Nominee Corporation is the registered owner of shares beneficially owned by participants in the Philippine Depository & Trust Corporation, a private company organized to implement an automated book entry system of handling securities transactions in the Philippines (PCD). Under the PCD procedures, when an issuer of a PCD-eligible issue will hold a stockholders' meeting, the PCD shall execute a pro-forma proxy in favor of its participants for the total number of shares in their respective principal securities account as well as for the total number of shares in their client securities account. For the shares held in the principal securities account, the participant concerned is appointed as proxy with full voting rights and powers as registered owner of such shares. For the shares held in the client securities account, the participant concerned is appointed as proxy, with the obligation to constitute a sub-proxy in favor of its clients with full voting and other rights for the number of shares beneficially owned by such clients. Except as indicated above, as of Record Date, the Registrant is not aware of any investor beneficially owning shares lodged with the PCD, which comprise more than five percent (5%) of the Registrant's total outstanding capital stock.

Security ownership of directors and executive officers as of December 31, 2024:

Title of class	Name of beneficial owner	Amount and nature of beneficial ownership		Citizenship	Percent of Class[1]
Common	Manuel B. Villar, Jr. *(Chairman)*	1,000	Indirect[2]	Filipino	0.00%
Common	Manuel B. Villar, Jr. *(Chairman)*	570,802,055[3]	Indirect	Filipino	88.62%
Common	Cynthia J. Javarez *(President)*	1,000	Indirect[2]	Filipino	0.00%
Common	Manuel Paolo A. Villar *(Director)*	1,000	Indirect[2]	Filipino	0.00%
Common	Mark A. Villar *(Director)*	1,000	Indirect[2]	Filipino	0.00%
Common	Camille A. Villar *(Director)*	333,700	Indirect[2]	Filipino	0.05%
Common	Ana Marie V. Pagsibigan *(Independent Director)*	1	Indirect[2]	Filipino	0.00%
Common	Garth F. Castañeda *(Independent Director)*	1	Indirect[2]	Filipino	0.00%
N/A	Gemma M. Santos *(Corporate Secretary)*	None	N/A	N/A	N/A
N/A	Ma. Nalen SJ Rosero *(Asst. Corporate Secretary)*	None	N/A	N/A	N/A

Title of class	Name of beneficial owner	Amount and nature of beneficial ownership		Citizenship	Percent of Class[1]
N/A	Estrellita S. Tan *(Chief Finance Officer, Chief Information Officer, Treasurer, Investor Relations)*	None	N/A	N/A	N/A
N/A	Kate D. Cator (*Compliance Officer*)	None	N/A	N/A	N/A
Total		**573,972,357**			**89.11%**

[1] *Based on the Company's total outstanding and issued capital stocks of 644,117,649 common shares as of December 31, 2024.*

Except as indicated in the above table, the above-named officers have no indirect beneficial ownership in the registrant.

Except as aforementioned, no other officers of the Registrant hold, directly or indirectly, shares in the Registrant.

Voting Trust Holders of 5.0% or More

The Registrant is not aware of any person holding more than 5.0% of a class of shares under a voting trust or similar agreement.

Changes in Control

The Registrant is not aware of any arrangements, which may result in a change in control of the Registrant. No change in control of the Registrant has occurred since the beginning of its last fiscal year.

Item 12. Certain Relationships and Related Transactions

The Company, in the ordinary course of its business, engages in transactions with related parties. The Company's policy with respect to related party transactions is to ensure that these transactions are entered into on terms comparable to those available from unrelated third parties.

For further information on the Company's related party transactions, including detailed breakdowns of amounts receivable from and amounts payable related to parties, see Note 20 of the Company's financial statements as of December 31, 2024 included in this report.

PART V – SUSTAINABILTY REPORT

PART IV – CORPORATE GOVERNANCE
ITEM 13. ANNUAL CORPORARE GOVERNANCE REPORT (ACGR)

To be disclosed separately.

Villar Land Holdings, Corp.

Annex A: Reporting Template

Contextual Information

Company Details	
Name of Organization	Villar Land Holdings, Corp. (formerly Golden MV Holdings, Inc.)
Location of Headquarters	**Golden Haven**: San Ezekiel, C-5 Extension, Las Piñas City
	Bria Homes: LG/F, Starmall EDSA-Shaw, EDSA cor. Shaw Blvd., Mandaluyong City
Location of Operations	Philippines
Report Boundary: Legal entities (e.g., subsidiaries) included in this report*	This 2024 Annex reports on the projects and operations of Villar Land Holdings, Corp.: ● Golden Haven ● Bria Homes
Business Model, including Primary Activities, Brands, Products, and Services	**Golden Haven**: Development of memorial parks, chapels, and columbarium facilities
	Bria Homes: Real estate development (affordable houses and condominium units)
Reporting Period	January 1, 2024 to December 31, 2024
Highest Ranking Person responsible for this report	Estrellita S. Tan, Investor Relations Officer

Materiality Process

The GRI and SASB Standards serve as the company's guidelines for conducting its materiality process, which includes the following steps:

1. Pre-identification of topics – Issues and topics from several sources, including industry peers, sector-specific papers from GRI and SASB standards, and other publications, were compiled. The list was streamlined with a few extra items to ensure that the economic, environmental, social, and governance (EESG) components of the organization are addressed, because in 2024 there may be topics that fall under common topics.

2. Identification of Material Topics – The company reviewed the list to determine which themes remained relevant to its operations and stakeholders. By checking "Yes" or "No" on a form, the Company can specify which topics are material.

3. Materiality Assessment – Material topics are processed into an online survey, where the Company assesses the criticality of the impact of each item on a five-point scale. (1 as low to no impact; 5 as highest impact).

Villar Land expanded the distribution of the online survey to additional departments in 2024 to gather more information about the Company's challenges. All respondents are enthusiastic about sustainability, with the majority saying that it is critical to Villar Land's overall company success. Villar Land maintains an ethical obligation to its suppliers, employees, customers, communities, and other stakeholders as it expands and prospers in the industry.

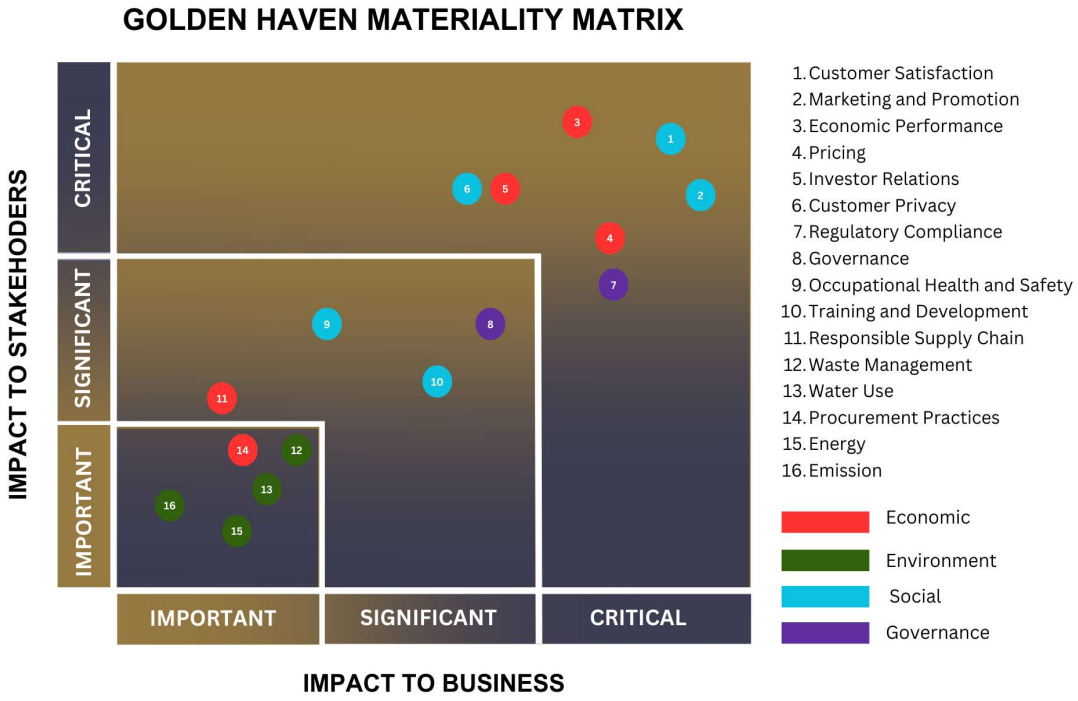
GOLDEN HAVEN

In 2024, Golden Haven's sustainability strategy hinges upon the results of the Materiality Assessment. Accordingly, the Company identified Customer Satisfaction, Marketing and Promotion, Economic Performance, Pricing, and Investor Relations as critical material topics for the year.

Table 1. Topics According to Degree of Impact to the Business and Stakeholders

2024 Topics
Customer Satisfaction
Marketing and Promotion
Economic Performance
Pricing
Investor Relations
Customer Privacy
Regulatory Compliance
Governance
Occupational Health and Safety
Training and Development
Responsible Supply Chain
Waste Management
Water Use
Procurement Practices
Energy
Emissions

Figure 1. Golden Haven 2024 Materiality Matrix



Golden Haven, with its aim of ensuring perpetual care with reverence, dignity, and honor to the departed, provides professional death care development and services through preserving exquisite memorial grounds and delivering services suited for those who passed away.

BRIA HOMES

Bria Homes, a significant player in the real estate sector, adheres to its ideals in order to achieve its objectives:

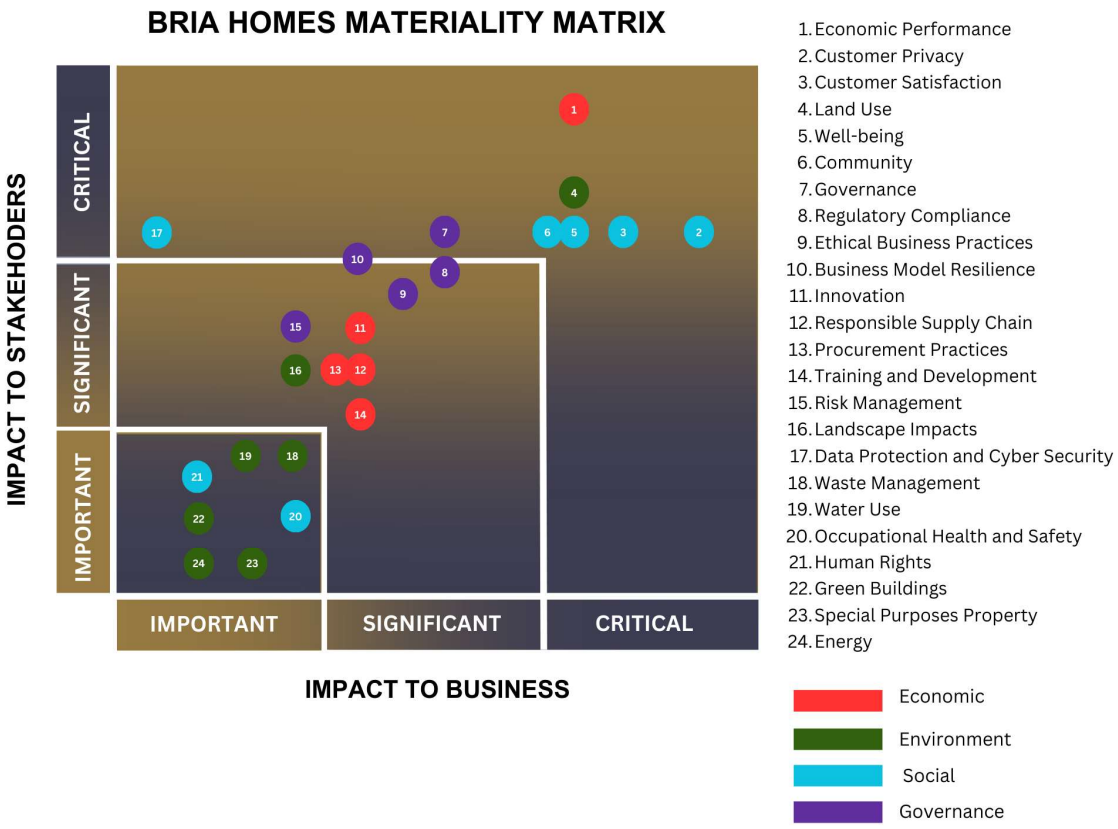
- *Mura* – Through accessible funding choices, Filipinos can choose to invest in high-quality homes at a fair and affordable price.
- *Mabilis* – Bria Homes use modern technologies to reduce construction time.
- *Maganda* – Facilities are built into communities so that Filipino families can enjoy living in secure, healthy homes.
- *Mahusay ang Serbisyo* – Employees are directed to actively address clients' concerns.
- *Malapit sa Lahat* – Bria Homes creates neighborhoods with easy access to all city amenities, including places of worship, hospitals, schools, retail outlets, major roadways, and interstates.

In 2024, Bria Homes identified Economic Performance as the most critical material topic to ensure long-term value creation for all stakeholders, particularly customers and shareholders. On the other hand, Customer Privacy was ranked as the Company's second priority. Meanwhile, Customer Satisfaction and Land Use ranked third, while Well-being and Community ranked fourth. Governance was also deemed critical by the stakeholders.

Table 2. Topics According to Degree of Impact to the Business and Stakeholders

2024 Topics
Economic Performance
Customer Privacy
Customer Satisfaction
Land Use
Well-being
Community
Governance
Regulatory Compliance
Ethical Business Practices
Business Model Resilience
Innovation
Responsible Supply Chain
Procurement Practices
Training and Development
Risk Management
Landscape Impacts
Data Protection and Cyber Security
Waste Management
Water Use
Occupational Health and Safety
Human Rights
Green Buildings
Special Purposes Property
Energy

Figure 2. Bria Homes 2024 Materiality Matrix



Bria Homes maintains a thriving business so that it may keep rewarding its stakeholders. The Company also makes investments in training its employees. When staff members are adequately taught, they can perform their jobs more efficiently, which raises customer satisfaction. More importantly, investing in employees is advantageous to the business.

ECONOMIC & GOVERNANCE DISCLOSURES

Economic Performance

Direct Economic Value Generated and Distributed (in millions Php)

Disclosure	2024	2023	2022
Direct economic value generated	**4,264.24**	**5,012.32**	**5,137.61**
Revenue	3,311.36	4,459.34	4,695.96
Other revenues	244.61	354.96	268.45
Interest income	708.27	198.02	173.20
Direct economic value distributed	**2,841.16**	**3,596.06**	**3,844.82**
Operating costs	1,308.68	1,936.36	2,173.30
Employee wages and benefits	326.96	329.59	360.62
Payments to suppliers, other operating costs	1,039.27	1,139.08	1,150.77
Taxes given to government	166.25	191.03	160.13
i. Income tax	145.38	179.37	146.02
ii. Other taxes	20.86	11.67	14.10
Direct economic value retained	**1,423.08**	**1,416.26**	**1,292.80**

Impact	Stakeholders Affected
Villar Land maintained stable financial performance, with net profit reaching Php1,423 million in 2024 from Php1,416 million in the previous year. As a provider of real estate and services across the country, Villar Land is dedicated to creating lasting value that goes beyond its business activities. The Company help support the economic stability and financial health of our stakeholders through steady revenue growth and by providing meaningful job opportunities for thousands of Filipinos. With our purpose-driven strategy, we reinvest a large part of the Group's earnings back into society. This reinforces our commitment to fair prosperity and sustainable growth in the following ways: 1. Beyond what the law mandates, employees receive competitive pay and extra perks like performance incentives and HMOs. Salary and promotion decisions are based on yearly performance reviews. 2. Generous pricing for both services and materials are provided to suppliers. 3. Taxes are punctually paid to the government.	Investors, Business Partners, Employees, Government, Job seekers

Management Approach to Impacts

Villar Land reports its financial performance in accordance with the guidelines of completeness, materiality, and transparency. As a result, the Group prepares its financial statements in accordance with the measurement standards for each category of asset, liability, income, and expense set out by the Philippine Financial Reporting Standards. (PFRS).

Before publication, Punongbayan & Araullo (P&A), the Group's auditor since 2015, evaluates and audits these annual financial reports. Every quarter, the Group also communicates its

financial and operating results through press releases and analyst conferences. The Group also keeps a monthly financial report and analysis of sales and other operational activities, quarterly consolidated financial statements, and an Annual Audited Financial Statements. All reports are available to all stakeholders, including suppliers, on the Company's website. Employees are kept up to date on the Group's performance via monthly management committee meetings.

Risks	Stakeholders Affected
Villar Land has identified several financial risks, including cash flow, interest rate risk, credit risk, liquidity risk, and foreign currency risk. In addition, the Group can be significantly impacted by changes in the real estate market.	Golden Haven, Bria Homes, Investors, Business partners, Employees, Suppliers, Government, and Job seekers

Management Approach to Risks

The Villar Group has a Board Risk Oversight Committee (BROC) and an identified Enterprise Risk Management Framework to address risks, especially those impacting the Group's financial position. Through the help of Enterprise Risk Management (ERM), Villar Land identifies actions that ensure the firm operates while prioritizing stakeholder safety. Changes to the policies intended to control these risks are reviewed and approved by the Board of Directors on a regular basis. To avoid and mitigate the impact of such dangers, measures have been put in place. These actions consist of the following:

- Enter fixed-rate debts
- Transact with recognized and creditworthy third parties only
- Monitor cash flow, debt maturity profile, and overall liquidity position.

The Group maintains a consistent level of financial resources enough to cover its operational costs. Consequently, cash inflows are sufficient to cover operational costs and working capital needs.

In addition to doing a monthly review of the financial statements, Villar Land also makes forecasts and creates budgets. Loans and significant acquisitions, such as the acquisition of raw land, require the Executive Committee's permission. The management reports include information on all cash flows, including those from operations, investments, and finance.

The Group utilizes its digital platform to continue serving its customers and continuously improves on online advertising and online payment schemes as primary means of generating sales and collecting payments.

Opportunities	Stakeholders Affected
Possibility to expand the Group's real estate portfolio and factor sustainability into its financial choices. Villar Land has invested in various digital technologies in response to the rapid demand for digitalization from both the business and its stakeholders. This has enabled the company to continue operating without compromising the health and safety of its personnel, clients, suppliers, and other important stakeholders.	Investors, Business Partners, Employees

Management Approach to Opportunities
When the need arises, management will continue to take measures to continuously enhance the operations. With the ongoing advancements, management anticipates that the Group will continue to report favorable operating results and will have sufficient liquidity to satisfy existing commitments as they become due. Both Bria Homes and Golden Haven remain active in their project releases and other operational objectives while monitoring the market's demands and preferences. The Technical Services Department continues to process licenses for the recently purchased undeveloped areas. Villar Land ensures that all risks and opportunities are thoroughly assessed, considering the Company's economic, environmental, and social aspects. It also makes sure that the long-term impacts of financial decisions promote sustainable growth.

Climate-related risks and opportunities[1]

Governance Disclose the organization's governance around climate-related risks and opportunities	
a) Describe the board's oversight of climate-related risks and opportunities	Villar Land has an independent Board Risk Oversight Committee (BROC) which is responsible in ensuring effective risk management. The Enterprise Risk Management (ERM) framework addresses all potential risks, including climate-related ones. The BROC regularly reviews these controls to maintain their relevance and effectiveness.
b) Describe management's role in assessing and managing climate-related risks and opportunities	Management identifies, measures, and monitors all significant business risks and opportunities, and reports progress to the Board. The Board's performance enhancement suggestions are based on the latest information from management.
Strategy Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning where such information is material	
a) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term	Villar Land faces climate-related threats like typhoons, flooding, earthquakes, storm surges, and fires.
b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning	Typhoons, storm surges, and fires can damage the Group's assets, disrupt operations, or affect staff schedules. These events may raise capital, operating, and opportunity costs, impacting finances. The Group may face uninsured losses or losses beyond coverage, risking invested capital and potential revenue while still covering building expenditures and other debts.
c) Describe the resilience of the organization's strategy, taking into consideration	Villar Land performs due diligence and comprehensive investigations on properties and their surroundings, including environmental assessments. The Group's

[1] 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.

different climate-related scenarios including a 2ºC or lower scenario	future risk management plans will incorporate additional measures to address climate-related risks, especially those related to global warming.
Risk Management Disclose how the organization identifies, assesses, and manages climate-related risks	
a) Describe the organization's processes for identifying and assessing climate-related risks	Villar Land follows a robust ERM framework to identify and evaluate climate-related risks. Each year, the BROC thoroughly reviews this framework to keep it relevant and effective.
b) Describe the organization's processes for managing climate-related risks	Villar Land works with relevant departments to manage risks by creating effective strategies and management plans. This ensures responsible risk management across all levels and divisions of Golden Haven and Bria Homes.
c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management	Golden Haven and Bria Homes identify climate hazards as they do other critical risks. Their Enterprise Risk Management policy lists these risks, evaluates their impact on operations, and outlines mitigation measures to prevent negative outcomes.
Metrics and Targets Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material	
a) Opportunities in line with its strategy and risk management process	Natural disasters directly affect the Company's operations. These are measured as follows: ● Number of days those projects have been delayed ● Frequency of property downtime and disruptions in the operations ● Repair and/or replacement costs from damaged or destroyed equipment, buildings, and other assets ● Maintenance expenses from wear and tear on buildings
b) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets	● Regular monitoring and preventive maintenance of all assets ● Frequent communication and training with employees on protocols related to natural disasters.

Procurement Practices

Proportion of spending on local suppliers

Disclosure	Golden Haven			Bria Homes		
	2024	2023	2022	2024	2023	2022
Percentage of procurement budget used for significant locations of operations that is	100%	100%	100%	100%	100%	100%

spent on local suppliers[2]						

Impacts
Golden Haven and Bria Homes allocate their full procurement budget on products and services from highly accessible local suppliers. Both projects source locally to derive full benefit of savings in terms of logistics cost and delivery time across their supply chains.
Management Approach to Impacts
Golden Haven and Bria Homes impose a set of strict standards that suppliers are under contract to follow to ensure that they can supply the required products and services as needed. Golden Haven chooses its suppliers based on high procurement standards, considering factors including cost, quality, lead time and delivery, potential for lasting partnerships, customer value, availability of products and services, and financial, human resources, and equipment capability. Golden Haven expects all current and future local suppliers to fully satisfy its criteria. These specifications not only ensure that the Company's expectations will be satisfied but also encourage its suppliers to use ethical business methods. In addition to site and plant visits, the following paperwork is needed from prospective suppliers for the Company to evaluate their eligibility and qualifications: ● DTI/BIR/Financial Statements ● Proposal letter ● Company profile ● Quotation ● Business registration/ Permits Three candidates are chosen to be requested to submit bids for a certain project. Once a supplier has been selected and authorized, Golden Haven makes sure they continue to uphold the Company's high standards for the term of the contract. Bria Homes makes sure that its suppliers uphold its strict standards for ethical business conduct and maintains a positive working relationship with them. The capacity of Bria Homes' suppliers to satisfy its demands determines the quality of its goods and services. As a result, the Company follows the following criteria when selecting its suppliers: ● Price ● Reliability ● Financial Stability ● Location ● Quality ● Strong Relationship/ Partnership Approach Strong Service and Clear Communication

Risks
Contingent on the required product category, local vendors may lack technical expertise, advance machinery, or other resources needed to meet the Company's requirements. As a result, the local suppliers' production capacities may be assessed as less efficient, and their products and services restricted from offering competitive prices. External events may also exacerbate these risks, affecting the pricing, lead time/delivery, and availability of both organizations' products and services.

[2] Local suppliers refer to Philippine-based suppliers or service providers whose products and/or services meet the minimum local content as prescribed by the Procuring Entity.

Management Approach to Risks
The Company has set strict controls on the movement of supplies. Villar Land business protocol mandates constant supervision throughout the process while alternative materials/equipment are identified and ready to be outsourced as part of its procurement contingency plan.

Opportunities
The Company ensures that all its suppliers are financially secure and responsible. Suppliers must go through a rigorous accreditation procedure that involves background checks, submission of comprehensive and up-to-date financial papers as well as the appropriate government permissions and certificates, business and plant visits, and other applicable queries. Employees are also sent to conventions, trade shows, and symposia to stay up to date on the newest technology trends and advances. Golden Haven and Bria Homes' current supplier selection and procurement procedures have room for improvement and there is a high potential towards optimizing their suppliers' footprints as operations expand across the country.
Management Approach to Opportunities
Golden Haven maintains its preference for vendors that can fulfill the Company's requirements within the predetermined time frame. The Company follows a harmonious and meticulously upheld oversight in its procurement operations as per standard operating procedures (SOP). The proper controls, such as material canvassing, supplier negotiations, purchase approval, and delivery inspection, are in place to make sure that neither party has any conflicts of interest. Additionally, this guarantees effective connection with direct suppliers and consistent supply monitoring. Bria Homes. assures that all interactions with suppliers are above-board and in accordance with the Company's mission and vision, rules, and regulations. The Company expects its workers to avoid conflicts of interest and to always behave in the best interests of the Company. The Procurement team examines its supplier base on a regular basis to maintain a healthy and diversified pool. Employees are also sent to conventions, trade shows, and symposia to stay up to date on the newest technology trends and advances. Additionally, processes are regularly reviewed to enhance procurement efficiency, integrate innovative technologies, and develop new systems and workflows. Furthermore, the Company invests in employee development by providing training to support their continuous improvement as procurement specialists.

Anti-corruption

Training on Anti-corruption Policies and Procedures

Disclosure	Golden Haven			Bria Homes		
	2024	2023	2022	2024	2023	2022
Percentage of employees to whom the organization's anti-corruption policies and procedures have been communicated to	100%	100%	100%	100%	100%	100%
Percentage of business partners to whom the organization's anti-corruption policies and procedures have been communicated to	100%	100%	100%	100%	100%	100%

Disclosure	Golden Haven			Bria Homes		
	2024	2023	2022	2024	2023	2022
Percentage of directors and management that have received anti-corruption training	100%	100%	100%	100%	100%	100%
Percentage of employees that have received anti-corruption training	100%	100%	100%	100%	100%	100%

Incidents of Corruption

Disclosure	Golden Haven			Bria Homes		
	2024	2023	2022	2024	2023	2022
Number of incidents in which directors were removed or disciplined for corruption	0	0	0	0	0	0
Number of incidents in which employees were dismissed or disciplined for corruption	0	0	0	0	0	0
Number of incidents when contracts with business partners were terminated due to incidents of corruption	0	0	0	0	0	0

Impacts

The Group ensures that integrity and honesty are consistently preserved and implemented in the workplace and in every transaction by informing and training its stakeholders on anti-corruption policies and procedures. Zero corruption occurrences were reported in 2024 due to Golden Haven and Bria Homes' strict adherence to anti-corruption procedures. The Company also maintains a zero-tolerance policy against extortion, fraud, insider trading, money laundering, kickbacks, and facilitation payments.

Employees are informed of anti-corruption policies and procedures at job orientations, and the topic is covered at the Company's annual corporate values workshop. For the benefit of all stakeholders, these policies are also available on the company's website. Every grievance issue is addressed according to procedure. By adopting non-reprisal as a policy, the company ensures that its employees can express their concerns without fear of retaliation.

The Board and Management also take part in the annual corporate governance seminar, which broadens their understanding of the many ethical practices and advances Golden Haven and Bria Homes' efforts to foster an ethical culture.

The procedures and standards are explained to business partners during the accreditation and credibility review.

Management Approach to Impacts

Corruption not only deprives organizations of profits but also harms their reputation in the eyes of its stakeholders, particularly employees and consumers. Corruption, whether in the form of extortion, embezzlement, or bribery, is detrimental to any institution because it undermines the public's faith. Acknowledging the significance of measures to combat corruption, Villar Land has an anti-corruption policy established in its Code of Business Conduct and Ethics, which is promoted and made available during training sessions.

During its yearly team building, Golden Haven seeks all workers to participate in a staff orientation and corporate values training. This provides a forum for discussion and raises awareness about the significance of the values the Company promotes and how every

position might benefit from them.

The Board establishes the tone and takes a position against unethical behavior by approving anti-corruption company measures, such as the Whistleblowing and Anti-Bribery Policy. The Company's Manual on Corporate Governance served as a guiding principle on the development of these policies. For the benefit of all stakeholders, these policies are also available on the Company website. All employees, directors, and members of the management are given the company's anti-corruption policies, which are carefully enforced.

Golden Haven believes that instances of corruption should never be permitted since these may result in future significant problems as well as a lack of confidence between the Company and its employees. Golden Haven commits to conduct a thorough investigation if any employee is accused of engaging in corrupt practices.

If he or she is later found guilty, the Company will choose appropriate sanctions based on the requirements of due process.

Employees have always received extensive training on the importance of transparency from the moment they start working for the company. Legal advisors and the Group's Human Resources division collaborate to enforce the Company's anti-corruption policies and procedures. Employees who are reportedly implicated in suspected corruption instances are subject to a fair investigation. The Human Resources department, for example, strongly enforces the requirement that all gifts, regardless of their nature, be disclosed for openness.

Villar Land consistently strives for honesty in our business practices and quality in our work. The business follows the highest ethical standards and complies with all applicable laws and regulations.

The Company is committed to continuous improvement and actively strengthens its governance practices in accordance with its Code of Business Conduct and Ethics and other company policies, i.e., Insider Trading Policy, Conflict of Interest Policy, Related Transactions Policy, and Whistleblowing Policy.

Risks

Every transaction has a chance of being corrupted, both inside and outside the organization. Due to the risk of compromising the Company's operations and creating conflicts of interest, Golden Haven continually emphasizes to its staff the need to refrain from any corruption-related actions.

The supplier selection procedure has been identified as posing a higher risk of corruption compared to previous Bria Homes transactions.

Furthermore, recurrences and mistrust inside the Company may result from insufficient and inefficient sanctions meted out to violators. The Group's reputation also remains at risk.

Management Approach to Risks

The management makes sure that all transactions are tracked and conducted through the proper channels to remove operations of the Group that are corrupt.

In contrast, Golden Haven has disclosure policies that mandate that the Human Resources Department be informed of any gifts received from outside parties. In order to look for any abnormalities, the Company routinely audits its procedures and inventories.

Golden Haven's personnel are not allowed to accept gifts or bribes from customers, vendors, contractors, or any other outside party. All stakeholders are well-informed on anti-corruption policies.

Bria Homes makes sure that the right safeguards are in place to guarantee the caliber of the materials purchased and the company's ideals. There are prompt audit controls available to prevent corruption among stakeholders and potential employees. In addition to keeping lines of communication open with their partners and staff, managers ensure that all business dealings are honest and legal. The Company also conducts routine audits through site inspections and audits of transactions.

Opportunities

The following possibilities exist for the Group to maintain integrity in its business practices:

- The Company's anti-corruption rules could be enforced more strictly and could be integrated into how its personnel behave at work.
- The Company, whether internal or external, can consistently provide its staff with anti-corruption-related training.
- The Company could continually improve its current business procedures and communication techniques when corruption problems occur.

Management Approach to Opportunities

Golden Haven and Bria Homes minimize any unnecessary access to cash and other equivalents in addition to maintaining open lines of communication to prevent incidents of embezzlement among their staff, directors and management, and business partners.

One of the factors used to evaluate workers' annual performance is compliance with the company values. Golden Haven takes care of covering the Anti-Corruption Policies and the clauses on right and moral business dealings, both inside and outside the Company. Corrective measures based on due process shall be applied to any wrongdoing or failure to use sound judgment. The Management is subject to the same rules. Additionally, any business partners, contractors, or suppliers found to have engaged in any sort of bribery will have their accreditation revoked and their access to the Company's services suspended.

Bria Homes intends to provide classroom training on anti-corruption for staff members who are in direct touch with suppliers and contractors, as well as those working in the back office, so that they may better grasp the possible repercussions and hazards that corruption brings to the Company. Additionally, the Company will reinforce its policies, particularly its anti-corruption standards—through quarterly orientation sessions and ongoing email communications.

ENVIRONMENTAL DISCLOSURES

Resource Management

Energy consumption within the organization

Energy Type	2024	2023	2022
Golden Haven			
Renewable sources[3] (in GJ)	1,152	923	720[4]
Gasoline (in L)	19,647	15,715	15,001
Diesel (in L)	94,844	68,352	68,265
Electricity (in kWh)	729,273	479,259	362,949
Bria Homes			
Renewable sources (in kWh)	7,982	8,035	7,256
Gasoline (in L)	263,194	285,906	62,870
Diesel (in L)	223,929	368,331	216,698
Electricity (in kWh)	827,319	895, 520	754,817

Reduction[5] of energy consumption

Energy Type	2023 vs. 2024	2022 vs. 2023
Golden Haven		
Gasoline (in L)	(3,932)	(714)
Diesel (in L)	(26,492)	(87)
Electricity (in kWh)	(250,014)	(116,310)
Bria Homes		
Gasoline (in L)	22,712	(223,036)
Diesel (in L)	144.40	(151,633)
Electricity (in kWh)	68,201	(140,703)

Impacts and Risks
The adoption of renewable energy sources saw significant growth in 2024, driven by continuous investments in solar power. One of the first real estate and funeral services businesses to use solar power is the property in Las Pinas, which has a 150 kWp system. Buskowitz Energy installed 365 Wp Canadian Polycrystalline solar panels on the building because of the roof area and sun exposure. The setup was finished in March of 2021. This setup is designed to generate an average of 202,800 kWh annually. The property generates enough energy annually to power 355,801 miles of driving and 18,286,554 smartphone charges. In addition, the installation is comparable to establishing 187 acres of trees and preventing the creation of CO_2 emissions from 157,994 pounds of coal burnt. Both Golden Haven and Bria Homes continued to maximize renewable sources for the Companies' electricity consumption. Accordingly, the year saw an increase of renewable energy consumption by 24% or 1,181 GJ. Additionally, Golden Haven has transitioned to solar energy for the streetlights in their parks and other areas of its operations. Bria Homes' energy use is mostly due to the gasoline and diesel consumption of business-

[3] This is generated by the installed solar street lights in parks.

[4] Restated due to Golden Haven renewable sources, 2022 data was presented in kWh and converted to GJ.

[5] Energy reduction is the difference between the previous and current energy consumption. Negative values mean an increase as compared with the previous consumption.

owned cars used to transfer papers and corporate assets between locations.

Bria Homes is emphasizing its investment in solar street lighting in most of its projects, keeping with the Group's energy-efficiency focus. The embedded LED, solar panel, lithium-ion batteries, power management system, and night and motion sensors of the contemporary solar streetlight enable it to function.

Both organizations are aware of the growing concerns over environmental issues, especially the source of electricity. Employee collaboration in implementing more energy-efficient daily activities may be hampered by a lack of employee understanding of the value of energy conservation. In addition, ignorance of the actual performance of its usage of renewable energy may lead to complacency and a failure to recognize the need for improvements and modifications.

Management Approach to Impacts and Risks

In the Group's main commercial operations, vehicles, burial equipment, and other electrically driven equipment and appliances play a significant role. As a result, Golden Haven and Bria Homes actively promote energy conservation among their staff members. A policy that helps raise awareness of the importance of conservation has been added to this. The following are a few of the different energy-saving techniques used:

- Switching off nonessential lights, appliances, equipment, etc.
- Regular odometer monitoring
- Trip ticketing system in which schedules are carefully planned to maximize the routes of vehicles and tasks accordingly. Department heads and the Accounting Department will assess the importance of the trip/destination to see if the travel may be merged with other agendas/tasks along the trip.
- Assigning an officer of the month who is responsible for monitoring workstations and equipment and reporting employees who have not complied by notifying the concerned department or personnel the next day
- Monitoring of all equipment to ensure normal working condition
- Immediate repairing of damaged tanks to avoid leakage
- Installing solar-powered streetlights in parks and residential developments
- Shifting to LED bulbs and solar lights in offices

The issuance and approval of fuel use are under the authority of Bria Homes' accounting team. The issuance of gas purchase orders for automobiles is determined by the itinerary's kilometer reading. Consumption of equipment is calculated using a budgeted cost that is suggested by the site engineers and accepted by the Company's controller. The Company monitors consumption based on output produced regularly to maintain energy efficiency in its operations.

To ensure consistent monitoring of energy consumption, Golden Haven is opting to shift to using company-owned on-site offices instead of leasing properties for its operations.

Opportunities

Golden Haven and Bria Homes are increasingly switching to renewable energy sources and energy-efficient alternatives. Parks now have solar lighting to cut down on the consumption of power.

Management Approach to Opportunities

Golden Haven has set clear objectives to reduce its carbon footprint and energy consumption. The company's primary goal is to use 30% less fuel energy than the national average. To achieve this, Golden Haven is undertaking several initiatives:

- Replacing energy-intensive light bulbs with energy-efficient alternatives
- Implementing solar-powered devices, such as lamp posts
- Studying advanced technologies like the Grid-tied Solar Power System to minimize energy use in office buildings, chapel operations, light posts, memorial parks, and other facilities

Similarly, Bria Homes aims to reduce overall energy consumption by 10% to 20%. To accomplish this, the company is:

- Upgrading streetlights in its neighborhoods by replacing traditional fluorescent bulbs with solar-powered lights
- Providing a monitoring system to track the percentage of renewable energy used

Water

Disclosure	2024	2023	2022
Golden Haven			
Water withdrawal (m^3)	35,872	68,663	62,084
Water consumption (m^3)	18,631	68,663	61,124
Water recycled and reused (m^3)	120	7,065	6,388
Total volume of water discharges (m^3)	17,284	25,195	22,780
Bria Homes[6]			
Water withdrawal (m^3)	268,384	352,752	289,848
Water consumption (m^3)	193,237	199,802	176,895
Water recycled and reused (m^3)	0	0	0
Total volume of water discharges (m^3)	75,148	98,670	85,362
Percent of wastewater recycled	0	0	0

Impacts

Water is mostly used by Golden Haven and Bria Homes for operational and residential activities, including gardening, landscaping, kitchen usage, cleaning, and hygiene, as well as for building or project maintenance.

Due to the efforts and dedication of Golden Haven to water conservation and recycling measures, with an aim of recycling at least 20% of the water utilized, water withdrawal and consumption have dramatically decreased. Also, Golden Haven is repiping the waterline to repair the leak in some areas, especially in Las Piñas.

Management Approach to Impacts

Gardens, trees, and other vegetation abound throughout Golden Haven's parks and workplaces. Water is therefore crucial for preserving the Park's grass areas and landscaping. As a result, the Company carefully adheres to a water conservation strategy at all organizational levels. The use of water is recommended to be mindfully limited by employees. Signs are placed in the bathrooms and pantry areas to constantly remind them to save water.

Bria Homes values the availability of water as it increases the move-in confidence of buyers. In the offices, Bria Homes enforces a water consumption reduction policy that directs all employees to keep their water use to a minimum and brings awareness to the significance of water conservation as well.

Both Companies comply with the regulations set under the DENR Administrative Order

[6] The data covers the volume of water withdrawn and consumed by Bria San Pablo, Bria Trece, Bria Sta. Maria, Bria Magalang, Bria Binangonan, and Bria Norzagaray.

(DAO) No. 39 series of 2003 and its implementing rules and regulations and other regulations under the Clean Water Act. Said regulations are also communicated among all employees and are the sole bases for monitoring effluents.

Risks

Water is an integral component of the Company's operations, therefore making it difficult to control the Company's water consumption and design water conservation measures. Moreover, the occasional water crisis in the country also affects the Company's operations from time to time.

For water monitoring, lack of proper regulations and control measures may lead to water pollution and intoxication, which can possibly infiltrate the soil and subsurface, eventually imposing several health dangers to the surrounding communities of the Company's operations.

Management Approach to Risks

Villar Land is actively contributing by using numerous water-saving techniques in its daily operations.

Both Bria Homes and Golden Haven acknowledge the value of tracking water usage, so they keep track of their water saving efforts through the bills they get.

Golden Haven is dedicated to practicing responsible water use and recycling, with a target of recycling at least 20% of the water consumed. Rainwater is being collected during the rainy season, which is then utilized for a variety of non-potable needs including cleaning, irrigation, and other uses. This lessens the need for freshwater and guarantees that water resources are used sustainably. The business has also supported water conservation. The Company encourages sustainable water use, lower water expenses, and preserve the cemetery grounds' long-term health and attractiveness by establishing these goals and targets for water management.

Employees are instructed to use caution when handling materials, especially hazardous wastes that, if handled improperly, may result in contamination. It is also strictly forbidden to dispose of such in an incorrect manner.

The DENR standards are continuously followed for monitoring water discharge conditions. Sanitary system design and execution, as well as the usage of Sewage Treatment Plants (STPs) and septic tanks with the appropriate waterproofing, are also in place.

Opportunities

To reduce the demand for large volumes of groundwater and water sourced from outside sources, Golden Haven sees an opportunity to collect rainwater during the rainy season. Additionally, being taken into consideration for adoption in current and upcoming developments are the following water-efficient practices:

- Rainwater collection and distribution system
- Scheduled watering to reduce the rapid evaporation of water
- Use of water-saving containers for plants to require infrequent watering
- Recycling water used for domestic purposes

In addition, Golden Haven intends to raise the standards set by DENR for the Company's wastewater quality. As a result, the Company is exploring the feasibility of using processed wastewater from sewage treatment facilities to water plants. This strategy attempts to lessen the quantity of sewage dumped into nearby rivers and encourage sustainable water

management techniques in the parks.

By doing STP preventative maintenance on a regular basis, effluents are continuously checked and improved. The Company intends to update the sewage treatment facility this year to utilize the cleaned wastewater to irrigate plants. Through this program, it will encourage the sustainable use of water resources and lessen the quantity of wastewater emitted.

On the other hand, Bria Homes will keep an eye on daily water usage, especially in areas where consumption is less efficient than supply, and adjust as necessary. Additionally, waterlines will be routinely examined and fixed immediately to prevent leaks. Bria Homes consistently collaborates with seasoned and established water suppliers, such as PrimeWater and Manila Water, to handle water systems more effectively and efficiently for buildings and projects that are ready for turnover.

Management Approach to Opportunities

Golden Haven follows the: (1) Implementing Rules and Regulations of DENR Administrative Order (DAO) No. 16, Series of 2002 entitled "The DENR-EMB National Environmental User's Fee of 2002"; (2) DAO No. 2003-39[7] for monitoring the quality of effluents from the Sewage Treatment Plants (STP); and (3) requirement for Pollution Control Officers (PCO) to participate in DENR's seminar on water quality monitoring.

The Company follows established waste management procedures, which includes having authorized DENR carriers move hazardous material. This lessens the negative effects of operations on the environment and guarantees that hazardous waste is handled and disposed of safely and responsibly. Golden Haven plans and executes a sanitary system, effective waterproofing of the septic tanks, and handling of hazardous wastes through the DENR-accredited transporter to prevent soil and subsurface contamination from leaks.

In addition to its policy on reducing water use, Bria Homes frequently counsels its staff to avoid using water in unnecessary ways to reduce the amount of pure water that is wasted.

Other regulations that Bria Homes enforces include:

- Early morning watering of plants helps prevent excessive water loss due to evaporation.
- Using drums to store water on building sites allows for accurate monitoring and control of usage.

Materials used by the organization

Disclosure		2024	2023	2022
Golden Haven				
Renewable materials used	Grass (in kg)	8,808 (sq.m)	4,418 (sq.m)	182,250
	Plywood (in board feet)	6,095[8]	462	1,448
	Coco Lumber (in board feet)		1,282	1,183
	Phenolic Boards (in board feet)		849	1,266

[7] The water discharge standard involves the monthly testing of STP effluent and monitoring of its results with the following DENR parameters: pH, BOD, COD, TSS, Color, Oil & Grease, and T. Coliform.

[8] Plywood, coco lumber, and phenolic boards have been consolidated into a single category labeled as 'wood' in 2024.

Disclosure		2024	2023	2022
Golden Haven				
Non-renewable materials used	Concrete (in cubic meter)	-	- [9]	2,595
	Paint (in L)	-	5,917	6,404
	Cement (in bags)	8,016	9,653	12,296
	Sand (in m^3)	1,256[10]	2,098	841
	Gravel (in m^3)		1923	10,480
	Marble (in kg)	1,160 (m^3)	72,900	72,900
	Rebars (in kg)	52,762	42,203	102,010
	Granite (in m^3)	792	1,893[11]	-
	Nails (in kg)	-	208[11]	-
	2" GI Pipe (in pcs)	-	132[11]	-
	Welding Rods (in kg)	-	924	579
Percentage of reclaimed products and their packaging materials	Concrete Vault	0%	0%	0%
	Marble Maker	48%	10%	30%
Bria Homes				
Renewable materials used	Lumber/Woods[12] (in linear meter)	209	3[13]	3,676
Non-renewable materials used	Cement (in bags)	162,498	104,012[14]	41,477
	Metals (in pieces)	790,000	354,636[14]	15,814
	Aggregate (in m^3)	7,916	6,678	3,905
Percentage of reclaimed products and their packaging materials		N/A	N/A	N/A

Impacts
Based on specifications, plans, and bills of quantities, direct measurement is used to track material usage. The amounts used in estimations are based on the actual costs of

[9] Concrete was segregated to cement, sand and gravel for 2023

[10] Sand and gravel have been consolidated into a single category labeled as 'aggregates' in 2024.

[11] New materials added for Golden Haven for 2023

[12] This material can be also referred to as Rough Lumber or Coco Lumber.

[13] Lumber/wood decreased since there was still stock from 2022.

[14] The increased use of cement and metals can be attributed to more houses being built for 2023 compared to 2022.

completed projects.

Bria Homes assures that no material will go to waste by working with third-party purchasers and the local government bodies in the areas where it conducts business. This is in addition to using renewable resources in its building activities. Direct counting is used to keep track of material usage.

Management Approach to Impacts

By using the correct methods from acquisition to disposal, Golden Haven makes sure that effective management of purchased materials is implemented throughout their life cycle. Most of the Company's supply of grass comes from an internal nursery, although it also buys grass from vendors. The cost of buying plants from private sellers was decreased by ordering seedlings from the DENR offices.

The Company favors the use of reusable materials over those that must be thrown away and picks superior, innovative materials that are more durable. This aids in lowering the need for replacements and repairs, which saves money and promotes a more sustainable method of resource management.

Bria Homes sells all scrap materials from every project site to third-party consumers to optimize the use of its purchased resources and to maintain material efficiency.

The Company's endeavors to increase the material efficiency of its construction involve ongoing research before implementation into the plans (e.g., bar cutting list, etc.). To keep track of the pricing and verify the materials used on the homes, this also entails evaluating the Bill of Materials on a quarterly basis.

Risks

When opposed to utilizing traditional resources, employing renewable materials might come with concerns such as greater costs, less availability, and perhaps inferior quality or performance. Additionally, assuring supply dependability and consistency may cause difficulties. However, with proper planning, sourcing, and quality control procedures, these risks can be reduced.

Utilizing non-renewable materials carries the danger of contributing to environmental deterioration and the loss of natural resources. Since they cannot naturally replace themselves, non-renewable materials also tend to be less sustainable over time. Non-renewable materials can also frequently be more expensive to obtain and dispose of, and they may have detrimental social and environmental effects over the course of their lifetimes.

Management Approach to Risks

To reduce direct disposal to landfills, Golden Haven assesses reusability of materials and promptly disposes of unrecyclable units. Designated employees are given the appropriate safety gear and are trained in the proper disposal process. As added reassurance, the Company buys high-quality components from licensed hardware vendors.

Bria Homes has protocols in place to ensure its suppliers meet expectations. Every quarter, the Company checks the bill of materials (BOM) to keep track of each component's pricing and confirms the supplies utilized. By using the necessary methods from acquisition to disposal, the Company ensures that effective supervision of purchased materials is applied throughout their life cycle. Bria Homes assures that no material goes to waste by selling all scrap materials from every project site to outside customers in addition to using renewable resources in its building activities.

Before starting a new phase of a project, Bria Homes makes sure that enough stock has

been ordered to minimize inventory gaps of vital goods and delays in its completion or timetable setbacks. In the unlikely event that the selected supplies are not accessible, the Company carefully finds and records alternatives that can be employed.

Most of the resources purchased for use in building homes are non-renewable.

Lumber scraps were either transported to other warehouses or sold to affiliate businesses within the Villar Group like Camella.

Opportunities
By purchasing and employing materials that are strong and can be utilized for longer periods, Golden Haven sees an opportunity to lower procurement costs and reduce the Company's waste. Opting to use reusable materials over disposable ones is one of the Company's endeavors to increase material efficiency using superior-quality and innovative components for greater longevity and fewer replacements and repairs. On the other hand, Bria Homes intends to switch to renewable resources for most of the materials used in the building's construction.
Management Approach to Opportunities
Golden Haven consistently stresses the value of being resource-efficient; therefore, it has been standard procedure at all its sites to recycle or repurpose items like vaults, markers, and other burial supplies whenever feasible. By using this technique, the Company produces less trash. Furthermore, Golden Haven is researching the possibilities of emphasizing the use of renewable and/or sustainable materials/products as well as how to reinvent its processes so that high-quality and reasonably priced goods are combined. With an emphasis on reducing trash sent to landfills, the Company strives to optimize the reusability of materials and assure proper disposal of any unusable goods. The Company adopts a proactive approach to waste management to mitigate landfills, which may have a negative impact on the environment. When it comes to Bria Homes, the company will keep track of the renewable resources it utilizes to build its homes. This information will serve as the foundation for future advancements in material efficiency. While keeping in mind the caliber of the Company's initiatives, renewable options are also being taken into consideration to substitute non-renewable materials.

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

Since their inception, neither Bria Homes nor Golden Haven have operated any facilities or undertaken projects within or near regions of high biodiversity. Consequently, both Companies have identified no significant impacts or risks related to this matter.

Golden Haven adheres to a set of guidelines when developing memorial parks and residential homes. Before undertaking an expansion of adjacent, existing, and undeveloped properties, it evaluates site suitability based on property pricing, accessibility, availability of water and power, and other infrastructure elements. Additionally, Golden Haven conducts market evaluations considering factors such as potential market size, household income, and local competition.

For residential developments, Bria Homes determines the appropriateness of the site through comprehensive market research, engineering assessments, and environmental studies. Specifically, the evaluation includes:

- Topography suitable for housing construction
- Economic conditions of the surrounding area
- Proximity to areas with sufficient and forecasted demand
- Accessibility from nearby roads and major thoroughfares
- Availability of utility infrastructure such as water, telecommunications, and power
- Overall competitive landscape, surroundings, and amenities

Golden Haven and Bria Homes aim to integrate environmental awareness into their decision-making processes, routine operations, and activities. They plan to organize various environmental initiatives and engage in environmental advocacy. A management strategy is also being considered to address potential future impacts on biodiversity that either company may encounter.

Environmental Impact Management

Air Emissions

GHG (in tonnes CO_2e)

Disclosure	2024	2023	2022
Golden Haven			
Direct (Scope 1) GHG Emissions	285	206	216
Energy indirect (Scope 2) GHG Emissions	515	341	258
Emission of ozone-depleting substances (ODS)	N/A	N/A	N/A
Bria Homes			
Direct (Scope 1) GHG Emissions	1,328	1,635	568
Energy indirect (Scope 2) GHG Emissions	603	638	538
Emission of ozone-depleting substances (ODS)	N/A	N/A	N/A

Air Pollutants

There is no mechanism in place to track the air pollutants that Golden Haven and Bria Homes' operations produce.

Impacts, Risk, and Opportunities
The air quality of projects and the neighborhoods around them, according to Golden Haven and Bria Homes, is impacted by pollutants. The businesses kept up their energy conservation strategy, which included several activities meant to improve operational energy efficiency. One of them is the need for careful monitoring of air conditioning unit (ACU) consumption. To reduce the need for replacement refrigerants, the majority of which have no potential to deplete the ozone layer, the ACUs must be kept in good working order. The adoption of solar streetlights, which require less energy from utility Companies, is an additional mitigating measure on reducing energy consumption and carbon emissions. Refer to the section on energy use inside the organization for further information on the Group's other energy-conscious measures.
Management Approach to Impacts, Risk, and Opportunities
Villar Land is always making investments in solar energy for its parks and housing projects. By carefully enforcing the following, Golden Haven and Bria Homes are actively contributing to the effort to reduce the quantity of air pollutants released. ● Thorough evaluation of refrigerant specifications before purchasing

- Phasing out any disinfectant spray that emits air pollutants
- Monitoring of dust emission and careful dust dispersion control within project sites
- Regular vehicle check-ups and maintenance

The number of trees chopped down for the development of the undeveloped site where its amenities will be built has significantly decreased at Golden Haven. To highlight the beauty of their surroundings, trees and lush softscape are planted along every roadway. Additionally, the Company has chosen solar street lighting to cut Scope 2 emissions.

Meanwhile, Bria Homes makes sure that green areas, accessible to its residents for leisure and relaxation, are always incorporated into the construction of its homes.

Solid and Hazardous Wastes

Solid Waste

Disclosure	2024	2023	2022
Golden Haven			
Reusable (in kg)	9,711	855	171,151
Recyclable (in kg)	37,174	6,906	-
Composted (in kg)	109,875	111,175	75,673
Residuals/Landfilled (in kg)	35,055[15]	105,158	181,879
Onsite storage[16] (in kg)	2,062	404	1,182
Bria Homes[17]			
Recycled and Composted (in tonnes)	5	5	5
Landfilled (in tonnes)	622	592	505

Hazardous Waste

Disclosure	2024	2023	2022
Golden Haven			
Total weight of hazardous waste generated	163	1,109	792
Bulbs (in kgs)	122	791	329
Batteries (in kgs)	-	318	464
Waste from Electrical and Electronics (WEEE)	45	-	-
Total weight of hazardous waste transported	0	0	0
Bria Homes			
Total weight of hazardous waste generated	Data not monitored	Data not monitored	Data not available
Total weight of hazardous waste transported			

Impacts and Management Approach
Since Golden Haven's projects are green developments, there will be a large generation of garden waste, but it can be composted and used as fertilizer. For Bria Homes, it has accumulated 627 tonnes of domestic waste during the same year. By revising the solid waste management plan often and adhering to tight implementation guidelines, Villar Land complies with the Environmental Management Bureau's request to

[15] Golden Haven effectively categorizes its waste and actively promotes waste reduction.

[16] This includes damaged tools.

[17] The data covers wastes generated by Bria Trece, Bria Calamba, Bria San Pablo, and Bria Sta. Maria. Domestic wastes usually include kitchen waste or dry wastes.

follow adequate waste segregation. Additionally, Bria Homes and Golden Haven make sure that the proper precautions are taken when using and removing hazardous materials. The R.A. is followed by these procedures. Act No. 9003 (Ecological Solid Waste Management Act of 2000) and the Philippine Code on Sanitation.

Golden Haven
The Company meticulously tracks weekly haul-out statistics and weights of hazardous materials, ensuring proper packaging and monitoring by DENR-authorized transporters.

Biodegradables are managed through composting methods, including vermicomposting. At the same time, digitalization has minimized the need for paper in operations. Meanwhile, non-biodegradables are segregated to reduce residual waste and enhance recycling efforts.

Bria Homes
All project sites implement a "Reduce, Reuse, Recycle" approach, with proper waste segregation overseen by the Homeowners' Association and Property Management (HOA). Bria Homes encourages staff to utilize and manage materials efficiently to maintain their effectiveness and optimize usability.

Risks and Opportunities

Villar Land does not perceive significant risks associated with this matter; however, the Company is gradually transitioning to paperless operations by digitizing nearly all its transactions. Additionally, the Company is also exploring opportunities to:

(1) reuse products and materials that are still in good condition to save on cost and decrease the amount for generated wastes;
(2) raise awareness on the importance of proper waste disposal throughout the organization's supply chain; and
(3) intensity safety measures in using products with hazardous content.

Management Approach to Risks and Opportunities

Memorial caskets that are used but still in good condition are donated by Golden Haven to the surrounding barangays. Additionally, stock capacity is regularly inspected..

Employees take precise measurements and only use the maximum permitted dosage of formaldehyde for the mortuary to reduce the production of hazardous waste. To ensure proper disposal of hazardous waste, such as formaldehyde, the Company maintains a designated septic tank. A certified siphoning service is regularly scheduled to remove accumulated hazardous waste, ensuring it is properly monitored and managed.

Bria Homes ensures that used goods and materials that are still in good condition are not discarded. For example, regardless of size or shape, containers are utilized to store other building supplies or trash cans. This approach not only promotes sustainability but also generates additional revenue for the Company through the sale of recyclable materials, such as discarded tires.

At Bria Homes, property managers oversee on-site waste management. Purchasers and homeowners in subdivisions separate their garbage into hazardous and non-hazardous categories. To support recycling and composting efforts, Materials Recovery Facilities (MRFs) are being established in various locations, including one at Bria Sta. Maria.

Effluents

Disclosures for this topic are merged with the Water section.

Environmental Compliance

Non-compliance with Environmental Laws and Regulations

Disclosure	2024	2023	2022
Golden Haven			
Total amount of monetary fines for non-compliance with environmental laws and/or regulations (in Php)	0	0	0
No. of non-monetary sanctions for non-compliance with environmental laws and/or regulations	0	0	0
No. of cases resolved through dispute resolution mechanism	0	0	0
Bria Homes			
Total amount of monetary fines for non-compliance with environmental laws and/or regulations (in Php)	0	0	0
No. of non-monetary sanctions for non-compliance with environmental laws and/or regulations	0	0	0
No. of cases resolved through dispute resolution mechanism	0	0	0

Impacts, Risks, Opportunities and Management Approach
For the sake of creating memorial parks and housing projects, Villar Land's operations must adhere to several environmental rules. Golden Haven and Bria Homes have not broken any environmental laws or regulations since they began doing business. To mitigate potential infractions, Villar Land keeps itself updated on any regulatory developments and maintains a keen understanding of the intents and purposes of established regulations to avoid violations. Non-compliance may result in significant fines due to regulatory actions. Regulation changes can also lead to increased compliance costs or capital expenditure, potentially affecting profitability and expansion. Golden Haven and Bria Homes ensure to actively observe environmental laws and regulations through its diligent efforts on acquiring Environmental Compliance Certificate (ECC) and other necessary environmental permits and licenses from the Housing and Land Use Regulatory Board (HLURB), the Laguna Lake Development Authority (LLDA), Department of Agrarian Reform (DAR), and Department of Environment and Natural Resources (DENR).

SOCIAL DISCLOSURES

Employee Management

Employee Hiring and Benefits

Employee Data

Disclosure	2024	2023	2022
Golden Haven			
Total number of employees	198	196	181
a. Number of female employees	139	144	135
b. Number of male employees	59	52	46
Attrition rate[18]	1%	10%	-11%
Ratio of lowest paid employee against minimum wage	1:1	1:1	1:1
Bria Homes			
Total number of employees	188	326	547
a. Number of female employees	56	226	373
a. Number of male employees	132	100	174
Attrition rate[18]	-56%	-11%	-19%
Ratio of lowest paid employee against minimum wage	1.1	1:1	1:1

Employee Benefits

List of Benefits[19]	Y/N	% of female employees who availed			% of male employees who availed		
		2024	2023	2022	2024	2023	2022
Golden Haven							
SSS	Y	100%	100%	100%	100%	100%	100%
PhilHealth	Y	100%	100%	100%	100%	100%	100%
Pag-IBIG	Y	100%	100%	100%	100%	100%	100%
Parental leaves	Y	6%	4%	57%	2%	2%	0%
Vacation leaves	Y	100%	100%	100%	100%	100%	100%
Sick leaves	Y	100%	100%	100%	100%	100%	100%
Medical Benefits (aside from PhilHealth)	Y	100%	100%	100%	100%	100%	100%

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

[19] In 2020, Housing assistance, Retirement fund, Company stock options, and Telecommuting were reported to be not provided to employees.

List of Benefits[19]	Y/N	% of female employees who availed			% of male employees who availed		
		2024	2023	2022	2024	2023	2022
Housing assistance (aside from Pag-IBIG)	N	0%	0%	0%	0%	0%	0%
Retirement fund (aside from SSS)	Y	100%	0%	0%	100%	0%	0%
Further education support	N	0%	0%	0%	0%	0%	0%
Company stock options	N	0%	0%	0%	0%	0%	0%
Telecommuting	N	0%	0%	0%	0%	0%	0%
Annual Physical Exam[20]	Y	100%	100%	100%	100%	100%	100%
Bria Homes							
SSS	Y	34%	13%	18%	9%	4%	4%
PhilHealth	Y	7%	4%	2%	5%	0%	4%
Pag-IBIG	Y	13%	9%	5%	11%	2%	2%
Parental leaves	Y	7%	4%	5%	2%	0%	1%
Vacation leaves	Y	100%	62%	100%	100%	24%	100%
Sick leaves	Y	100%	46%	86%	100%	18%	72%
Medical Benefits (aside from PhilHealth)	Y	99%	55%	92%	100%	23%	95%
Housing assistance (aside from Pag-IBIG)[21]	Y	17%	13%	17%	16%	8%	22%
Retirement fund (aside from SSS)[21]	Y	11%	0%	0%	9%	0%	0%
Further education support	N	0%	0%	0%	0%	0%	0%
Company stock options	N	0%	0%	0%	0%	0%	0%
Telecommuting[22]	Y	11%	5%	8%	9%	2%	9%
Annual Physical Exam[22]	Y	100%	100%	100%	100%	100%	100%

[20] Annual Physical Exam were already provided but were not previously disclosed.

[21] Provided only upon approval

[22] Provided to specific departments only such as Audit

Diversity and Equal Opportunity

Disclosure	2024	2023	2022
Golden Haven			
% of females in the workforce	70	73	75
% of males in the workforce	30	27	25
Number of employees from indigenous communities and/or vulnerable sector*	0	0	0
Bria Homes			
% of females in the workforce	70	69	68[23]
% of males in the workforce	30	31	32[23]
Number of employees from indigenous communities and/or vulnerable sector*	0	0	0

Impacts

Golden Haven

The Company is a proud equal opportunity employer. Golden Haven employees are treated the same regardless of race, ethnicity, age, gender, religion, status, sexual orientation, culture, or any other characteristics as protected by the law. The organization accommodates persons with impairments, specifies job-related criteria for hiring new employees, and employs inclusive language in job advertisements.

Golden Haven ensures that its workers are given a competitive pay and benefits package, opportunity for career advancement and a positive work culture. The Company considers its employees as its best assets and the foundation of its excellent reputation in the death care business. Employees are motivated by these advantages to perform more productively and efficiently, which allows the Company to recruit and retain top talent. More workers are drawn to the company to remain and advance there.

Bria Homes

In 2024, although Bria Homes did not have any external new hires, the Company pooled its employees through employee transfer programs from other Villar Companies, like Vista Land, to ensure employees are given growth opportunities within the Group.

To ensure business operations are not nil to minimally interrupted by turnovers, Bria Homes has created a workplace succession plan that is implemented during a vacancy caused by retirement, resignation, or termination of employment. The Company ensures that qualified individuals are identified and trained to assume leadership positions or develop different skill sets as required.

Management Approach to Impacts

Golden Haven

Golden Haven believes that a diverse workforce fosters strong cooperation, a culture of respect, and excellent outcomes. The company values inclusion and diversity in the workplace and closing the gender pay gap is constantly considered. The company does not discriminate based on race, a person's gender, age, sexual orientation, or any other characteristic; instead, it recognizes each employee's abilities, credentials, and contributions.

Golden Haven provides a broad span of benefits beyond those government mandated as it offers competitive compensation, yearly increase based on the employee's performance, bonuses, training, and budgeted activities and parties that motivate the workers to remain

[23] Restated Bria Homes data from 2022 % of male and female in the workforce due to incorrect input

and grow their careers with the Company.

Bria Homes
Like its sister-company, Bria Homes also adheres to a non-discrimination policy and provides all candidates with equal employment opportunities. The Company bases its employment offers on the skills and experiences of applicants as aligned with the needs of the position.

Bria Homes pays its employees a competitive wage and provides a comprehensive package of benefits including medical coverage beyond PhilHealth's usual financial assistance, insurance and even additional vacation time beyond the legal mandate on service incentive leaves and monthly day-offs. Other significant perks, including wage increases and promotions also await employees who perform above expectations based on their annual performance evaluations.

As part of the shadowing process, the Company holds a "newbie orientation" and a one-week conversation between a new employee and the departing employee or the team leader.

The training of new hires is also a joint effort amongst many departments. For instance, the company's IT division gives newly hired accounting department staff members a one-week training on how to utilize the necessary application software.

Risks
Businesses and organizations are experiencing significant changes in retaining and engaging their workforce. Common challenges include the mental health and well-being of employees, public transportation, employee communication, managing remote work, considering alternative work arrangements, and leveraging the new models of a productive work environment.
Management Approach to Risks
The Group's recruiting strategies include maintaining a strong employer brand, leveraging digital technologies for hiring, and focusing on staff welfare. Both Companies offer incentives, medical insurance, allowances, 12 days of vacation leave, 12 days of sick leave, and all necessary protective equipment to ensure a safe and healthy workplace for all. The businesses make sure that personnel are adaptable and that knowledge about a particular department is accessible in case of turnovers or retirement. However, 2024 remained challenging in recruitment and retention due to people's general preference for remote or hybrid work setups, increased competition for high-skilled talent (particularly in IT and accounting sectors), and higher turnover rates due to attractive opportunities from overseas employers.

Opportunities
Opportunities to offer rewards for its workers' outstanding performance and improve the company's succession or turnover process. Opportunity to use a more inclusive recruiting procedure and attract more fresh applications.
Management Approach to Opportunities
Golden Haven and Bria Homes During the hiring process, the Companies welcome applicants regardless of gender, age, and civil status. Qualified candidates receive fair and equitable opportunities.

Golden Haven offers capacity-building opportunities to its peak achievers. In the next few years, Bria Homes also intends to provide more training, particularly for Continuing Professional Development of its staff. Other extra benefits offered are medical insurance for a dependent, mobile plan for communication, corporate car distribution (depending on level/rank), and the like.

Both organizations have processes in place to monitor employee satisfaction at work status to avert potential resignations. As part of the business continuity plan, a trained successor is promptly appointed upon the resignation or departure of a colleague.

Employee Training and Development

Disclosure	2024	2023	2022
Golden Haven			
Total training hours			
a. Female employees	227	127	480.5
b. Male employees	128	122	257.5
Average training hours per employee			
a. Female employees	8.11	7.94	1.11[24]
b. Male employees	8.00	11.05	2.04[24]
Bria Homes			
Total training hours			
a. Female employees	357	856	2,506
b. Male employees	289	496	1,276
Average training hours per employee			
a. Female employees	17.00	5.40	6.72
b. Male employees	17.00	5.60	7.33

Impacts and Management Approach to Impacts

Golden Haven

By offering a variety of training programs that will significantly increase the employees' ability to carry out their individual work tasks, Golden Haven guarantees that its employees maintain and develop their skills and credentials. Since they assist staff in achieving predetermined objectives, this training also benefits the company. Upskilling and reskilling are the key to increasing operational efficiency and achieving set performance and productivity targets.

Below is a list of a few of Golden Haven's employee training programs.

Staff level:

- Image Enhancement
- Business Communication
- Work Attitude
- Values Enhancement

Supervisory level:

- Leadership Enhancement Program
- Problem-Solving and Decision-Making
- Supervisory Development Program

Managerial level:

[24] Restated Golden Haven 2022 data of average training hours of male and female due to incorrect input

- Management Development Program
- Creative Problem-Solving and Decision-Making
- Coaching and Counseling

Bria Homes
Each employee's particular areas for growth are identified by Bria Homes using the yearly assessment process, and training sessions are scheduled according to level as needed. Additionally, the Company completes the training necessary for each job function.

Risks

Some of the inherent risks that Golden Haven must plan for and manage include low staff morale, a rise in the attrition rate, low productivity in the Company's operations, and low employee growth in terms of their personal development.

The Company frequently holds seminars and training courses, even if in-person meetings are limited. Continued restrictions made it slightly difficult to conduct the meetings and workshops, digital medium was used as an alternative.

Bria Homes has recognized two potential dangers in the education and training of its personnel:

1. Ranks will be evident in groupings
2. Employee resignations

Management Approach to Risks

Golden Haven
The Company is committed to the continuous learning and development of its employees by offering training and development programs, including interactive webinars. These sessions cover a diverse array of topics to enhance employees' technical expertise, regulatory knowledge, and workplace skills. Key focus areas include Customer Service Excellence, Accounting Systems and Operational Processes, Tax Compliance and Regulatory Updates, Financial Reporting and Analysis, Corporate Governance Principles, Software and Systems Training, Occupational Health and Safety, as well as Essential Business and Productivity Skills. These are tailored to support employees in marketing, finance, accounting , and human resources, equipping them with the necessary knowledge and competencies to excel in their respective roles.

Bria Homes
Bria Homes designed its training sessions to gather personnel with comparable work responsibilities regardless of rank and on a non-contract basis.

Data Privacy Briefing is provided to Bria Homes and Golden Haven company officers, as well as members of the board of directors (BOD). Other training sessions include Basic Customer Service, CRM Training, Digital Marketing Training Program, and Industry Updates. These programs enhance the skills and knowledge of employees in the Marketing and Admin Department, allowing them to perform their jobs more effectively and efficiently. Additionally, this initiative showcases the Company's commitment to employee growth, motivation, and a stronger sense of loyalty.

Opportunities

Opportunity to reward workers for their great work and to acknowledge their professional development, both of which contributed to the workforce's overall quality. The Company rewards its workers' accomplishments with promotions and pay raises.

Launching a learning management system that will efficiently support the company's training and development objectives is the company's aim in terms of employee training and

development.

Management Approach to Opportunities

Golden Haven and Bria Homes

Golden Haven periodically assesses each employee's performance through its performance assessment system, which is reinforced by training evaluations, to track productivity and efficiency and identify areas that may be improved. This is done both annually and before regularization. All employees, regardless of rank, are assessed during the reporting year.

All target guests at Golden Haven are expected to develop in terms of skills and performance. Employee performance is assessed using a technique called a performance appraisal. Every achievement made by an employee is recognized by Bria Homes, and it serves as a benchmark for future training and improvement checks.

Both Companies provide rewards and recognition for employees, primarily through salary increases, incentives, bonuses, recognition from the top management, additional responsibilities, and career development opportunities.

Workplace Conditions, Labor Standards, and Human Rights

Occupational Health and Safety

Disclosure	2024	2023	2022
Golden Haven			
Safe Man-Hours	1,168,128	1,168,128	1,168,128
No. of work-related injuries	0	0	0
No. of work-related fatalities	0	0	0
No. of work-related ill-health	0	3[25]	38[26]
No. of safety drills	1	1	1
Bria Homes			
Safe Man-Hours	3,883,360	3,847,840	3,847,840
No. of work-related injuries	0	13	11
No. of work-related fatalities	0	0	0
No. of work-related ill-health	0	0	0
No. of safety drills	2	1	1

Impacts

Golden Haven

The Company makes sure that every employee is in excellent health and is trained in the fundamental emergency procedures. The business has a written health and safety policy as well as legal obligations that follow Occupational Health and Safety Standards. The goal of the policy's coverage is to safeguard each employee from the risks of illness, injury, or death by providing safe and healthy working conditions. This policy's coverage is available to all workplaces.

The information is distributed to the staff via email announcements, health bulletins, text messages, and posters of the policies governing the organization and administration of workplace health and safety.

Bria Homes

By developing a health and safety strategy in the workplace, Bria Homes demonstrates

[25] These are recorded cases of employees who were exposed to COVID-19 in 2023 both outside and inside the office

[26] These are recorded cases of employees who were exposed to COVID-19 in 2022 both outside and inside the office.

care for the well-being of its employees.

Management Approach to Impacts

Golden Haven

Annual physical exams are offered to employees and routine immunizations for chapel personnel are also being administered. Every institution has first aid supplies on hand in case of emergencies requiring simple medical care.

According to the Occupational Health and Safety Standards, Golden Haven has a health and safety policy that applies to all workplaces and aims to safeguard workers against illnesses, accidents, and fatalities by providing them with secure and healthy working environments. The terms of this policy are distributed to the employees via email notifications, SMS messages, and routine posting. It serves as the foundation for the Company's preventative actions.

The health and safety committee is formalized by the safety policy. It is its duty to make sure that all workers and employees are working in a safe and healthy atmosphere. Members of the Committee gather every quarter to provide the Management with their support for suggestions.

Bria Homes

Beneficial activities provided to employees are listed below:

- Virtual Seminars
- Annual Physical Examinations (APEs) – all core employees are provided with health care plans.

Risks

Golden Haven

The Occupational Safety and Health (OSH) Committee oversees making sure all health and safety regulations are followed. The committee should convene on a regular basis; however, this did not occur. There is no full decision-making authority granted since any choice must be made in collaboration with/approval of management. Any work-related dangers or occurrences are subject to an accident reporting and investigation procedure.

Ensuring the health and safety of the workforce throughout the epidemic and its aftereffects was a problem. It is required for the Company to be proactive about minimizing the risk of employees' exposure through physical adjustments in the workplace to decrease contact, shifting work schedules to restrict the number of employees physically present in the office, promoting social distancing, and strictly implementing disinfecting hygiene.

Bria Homes

Employees must be safeguarded from the health and safety concerns that operations often provide. These dangers comprise:

a. Accidents and illness cases
b. Non-compliance with local laws and regulations results in a penalty of Php40,000 (DO 198, Section 29 and DO 13, Section 5)
c. Low employee productivity due to work-related accidents or illnesses
d. Lack of knowledge on the proper safety practices in the workplace

Management Approach to Risks

Golden Haven

The Company continues to implement essential health and safety protocols both within and outside the organization. Throughout 2024, measures such as the strict face mask requirement, regular cleaning, and monthly disinfection remained in place.

To identify hazards and evaluate risks, the company uses job hazard analysis (JHA), whose results go through a check-and-balance process to guarantee quality and correctness. The analysis enables early risk detection and guards against occupational diseases and injuries. In the event of possible danger causes, employees are urged to make observation reports verbally, by email, or via online messaging.

The Company performs drills every year in case of emergencies like fires or earthquakes. Workers and employees are instructed to leave the area calmly and relocate to designated safe zones.

The procedures for General Training for disaster preparation include the categories that follow: Employees and workers' duties, Identification of probable hazards or disaster and its preventive measures, Deliberation of the following methods: disaster communication, emergency preparedness and response, emergency evacuation and accountability procedure, including the use of emergency equipment.

Through risk and hazard assessments, the company determines workplace safety dangers and risks. The Company has reacted in this regard. Any identified concern is addressed right away.

Bria Homes
Bria Homes uses JHA to conduct regular workplace inspections to detect potential hazards and risks. It then develops a plan of action, which is implemented by rigorous follow-ups and continual deliberation in toolbox meetings with all workers and subcontractors involved. Employees are informed of the Company's health and safety rules, procedures, and updates through the following activities:

a. Regular emails on health and safety bulletins and information
b. Environment and Human Health, Safety, and Security (EHSS) group chat
c. Monthly toolbox meetings and site inspections
d. Annual EHSS orientation/refresher
e. Organization of health and safety trainings:
    - Construction Occupational Safety and Health (COSH)
    - First Aid (FA) training
    - Pollution Control Officer (PCO) training
f. Disaster preparedness trainings that involve the (1) employees' responsibilities, (2) identification of possible threats or disasters and preventive actions, and (3) discussion of disaster communication, emergency preparedness and response, emergency evacuation, accountability procedure, and the use of emergency equipment

Opportunities
Golden Haven and Bria Homes Through personnel training and information circulation, the Company ensures that any health and safety cases are handled effectively. It has processes in place during an accident or disaster to guarantee the safety of its personnel and prevent casualties. Health Bulletin and APE are two of the initiatives offered by the company to ensure the health and wellness of its employees. The Company provides OSH Training and First Aid Training for employee health and safety.
Management Approach to Opportunities
Golden Haven Golden Haven will continue to proactively adhere to the regulations of the Department of Health (DOH). As a death care provider, the Company is always seeking permissions,

registrations, and reports to DOH to ensure a healthy and safe workplace for employees and other stakeholders.

As a non-occupational medical and healthcare service, the Company provides medical services, such as paid health-related leaves for regular employees.

Bria Homes
The following is the Company's Accident Reporting and Investigation Procedure:

a. Verbally advise the Project Safety Officer, Project in Charge, and/or Project Manager after the occurrence of an accident.
b. All injuries should be recorded in a register.
c. First aid treatment shall be administered by a trained First Aider for minor injuries.
d. In the case of serious injuries, the patient or victim must be sent to the nearest hospital for prompt medical assistance. In the event of an accident or harmful occurrence in the work zones, a total work stoppage may be enforced. A written incident report must be provided within 24 hours following the accident.

Employees and workers receive general disaster preparedness training in which their roles, understanding of potential hazards and disasters, and protective actions are demonstrated. They are also knowledgeable in disaster communication, emergency readiness and response, emergency evacuation, and accountability processes, which include the usage of emergency equipment.

a. The protocols for disasters are as follows:
b. Remain calm and activate the disaster response team in the workplace.
c. Follow the disaster preparedness and response plan
d. Follow posted emergency evacuation procedures according to each disaster:
    - Typhoon
    - Flood
    - Fire
    - Tsunami
    - Volcanic eruption
    - Earthquake

Labor Laws and Human Rights

Disclosure	Golden Haven			Bria Homes		
	2024	2023	2022	2024	2023	2022
No. of legal actions or employee grievances involving forced or child labor	0	0	0	0	0	0

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

Topic	Y/N					
	Golden Haven			Bria Homes		
	2024	2023	2022	2024	2023	2022
Forced labor	N	N	N	N	N	N
Child labor	N	N	N	N	N	N
Human Rights	N	N	N	N	N	N

Labor-Management Relations

Disclosure	Golden Haven			Bria Homes		
	2024	2023	2022	2024	2023	2022
% of employees covered with Collective Bargaining Agreements	0	0	0	0	0	0
Number of consultations conducted with employees concerning employee-related policies	0	0	0	0	0	0

Impacts

The Company does not tolerate, participate in, nor encourage any form of human trafficking, forced labor, or child labor. Furthermore, the Company acknowledges and respects everyone's rights and dignity, and it pledges to respect human rights in the conduct of its business and to comply with applicable local laws as well as international human rights standards and norms.

Villar Land protects its employees' well-being and ensures that all their needs are met, as evidenced by the zero cases of legal actions and employee grievances filed in 2024. Furthermore, throughout the reporting period, no incidents of discrimination, harassment, abuse, or breaches of human rights and socioeconomic laws were documented.

Management Approach to Impacts

Golden Haven and Bria Homes carefully select staff members through comprehensive examinations and interviews designed to assess not only candidates' skills and qualifications but also their character.

Both Companies uphold an unwritten policy that emphasizes the protection and enforcement of employees' rights. This includes prohibitions against forced and child labor, as well as workplace harassment, bullying, and discrimination. For 2024, the Companies report no violations of socioeconomic rules and regulations as the Human Resource (HR) department actively engaged all teams to ensure compliance with employee-related policies and laws.

As best practice, newly hired staff were thoroughly briefed on the Company's Values and Policies. Accordingly, regular performance reviews show how employees share these values and are aligned with the company's ideals.

Meanwhile, any grievances or complaints are addressed with due process that is fair for all concerned. Golden Haven employees can communicate their concerns through the following ways:

a. An annual values session where employee concerns and grievances are gathered and forwarded to the management for direct action.
b. A suggestion box system where employees can write their concerns and suggestions anonymously.
c. An open-door policy that mandates the Management to be open to all issues and grievances that their employees may have; and
d. Annual evaluations also serve as a way for employees to freely express their concerns.

During the open session, the Company uses a 360-degree feedback system, in which information from all job levels is considered when making work-related choices. The HR

department maintains open contact with all workers while keeping all information and concerns secret.

Golden Haven and Bria Homes has an open-door strategy channel handled by key staff allocated by the Human Resources department to record and respond to such sensitive matters and offer guidance and support throughout the grievance process.

In the event of operational changes impacting specific functions/departments, the Company gives the function one or two weeks' notice to allow for preparation for the changes to be implemented.

Risks

Golden Haven and Bria Homes
During the reporting period, no major hazards were identified.

The Company fully recognizes that non-compliance with labor laws could lead to the Company encountering a labor lawsuit or a violation case with the relevant regulatory agency.

At the same time, the Company is aware that Confidentiality is an important concern in any labor-related issue. Workers may be reluctant to share their difficulties or suggestions due to fear of having their names disclosed. In addition, qualms about proper procedures being followed create barriers that can be challenging for a grievance process.

Management Approach to Risks

Golden Haven and Bria Homes
Villar Land ensures that there is an open communication channel - either HR or members of Management - through which workers may openly communicate their concerns. It is then sent to the Management Committee for action or inquiry, while the employee who made the disclosure's name is kept private. If necessary, legal consulting is included in the process, offering suitable guidance to settle the situation.

Villar Land ensures that all steps taken to solve violations are handled in accordance with the law. Dealing with these concerns entails legal counsel.

The Company values its workers' participation in the achievement of its aims and objectives. It arranges events that highlight the organization's milestones and achievements while also acknowledging the contributions of each employee to these triumphs. Golden Haven guarantees that its employees are motivated, involved, heard, and inspired, so that their involvement in reaching the goal of the Company is inherent to them.

Encouraging an open communication culture, employees can openly communicate work-related problems to HR, their direct supervisors, or any officer-level employee in the company with whom they feel more comfortable sharing their concern.

Opportunities

Golden Haven and Bria Homes
Opportunity for the Group to arrange training/s on human rights rules and regulations, as well as employee compliance with those policies in their various work duties.

Opportunity to recognize its workers' contributions to the achievement of the Company's goals, as well as the value of integrating those goals into their personal and professional growth. A policy protects employees against reprisal.

Opportunity to enhance not only the part of the employee's manager but also the entire

business. Opportunity to educate its employees on their rights and the Company's duties as an employer.

Management Approach to Opportunities

Golden Haven and Bria Homes

Villar Land considers incorporating human rights training in its schedule of upcoming staff training in the future. The yearly performance appraisal assesses employees' adherence to the Company's corporate principles. Every quarter, the Company assesses the risk of human capital.

The Group assesses employee issues on a regular basis, evaluates areas for improvement, and implements development strategies. In addition, the Company gives leadership training to its team leaders and managers to guarantee that they have the necessary abilities and character to manage their employees.

Employees are continuously reminded of their rights and perks as employees of the company.

Supply Chain Management

Do you consider the following sustainability topics when accrediting suppliers?

Topic	Y/N	If yes, cite reference in the Company policy
Environmental performance	Golden Haven and Bria Homes have no formal supplier accreditation policy. Nevertheless, both companies consider the following topics through regular practice included in the Company Accreditation process.	
Forced labor		
Child labor		
Human Rights		
Bribery and corruption		

Impacts

Golden Haven and Bria Homes

The Company would like to build lasting connections with its vendors. To that end, it is critical that the Company's partners share the same vision of providing homes for all Filipinos. The Company selects suppliers based on their capacity to provide items that satisfy the quality requirements, to give fair and reasonable rates, to assure prompt delivery, and to provide good service and support.

Villar Land prioritizes both local and international suppliers equally; however, with a preference to those who can meet the Company's expectations and delivery timelines. As such, the Company regularly evaluates supplier performance to ensure mutual success and satisfaction. Likewise, the Company applies corrective actions, including not allowing or banning suppliers in business transactions that can disrupt the Company's supply chain and operations.

Apart from the assessment objective, Bria Homes may demonstrate the significance of monitoring one's environmental and social consequences of its suppliers through the Company accreditation procedure. There were no non-compliant vendors reported in 2024. As a protocol, key personnel on-site report non-compliant situations to the Company. When a formal report is submitted, management takes quick action to remedy the situation.

In the spirit of teamwork, the organization keeps the lines of communication open to enable suppliers to voice their concerns. Suppliers can contact the Procurement Team via email, corporate mobile numbers, or the Vendor Portal or Vendor Hub, which was introduced on August 13, 2021. Vista Land and Bria Housing Group pioneered this development. By

converting the supply chain process to a digital platform, this has enhanced the submission, tracking, and updating of all vendor transactions.

There are no unionized workers in Golden Haven. To enhance employee engagement in work-related decision-making, the Company proactively communicates with employees about developments and ensures their views and suggestions are acknowledged.

Employees are encouraged to openly share their concerns with HR, direct supervisors, or any officer-level personnel, fostering a culture of open communication. In addition, the organization holds regular values meetings, one per department or division, where corporate values are reinforced while also providing employees with an opportunity to voice their concerns.

Management Approach to Impacts

Golden Haven

Golden Haven carefully evaluates possible supplier's warehouse/store locations. Choosing close suppliers not only reduces its carbon footprint but also allows the company to assess any regional issues that could significantly impact the surrounding natural environment.

The Company carefully selects its suppliers by researching and analyzing their industry background. Suppliers must have a good reputation, as this can also influence the Company's own standing. Additionally, the company ensures that vendors comply with all relevant rules and regulations.

The Company employs a well-balanced and carefully enforced control over product procurement which became part of the regular operating practice to ensure that the goods acquired regularly are of high quality. The Company maintains appropriate contact with direct suppliers so that neither party is inconvenienced.

Bria Homes

The accreditation process helps the Company guarantee the supplier’s ability to meet its specifications and quality standards. Bria Homes maintains the assessment of a supplier’s production capacity, compliance with standards and regulations, and legitimacy of operations, to name a few, to abide by its principle that cost is not just a question of numbers, but a question of value.

The Company builds up a shortlist of possible suppliers through a combination of sources like Recommendations, Directories, Trade Associations, and Exhibitions. Some of the Company's key factors for choosing suppliers are Price (value for money), Reliability, Stability (Financial Security), and Location. In addition, what the Company is looking for in a supplier are Quality, Strong Relationship or a Partnership approach, and Strong Service and Clear Communication.

After having a manageable shortlist, the Company gets formal quotations and product samples then compares the potential suppliers in terms of what matters most like product quality and prices. The ideal suppliers provide the most suitable goods or services at the most suitable prices and within the required time frames to meet the Company's specific needs. To assess their environmental impact, the Company conducts plant visits and interviews. However, no formal practices have been implemented yet to assess social impact.

Risks

Golden Haven

The following are the risks that the Company considers:

a. Extreme weather events - Strong typhoons may affect the supply chain due to cancellation of deliveries and/or unavailability of some products and services

b. Catastrophes - Unexpected disasters may cause delays in the supply process. This may lead to delays to provide the products and services that the clients need
c. Supplier Consistency - Suppliers should be able to keep up with the Company's needs and demands. They should be competitive and must maintain consistency when it comes to providing orders to avoid delays in the daily operations process.

The Company does not see any risks yet for now, since all the local suppliers can meet the requirements completely.

Bria Homes
The Company constructs buildings using goods such as steel, cement, and other raw materials, which are vulnerable to price variations. The Company are also subject to labor shortages, particularly when the government ramps up infrastructure projects.

Management Approach to Risks

Golden Haven
Golden Haven ensures that the products and services offered are of the highest quality. As a result, Management thoroughly reviews the procurement and screening of suppliers consistently. Interviews, reviews of Company profiles or bids, and visits to suppliers' shops or warehouses are used to determine their credibility.

It has always been the Company's habit to have a supply stock of 1 to 2 months' worth of supplies on hand in case of unexpected incidents that may cause delays in its regular operations. Also, the Company does not discriminate in its supplier selection and respects all suppliers equally if they can meet the expectations and standards of the Company.

The Company requires the following documents from the supplier for review of the management:
a. Proposal Letter
b. Company Profile
c. Quotation
d. Business Registration / Permits

Every supplier must consistently enhance their goods and services during the contract duration so that the company knows whether to consider the supplier for another term of contract. Suppliers must constantly be competitive in terms of supplying high-quality products and services both before and after the sale.

Bria Homes
Trust is a byproduct of the commitment to quality and excellence. The Company ensures to deliver the right results to the right people over the long haul to make them believe and trust the product and service offerings.

Bria Homes' purchasing group, which is assigned to search, select, and accredit suppliers, is responsible for the negotiation of lock-in prices for an agreed period and the management of materials inventory. In response to the risk of labor shortage, the Company coordinates with the local communities in employing laborers from the surrounding areas where its project sites are located.

To address the risks, the Company has an in-house procurement department whose major function is to look for and choose suppliers, form long-term cooperation agreements, and control the inventory level of such products. The Company employs local laborers in the areas where it operates, therefore increasing the connection with the local community.

Opportunities
Golden Haven There is an opportunity to promote the usage of its products and services in a safe manner. As a result, suppliers must always enhance their goods and services during the contract time, as the choice to keep them is based on the considerations. Suppliers must constantly be competitive in terms of supplying high-quality products and services both before and after the sale. The Company is always open and straightforward with its suppliers, especially if there are any complaints or difficulties with the services or goods given. **Bria Homes** A good working relationship with suppliers is of the utmost importance to the Company. At the same time, the Company has high standards for quality, delivery reliability, process flows, and costs. Suppliers must first offer innovative solutions to products and production, strong logistic capabilities, high-quality products and services, and competitive pricing practices. The Company requires suppliers to meet the standards according to the business practices.
Management Approach to Opportunities
Golden Haven Every material and job follows its own specific standard operating procedure that must be adhered to by the assigned personnel. Golden Haven also ensures that the products and services are manufactured with high-quality materials, which is why the management thoroughly reviews the procurement of materials and screening of suppliers. The Company ensures that all suppliers and their services are in accordance with the Company's criteria. This entails continuous verification of whether the requests were acknowledged to avoid any future issues that may arise and harm the Company's standing in the industry. Since non-compliant suppliers can cause problems in the supply chain process, the Company cannot collaborate with them. **Bria Homes** Bria Homes ensures that a healthy working relationship with suppliers is maintained through regular communication and fair compensation for the products and services provided.

Relationship with Community

Significant Impacts on Local Communities

GOLDEN HAVEN	
Operations with significant impacts on local communities	Mandatory waste segregation and donation of plastic wastes from facilities in Las Piñas City to the Villar SIPAG Foundation
Location	Las Piñas City
Vulnerable groups[27] (if applicable)	N/A
Does the particular operation have impacts on indigenous people?	No
Collective or individual rights that have been identified that or particular concern for the	Right to a healthy environment

[27] Vulnerable sectors include, 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).

community	
Mitigating measures or enhancement measures	Construction of materials recovery facilities (MRF) outside the memorial park to improve the segregation and collection of plastic wastes

BRIA HOMES	
Operations with significant impacts on local communities	Bria *Kakampi* Program
Location	Nationwide
Vulnerable groups[28] (if applicable)	Young adults (18 years old and above)
Does the particular operation have impacts on indigenous people?	No
Collective or individual rights that have been identified that or particular concern for the community	Access to decent livelihood regardless of education attainment
Mitigating measures or enhancement measures	Provision of free digital selling platform

Impacts
Golden Haven The Company believes that its initiative to actively segregate waste, especially biodegradables and plastics, prevented a considerable volume of waste from occupying space in landfills. **Bria Homes** A full-time marketing team leader ensures that the financial growth of his/her respective area is both inclusive and sustainable. This is done through the implementation of programs that are focused on the improvement of the communities' environmental and societal conditions.
Management Approach to Impacts
Golden Haven Golden Haven partnered with Villar *SIPAG*, the social responsibility arm of the Villar Group of Companies, to reuse and recycle its plastic wastes. Its biodegradables, on the other hand, are turned into compost, which are then used to maintain its memorial parks. The Company, in support of various advocacies, encourages its employees to participate in volunteer programs by providing them with paid time off for volunteering. Golden Haven provides equal opportunity and environmental projects. As such, the Company dedicates a percentage of its sales proceeds to the following environmental and social programs: a. ***GHGrows****:* Golden Haven is committed to increasing the number of trees that surround the region to improve the quality of the natural environment. Employees take part in tree planting activities. b. ***Bloodletting:*** A common recreational activity at Golden Haven's parks is bloodletting. The program's goal is to allow the general population to give blood and contribute to the local community's blood supply. The initiative is run in collaboration with local blood banks and government organizations to guarantee that the blood collected is safe, appropriately kept, and transferred to people in need. c. ***Free anti-rabies vaccination***: Golden Haven's free anti-rabies vaccination program is a community service activity that promotes public health and safety by avoiding the spread of the fatal rabies virus. The campaign entails giving free anti-rabies injections to dogs living near Golden Haven Memorial Parks. The firm is organizing this event in partnership with local health officials and veterinarians. The free anti-

rabies vaccination program's goal is to create awareness about the necessity of pet immunizations and to encourage responsible pet ownership.

d. **Outreach for Elderly Homes**: Golden Haven extends its care and support for elderly homes by providing essential supplies, companionship programs, and special activities to enhance the well-being of senior citizens in the community.
e. **Children's Outreach Programs**: Golden Haven brings joy to underprivileged children through fun-filled activities, gift-giving drives, and essential supply donations, ensuring they experience moments of happiness and care.
f. **Feeding Programs for Dogs & Donations to Rescue Shelters**: Golden Haven actively supports animal welfare by organizing feeding programs for stray dogs and donating supplies to local rescue shelters. Additionally, donations collected through Golden Haven Pet Crematorium are given to shelters to help support rescued animals.

Bria Homes
The Company allots a portion of its sales revenue for the following environmental and social programs:

a. ***PlanTahanan Virtual Tree Planting***: tree planting activities and excursions into neighboring natural wonders. This program aims to encourage planting in the Company's open spaces. It delivers positive health, social, economic, and environmental outcomes for the Bria Homes Community.
b. ***Millennials Financial Guide Webinars***: The goal is to educate, demonstrate, instruct or deliver information that is of interest to Millennial market and potential clients.; INDIRECT: It helps increase the amount of content available to interested parties online.
c. ***OFW Investment Guide Webinars***: These webinar sessions are accessible to the global audience. With these webinars, Bria Homes is no longer limited to only marketing to the clients within their geographical reach, but also across borders and oceans.

Bria Homes also engages with the local communities per area at least once a month, establishing a holistic and consistent relationship with them.

Risks
Golden Haven and Bria Homes There are no significant risks identified.
Management Approach to Risks
Golden Haven and Bria Homes There are no significant risks identified.

Opportunities
Golden Haven Opportunity to interact more with the Company's neighboring communities. **Bria Homes** Opportunity to help the Company's neighboring communities improve their quality of life.
Management Approach to Opportunities
Golden Haven Golden Haven is planning to organize and implement several corporate social responsibility (CSR) programs for its neighboring communities with an aim to offer a better quality of life through the provision of equal opportunities for earning and environment-focused development projects.

Bria Homes
Bria Homes provides the local communities with equal opportunities for earning and programs for the environment.

Customer Management

Customer Satisfaction

Disclosure	2024	2023	2022
Golden Haven			
Customer Satisfaction	4.17/5	4.32/5[28]	4.66/5[29] 4.59/5[30] 4.82/5[31]
Conducted by a third party?	No	No	No
Bria Homes			
Customer Satisfaction	Not measured	Not measured	Not measured
Conducted by a third party?			

Impacts

Golden Haven
Golden Haven values the feedback its customers provide and considers it as an integral part of its continuous improvement efforts. Understanding the perspective of its customers is essential for refining products, services, and overall customer experience.

To facilitate this, Golden Haven has implemented a "customer satisfaction survey," which is easily accessible via a QR code prominently displayed within our nationwide offices. Additionally, Golden Haven's dedicated customer service representatives are readily available to address any questions or concerns raised by its valued customers. The company has also designed its website with a user-friendly contact form, providing another convenient way for customers to share their insights and feedback. Furthermore, Golden Haven actively engages with its clients across all social media platforms, diligently monitoring and responding to customer feedback and inquiries.

Bria Homes
Bria Homes has no active system in place to record and monitor the satisfaction score in 2024. However, concerns raised by customers are addressed through the Company's official Facebook account.

Management Approach to Impacts

Golden Haven
The Company ensures that it is accessible in the easiest and most convenient ways for feedback on its products and services. Below are Golden Haven's means of gathering feedback from its customers:

- Customer Satisfaction survey form
- Social media reviews
- Customer service email
- Website Survey Forms
- Customer Service Inquiry Forms

[28] Rating based on average rating
[29] Rating based on chapel feedback forms
[30] Rating based on Google Reviews/Google My Business
[31] Rating based on Facebook Page review

These are accessible to the Company's customers by making sure that they are available on multiple channels. Survey forms, for instance, are given during memorial services. Accordingly, Golden Haven ensures that it is always updated on the changes in its customers' needs and preferences so that the Group may serve them better.

Golden Haven recognized the urgent need to adapt and evolve its operations to ensure the continuity of its services while prioritizing the health and safety of customers and staff. One of the ways Golden Haven embraced digitalization during the pandemic was through the rapid implementation of virtual solutions to facilitate remote interactions and transactions. Leveraging technology such as video conferencing, online appointment scheduling, and virtual tours, Golden Haven empowered customers to engage safely and conveniently from the comfort of their homes. Whether it was consulting with its memorial experts to plan pre-need arrangements, exploring its memorial properties virtually, or attending virtual memorial services, Golden Haven's digital platforms provided a lifeline for families seeking support and guidance during challenging times.

Bria Homes
Bria Homes extended its lines to address customer concerns. Customers may reach Bria Homes through the following channels:

- Via mobile from Monday to Saturday from 9 AM to 6 PM
- Via email at adminsupport@briahomes.com.ph

Risks

Golden Haven
Golden Haven strives for quality in its project developments and values client services satisfaction. While we are pleased to report that we have had no complaints about our products or services in the previous year, we are always eager to hear the feedback of our clients. The Company aims to provide wholistic death care service to our clients through its well-kept memorial parks and provide quality chapel services.

Bria Homes
There are no significant risks identified.

Management Approach to Risks

Golden Haven
As digitalization advances, Golden Haven has pursued digital transformation in its operations. However, unequal access to technology has challenged virtual customer engagement and online support services. Despite this, Golden Haven has introduced initiatives to educate customers about the new digital processes, ensuring effective support and engagement.

Bria Homes
There are no significant risks identified.

Opportunities

Golden Haven
Opportunity to improve on the Company's current customer engagement methods.

Bria Homes
Opportunity to engage more with the Company's customers, concurrently catering to a greater number of needs and concerns in a shorter amount of time.

Management Approach to Opportunities

Golden Haven
By seamlessly integrating traditional and digital methods, Golden Haven has transformed its approach to customer engagement, resulting in deeper connections and heightened

satisfaction levels. Through traditional channels, including in-person consultations and events, Golden Haven provides a personalized and human touch that fosters trust and rapport with its customers. These face-to-face interactions allow the Company to understand their needs, preferences, and concerns on a deeper level, enabling it to tailor its offerings and services accordingly. Simultaneously, Golden Haven's digital channels, such as its website, mobile apps, and social media platforms, complement its traditional efforts by offering customers convenient access to information, resources, and support whenever and wherever they need it. Whether it's browsing product offerings, scheduling appointments, or seeking assistance via live chat, Golden Haven's digital presence ensures seamless communication and engagement throughout the customer journey.

Golden Haven's website includes e-services, such as online payment channels and platforms, online scheduling for interments, inurnments, and chapel services, online administrative services for customer requests, online reservations, and even online accreditations. These allow its customers to access products and services from the comfort and safety of their own home.

Bria Homes
Bria Homes has set up a Customer Care department that is dedicated solely to addressing its customers' needs with the help of a system designed to monitor their concerns and discussions.

Health and Safety

Disclosure	2024	2023	2022
Golden Haven			
No. of substantiated complaints[32] on product or service health and safety	0	0	0
No. of complaints addressed	0	0	0
Bria Homes			
No. of substantiated complaints on product or service health and safety	0	0	0
No. of complaints addressed	0	0	0

Impacts and Management Approach

Golden Haven
In 2024, there were no complaints regarding the health and safety of Golden Haven customers who used their products and services. The Company created a standard procedure for dealing with any health and safety problems that may arise.

Bria Homes
As there have been no complaints about the health and safety aspects of Bria Homes' products and services, there are no significant impacts identified.

Risks

Golden Haven and Bria Homes
The Company continuously adheres to regulatory rules and requirements in controlling any dangers related with chemicals utilized in our goods. Furthermore, the Company have created internal protocols and procedures to monitor chemical safety and disposal, as well

[32] 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.

as frequent risk assessments. The Company assures correct chemical management and their possible consequences on health and safety via continual improvement and assessment.

Management Approach to Risks

Golden Haven and Bria Homes

The Company guarantees that continuous innovation processes are followed, such as installing the most recent technology. Preventive measures are also in place to protect its consumers' safety.

Regular sanitation and disinfection initiatives are conducted across all offices and sites. Employees are also required to undergo daily health screenings through a mobile app or online platform. Those displaying potential symptoms will be advised to work from home and may be required to undergo telemedicine consultations or testing.

Opportunities

Golden Haven and Bria Homes

As much as the Company wants to prevent any complications, especially regarding the health and safety of its employees and customers, there are instances when problems are unforeseen and inevitable.

There were no customer health and safety concerns reported. Nevertheless, the Company remains firmly dedicated to prioritizing the health and well-being of both its customers and employees. Strict health and safety protocols are consistently observed across the Company's offices and memorial parks. From maintaining clean and well-kept facilities to strictly adhering to safety guidelines, Villar Land ensures a safe and tranquil environment for families as they commemorate their loved ones.

Management Approach to Opportunities

Golden Haven and Bria Homes

Golden Haven has an established standard practice that the Company should promptly relay any health and safety issue to the department or function most suited to resolve it. This is done mainly through the collaboration of the Company's management, technical team, and whichever department is concerned.

Bria Homes remains abreast of health and safety protocols and implements them to secure Filipinos who live in its communities.

Marketing and Labelling

Disclosure	2024	2023	2022
Golden Haven			
No. of substantiated complaints on marketing and labelling	0	0	0
No. of complaints addressed	0	0	0
Bria Homes			
No. of substantiated complaints on marketing and labelling	0	0	0
No. of complaints addressed	0	0	0

Impacts and Risks

Marketing practices have changed since the pandemic. With this in view, Golden Haven ensures that all customer concerns are promptly addressed.

Bria Homes has an outstanding record of zero complaints in its marketing, a strong

demonstration of having successful strategies and reputable products, and services.

Management Approach to Impacts and Risks

Golden Haven and Bria Homes took advantage of their web-based platforms to sell their services and reach a larger audience.

When it comes to the local market, Golden Haven uses a traditional and modern approach. It employs various strategies, including social media campaigns, digital ads, brand ambassadors, strategic partnerships, price promotions, financing options, and expanding its sales network. These boost market presence, customer engagement, and access to products and services. The company also continues to enhance its offerings to ensure the delivery of its commitments to its clients.

Golden Haven operates on a digital platform, offering features such as 3D site tours, online reservations, and a 24/7 client helpdesk. Additionally, the company has implemented proprietary software named *WakeConnec*t, which allows family members worldwide to attend a real-time virtual wake and viewing ceremony.

Bria Homes, on the other hand, prioritizes catering to both the local and international markets executed through the effective implementation of the following marketing activities:

- Sales booths and product exhibits
- Grand Open House activities
- Distribution of marketing materials
- Telemarketing
- Sponsorship of conventions and other events
- Corporate presentations
- Digital marketing
- Alternative marketing channels

Bria Homes has mixed traditional marketing strategies with digital platforms to conduct on-site marketing initiatives, print ad campaigns, online campaigns, and the distribution of printed marketing materials in compliance with the LGU Health Protocols.

The Company boosted its digital presence by reopening on-site visits, offering virtual tours, enhancing social media, and increasing online payment options. In 2024, a significant volume of sales came from online channels.

Opportunities

Golden Haven
Opportunity to modernize the Company's marketing strategies by adding the utilization of online platforms to its approach.

Bria Homes
Opportunity to try different methods and further enhance the Company's present marketing strategies.

Management Approach to Opportunities

Golden Haven recognizes that the modern world is continuously changing and offers new and innovative ways to do business. To keep pace with the times, the Company implemented key marketing activities that include lead generation in the form of presentations, saturation drives, and social media marketing, as well as sales generation activities through park-based events, seasonal events, and corporate partnerships.

Bria Homes holds monthly meetings with its sales and marketing teams for the improvement, if necessary, of its existing marketing strategies and materials.

Customer privacy

Disclosure	2024	2023	2022
Golden Haven			
No. of substantiated complaints on customer privacy	0	0	0
No. of complaints addressed	0	0	0
No. of customers, users, and account holders whose information is used for secondary purposes	0	0	0
Bria Homes			
No. of substantiated complaints on customer privacy	0	0	0
No. of complaints addressed	0	0	0
No. of customers, users, and account holders whose information is used for secondary purposes	0	0	0

Data Security

Disclosure	Golden Haven			Bria Homes		
	2024	2023	2022	2024	2023	2022
No. of data breaches, including leaks, thefts, and losses of data	0	0	0	0	0	0

Impacts
Golden Haven In 2024, there were no documented concerns about customer privacy. Additionally, Golden Haven reported no issues with data security. Bria Homes In compliance with the Data Privacy Act, Bria Homes is committed to securing its customers' data. There were zero incidents of customer privacy breaches in 2024. Bria Homes also reported no data security issues for the year.

Management Approach to Impacts
Golden Haven Golden Haven places paramount importance on safeguarding the privacy and security of its customers' personal information and choices. Golden Haven adheres to rigorous policies and procedures concerning behavioral advertising to ensure that customer data remains safe and protected. The Company openly communicates its data collection practices, detailing how information is utilized for behavioral advertising purposes. This includes a clear explanation of the types of data collected, how it's utilized, and any third parties with whom it may be shared. Moreover, the Company obtains explicit consent from customers before collecting and utilizing their personal information for behavioral advertising. To fortify the security of our customers' data, Golden Haven implemented robust measures. The Company systems utilize end-to-end encryption to thwart unauthorized access and tampering. Furthermore, Golden Haven diligently maintains and updates its website security certificates using state-of-the-art software to ensure optimal protection. Regular system updates and continuous monitoring further enhance the effectiveness of our security

protocols in safeguarding sensitive data.

Sharpening the skills of the employees is the first approach through attending cybersecurity webinars held by different vendors as well as being aware of the news on the latest type of attacks and their character. Golden Haven, through the IT Administrators Group, keeps itself updated on social media and shares ideas about the latest type of risks and experiences.

Employees receive continuous and regular email broadcasts to create awareness and to be informed about cyber-attacks and how to protect themselves. They report any malicious email received that will be immediately blocked to prevent it from spreading to the IT Department. For workstations and Company assets, the antivirus programs and operating systems (OS) are updated to address the vulnerabilities. Moreover, Golden Haven does network hardening and group policies with protection that are against brute force and dictionary attacks.

Bria Homes
Bria Homes has established controls to protect customer data that are continuously strengthened in response to its strong commitment to its customers' right to data privacy. Bria Homes actively employs physical and technical security measures and other procedures for the protection of the Company's confidential information against any illegal destruction, alteration, and disclosure. The Company also upholds confidentiality in all its proceedings, especially those involving any sensitive information.

Security controls were still implemented. Data Privacy Act clauses and CAPTCHA as verification are inserted in online platforms. Transactions and exchanges of data and information are limited only to the buyer and authorized representatives.

Risks

Behavioral advertising is one of the commonly used advertising techniques by various businesses today. However, this presents a serious risk to customers as it collects information on a user's browsing behavior to be able to provide targeted ads. Moreover, platforms such as online reservations which are operated by third-party sellers and delivery couriers carry customers' personal data. Hence, customer information or profile data remains to be inherently at risk of any data security issues such as breaches, leaks, and losses of data.

Due to non-contact transactions, new issues arose. This was resolved using modern technology that allows both the Company and its clients to conduct transactions from any location with internet access, such as mobile applications for Android and iOS, online payment portals, and personnel empowerment through attendance at events that introduce cybersecurity and data privacy, which aids the IT department in the careful selection of applicable cybersecurity technologies for our company.

Management Approach to Risks

The Company's policies are meticulously formulated to uphold the principles of confidentiality, integrity, and accessibility, thereby effectively mitigating the risks associated with unauthorized access or utilization.

Moreover, Golden Haven recognizes the paramount importance of data security in safeguarding both operational integrity and the personal information of our customers. To achieve this objective, a comprehensive framework of data security policies has been instituted, governing the entire lifecycle of data within the organization, encompassing collection, utilization, storage, and transmission.

User awareness was done through email broadcasts on all Golden Haven employees that

gave them information about the recent type of cyber-attacks, how they infiltrate organizations and the safety measures on how to recognize for example the emails if from a legitimate sender or not, especially when asking for personal information like password reset and update of personal information. The Company has given sample photos of spamming and phishing in emails and video clips to help them identify.

Prevention at the early stage is necessary which encourages employees to contact the IT department right away through emails to report if they encountered malicious emails or attacks for the IT department to block domains and email senders.

To test employees' awareness, the IT department conducted the Attack simulation for a span of 1 week using Social Engineering - credential harvest. An email pretending to be an Office365 account expired where employees will be asked to enter their credentials. Any employee who entered their credentials will be reported as compromised, and no one from the employees clicked on the link, and NONE of the accounts were compromised.

This is proof that the IT department's efforts in making employees aware Cyber-attacks is a success.

Should the Company decide to consider using behavioral advertising, it assures that any study that may be conducted in the future for such advertisements of its products and services will be completely anonymized for the sake of its customers' privacy.

On the other hand, Bria Homes uses an intrusion detection system that monitors possible security breaches and alerts the organization of any attempt to interfere with or disturb the system. The Company also reviews and evaluates all software applications for their compatibility with the security features before being installed on company computers and devices.

The Research Department consistently monitors and analyzes web traffic data and ensures that cookies are not used in this service. No other third party can gain access to the generated information and only non-personal data are analyzed by the said department.

In handling personal data and information, Bria Homes has a policy that all client data can only be shared with financing institutions for their loan applications and with the clients' authorized representatives.

Opportunities
Digitization of payments, processes, and other engagements requires stronger security controls. For this reason, Golden Haven and Bria Homes will continuously strengthen their data security, protection, and privacy systems in place through research and exploration.
Management Approach to Opportunities
Golden Haven and Bria Homes ensure that their security systems and infrastructures are always up to date with the latest versions available. This is done through regular updates and monitoring of the system's efficiency in securing sensitive data. Assessments and testing before launch will be continually practiced by the IT department to ensure security.

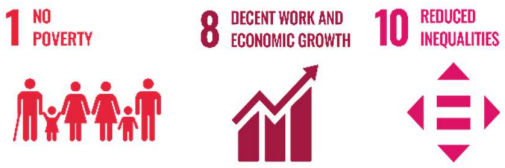
UN SUSTAINABLE DEVELOPMENT GOALS

Product or Service Contribution to UN SDGs

Key products and services and their contribution to sustainable development.

Key Products & Services and Societal Value / Contribution to UN SDGs	Potential Negative Impact of Contribution and Management Approach
GOLDEN HAVEN	
Memorial Parks 	**Land Conversion** Golden Haven strives to retain the natural topography of an area during the development of its memorial parks. For this reason, the Company reduces the number of trees cut down and highlights the beauty of their locations through the display of luscious softscape using plants that are native to the areas wherever possible.
Chapel 	No significant potential impacts identified
Columbarium 	No significant potential impacts identified
Donation of plastic wastes to Villar SIPAG for recycling and reuse 	Employees and customers of the Company may not be too keen on discontinuing the use of plastic products, thinking that their waste will be donated and reused. The Company greatly discourages the utilization of single-use plastics and offers alternatives such as reusable containers.

Golden Haven CSR Program	
Tree planting for all employees inside memorial parks	
Kaibigang Golden Haven Program	
Punla ng Pangarap	
Relief Donation Drive for Taal Eruption Victims	

Key Products & Services and Societal Value / Contribution to UN SDGs	Potential Negative Impact of Contribution and Management Approach
BRIA HOMES	
Affordable housing 	No significant potential impacts identified
Bria Kakampi Program 	Bria Kakampi Program aims to provide livelihood opportunities to economically disadvantaged people as sellers or referrers of Bria Homes, regardless of the risk of them having no higher educational attainment. Bria Homes provides comprehensive training and skills development sessions upon employee onboarding.

Bria Homes CSR Program	
Plantahan	
Brigada Eskwela	
Nutrition Month	
Livelihood Expos	
Libreng Sakay	
Kasalang Bayan	

PART VI – EXHIBITS AND SCHEDULES

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

Exhibits

See accompanying Index to Financial Statements and Supplementary Schedules.

The following exhibit is incorporated by reference in this report:

Consolidated Financial Statements of the Company as of and for the year ended December 31, 2024.

The other exhibits, as indicated in the Index to Financial Statements and Supplementary Schedules are either not applicable to the Company or require no answer.

Reports on SEC Form 17-C

The following current reports have been reported by Villar Land Holdings, Corp. during the year 2024 through official disclosure letters dated:

March 1, 2024

Change in Stock Transfer Agent

April 29, 2024

Approval for the release of the Audited Financial Statements as of and for the year ended December 31, 2023.

May 15, 2024

Approval for the release of the revised Audited Financial Statements as of and for the year ended December 31, 2023.

May 17, 2024

Approval of the release of the Unaudited Q1 2024 Financial Statements
Calling of the 2024 Annual Stockholders' Meeting

August 14, 2024
Approval of the release of the Unaudited Q2 2024 Financial Statements

September 30, 2024

Approval of the acquisition of substantially all the issued and outstanding capital stock of Althorp Land Holdings, Inc., Chalgrove Properties, Inc. and Los Valores Corporation

November 13, 2024

Approval of the release of the Unaudited Q3 2024 Financial Statements

November 27, 2024

Approval of the amendment to the Articles of Incorporation to change the corporate name of the Company: from Golden MV Holdings, Inc. to Villar Land Holdings Corp

December 20, 2024

Approval of the shareholders of the Amendment to the Articles of Incorporation

Reports on SEC Form 17-C, as amended (during the last 6 months)

None.

SIGNATURES

Pursuant to the requirements of Section 17 of the Code and Section of 141 of the Corporation Code, this report is signed on behalf of the issuer by the undersigned, thereunto duly authorized, in MANDALUYONG CITY on NOV 10 2025.

By:

CYNTHIA J. JAVAREZ
President

GEMMA M. SANTOS
Corporate Secretary

ESTRELLITA S. TAN
Chief Financial Officer

KENT JOULES M. MANLANGIT
Chief Accountant

SUBSCRIBED AND SWORN to before me this NOV 10 2025 at MANDALUYONG CITY, affiants exhibiting to me their respective passports, to wit:

Name	Passport No.	Date & Place of Issue
Cynthia J. Javarez		
Gemma M. Santos		
Estrellita S. Tan		
Kent Joules M. Manlangit		

Doc. No. 70
Page No. 15
Book No. XIV
Series of 2024.

ATTY. FERDINAND B. SABILLO
NOTARY PUBLIC
UNTIL DECEMBER 31, 2026
ROLL No. 53511
IBP Lifetime Member No. 018538
PTR No. 5700677 / 03 Jan. 2025 / Mandaluyong City
MCLE Compliance No. VIII-0040452 issued dated 20 August 2025
Notarial Commission Appointment No. 0314-25
Vista Corporate Center, Upper Ground Floor,
Worldwide Corporate Center, Shaw Blvd., Mandaluyong City

GOLDEN MV HOLDINGS

STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The management of **Villar Land Holdings, Corp. and Subsidiaries (the "Group")**, is responsible for the preparation and fair presentation of the consolidated financial statements, and the additional supplementary information, for the years ended December 31, 2024, 2023 and 2022, in accordance with the prescribed financial reporting framework indicated therein, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the 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 to do so.

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

The Board of Directors reviews and approves the financial statements, and the additional supplementary information, and submits the same to the stockholders.

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

Manuel B. Villar, Jr.
Chairman of the Board

Cynthia J. Javarez
President

Estrellita S. Tan
Chief Financial Officer

Signed this 10th day of November, 2025

GOLDEN MV HOLDINGS

SUBSCRIBED AND SWORN to before me this NOV 10 2025 at MANDALUYONG CITY, affiants exhibiting to me their respective passports, to wit:

Name	Passport No.	Date & Place of Issue
Manuel B. Villar		
Cynthia J. Javarez		
Estrellita S. Tan		

who satisfactorily proven to me their identities through their valid identification cards and that they are the same persons who personally signed before me the foregoing and acknowledges that they executed the same.

ATTY. FERDINAND B. SABILLO
NOTARY PUBLIC
UNTIL DECEMBER 31, 2026
ROLL No. 63511
IBP Lifetime Member No. 018538
PTR No. 5700677 / 03 Jan. 2025 / Mandaluyong City
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Worldwide Corporate Center, Shaw Blvd., Mandaluyong City

Doc. No. 69
Page No. 15
Book No. XIV
Series of 2025.

P&A Grant Thornton

FOR SEC FILING

Consolidated Financial Statements and
Independent Auditors' Report

Villar Land Holdings, Corp. and Subsidiaries

December 31, 2024, 2023 and 2022
(With Corresponding Figures as of January 1, 2023)

Punongbayan & Araullo (P&A) is the Philippine member firm of Grant Thornton International Ltd

P&A
Grant Thornton

Punongbayan & Araullo
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The Enterprise Center
6766 Ayala Avenue
1200 Makati City
Philippines

T +63 2 8988 2288

Report of Independent Auditors

The Board of Directors and Stockholders
Villar Land Holdings, Corp. and Subsidiaries
(Formerly Golden MV Holdings, Inc. and Subsidiaries)
(A Subsidiary of Fine Properties Inc.)
San Ezekiel, C5 Extension
Las Piñas City

Opinion

We have audited the consolidated financial statements of Villar Land Holdings, Corp. and subsidiaries (the Group), which comprise the consolidated statements of financial position as at December 31, 2024 and 2023, and the consolidated statements of comprehensive income, consolidated statements of changes in equity and consolidated statements of cash flows for each of the three years in the period ended December 31, 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, and its consolidated financial performance and its consolidated cash flows as at and for the year ended December 31, 2024, in accordance with Philippine Financial Reporting Standards (PFRS Accounting Standards). The consolidated financial position of the Group as at December 31, 2023, and its consolidated financial performance and its consolidated cash flows for each of the two years in the period ended December 31, 2023, are presented in accordance with PFRS Accounting Standards, as modified by the application of the financial reporting reliefs issued and approved by the Securities and Exchange Commission (SEC), as described in Note 2 to the consolidated financial statements.

Basis for Opinion

We conducted our audits in accordance with Philippine Standards on Auditing (PSA). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the 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 audits of the 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.

Emphasis of Matters

We draw attention to Note 2 to the consolidated financial statements, which explains the Group's adoption and impact of the previously deferred provisions of PFRS 15, *Revenue from Contracts with Customers*, and the related financial reporting interpretations applicable to the real estate industry. The adoption was made using modified retrospective approach.

We also draw attention to Note 2 to the consolidated financial statements, which describes the correction of prior period errors arising from the classification of contract receivables, contract assets and contract liabilities. This has been applied retrospectively in accordance with PAS 8, *Accounting Policies, Changes in Accounting Estimates and Errors*, and the comparative figures have been restated accordingly.

In addition, we draw attention to Note 31 to the consolidated financial statements, which describes the ongoing regulatory action by the SEC against the Group for the delayed submission of its audited financial statements for the year ended December 31, 2024, and the first quarter of 2025. As disclosed, the SEC has imposed fines and daily penalties, and the matter has implications for the Group's compliance status and market perception.

Our opinion is not modified in respect of these matters.

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.

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

Description of the Matter

The Group's revenue recognition process, policies and procedures on real estate sales, which consists of sale of residential houses and lots, condominium units and memorial lots, are significant to our audit due to the volume and magnitude of transactions, as well as high level of judgment and estimation involved. For the year ended December 31, 2024, real estate sales amounted to P3.3 billion or 92.6% of consolidated Revenues while related costs totaled to P1.3 billion or 53.3% of consolidated Costs and Expenses. Areas affected by revenue recognition, which requires significant judgments and estimates, include assessing whether a contract qualifies for revenue recognition, measuring the progress of the development of real estate projects to determine the amount of revenue to be recognized, and determining the amount of actual costs incurred as cost of real estate sales. These areas were significant to our audit as an error in the application of judgments and estimates could cause a material misstatement in the consolidated financial statements.

In addition, the Group adopted in 2024 the previously deferred provisions of PFRS 15 and the related financial reporting interpretations using the modified retrospective approach. The complexity of this accounting framework and the significant judgments required in its application further increased the risk of material misstatement in the consolidated financial statements.

The Group's policy for revenue recognition on real estate sales and the application of the modified retrospective approach are more fully described in Note 2 to the consolidated financial statements. The significant judgments applied and estimates used by management related to revenue recognition are more fully described in Note 3 to the consolidated financial statements. The breakdown of real estate sales and cost of real estate sales are also disclosed in Notes 17 and 18, respectively, to the consolidated financial statements.

How the Matter was Addressed in the Audit

i) Residential Houses and Lots, and Condominium Units

As disclosed in Notes 2 and 3 to the consolidated financial statements, the Group recognizes revenue from the real estate sale of residential houses and lots, and condominium units over time, based on the progress of the project development. The input method is used to determine the percentage of completion, subject to the gating criteria under PFRS 15, including reasonable assurance of collection of the total contract price.

Our audit procedures to address the risk of material misstatement relating to revenue and cost recognition on real estate sale of residential houses and lots, and condominium units included, among others, the following:

- updated our understanding of the Group's revenue and cost recognition policy, processes and controls over the recognition and measurement of revenues and cost from real estate sale of residential houses and lots, condominium units, and cost per project;

- tested the design and operating effectiveness of the relevant controls over revenue recognition and measurement, including appropriateness and proper application of the Group's revenue recognition policy, and cost recognition and allocation of cost per project;

- evaluated the appropriateness of the Group's revenue recognition policy in accordance with the requirements of PFRS 15;

- examined, on a sample basis, real estate sales contracts and other relevant supporting documents to ascertain accuracy and occurrence of revenue recognized during the current reporting period;

- recalculated the percentage of collection of selected sales contract based on the total accumulated principal payments as of the reporting date over contract price to determine whether the Group established the buyers' commitment to complete their obligations over the sales contract. We also evaluated the management's judgment in determining the probability of collection of the consideration in a contract which involves a historical analysis of customer payment pattern and behavior and the Group's sales cancellation experience;

- reviewed the reasonableness of the stage of completion of selected real estate projects by analyzing the cost incurred to date as a proportion of the total estimated budgetary costs to confirm that real estate sales recognized properly reflects the percentage of completion of inventories, and performed physical inspections to validate consistency with reported progress;

- assessed the qualifications of project engineers preparing budgetary estimates and compared actual performance of completed projects to their original budgets;

- recomputed the revenues recognized for the year based on the percentage of completion and traced the revenues and costs recognized to the accounting records to ascertain that the amounts recorded agree with the supporting schedules;

- performed substantive analytical review procedures over revenues and costs such as, but not limited to, yearly and monthly analyses of real estate sale of house and lots, and condominium units per project based on our expectations and cost incurred per project, which include corroborating evidence from other audit procedures, and verifying that the underlying data used in the analyses are complete; and,

- assessed the Group's application of the modified retrospective approach and related interpretations adopted in 2024:

    - obtained an understanding of changes in the Group's revenue recognition policy and related business processes due to the adoption of the previously deferred provisions of PFRS 15 and the related financial reporting interpretations;
    - evaluated the Group's compliance with the adopted provisions, tested the mathematical accuracy of related schedules, and reviewed the completeness of supporting documentation; and,
    - assessed the reasonableness of prior period adjustments under the modified retrospective approach and performed analytical review of actual results.

ii) Memorial Lots

As disclosed in Notes 2 and 3 to the consolidated financial statements, the Group recognizes revenue at a point in time, once development of memorial lots is substantially complete and the gating criteria under PFRS 15 are met, including reasonable assurance of collection.

Our audit procedures to address the risk of material misstatement relating to revenue and cost recognition of sales of memorial lots included, among others, the following:

- updated our understanding of the Group's revenue and cost recognition policy, processes and controls over the recognition and measurement of revenues and cost from sale of memorial lots, and cost per project;

- tested the design and operating effectiveness of the Group's processes and controls over revenue recognition, including appropriateness and proper application of the Group's revenue recognition policy, and cost recognition and allocation of cost per project;

- evaluated the appropriateness of the Group's revenue recognition policy in accordance with the requirements of PFRS 15;

- examined, on a sample basis, purchase agreements and other relevant supporting documents to ascertain accuracy and occurrence of revenue recognized during the current reporting period;

- recalculated the percentage of collection for selected contracts and assessed management's judgment regarding collection probability, based on historical customer behavior and cancellation experience; and,

- performed substantive analytical review procedures over revenues such as, but not limited to, yearly and monthly analyses of sales of memorial lots and cost per project based on our expectations, which include corroborating evidence from other audit procedures, and verifying that the underlying data used in the analyses are complete.

(b) Existence and Valuation of Real Estate Inventories

Description of the Matter

As of December 31, 2024, the Group's real estate inventories, which relates to significant number of projects located at the major areas throughout the country, amounted to P6.8 billion. These include subdivision lots, houses, land development, memorial lots, condominium units and raw land.

Real estate inventories are measured at the lower of cost and net realizable value (NRV), where NRV is defined as the estimated selling price in the ordinary course of business less costs to complete and sell. The assessment of the NRV is performed at each reporting date and involved significant estimation and judgment by management. The key assumptions in determining NRV include estimated selling prices, which consider recent market prices and conditions, and cost to complete and sell, which are subject to a number of variables such as accuracy of designs, market conditions in respect of materials and subcontractor costs and construction issues.

Given the complexity and subjectivity of these estimates, changes in assumptions could materially impact the carrying value of real estate inventories in the Group's consolidated financial statements. Furthermore, the volume of transactions and the diversity of projects across locations add to audit complexity.

The Group's accounting policy relative to real estate inventories and the sources of estimation uncertainty on the net realizable value of real estate inventories are disclosed in Notes 2 and 3, respectively, to the consolidated financial statements. The analysis of the Group's real estate inventories is disclosed in Note 7 to the consolidated financial statements.

How the Matter was Addressed in the Audit

Our audit procedures included, among others:

Existence

- performed ocular inspection of selected real estate projects near the reporting date to confirm the existence and current condition of such projects at the end of the reporting period; and,

- examined the supporting documents of sampled transactions such as land titles, suppliers' and contractors' agreements, invoices, official or collection receipts and accomplishment reports, to support the cost of real estate inventories capitalized, including the cost of acquired land, during the reporting period.

Valuation

- reviewed the reasonableness and appropriateness of the Group's calculation of the valuation of its real estate inventories at lower of cost and net realizable value; and,

- compared the estimated selling prices, and cost to complete and sell, on a sample basis, against the contract prices of recently completed sales, and historical data related to restoration costs, commissions and other related expenses.

(c) Accounting for Asset Acquisitions from Related Parties

Description of the Matter

In 2024, the Parent Company acquired substantially all the issued and outstanding capital stock of the three existing entities that are related parties under common control for an aggregate purchase price of P5,198.7 million. These entities primarily held parcels of land classified as investment properties. The acquisitions were accounted as asset acquisitions, rather than business combinations, in accordance with applicable accounting standards.

We considered these asset acquisitions as a key audit matter due to the significant judgment involved in assessing whether the acquisitions should be accounted for as asset acquisitions or business combinations. The distinction affects the recognition and measurement of transaction costs, deferred taxes, and the presence or absence of goodwill. Additionally, the allocation of the purchase price to individual assets and liabilities required complex estimations and fair value assessments. The acquisitions significantly impact the consolidated financial statements and require detailed disclosures to ensure transparency and compliance with relevant accounting standards.

The Group's accounting policy on transactions under common control is disclosed in Note 2, significant judgments applied in Note 3, and the details of the recognized amounts of identifiable assets acquired and liabilities assumed and the fair value of considerations transferred relating to the asset acquisitions in Note 1 to the consolidated financial statements.

How the Matter Was Addressed in the Audit

Our audit procedures to address the risk of material misstatements relating to the asset acquisitions included, among others:

- reviewed the purchase agreements and related documentation to understand the terms and conditions of the asset acquisitions;

- evaluated the appropriateness of accounting for the transaction as asset acquisitions, considering the criteria under the relevant accounting standards;

- assessed the reasonableness of the allocation of the purchase price to the acquired assets and assumed liabilities using cost allocation and accumulation method;

- examined the transfer certificates of title (TCTs) and other relevant supporting documents of investment properties and conducted ocular inspections to verify their existence;

- confirmed significant balances arising from related party transactions to verify their existence and the accuracy of the recorded amounts; and,

- reviewed the disclosures related to the asset acquisitions in the consolidated financial statements to ensure they were in accordance with relevant accounting standards. This included checking the completeness and accuracy of the information provided, such as the methods and assumptions used in the measurement of assets and liabilities, and the impact of the acquisitions on the consolidated financial statements.

(d) Determination of the Fair Value of Investment Properties

Description of the Matter

In 2024, the Parent Company acquired substantially all the issued and outstanding capital stock of the three existing entities under common control, whose assets primarily comprised of parcels of land accounted for as investment properties. Although the Group measures investment properties at cost, fair value disclosure is required in accordance with PAS 40, *Investment Property*. The cost and fair value of the Group's investment properties as of December 31, 2024 amounted to P8,759.3 million and P52,740.9 million, respectively.

We identified this as a key audit matter due to the significant judgments and high estimation uncertainty involved in determining the fair values of these properties. The valuation process requires management to make assumption about market conditions, comparable property values and future economic factors, which can materially affect the disclosed fair values.

To determine the fair value of investment properties, management engaged independent appraisers using the market approach. This valuation technique involves subjective inputs including comparable sales data and adjustment factors such as bargaining allowances, marketability, location, topography, available amenities, as well as the size and shape of the properties.

Given the complexity of the valuation model, the reliance on external experts, and the sensitivity of the estimates to changes in assumptions, we consider the determination of the fair value of investment properties to be a significant area of audit focus.

The Group's accounting policy on investment properties is disclosed in Note 2, significant judgments applied and estimates used in measuring fair value in Note 3 and the detailed information on investment properties and valuation methodologies in Notes 11 and 28 to the consolidated financial statements.

How the Matter Was Addressed in the Audit

To address the risk of material misstatements in the fair value disclosures of investment properties, our audit procedures included the following:

- evaluated the competency, capability, and objectivity of the valuation experts engaged by the Group. This included the review of their professional qualifications, relevant experience in valuing similar properties, and independence from the Group;

- assessed the appropriateness of the methodologies used by the Group's appraisers ensuring consistency with the requirements of PFRS 13, *Fair Value Measurement*;

- reviewed the valuation reports prepared by the Group's appraisers and tested the accuracy and completeness of the underlying data, including property details, market comparable and assumptions used;

- engaged the Firm's internal valuation specialists to independently evaluate the reasonableness and appropriateness of the valuation methods and management's significant estimates. This included reviewing recent transaction prices for similar properties in nearby locations under the market approach;

- engaged independent auditor's valuation experts to perform independent valuations of all investment properties acquired in 2024. This included applying market approach to develop independent fair value estimates, assessing the reliability and relevance of inputs, and comparing the results to management's valuations to identify any significant variances or inconsistencies;

- evaluated the competency, capability, and objectivity of the independent auditor's valuation experts engaged by the Firm, and assessed the appropriateness of the methodologies they used to determine their own fair value estimates of investment properties;

- performed substantive testing on the fair valuations made by both the Group's valuation experts and the independent auditor's valuation experts under the market approach. This included:

    - testing key assumptions such as market selling price and adjustments for bargaining allowance, marketability, location, topography, amenities, size, and shape against externally sourced data;
    - developing our own assessments based on our knowledge of the industry and market;
    - verifying the mathematical accuracy of valuation model and calculations, and assessing the reasonableness of the assumptions used;
    - comparing the fair values to market data and other relevant benchmarks; and,
    - conducting sensitivity analyses to understand the impact of changes in key assumptions on the valuation outcomes; and,

- reviewed the adequacy and transparency of disclosures in the consolidated financial statements regarding the valuation technique, key assumptions, and sensitivity analyses, ensuring compliance with PFRS 13 and PAS 40.

(e) Consideration of Proposed Change in Valuation Method for Investment Properties

Description of the Matter

During the audit, management initially proposed a change in the valuation method for investment properties from the cost model to the fair value model. This proposed change was publicly disclosed and reflected in the unaudited financial information, resulting in a significant revaluation gain. The change was intended to align with the fair value measurement required under PAS 40, and was supported by valuations performed by independent appraisers using market and income approaches.

However, following extensive discussions with the external auditors and considering concerns regarding the valuation inputs and assumptions, as well as the need to complete the finalization and release of the consolidated financial statements, management decided to retain the cost model for the 2024 audited consolidated financial statements. This matter was significant to our audit due to its potential impact on the consolidated financial statements, the public nature of the initial announcement, and the need to assess the appropriateness of the accounting policy and related disclosures.

This matter is disclosed in Note 1.3 of the Group's consolidated financial statements.

How the Matter Was Addressed in the Audit

Our audit procedures included:

- reviewed management's rationale for the proposed change in valuation method and its alignment with PAS 40 and PFRS 13;
- evaluated the reliability and appropriateness of the valuation inputs and methodologies used by the Group's independent appraisers;
- assessed the implications of the public announcement and its consistency with the final audited consolidated financial statements;
- discussed with management and legal counsel the basis for reverting to the cost model and the timing and transparency of related disclosures;
- consulted internally with the Firm's technical standards group to assess the appropriateness of retaining the cost model considering the proposed change, including evaluating whether the reversion complied with applicable financial reporting standards and professional guidance; and,
- reviewed the adequacy of disclosures in the financial statements regarding the valuation approach, the decision to retain the cost model, and the sensitivity of fair value estimates.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Group's SEC Form 20-IS (Definitive Information Statement) 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 auditors' report thereon). The SEC Form 20-IS, 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 auditors' report.

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

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

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

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

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

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

Auditors' Responsibility for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

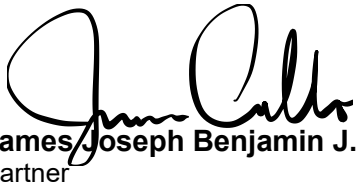
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and 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 auditors' report unless law or regulation precludes public disclosure about the matter or when, 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 auditors' report is James Joseph Benjamin J. Araullo.

PUNONGBAYAN & ARAULLO



By: James Joseph Benjamin J. Araullo
Partner

CPA Reg. No. 0111202
TIN 212-755-957
PTR No. 10465897, January 2, 2025, Makati City
BIR AN 08-002511-039-2024 (until October 3, 2027)
BOA/PRC Cert. of Reg. No. 0002/P-002 (until August 12, 2027)

November 10, 2025

VILLAR LAND HOLDINGS, CORP. AND SUBSIDIARIES
(Formerly Golden MV Holdings, Inc. and Subsidiaries)
(A Subsidiary of Fine Properties, Inc.)
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2024 AND 2023
(With Corresponding Figures as of January 1, 2023)
(Amounts in Philippine Pesos)

	Notes	**December 31, 2024**	December 31, 2023 (As Restated – see Note 2)	January 1, 2023 (As Restated – see Note 2)
A S S E T S				
CURRENT ASSETS				
Cash and cash equivalents	5	**P 506,491,281**	P 981,168,858	P 919,371,361
Contract receivables	6	**5,386,610,887**	5,244,482,798	4,787,066,138
Contract assets	17	**8,773,853,894**	9,008,542,352	7,907,000,884
Due from related parties	21	**350,256,874**	216,617,610	21,769,131
Other receivables - net	6	**1,908,866,215**	1,836,416,285	3,399,612,842
Real estate inventories	7	**6,757,117,761**	6,500,025,136	6,614,750,418
Other current assets	8	**708,315,556**	758,211,900	843,975,501
		24,391,512,468	24,545,464,939	24,493,546,275
Non-current asset classified as held for sale	12	**100,000,000**	-	-
Total Current Assets		**24,491,512,468**	24,545,464,939	24,493,546,275
NON-CURRENT ASSETS				
Contract receivables	6	**1,084,026,664**	2,093,524,350	2,276,943,977
Contract assets	17	**983,930,950**	995,276,571	809,204,883
Property and equipment – net	9	**367,598,469**	202,634,541	219,484,580
Right-of-use assets – net	10	**17,034,682**	23,605,970	37,784,672
Investment properties	11	**8,759,321,390**	75,761,379	75,761,379
Other non-current assets	8	**46,173,952**	41,713,362	47,790,063
Total Non-current Assets		**11,258,086,107**	3,432,516,173	3,466,969,554
TOTAL ASSETS		**P 35,749,598,575**	P 27,977,981,112	P 27,960,515,829

	Notes	December 31, 2024	December 31, 2023 (As Restated – see Note 2)	January 1, 2023 (As Restated – see Note 2)
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Interest-bearing loans	13	**P 1,846,287,234**	P 792,139,985	P 3,219,312,189
Trade and other payables	14	**3,037,262,245**	2,255,209,314	2,032,743,035
Contract liabilities	17	**471,878,601**	457,395,117	523,117,718
Rawland payable	14	**1,348,300,382**	698,540,244	691,350,984
Customers' deposits	15	**1,271,787,521**	1,866,497,425	2,522,036,634
Due to related parties	21	**8,771,400,614**	951,725,398	960,744,332
Lease liabilities	10	**9,984,000**	10,039,033	12,733,924
Income tax payable		**11,624,576**	15,479,410	8,641,961
Total Current Liabilities		**16,768,525,173**	7,047,025,926	9,970,680,777
NON-CURRENT LIABILITIES				
Interest-bearing loans	13	**3,211,228,174**	4,457,854,986	3,165,528,574
Contract liabilities	17	**2,645,348**	37,435,919	48,732,819
Lease liabilities	10	**8,351,532**	15,049,626	27,923,533
Deferred tax liabilities – net	20	**1,256,287,624**	1,181,471,062	1,050,478,484
Reserve for maintenance care	16	**754,080,910**	1,026,617,722	912,313,691
Retirement benefit obligation – net	22	**80,367,453**	95,692,854	92,792,435
Total Non-current Liabilities		**5,312,961,041**	6,814,122,169	5,297,769,536
Total Liabilities	29	**22,081,486,214**	13,861,148,095	15,268,450,313
EQUITY				
Capital stock	23	**644,117,649**	644,117,649	644,117,649
Additional paid-in capital		**2,970,208,753**	2,970,208,753	2,970,208,753
Revaluation reserves	23	**30,214,483**	8,988,981	481,430
Retained earnings		**10,023,571,476**	10,493,517,634	9,077,257,684
Total Equity	29	**13,668,112,361**	14,116,833,017	12,692,065,516
TOTAL LIABILITIES AND EQUITY		**P 35,749,598,575**	P 27,977,981,112	P 27,960,515,829

See Notes to Consolidated Financial Statements.

VILLAR LAND HOLDINGS, CORP. AND SUBSIDIARIES
(Formerly Golden MV Holdings, Inc. and Subsidiaries)
(A Subsidiary of Fine Properties, Inc.)
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2024, 2023 AND 2022
(Amounts in Philippine Pesos)

	Notes	2024	2023	2022
REVENUES	17			
Real estate sales		**P 3,311,355,751**	P 4,459,339,634	P 4,695,956,125
Interest income on contract receivables	6	**125,461,259**	190,969,076	168,670,919
Interment income		**92,396,537**	75,410,499	68,575,137
Income from chapel services		**48,222,658**	33,654,641	29,860,561
		3,577,436,205	4,759,373,850	4,963,062,742
COSTS AND EXPENSES	18			
Costs of sales and services		**1,308,683,454**	1,936,360,357	2,173,298,088
Other operating expenses		**1,052,616,873**	1,111,061,334	1,165,469,530
		2,361,300,327	3,047,421,691	3,338,767,618
OPERATING PROFIT		**1,216,135,878**	1,711,952,159	1,624,295,124
OTHER INCOME (CHARGES)				
Finance income	5, 6	**582,799,375**	7,054,494	4,531,466
Finance costs	10, 13, 17, 22	**(334,473,072)**	(369,273,411)	(360,026,704)
Others	19	**103,992,918**	245,894,767	170,018,901
		352,319,221	(116,324,150)	(185,476,337)
PROFIT BEFORE TAX		**1,568,455,099**	1,595,628,009	1,438,818,787
TAX EXPENSE	20	**(145,382,681)**	(179,368,059)	(146,022,229)
NET PROFIT		**1,423,072,418**	1,416,259,950	1,292,796,558
OTHER COMPREHENSIVE INCOME				
Item that will not be reclassified subsequently to profit or loss				
Remeasurements of retirement benefit obligation	22	**28,300,669**	11,343,401	20,652,385
Tax expense	20	**(7,075,167)**	(2,835,850)	(5,163,096)
		21,225,502	8,507,551	15,489,289
TOTAL COMPREHENSIVE INCOME		**P 1,444,297,920**	P 1,424,767,501	P 1,308,285,847
Basic and Diluted Earnings Per Share	24	**P 2.21**	P 2.20	P 2.01

See Notes to Consolidated Financial Statements.

VILLAR LAND HOLDINGS, CORP. AND SUBSIDIARIES
(Formerly Golden MV Holdings, Inc. and Subsidiaries)
(A Subsidiary of Fine Properties, Inc.)
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2024, 2023 AND 2022
(Amounts in Philippine Pesos)

	Capital Stock (see Note 23)	Additional Paid-in Capital	Revaluation Reserves (see Note 23)	Retained Earnings (see Note 2)	Total Equity
Balance at January 1, 2024					
As reported	P 644,117,649	P 2,970,208,753	P 8,988,981	P 10,493,517,634	P 14,116,833,017
Effect of adoption of PFRS 15 and other related interpretations (see Note 2)	-	-	-	(1,893,018,576)	(1,893,018,576)
As restated	644,117,649	2,970,208,753	8,988,981	8,600,499,058	12,223,814,441
Total comprehensive income for the year	-	-	21,225,502	1,423,072,418	1,444,297,920
Balance at December 31, 2024	**P 644,117,649**	**P 2,970,208,753**	**P 30,214,483**	**P 10,023,571,476**	**P 13,668,112,361**
Balance at January 1, 2023	P 644,117,649	P 2,970,208,753	P 481,430	P 9,077,257,684	P 12,692,065,516
Total comprehensive income for the year	-	-	8,507,551	1,416,259,950	1,424,767,501
Balance at December 31, 2023	P 644,117,649	P 2,970,208,753	P 8,988,981	P 10,493,517,634	P 14,116,833,017
Balance at January 1, 2022	P 644,117,649	P 2,970,208,753	(P 15,007,859)	P 7,784,461,126	P 11,383,779,669
Total comprehensive income for the year	-	-	15,489,289	1,292,796,558	1,308,285,847
Balance at December 31, 2022	P 644,117,649	P 2,970,208,753	P 481,430	P 9,077,257,684	P 12,692,065,516

See Notes to Consolidated Financial Statements.

VILLAR LAND HOLDINGS, CORP. AND SUBSIDIARIES
(Formerly Golden MV Holdings, Inc. and Subsidiaries)
(A Subsidiary of Fine Properties, Inc.)
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2024, 2023 AND 2022
(Amounts in Philippine Pesos)

	Notes	2024	2023 (As Restated – see Note 2)	2022 (As Restated – see Note 2)
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before tax		**P 1,568,455,099**	P 1,595,628,009	P 1,438,818,787
Adjustments for:				
Interest income	5, 6	**(708,260,634)**	(198,023,570)	(173,202,385)
Interest expense	10, 13, 22, 17	**333,804,776**	368,697,911	359,683,337
Depreciation and amortization	18	**83,421,465**	81,416,484	85,718,236
Gain on lease cancellation	10	**-**	(6,203,743)	-
Operating profit before working capital changes		**1,277,420,706**	1,841,515,091	1,711,017,975
Decrease in contract receivables		**867,369,597**	6,294,501,613	2,123,430,569
Increase in contract assets		**(1,027,002,899)**	(7,778,564,532)	(4,351,730,160)
Decrease (increase) in real estate inventories		**(257,092,625)**	114,725,282	676,649,400
Increase in other receivables		**(48,665,782)**	(127,307,923)	(1,044,529,405)
Decrease in other assets		**76,441,325**	82,041,063	429,866,808
Increase (decrease) in rawland payable		**(102,465,221)**	7,189,260	(146,740,645)
Decrease in customers' deposits		**(594,709,904)**	(655,539,209)	(194,047,174)
Increase (decrease) in trade and other payables		**775,428,805**	222,466,279	(113,887,883)
Increase (decrease) in contract liabilities		**(115,666,793)**	(154,566,771)	571,850,537
Increase (decrease) in reserve for maintenance care		**(270,716,819)**	116,460,482	43,891,911
Increase in retirement benefit obligation		**6,940,099**	7,706,663	5,137,637
Cash generated from (used in) operations		**587,280,489**	(29,372,702)	(289,090,430)
Interest received		**154,501,037**	198,023,570	173,202,385
Cash paid for income taxes		**(44,446,070)**	(35,195,059)	(51,359,245)
Net Cash From (Used in) Operating Activities		**697,335,456**	133,455,809	(167,247,290)
CASH FLOWS FROM INVESTING ACTIVITIES				
Advances granted to related parties	21	**(134,501,903)**	(859,367)	(8,529,737)
Acquisitions of property and equipment	9	**(86,043,441)**	(48,233,738)	(28,924,510)
Advances collected from related parties	21	**13,354,639**	1,496,515,368	-
Acquisitions of subsidiaries	1, 21	**2,344,461**	-	-
Proceeds from disposals of property and equipment	9	**242,680**	1,187,923	190,657
Net Cash From (Used in) Investing Activities		**(204,603,564)**	1,448,610,186	(37,263,590)
CASH FLOWS FROM FINANCING ACTIVITIES	30			
Repayment of borrowings from related parties	21	**(982,902,072)**	(20,177,113)	-
Repayment of interest-bearing loans	13	**(544,497,147)**	(4,517,094,279)	(3,319,420,897)
Additional borrowings from related parties	21	**521,688,851**	11,158,179	8,663,934
Proceeds from availments of interest-bearing loans	13	**350,773,054**	3,381,313,387	2,878,946,777
Interest paid on interest-bearing loans	13	**(296,997,006)**	(359,862,068)	(350,493,738)
Repayment of lease liabilities	10	**(15,475,149)**	(15,606,604)	(18,137,266)
Net Cash Used in Financing Activities		**(967,409,469)**	(1,520,268,498)	(800,441,190)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		**(474,677,577)**	61,797,497	(1,004,952,070)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		**981,168,858**	919,371,361	1,924,323,431
CASH AND CASH EQUIVALENTS AT END OF YEAR		**P 506,491,281**	P 981,168,858	P 919,371,361

Supplemental information on non-cash investing and financing activities is fully disclosed in Note 30 to the consolidated financial statements.

See Notes to Consolidated Financial Statements.

VILLAR LAND HOLDINGS, CORP. AND SUBSIDIARIES
(Formerly Golden MV Holdings, Inc. and Subsidiaries)
(A Subsidiary of Fine Properties, Inc.)
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024, 2023 AND 2022
(Amounts in Philippine Pesos)

1. CORPORATE INFORMATION

1.1 Organization and Operations

Villar Land Holdings, Corp. (VLC or the Parent Company), formerly Golden MV Holdings, Inc., was incorporated in the Philippines on November 16, 1982. The Parent Company's primary purpose is to invest, purchase or otherwise to acquire and own, hold, use, sell, assign, transfer, lease mortgage, exchange, develop, manage or otherwise dispose of real property, such as but not limited to memorial lots and chapels, or personal property of every kind and description, including shares of stock, bonds, debentures, notes, evidences of indebtedness, and other securities or obligations of any corporations. As of December 31, 2024, VLC is 63.97% effectively-owned subsidiary of Fine Properties, Inc. (FPI), which is a holding company and the parent company of VLC and its subsidiaries (collectively referred to herein as the Group).

On November 27, 2024, the Board of Directors (BOD) approved the change of the Parent Company's corporate name from Golden MV Holdings, Inc. to Villar Land Holdings Corp. Written assent from the stockholders was obtained on December 20, 2024. The application for the name change has been submitted for approval and was approved by the Philippine Securities and Exchange Commission (SEC) and the Bureau of Internal Revenue (BIR) on April 15, 2025 and July 2, 2025, respectively.

In 2017, VLC acquired 99.99% ownership interest in Bria Homes, Inc. (BHI), which is engaged in the development and sale of real estate properties, particularly, residential houses, condominium units and lots.

VLC also holds a 99.99% ownership interest in Golden Haven Memorial Park, Inc. (GHMPI), an entity incorporated on August 24, 2020. GHMPI develops and sells memorial lots. On December 20, 2024, VLC subscribed to an additional 710 million shares out of the 810.0 million share increase in authorized capital stock of GHMPI. GHMPI commenced its commercial operations on June 30, 2022.

Additionally, VLC owns 99.80% of VTech Capital, Inc. (VTECH). VTECH, upon commencement of its commercial operations, is intended to operate as a holding company focused on investments in technology and financial technology related businesses. As of December 31, 2024, VTECH has not yet started commercial operations.

The registered office address of VLC, GHMPI and VTECH, which is also their principal place of business, is located at San Ezekiel, C5 Extension, Las Piñas City. The registered office address of BHI, which is also its principal place of business, is located at Lower Ground Floor, Bldg. B Evia Lifestyle Center, Daang Hari Rd., Almanza Dos, City of Las Piñas.

The Parent Company's shares of stock are listed at the Philippine Stock Exchange (PSE) beginning June 29, 2016 (see Note 23.1).

1.2 Asset Acquisitions

On September 30, 2024, VLC acquired 99.90%, 99.99%, and 99.00% ownership interests in Althorp Land Holdings, Inc. (ALHI), Chalgrove Properties, Inc. (CPI), and Los Valores Corporation (LVC), respectively, at an aggregate purchase price amounting to P5,198.7 million. The transaction was carried out among entities under common control, namely VLC, FPI (VLC's ultimate parent company), and Hollinger Holdings Corporation (HHC), FPI's parent company. Since the transfer of assets and liabilities occurred between entities ultimately controlled by the same entity before and after the transaction, it was accounted for as a common control transaction. In accordance with the Group's accounting policy for transactions under common control, the assets and liabilities transferred were measured at their carrying amounts as recorded in the financial statements of the transferring entities [see Note 2.3(b)].

The details of the recognized amounts of identifiable assets acquired and liabilities assumed and the fair value of considerations transferred relating to the asset acquisitions are as follows:

(Amounts in PHP)	Notes	**ALHI**	**LVC**	**CPI**	**Total**
Fair value of considerations transferred		(49,950,000)	(24,000,000)	(5,124,743,473)	(5,198,693,473)
Purchase price allocation:					
Assets:					
Cash and cash equivalents	5	1,383,111	204,781	756,569	2,344,461
Due from related parties	21.1	12,437,932	-	54,068	12,492,000
Other receivables	6.2	8,441,802	20,570	15,321,776	23,784,148
Other current assets	8	1,722,050	149,183	66,307,890	68,179,123
Property and equipment – net	9	-	-	149,378,179	149,378,179
Investment properties	11	878,163,819	1,203,469,312	6,579,537,735	8,661,170,866
Non-current asset classified as held for sale	12	100,000,000	-	-	100,000,000
		1,002,148,714	1,203,843,846	6,811,356,217	9,017,348,777
Liabilities:					
Trade and other payables	14.2	(24,979)	-	(6,599,146)	(6,624,125)
Rawland payable	14.1	(34,739,310)	(6,476,158)	(688,620,747)	(729,836,215)
Due to related parties	21.2	(917,434,425)	(1,173,367,688)	(991,392,851)	(3,082,194,964)
		(952,198,714)	(1,179,843,846)	(1,686,612,744)	(3,818,655,304)
Net assets acquired		**49,950,000**	**24,000,000**	**5,124,743,473**	**5,198,693,473**

ALHI is a holding company currently engaged in acquiring and managing shares of different companies. CPI's primary purpose is to own, lease, and manage hotels and their related facilities, including the provision of amusement and entertainment services. LVC's primary purpose is to own, develop, and manage various types of real estate, including buildings and apartments. As of December 31, 2024, CPI and LVC have not yet started their commercial operations.

The registered office address of FPI, ALHI and CPI is located at 3rd Level, Starmall, Las Piñas, CV. Starr Avenue, Pamplona, Las Piñas City. The registered office address of LVC is located at LGF Bldg B Evia Lifestyle Center, Daang Hari, Almanza Dos, Las Piñas CV.

1.3 Consideration for the Proposed Change in Valuation of Investment Properties

In 2024, management announced its intention to change the valuation method for the Group's investment properties from the cost model to the fair value model. This proposed change was reflected in unaudited consolidated financial information and resulted in a significant revaluation gain based on valuations performed by independent appraisers using market and income approaches.

However, following discussions with the external auditor and considering concerns regarding the finalization and release of consolidated financial statements, management decided to retain the cost model for the 2024 audited consolidated financial statements. The decision was made to ensure consistency with prior periods and maintain compliance with applicable financial reporting standards.

Management concluded that retaining the cost model was the most appropriate approach under the circumstances and has disclosed the fair value of investment properties in accordance with PAS 40, *Investment Properties*.

1.4 Approval of Consolidated Financial Statements

The consolidated financial statements of the Group as of and for the year ended December 31, 2024 (including the comparative consolidated financial statements as of December 31, 2023 and for the years ended December 31, 2023 and 2022 and the corresponding figures as of January 1, 2023) were authorized for issue by the Parent Company's BOD on November 10, 2025.

2. MATERIAL ACCOUNTING POLICY INFORMATION

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

2.1 Basis of Preparation of Consolidated Financial Statements

(a) Statement of Compliance with Philippine Financial Reporting Standards

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

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

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

In 2023 and prior years, the Group has availed of several financial reporting reliefs granted by the SEC relating to the number of implementation issues of PFRS 15, *Revenue from Contracts with Customers*, and the related financial reporting interpretations affecting the real estate industry under the Memorandum Circulars (MC) as summarized below.

- MC No. 14-2018, *Philippine Interpretation Committee Question and Answer (PIC Q&A) No. 2018-12 Implementation Issues Affecting Real Estate Industry*
- MC No. 3-2019, *PIC Q&A Nos. 2018-12-H and 2018-14*

In 2024, the Group adopted the previously deferred provisions of PFRS 15 and the related issuances of the Philippine Interpretations Committee, *Amendment to SEC MC No. 14-2018 and MC No. 03-2019 to Clarify Transitory Provision.*

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

Discussed below are the relevant information about these standard and interpretations.

PIC Q&A No. 2018-12-D, *Concept of the Significant Financing Component in the Contract to Sell* and PIC Q&A No. 2020-04, *Addendum to PIC Q&A 2018-12-D: Significant Financing Component Arising from Mismatch between the Percentage of Completion and Schedule of Payments*

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

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

As a result of the adoption of this interpretation, Contract Assets as at January 1, 2024 decreased by P1,826.8 million and Contract Liabilities as at the said date increased by P66.2 million [see Note 2.1(e)].

(c) Presentation of Consolidated Financial Statements

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

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

(d) Functional and Presentation Currency

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

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

(e) Prior Period Restatements and Reclassifications

In 2024, the Group restated its 2023 and 2022 consolidated financial statements to correct the classification of certain balances among contract receivables, contract assets and contract liabilities. These adjustments were made in connection with the adoption of previously deferred provisions under PFRS 15 [see Note 2.1(b)]. Accordingly, in 2023, contract receivables amounting to P7,373.8 million and P32.2 million were reclassified to contract assets and contract liabilities, respectively (see Note 17.2). Similarly in 2022, contract receivables amounting to P6,491.0 million and P77.5 million were reclassified to contract assets and contract liabilities, respectively (see Note 17.2).

These corrections were applied retrospectively in accordance with PAS 8, *Accounting Policies, Changes in Accounting Estimates and Errors*. Comparative figures for the affected periods have been restated accordingly to reflect the new policy and the correction of prior period errors.

The effects of these reclassifications arising from prior period errors, as well as the adjustments to the beginning balances of the affected accounts due to the adoption of the previously deferred provision of PFRS 15 and the related issuances, are shown in the table on the following page.

(Amounts in PHP)	Notes	December 31, 2023 As previously reported	December 31, 2023 Reclassification and adjustments	December 31, 2023 As restated	January 1, 2024 Restatement [see Note 2.1 (b)]	January 1, 2024 As restated	January 1, 2023 As previously reported	January 1, 2023 Reclassification and adjustments	January 1, 2023 As restated
Changes in assets –									
Current:									
Contract receivables	2.1(b), 6	11,895,494,651	(6,651,011,853)	5,244,482,798	-	5,244,482,798	10,735,541,206	(5,948,475,068)	4,787,066,138
Contract assets	2.1(b), 17.2	2,326,220,611	6,682,321,741	9,008,542,352	(1,644,405,337)	7,364,137,015	2,032,013,837	5,874,987,047	7,907,000,884
Non-current:									
Contract receivables	2.1(b), 6	2,784,060,546	(690,536,196)	2,093,524,350	-	2,093,524,350	2,896,967,556	(620,023,579)	2,276,943,977
Contract assets	2.1(b), 17.2	303,812,289	691,464,282	995,276,571	(182,391,238)	812,885,333	193,240,554	615,964,329	809,204,883
			32,237,974		(1,826,796,575)			(77,547,271)	
Changes in liabilities –									
Current –									
Contract liabilities	2.1(b), 17.2	(426,085,240)	(31,309,877)	(457,395,117)	(61,579,457)	(518,974,574)	(596,605,739)	73,488,021	(523,117,718)
Non-current –									
Contract liabilities	2.1(b), 17.2	(36,507,822)	(928,097)	(37,435,919)	(4,642,544)	(42,078,463)	(52,792,069)	4,059,250	(48,732,819)
			(32,237,974)		(66,222,001)			77,547,271	
Net impact on consolidated net assets			**-**		**(1,893,018,576)**			**-**	

The effects of the restatements in the consolidated statements of cash flows for the years ended December 31, 2023 and 2022 are shown below.

(Amounts in PHP)	As previously reported	Restatement	As restated
2023:			
Changes in cash flows from operating activities:			
Decrease (increase) in contract receivables	(1,047,046,435)	7,341,548,048	6,294,501,613
Increase in contract assets	(404,778,509)	(7,373,786,023)	(7,778,564,532)
Decrease in contract liabilities	(186,804,746)	32,237,975	(154,566,771)
Net impact on consolidated cash and cash equivalents		-	
2022:			
Changes in cash flows from operating activities:			
Decrease (increase) in contract receivables	(4,445,068,078)	6,568,498,647	2,123,430,569
Decrease (increase) in contract assets	2,139,221,216	(6,490,951,376)	(4,351,730,160)
Increase in contract liabilities	649,397,808	(77,547,271)	571,850,537
Net impact on consolidated cash and cash equivalents		-	

2.2 Adoption of Amended PFRS Accounting Standards

(a) Effective in 2024 that are Relevant to the Group

The Group adopted for the first time the following amendments to existing standards, which are mandatorily effective for annual periods beginning on or after January 1, 2024:

PAS 1 (Amendments)	:	Presentation of Financial Statements – Classification of Liabilities as Current or Non-current, and Non-current Liabilities with Covenants
PAS 7 and PFRS 7 (Amendments)	:	Statement of Cash Flow, and Financial Instruments: Disclosures – Supplier Finance Arrangements
PFRS 16 (Amendments)	:	Leases – Lease Liability in a Sale and Leaseback

Discussed below and on the succeeding pages are the relevant information about these pronouncements.

(i) PAS 1 (Amendments), *Presentation of Financial Statements – Classification of Liabilities as Current or Non-current.* The amendments provide guidance on whether a liability should be classified as either current or non-current. The amendments clarify that the classification of liabilities as current or non-current should be based on rights that are in existence at the end of the reporting period and that the classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability. The application of these amendments had no significant impact on the Group's consolidated financial statements.

(ii) PAS 1 (Amendments), *Presentation of Financial Statements – Non-current Liabilities with Covenants.* The amendments specify that if the right to defer settlement for at least 12 months is subject to an entity complying with conditions after the reporting period, then those conditions would not affect whether the right to defer settlement exists at the end of the reporting period for the purpose of classifying a liability as current or non-current. For non-current liabilities subject to conditions, an entity is required to disclose information about the conditions, whether the entity would comply with the conditions based on its circumstances at the reporting date and whether and how the entity expects to comply with the conditions by the date on which they are contractually required to be tested. The application of these amendments had no significant impact on the Group's consolidated financial statements.

(iii) PAS 7 and PFRS 7 (Amendments), *Statement of Cash Flows, Financial Instruments: Disclosures – Supplier Finance Arrangements.* The amendments add a disclosure objective to PAS 7 stating that an entity is required to disclose information about its supplier finance arrangements that enable users of financial statements to assess the effects of those arrangements on the entity's liabilities and cash flows. In addition, PFRS 7 is amended to add supplier finance arrangements as an example within the requirements to disclose information about an entity's exposure to concentration of liquidity risk. The application of these amendments had no significant impact on the Group's consolidated financial statements.

(iv) PFRS 16 (Amendments), *Leases – Lease Liability in a Sale and Leaseback.* The amendments clarify the subsequent measurement requirements to the lease liability that arises in the sale and leaseback transaction. The amendments require the seller-lessee to subsequently measure lease liabilities arising from a leaseback in a way that it does not recognize any amount of the gain or loss that relates to the right of use it retains. The new requirements do not prevent a seller-lessee from recognizing in profit or loss any gain or loss relating to the partial or full termination of a lease. The application of these amendments had no significant impact on the Group's consolidated financial statements.

(b) Effective Subsequent to 2024 but not Adopted Early

There are amendments to existing standards effective for annual periods subsequent to 2024, which are adopted by the FSRSC. Management will adopt the following relevant pronouncements in accordance with their transitional provisions; and unless otherwise indicated, none of these are expected to have significant impact on the Group's consolidated financial statements:

(i) PAS 21 (Amendments), *The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability* (effective from January 1, 2025)

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

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

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

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

2.3 Basis of Consolidation

The Group's consolidated financial statements comprise the accounts of the Parent Company and its subsidiaries as disclosed in Note 1.1, after the elimination of material intercompany transactions.

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

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

(a) Business acquisitions of entities not under common control of a principal stockholder are accounted for using the acquisition method of accounting.

(b) Business combinations arising from transfers of interests in entities that are under the common control of the principal stockholder are accounted for under the pooling-of-interests method. Transfers of assets between commonly-controlled entities are accounted for under historical cost accounting; hence, the assets and liabilities are reflected in the consolidated financial statements at carrying values and no adjustments are made to reflect fair values or recognize any new assets or liabilities, at the date of the combination that otherwise would have been done under the acquisition method.

(c) Acquisition of assets in an entity, which does not constitute a business is accounted for as an asset acquisition.

2.4 Financial Instruments

(a) Financial Assets

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

The only classification and measurement of financial assets relevant to the Group is financial assets at amortized cost.

The Group's financial assets at amortized cost are presented in the consolidated statement of financial position as Cash and Cash Equivalents, Contract Receivables, Due from Related Parties, and Security deposits (presented under Other Current Assets and Other Non-current Assets) and Other Receivables (except Advances to contractors and others and Advances to employees) which pertain to receivables from customers for documentary fees and other assistance related to processing and transfer of lots and units sold.

The Group assesses impairment of contract receivables and other receivables on a collective basis based on shared credit risk characteristics of financial assets. The Group determines the expected credit losses (ECL) for contract receivables by applying a method that evaluates the credit quality of a portfolio of contract receivables and the cumulative loss rates by analyzing historical net charge-offs arising from sales cancellations for homogenous accounts that share the same origination period.

For other credit exposures, the Group applies the simplified approach in measuring ECL which uses a lifetime expected loss allowance. To calculate the ECL, the Group uses its historical experience, external indicators and forward-looking information using a provision matrix. For due from related parties, the Group applies the low credit risk simplification and measures the ECL on the financial assets based on a 12-month basis unless there has been a significant increase in credit risk since origination, in that case, the loss allowance will be based on the lifetime ECL. The ECL on due from related parties is based on the assumption that repayment of the advances or loans is demanded at the reporting date taking into consideration the historical default of the related parties. Management considers if the related party has sufficient accessible highly liquid assets in order to repay the loan if demanded at the reporting date.

For cash and cash equivalents, the Group applies the low credit risk simplification. The probability of default and loss given defaults are publicly available and are considered to be low credit risk investments. It is the Group's policy to measure ECLs on such instruments on a 12-month basis. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL. Meanwhile, impairment of security deposits is assessed based on potential liquidity of counterparties based on available financial information.

(b) Financial Liabilities

Financial liabilities include Interest-bearing Loans, Trade and Other Payables (except tax-related payables), Rawland Payable, Lease Liabilities, Reserve for Maintenance Care, and Due to Related Parties.

2.5 Inventories

(a) Real Estate Inventories

Real estate inventories include raw land, memorial lots, residential houses and lots for sale, condominium units and property development costs. Costs of inventories are assigned using specific identification of their individual costs. Cost includes acquisition costs of the land plus the costs incurred for its development, improvement and construction, including capitalized borrowing costs, if any. All costs relating to the real estate property sold are recognized as expense as the work to which they relate is performed.

(b) Construction Materials

Construction materials (presented as part of Other Current Assets) pertain to cost of uninstalled and unused construction and development materials at the end of the reporting period. It is recognized at purchase price and is subsequently recognized as part of real estate inventories when installed or used during construction and development of real estate projects. Cost is determined using the weighted average method.

The Group recognizes the effect of revisions in the total project cost estimates in the year in which these changes become known.

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

2.6 Property and Equipment

Property and equipment are stated at cost less accumulated depreciation, amortization and any impairment in value.

Depreciation and amortization is computed on the straight-line basis over the estimated useful lives of the assets starting on the month following the date of acquisition or completion of the assets.

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

Chapel and office building	15 years
Service vehicle	5 years
Service equipment	3-5 years
Park maintenance tools and equipment	3-5 years
System development cost	3-5 years
Chapel and office furniture, fixtures and equipment	2-5 years

Leasehold improvements are amortized over their expected useful lives of five years (determined by reference to comparable assets owned) or the term of lease, whichever is shorter.

2.7 Investment Properties

Investment properties, which consist of parcels of land, are measured at cost less any impairment in value.

2.8 Non-current Asset Classified as Held for Sale

Non-current asset held for sale is measured at the lower of its carrying amount, immediately prior to its classification as held for sale, and its fair value less costs to sell.

2.9 Revenue and Expense Recognition

Revenue comprises revenue from real estate sales and rendering of interment and chapel services measured by reference to the fair value of consideration received or receivable by the Group for goods sold and services rendered, excluding value-added tax (VAT) and trade discounts.

The Group develops real estate properties such as residential house and lot, condominium units and memorial lots. The Group often enters into contracts to sell real properties as they are being developed. The Group also provides interment and chapel services inside its memorial parks.

The significant judgments used in determining the existence of a contract with customer, evaluating the timing of satisfaction of the Group's performance obligation with respect to its contracts to sell real properties and determining the collection threshold for revenue recognition are disclosed in Note 3.1(a), (c) and (d), respectively. In addition, the following specific recognition criteria must also be met before revenue is recognized:

(a) Real estate sales on pre-completed residential houses and lots – Revenue from real estate sales is recognized over time proportionate to the progress of the development. The Group measures its progress based on actual costs incurred relative to the total expected costs to be incurred in completing the development.

(b) Real estate sales on completed residential houses and lots – Revenue from real estate sales is recognized at point in time when the control over the real estate property is transferred to the buyer.

(c) Real estate sales on memorial lots – Revenue from the Group's sale of memorial lots, which are substantially completed and ready for use, is recognized as the control transfers at the point in time with the customer.

(d) Rendering of services – income from interment and chapel services is recognized at a point in time when control over the services transfers to the customer.

Contract assets pertain to rights to consideration in exchange for goods or services that the Group has transferred to a customer that is conditioned on something other than passage of time. Under its contracts with customers, the Group will receive an unconditional right to payment for the total consideration upon the completion of the development of the property sold. Any rights to consideration recognized by the Group as it develops the property are presented as Contract Assets in the consolidated statement of financial position. Contract assets are subsequently tested for impairment in the same manner as the Group assesses impairment of its financial assets.

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

In addition, real estate sales are recognized only when certain collection threshold was met over which the Group determines that collection of total contract price is reasonably assured. The Group uses historical payment pattern of customers in establishing a percentage of collection threshold. If the transaction does not yet qualify as contract revenue under PFRS 15, the deposit method is applied until all conditions for recording the sale are met.

Pending the recognition of revenue on real estate sales, consideration received from customers are recognized as Customers' Deposits in the consolidated statement of financial position. Customers' deposit is recognized at the amounts received from customers and will be subsequently applied against the contract receivables when the related real estate sales is recognized.

Sales cancellations are accounted for on the year of forfeiture. Any gain or loss on cancellation is charged to profit or loss. The Group accounts for cancellation of sales contract as modification of contract; accordingly, previously recognized revenues and related costs are reversed at the time of cancellation.

Incremental costs of obtaining a contract to sell real estate property to customers are recognized as an asset and are subsequently amortized over the duration of the contract on the same basis as revenue from such contract is recognized. Other costs and expenses are recognized in profit or loss upon utilization of services or receipt of goods or at the date they are incurred. Finance costs are reported on an accrual basis.

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

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

2.10 Leases – Group as Lessee

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

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

2.11 Impairment of Non-financial Assets

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

2.12 Employee Benefits

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

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

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

3. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

The preparation of the Group's consolidated financial statements in accordance with PFRS Accounting Standards requires management to make judgments and estimates that affect the amounts reported in the consolidated financial statements and related notes. Judgments and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may ultimately differ from these estimates.

3.1 Critical Management Judgments in Applying Accounting Policies

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

(a) Determining Existence of a Contract with Customer

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

In rare cases wherein contract to sell are not executed by both parties, management has determined that the combination of other signed documentations with the customers such as reservation agreement, official receipts, computation sheets and invoices, would contain all the elements to qualify as contract with customer (i.e., approval of the contract by the parties, which has commercial substance, identification of each party's rights regarding the goods or services and the related payment terms). Moreover, as part of the evaluation, the Group assesses the probability that the Group will collect the consideration to which it will be entitled in exchange for the real estate property that will be transferred to the customer. In evaluating whether collectability of an amount of consideration is probable, the Group considers the significance of the customer's downpayment in relation to the total contract price [see Note 3.1(d)].

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

(b) Determination of Transaction Price and Amounts Allocated to Performance Obligations

The transaction price for a contract is allocated amongst the material right and other performance obligations identified in the contract based on their stand-alone selling prices, which are all observable and agreed at the start of the contract. The Group applies judgment in determining the transaction price and amounts allocated to performance obligations on its contracts with customers. The transaction price for a contract excludes any amounts collected on behalf of third parties (e.g., VAT).

The Group enters 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 buyer upon full payment of contract price. The amount of consideration indicated in the contract to sell is fixed and has no variable consideration.

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

(i) Real Estate Sales

The Group exercises critical judgment in determining whether each performance obligation to develop properties promised in its contracts with customers is satisfied over time or at a point in time. In making this judgment, the Group considers the following:

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

The Group's performance obligation are satisfied as follows:

- *Residential condominium units and houses and lots* – Management determines that revenues from sale of pre-completed residential condominium units and houses and lots are satisfied over time, while completed real estate properties is satisfied at a point in time, since it does not have an alternative use of the specific property sold as it is precluded by its contract from redirecting the use of the property for a different purpose. Further, the Group has rights over payment for development completed to date as the Group can choose to complete the development and enforce its rights to full payment under its contracts even if the customer defaults on amortization payments.

- *Memorial lots* – Management determines that its revenue from sale of memorial lots, which are substantially completed and ready for use, shall be recognized at a point in time when the control of goods have passed to the customer, i.e., upon issuance of purchase agreement (PA) to the customer.

(ii) Interment and Cremation Services

The Group determines that revenue from interment and cremation services shall be recognized at a point in time based on the actual services provided to the end of the reporting period as a proportion of the total services to be provided.

(d) Determination of Collection Threshold for Revenue Recognition

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

The Group considers that the initial and continuing investments by the buyer when reaching the set collection threshold would demonstrate the buyer's commitment to pay the total contract price.

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

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

(f) Determination of ECL on Contract and Other Receivables, Contract Assets, Due from Related Parties and Security Deposits

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

The provision matrix is based on the Group's historical observed default rates. The Group's management intends to regularly calibrate (i.e., on an annual basis) the matrix to consider the historical credit loss experience with forward-looking information (i.e., forecast economic conditions). Details about the ECL on the Group's contract and other receivables are disclosed in Note 26.2.

In relation to advances to related parties, PFRS 9, *Financial Instruments*, notes that the maximum period over which ECL should be measured is the longest contractual period where an entity is exposed to credit risk. In the case of these receivables from related parties, which are repayable on demand, the contractual period is the very short period needed to transfer the cash once demanded. Management determines possible impairment based on the sufficiency of the related parties' highly liquid assets in order to repay the Group's receivables if demanded at the reporting date taking into consideration the historical defaults of the related parties. If the Group cannot immediately collect its receivables, management considers the expected manner of recovery to measure ECL. If the recovery strategies indicate that the outstanding balance of receivables can be collected, the ECL is limited to the effect of discounting the amount due over the period until cash is realized.

Based on the relevant facts and circumstances existing at the reporting date, management has assessed that all strategies indicate that the Group can fully recover the outstanding balance of its receivables; thus, no ECL is required to be recognized.

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

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

For office leases, the factors that are normally the most relevant are (a) if there are significant penalties should the Group pre-terminate the contract, and (b) if any leasehold improvements are expected to have a significant remaining value, the Group is reasonably certain to extend and not to terminate the lease contract. Otherwise, the Group considers other factors including historical lease durations and the costs and business disruption required to replace the leased asset.

The Group included the renewal period as part of the lease term for office leases due to the significance of these assets to its operations. These leases have a non-cancellable lease period (i.e., 4 to 10 years) and there will be a significant negative effect on production if a replacement is not readily available. However, the renewal options for leases of transportation equipment were not included as part of the lease term because the Group has historically exercises its option to buy these transportation equipment at the end of the lease term.

(h) Distinction Among Investment Properties, Owner-managed Properties and Real Estate Inventories

The Group classifies its acquired properties as Property and Equipment if used in operations and administrative purposes, as Investment Properties if the Group intends to hold the properties for capital appreciation or rental and as Real Estate Inventories if the Group intends to develop the properties for sale.

Transfers from other accounts (such as Memorial lots and Rawland) are made to investment property when and only when, there is a change in use, evidenced by ending of owner-occupation or commencement of an operating lease to another party. For a transfer from investment property to owner-occupied property or inventories, the cost of property for subsequent measurement is its carrying value at the date of change in use. If the property occupied by the Group as an owner-occupied property becomes an investment property, the Group accounts for such property in accordance with the policy stated under property and equipment up to the date of change in use.

(i) Distinction Between Asset Acquisition and Business Combination

The Group applies judgment in evaluating whether an acquisition constitutes a business combination or an asset acquisition in accordance with the provisions of PFRS 3, *Business Combinations*. This determination is based on the substance of the transaction and whether the acquired entity includes an integrated set of activities and assets capable of being conducted and managed for the purpose of providing a return. The outcome of this assessment significantly affects the accounting treatment, including the recognition of goodwill or gain on acquisition. An incorrect judgment may result in misstatements of assets and other related accounts (see Note 2.3).

As discussed in Note 1.2, the Parent Company acquired ALHI, CPI and LVC whose primary assets consist of parcels of land classified as investment properties. At the time of acquisition, the Parent Company assessed whether these transactions represented the acquisition of a business or were merely an asset. A business combination is recognized only when the acquisition includes substantive processes or an integrated workforce that meets the definition of a business under PFRS 3.

Given that the acquired entities acquired are primarily composed of investment properties, the Parent Company applied the guidance in PIC Q&A No. 2011-06, *Acquisition of Investment Properties – Asset Acquisition or Business Combination*, to determine the nature of the transactions. A key judgment involved evaluating whether the investment properties, in isolation, qualify as business.

Based on management's assessment, the Group concluded that the acquired investment properties do not meet the criteria of a business. The properties are undeveloped lands that do not generate rental income, and neither CPI nor LVC have commenced commercial operations. Therefore, they do not possess the necessary elements of a business as defined under PFRS 3.

Accordingly, the acquisitions were accounted for as asset acquisitions. As a result, no goodwill or gain on acquisition was recognized.

(j) Classification of Non-current Asset as Held for Sale

The Group assesses whether a non-current qualifies for classification as held for sale in accordance with PFRS 5, *Non-current Assets Held for Sale and Discontinued Operations*. This classification is based on two key criteria: (1) the asset must be available for immediate sale in its present condition, and (2) the sale must be highly probable. An incorrect judgment may result in misstatements of the asset and other related accounts. An incorrect judgment may result in misstatements of the asset and other related accounts.

As discussed in Notes 1.2 and 12, the Parent Company acquired a subsidiary that holds a non-current asset previously classified as held for sale. This consists of ALHI's investment in FPI representing 35.5% equity ownership interest. Upon acquisition, the Parent Company reassessed whether the asset continues to meet the criteria for this classification. Specifically, the Group considered whether there is a committed plan to sell the asset, whether an active program to locate a buyer is in place, and whether the asset is being marketed at a price that is reasonable relative to its current fair value.

The Group measures non-current assets held for sale at the lower of their carrying amount and fair value less costs to sell. A key judgment involves determining whether the sale is highly probable and whether the asset is available for immediate sale in its current condition.

Management's assessment, based on the principles of PFRS 5, concluded that the asset meets the criteria for classification as held for sale. The asset is available for immediate sale, and the sale is considered highly probable.

In cases where the sale of the asset is extended beyond one year, the extension of the period required to complete the sale does not preclude an asset from being classified as held for sale if the delay is caused by events or circumstances beyond the Group's control and there is sufficient evidence that the Group remains committed to its plan to sell the asset.

(k) Recognition of Provisions and Contingencies

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

Judgment is exercised by management to distinguish between provisions and contingencies. Disclosures on relevant provisions and contingencies are discussed in Notes 14.2 and 25.

3.2 Key Sources of Estimation Uncertainty

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

(a) Revenue Recognition for Performance Obligations Satisfied Over Time

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

A significant change in estimated costs would result in a significant change in the amount of revenue recognized in the year of change.

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

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

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

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

(c) Estimation of Allowance for ECL

The measurement of the allowance for ECL on financial assets at amortized cost is an area that requires the use of significant assumptions about the future economic conditions and credit behavior (e.g., likelihood of customers defaulting and the resulting losses). Explanation of the inputs, assumptions and estimation used in measuring ECL is further detailed in Note 26.2.

(d) Determination of Net Realizable Value of Real Estate Inventories

In determining the net realizable value of real estate inventories, management takes into account the most reliable evidence available at the time the estimates are made. Management determined that the carrying values of its real estate inventories are lower than their net realizable values based on the present market rates. Accordingly, management did not recognize any valuation allowance on these assets as of December 31, 2024 and 2023.

(e) Estimation of Useful Lives of Property and Equipment and Right-of-use Assets

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

The carrying amounts of property and equipment and right-of-use assets are analyzed in Notes 9 and 10.1, respectively. Based on management's assessment as at December 31, 2024 and 2023, there is no change in the estimated useful lives of those assets during those years. Actual results, however, may vary due to changes in estimates brought about by changes in factors mentioned above.

(f) Fair Value Measurement of Investment Properties

The Group's investment properties which consists of parcels of land are carried at cost at the end of the reporting period. In addition, the accounting standards require the disclosure of the fair value of these investment properties.

In determining the fair value of these assets, the Group engages the services of professional and independent appraiser applying the relevant valuation methodologies as discussed in Note 28.3. These methodologies typically include market approach and other relevant techniques based on observable and unobservable inputs.

For investment property with appraisal conducted prior to the end of the current reporting period, management determines whether there are significant changes in circumstances during the intervening period that may require adjustments in the disclosed fair values of the properties.

(g) Determination of Realizable Amount of Deferred Tax Assets

The Group reviews its deferred tax assets at the end of each reporting period and reduces the carrying amount to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Management assessed that the deferred tax assets recognized as at December 31, 2024 and 2023 will be fully utilized in the coming years (see Note 20.2).

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

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

(i) Impairment of Non-financial Assets

In assessing impairment, management estimates the recoverable amount of each asset or a cash-generating unit based on expected future cash flows and uses an interest rate to calculate the present value of those cash flows. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate. Though management believes that the assumptions used in the estimation of fair values reflected in the consolidated financial statements are appropriate and reasonable, significant changes in these assumptions may materially affect the assessment of recoverable values and any resulting impairment loss could have a material adverse effect on the results of operations.

In 2024, 2023 and 2022, no impairment losses were required to be recognized on property and equipment, right-of-use assets, investment properties, non-current asset classified as held for sale and other non-financial assets, except for advances to contractors and others, which were found to be impaired in 2024 as determined by the management. The Group recognized an impairment loss which is presented as part of Other Operating Expenses in the 2024 consolidated statement of comprehensive income (see Notes 8, 9, 10.1, 11, 12 and 18.2).

(j) Valuation of Post-employment DBO

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

The amounts of post-employment DBO and expense and an analysis of the movements in the estimated present value of post-employment benefit, as well as the significant assumptions used in estimating such obligation are presented in Note 22.2.

4. SEGMENT REPORTING

4.1 Business Segments

Operating segments are reported in a manner consistent with the internal reporting provided to the Group's BOD, its chief operating decision-maker. The BOD is responsible for allocating resources and assessing performance of the operating segments.

In identifying its operating segments, management generally follows the Group's products and service lines, which represent the main products and services provided by the Group. Each of these operating segments is managed separately as each of these service lines requires different resources as well as marketing approaches. All inter-segment transfers are carried out at arm's length prices.

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

In addition, corporate assets and liabilities which are not directly attributable to the business activities of any operating segment are not allocated to a segment.

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

The Group's operating businesses are organized and managed separately according to the nature of products and services provided. In identifying its reportable operating segments, management generally follows the Group's two main revenue sources, which represent the products and services provided by the Group, namely Residential Projects and Deathcare.

(a) *Residential* – This segment pertains to the housing market segment of the Group. It caters on the development and sale of residential house and lots, subdivision lots, and condominium units.

(b) *Deathcare* – The segment pertains to sale of memorial lots, interment income, and income from chapel services.

4.2 Analysis of Segment Information

Segment information is analyzed as follows for the years ended December 31, 2024, 2023 and 2022.

(Amounts in PHP)	**Residential**	**Deathcare**	**Total**
2024			
Revenue from external customers	2,602,387,417	849,587,529	3,451,974,946
Interest revenue	61,985,583	63,475,676	125,461,259
	2,664,373,000	913,063,205	3,577,436,205
Cost of sales and services	(1,135,242,733)	(173,440,721)	(1,308,683,454)
Gross profit	1,529,130,267	739,622,484	2,268,752,751
Other operating expenses	(490,559,850)	(526,453,457)	(1,017,013,307)
Finance income	553,759,598	-	553,759,598
Finance cost	(331,241,138)	(3,231,934)	(334,473,072)
Depreciation and amortization	17,072,633	51,392,850	68,465,483
	(250,968,757)	(478,292,541)	(729,261,298)
Segment profit before tax and depreciation and amortization	**1,278,161,510**	**261,329,943**	**1,539,491,453**
Segment assets	**21,538,293,177**	**4,775,132,907**	**26,313,426,084**
Segment liabilities	**9,381,005,994**	**2,137,078,326**	**11,518,084,320**
2023			
Revenue from external customers	3,905,661,284	662,743,490	4,568,404,774
Interest revenue	126,318,423	64,650,653	190,969,076
	4,031,979,707	727,394,143	4,759,373,850
Cost of sales and services	(1,796,318,826)	(140,041,531)	(1,936,360,357)
Gross profit	2,235,660,881	587,352,612	2,823,013,493
Other operating expenses	(709,443,872)	(401,513,952)	(1,110,957,824)
Finance cost	(367,173,528)	(2,099,883)	(369,273,411)
Depreciation and amortization	36,085,225	38,474,014	74,559,239
	(1,040,532,175)	(365,139,821)	(1,405,671,996)
Segment profit before tax and depreciation and amortization	1,195,128,706	222,212,791	1,417,341,497
Segment assets			
As previously reported	22,611,036,875	4,979,770,486	27,590,807,361
Restatements [see Note 2.1(e)]	32,237,974	-	32,237,974
As restated	22,643,274,849	4,979,770,486	27,623,045,335
Segment liabilities			
As previously reported	9,958,501,646	1,721,665,405	11,680,167,051
Restatements [see Note 2.1(e)]	32,237,974	-	32,237,974
As restated	9,990,739,620	1,721,665,405	11,712,405,025

(Amounts in PHP)	**Residential**	**Deathcare**	**Total**
2022			
Revenue from external customers	4,201,344,939	593,046,884	4,794,391,823
Interest revenue	103,226,934	65,443,985	168,670,919
	4,304,571,873	658,490,869	4,963,062,742
Cost of sales and services	(2,054,018,712)	(119,279,376)	(2,173,298,088)
Gross profit	2,250,553,161	539,211,493	2,789,764,654
Other operating expenses	(730,089,697)	(430,759,927)	(1,160,849,624)
Finance cost	(358,388,761)	(1,637,943)	(360,026,704)
Depreciation and amortization	39,094,279	40,074,479	79,168,758
	(1,049,384,179)	(392,323,391)	(1,441,707,570)
Segment profit before tax and depreciation and amortization	1,201,168,982	146,888,102	1,348,057,084

The results of operations from the two segments are used by management to analyze the Group's operation and to allow them to control and study the costs and expenses. It is also a management indicator on how to improve the Group's operation. Expenses are allocated through direct association of costs and expenses to operating segments.

4.3 Reconciliation

A reconciliation of the Group's segment information to the key financial information presented in its consolidated financial statements is as follows:

(Amounts in PHP)	**2024**	2023	2022
Segment profit before tax and depreciation and amortization	**1,539,491,453**	1,417,341,497	1,348,057,084
Depreciation and amortization	**(68,465,483)**	(74,559,239)	(79,168,758)
Unallocated loss before tax	**(35,603,566)**	(103,510)	(4,619,906)
	1,435,422,404	1,342,678,748	1,264,268,420
Other income:			
Finance income	**29,039,777**	7,054,494	4,531,466
Others	**103,992,918**	245,894,767	170,018,901
	133,032,695	252,949,261	174,550,367
Profit before tax	**1,568,455,099**	1,595,628,009	1,438,818,787

(Amounts in PHP)	**2024**	2023 [As Restated – see Note 2.1(e)]
Assets:		
Total segment assets	**26,313,426,084**	27,623,045,335
Due from related parties	**350,256,874**	216,617,610
Investment properties	**8,759,321,390**	75,761,379
Non-current asset held for sale	**100,000,000**	-
Other unallocated assets	**226,594,227**	62,556,788
Total assets as reported in consolidated statements of financial position	**35,749,598,575**	27,977,981,112

(Amounts in PHP)	**2024**	2023 [As Restated – see Note 2.1(e)]
Liabilities:		
Total segment liabilities	**11,518,084,320**	11,712,405,025
Due to related parties	**8,771,400,614**	951,725,398
Income tax payable	**11,624,576**	15,479,410
Deferred tax liabilities – net	**1,256,287,624**	1,181,471,062
Other unallocated liabilities	**524,089,080**	67,200
Total liabilities as reported in consolidated statements of financial position	**22,081,486,214**	13,861,148,095

4.4 Disaggregation of Revenue from Contract with Customers and Other Counterparties

When the Group prepares its investor presentations and when the Group's Executive Committee evaluates the financial performance of the operating segments, it disaggregates revenue similar to its segment reporting as presented in Notes 4.1 and 4.2.

The Group determines that the categories used in the investor presentations and financial reports used by the Group's Executive Committee can be used to meet the objective of the disaggregation disclosure requirement of PFRS 15, which is to disaggregate revenue from contracts with customers and other counterparties and disclosed herein as additional information) into categories that depict how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic factors. A summary of additional disaggregation from the segment revenues and other unallocated income are shown in Note 17.

5. CASH AND CASH EQUIVALENTS

Cash and cash equivalents as of December 31 follows:

(Amounts in PHP)	**2024**	2023
Cash on hand	**8,336,333**	8,866,873
Cash in banks	**398,154,948**	972,301,985
Short-term placements	**100,000,000**	-
	506,491,281	981,168,858

Cash on hand comprises of revolving fund, commission fund and petty cash fund intended for the general use of the Group.

Cash in banks generally earn interest at rates based on daily bank deposit rates. Interest income earned from the Group's cash in banks amounted to P0.9 million, P3.8 million, and P1.2 million in 2024, 2023 and 2022, respectively, and is presented as part of Finance Income under Other Income (Charges) section in the consolidated statements of comprehensive income.

In 2024 and 2022, the Group invested in short-term placements which are made for varying periods from 35 to 90 days and earn effective interest ranging from 5.75% to 6.30%. The related interest income earned amounting to P28.1 million is presented as part of Finance Income under Other Income (Charges) section in the 2024 consolidated statement of comprehensive income. There was no similar transaction in 2023.

6. CONTRACT AND OTHER RECEIVABLES

6.1 Contract Receivables

This account is composed of the following:

(Amounts in PHP)	**2024**	2023 [As Restated – see Note 2.1(e)]
Current	**5,386,610,887**	5,244,482,798
Non-current	**1,084,026,664**	2,093,524,350
	6,470,637,551	7,338,007,148

Contract receivables represent receivables from sale of residential houses and lots, subdivision lots, memorial lots, and condominium units, which are normally collectible within one to ten years. Contract receivables have an annual effective interest rate of 3.00% to 15.00% in 2024, 3.00% to 16.00% in 2023 and 5.00% to 12.00% in 2022. Interest income related to contract receivables amounts to P125.5 million, P191.0 million and P168.7 million in 2024, 2023 and 2022, respectively, and are reported under Revenues in the consolidated statements of comprehensive income. In 2024, interest income arising from the adoption of the previously deferred provisions of PFRS 15 and the related financial reporting interpretations amounted to P553.8 million and is presented as part of Finance income in the 2024 consolidated statement of comprehensive income (see Note 17.2).

The Group's contract receivables are effectively secured by the real estate properties sold to the buyers considering that the title over the rights in the real estate properties will only be transferred to the buyers upon full payment.

Certain receivables with fair values less cost to sell amounting to P4,499.6 million and P4,509.4 million as of December 31, 2024 and 2023 were used as collateral security against interest-bearing loans (see Note 13). These receivables were collateralized prior to the adoption of the deferred PFRS 15 and other related interpretations.

The receivables assigned as collaterals are all current, free of lien and are non-delinquent accounts, and are collateralized prior to the adoption of the deferred PFRS 15 and other related interpretations (see Note 13). Further, the receivables collateralized for the loans coincide with the tenor of such loans availed.

6.2 Other Receivables

The composition of this account as of December 31 is shown below.

(Amounts in PHP)	**2024**	2023
Advances to contractors and others	**1,626,227,652**	1,589,555,063
Advances to employees	**103,662,003**	143,029,116
Others	**200,174,914**	103,832,106
	1,930,064,569	1,836,416,285
Allowance for impairment	**(21,198,354)**	-
	1,908,866,215	1,836,416,285

Advances to contractors and others mainly represent advances to contractors or suppliers as advance payments for purchase of construction materials, supplies and construction services. This also includes excess of advances over the remaining liability related to construction development.

Advances to employees represent cash advances and non-interest-bearing short-term loans granted to the Group's employees, which are collected through liquidation and salary deduction.

Others pertain to the documentary and miscellaneous fees and other assistance related to processing and transfer of lots and units sold. It also includes the Group's receivables from other services performed.

All of the Group's other receivables, which are subject to credit risk exposure (see Note 26.2), have been reviewed for impairment. Certain Advances to contractors and others were found to be impaired in 2024 as determined by the management; hence, allowance for impairment have been recognized. In 2024, the Group recognized P21.2 million impairment loss which is presented as part of Other Operating Expenses in the 2024 consolidated statement of comprehensive income (see Note 18.2). There was no similar transaction in 2023 and 2022.

7. REAL ESTATE INVENTORIES

The details of real estate inventories, which are stated at cost and are lower than net realizable value, are shown below.

(Amounts in PHP)	**2024**	2023
Raw land	**3,992,831,016**	4,045,622,383
Memorial lots for sale	**1,814,732,587**	1,624,430,498
Residential houses and lots for sale	**611,995,172**	165,913,231
Property development costs	**243,585,479**	529,872,509
Condominium units for sale	**93,973,507**	134,186,515
	6,757,117,761	6,500,025,136

Raw land pertains to the cost of several parcels of land acquired by the Group to be developed and other costs incurred to effect the transfer of the title of the properties to the Group.

Memorial lots for sale consist of acquisition costs of the land, construction and development costs, and other necessary costs incurred in bringing the memorial lots ready for sale.

Residential houses and lots for sale represent houses and lots in subdivision projects for which the Group has already been granted the license to sell by the Department of Human Settlements and Urban Development of the Philippines. Residential houses include units that are ready for occupancy and units under construction.

The property development costs represent the accumulated costs incurred in developing the real estate properties for sale. Costs incurred comprise of actual costs of land, construction and related engineering, architectural and other consultancy fees related to the development of residential projects.

Condominium units for sale pertain to the accumulated land costs, construction services and other development costs incurred in developing the Group's condominium projects.

Real estate inventories sold amounting to P1,259.7 million, P1,895.5 million and P2,137.4 million in 2024, 2023 and 2022, respectively, consist of cost of land and construction development cost and are presented as Cost of real estate sales under Costs of Sales and Services in the consolidated statements of comprehensive income (see Note 18.1).

8. OTHER ASSETS

This account consists of the following as of December 31:

(Amounts in PHP)	Notes	**2024**	2023
Current:			
Construction materials		**186,362,813**	279,935,803
Prepaid expenses		**179,375,971**	149,670,537
Prepaid commission	17.3	**138,892,598**	164,151,909
Creditable withholding taxes		**122,299,419**	127,836,691
Input VAT		**65,629,849**	20,360,758
Security deposits	10.5	**6,709,717**	6,601,517
Deferred input VAT		**69,210**	76,843
Other assets		**8,975,979**	9,577,842
		708,315,556	758,211,900
Non-current:			
Security deposits	10.5	**36,173,952**	31,713,362
Other assets		**10,000,000**	10,000,000
		46,173,952	41,713,362
		754,489,508	799,925,262

Construction materials pertain to various materials to be used in the construction of residential houses

Input VAT pertains to the payment of VAT on purchases of services and goods that is recoverable within 12 months.

Deferred input VAT pertains to the unamortized portion of input VAT from purchases of capital goods prior to January 1, 2022, which are subject to amortization.

Security deposits pertain to deposits made to utility companies and rental deposits in relation to the leased office spaces, which are expected to be refunded upon reaching maturity.

9. PROPERTY AND EQUIPMENT

The gross carrying amounts and accumulated depreciation and amortization of property and equipment at the beginning and end of 2024 and 2023 are shown below.

(Amounts in PHP)	Leasehold Improvement	Service Vehicle	Service Equipment	Park Maintenance Tools and Equipment	Chapel and Office Furniture, Fixtures and Equipment	System Development Cost	Chapel and Office Building	Total
December 31, 2024								
Cost	73,504,213	72,717,082	346,960,259	47,961,631	176,914,671	61,623,161	240,687,075	1,020,368,092
Accumulated depreciation and amortization	(58,712,693)	(68,973,034)	(160,128,465)	(41,772,819)	(168,915,339)	(38,955,911)	(115,311,362)	(652,769,623)
Net carrying amount	**14,791,520**	**3,744,048**	**186,831,794**	**6,188,812**	**7,999,332**	**22,667,250**	**125,375,713**	**367,598,469**
December 31, 2023								
Cost	70,060,197	70,083,875	182,055,053	34,756,005	201,717,154	50,778,711	213,853,955	823,304,950
Accumulated depreciation and amortization	(56,407,893)	(65,718,599)	(151,766,947)	(32,072,011)	(185,044,924)	(30,550,468)	(99,109,567)	(620,670,409)
Net carrying amount	13,652,304	4,365,276	30,288,106	2,683,994	16,672,230	20,228,243	114,744,388	202,634,541
January 1, 2023								
Cost	60,778,451	74,118,049	173,380,662	42,199,450	202,844,907	27,751,465	212,204,052	793,277,036
Accumulated depreciation and amortization	(48,621,098)	(67,491,057)	(141,856,570)	(37,585,205)	(176,061,563)	(18,895,146)	(83,281,817)	(573,792,456)
Net carrying amount	12,157,353	6,626,992	31,524,092	4,614,245	26,783,344	8,856,319	128,922,235	219,484,580

A reconciliation of the carrying amounts of property and equipment at the beginning and end of 2024 and 2023 are as follows:

(Amounts in PHP)	Leasehold Improvement	Service Vehicle	Service Equipment	Park Maintenance Tools and Equipment	Chapel and Office Furniture, Fixtures and Equipment	System Development Cost	Chapel and Office Building	Total
Balance at January 1, 2024, net of accumulated depreciation and impairment	13,652,304	4,365,276	30,288,106	2,683,994	16,672,230	20,228,243	114,744,388	202,634,541
Additions	3,597,427	1,815,207	30,026,598	13,205,626	1,759,596	10,050,397	26,833,120	87,287,971
Additions from a newly-acquired subsidiary (see Note 1.2)	-	818,000	144,266,362	-	3,499,026	794,791	-	149,378,179
Disposals	-	-	(242,680)	-	-	-	-	(242,680)
Depreciation and amortization charges for the year	(2,458,211)	(3,254,435)	(17,506,592)	(9,700,808)	(13,931,520)	(8,406,181)	(16,201,795)	(71,459,542)
Balance at December 31, 2024, net of accumulated depreciation and impairment	**14,791,520**	**3,744,048**	**186,831,794**	**6,188,812**	**7,999,332**	**22,667,250**	**125,375,713**	**367,598,469**
Balance at January 1, 2023, net of accumulated depreciation and impairment	12,157,353	6,626,992	31,524,092	4,614,245	26,783,344	8,856,319	128,922,235	219,484,580
Additions	10,274,829	760,199	10,607,791	164,118	2,684,752	23,027,246	1,649,903	49,168,838
Disposals	(208,995)	-	(773,686)	-	(205,242)	-	-	(1,187,923)
Depreciation and amortization charges for the year	(8,570,883)	(3,021,915)	(11,070,091)	(2,094,369)	(12,590,624)	(11,655,322)	(15,827,750)	(64,830,954)
Balance at December 31,2023, net of accumulated depreciation and impairment	13,652,304	4,365,276	30,288,106	2,683,994	16,672,230	20,228,243	114,744,388	202,634,541
Balance at January 1, 2022, net of accumulated depreciation and impairment	14,626,505	11,727,568	39,640,975	6,995,398	37,790,864	10,587,349	141,438,515	262,807,174
Additions	1,674,700	746,344	5,992,049	991,710	12,750,810	3,402,884	3,366,013	28,924,510
Disposals	- -	-	-	-	(190,657)	-	-	(190,657)
Reclassifications	-	-	2,260,491	-	(2,260,491)	-	-	-
Depreciation and amortization charges for the year	(4,143,852)	(5,846,920)	(16,369,423)	(3,372,863)	(21,307,182)	(5,133,914)	(15,882,293)	(72,056,447)
Balance at December 31,2022, net of accumulated depreciation and impairment	12,157,353	6,626,992	31,524,092	4,614,245	26,783,344	8,856,319	128,922,235	219,484,580

In 2024, 2023 and 2022, certain property and equipment were sold at carrying value amounting to P0.2 million, P1.2 million and P0.2 million, respectively. Consequently, no gain or loss was recognized in respect of these disposals.

In 2024 and 2023, the Group acquired certain service equipment through a long-term bank loan with capitalized amount of P1.2 million and P0.9 million, respectively (see Note 13). There was no similar transaction in 2022.

The Group retired certain fully depreciated assets with acquisition costs of P39.4 million and P18.0 million in 2024 and 2023, respectively, which were no longer used in the Group's operation.

The cost of fully depreciated and amortized assets still being used in operations amounted to P483.0 million and P404.7 million as of December 31, 2024 and 2023, respectively.

The amount of depreciation and amortization is allocated as follows (see Note 18.2):

(Amounts in PHP)	**2024**	2023	2022
Other operating expense	**61,940,869**	55,817,258	61,539,269
Cost of chapel services	**5,946,367**	6,707,781	6,195,537
Receivable from fund	**1,819,993**	2,156,451	3,960,868
Cost of interment	**1,752,313**	149,464	360,773
	71,459,542	64,830,954	72,056,447

Depreciation expense of park maintenance tools and portion of service equipment were charged under park operations, which is subsequently closed to maintenance care fund (see Note 16).

10. LEASES

The Group has leases for certain office spaces. With the exception of short-term leases, each lease is reflected on the consolidated statement of financial position as right-of-use assets and lease liabilities.

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

In 2024 and 2023, the Group has leased 32 office spaces with an average remaining lease term of six months to three years.

10.1 Right-of-use Assets

The carrying amounts of the Group's right-of-use assets as at December 31, 2024, 2023 and 2022 and the movements during the periods are shown below.

(Amounts in PHP)	Note	**2024**	2023	2022
Balance as of January 1		**23,605,970**	37,784,672	33,603,348
Additions		**7,210,628**	29,424,772	21,803,981
Pre-termination		**-**	(24,861,493)	-
Amortization	18.2	**(13,781,916)**	(18,741,981)	(17,622,657)
Balance as of December 31		**17,034,682**	23,605,970	37,784,672

In 2023, the Group pre-terminated certain leases as mutually agreed with its lessors. Accordingly, the Group derecognized the corresponding carrying amount of right-of-use assets amounting to P24.9 million and remaining balance of lease liabilities amounting to P31.1 million (see Note 30.2). The gain on lease cancellation amounting to P6.2 million is presented as part of Others under Other Income (Charges) section in the 2023 consolidated statement of comprehensive income (see Note 19). There was no similar transaction in 2024 and 2022.

The total amortization on the right-of-use assets is presented as part of Depreciation and amortization under Other Operating Expenses in the consolidated statements of comprehensive income (see Note 18.2).

10.2 Lease Liabilities

Lease liabilities are presented in the consolidated statements of financial position as at December 31, 2024 and 2023 as follows:

(Amounts in PHP)	**2024**	2023
Current	**9,984,000**	10,039,033
Non-current	**8,351,532**	15,049,626
	18,335,532	25,088,659

The use of extension and termination options gives the Group added flexibility in the event it has identified more suitable premises in terms of cost and/or location or determined that it is advantageous to remain in a location beyond the original lease term. The future cash outflows to which the Group is potentially exposed to are not reflected in the measurement of lease liabilities represent the amount of monthly rent remaining for the lease term and security deposit to be forfeited. An option is only exercised when consistent with the Group's regional markets strategy and the economic benefits of exercising the option exceeds the expected overall cost.

As at December 31, 2024 and 2023, the Group has no lease commitment, which had not yet commenced.

The lease liabilities are secured by the related underlying assets. The undiscounted maturity analysis of lease liabilities at December 31 are as follows:

(Amounts in PHP)	**2024**	2023
Within one year	**10,767,908**	11,222,141
One to two years	**7,511,214**	7,838,050
Two to three years	**1,107,885**	6,987,520
Three to four years	**-**	1,107,885
	19,387,007	27,155,596

10.3 Lease Payments Not Recognized as Liabilities

The Group has elected not to recognize a lease liability for short-term leases or for leases of low value assets. Payments made under such leases are expensed on a straight-line basis.

The expenses relating to short-term leases amounted to P4.2 million, P5.5 million and P6.5 million in 2024, 2023 and 2022, respectively, are presented as Rentals under Other Operating Expenses in the consolidated statements of comprehensive income (see Note 18.2). There are no existing lease commitments for short-term leases.

10.4 Additional Profit or Loss and Cash Flow Information

The total cash outflow in respect of long-term leases amounted to P15.5 million, P15.6 million and P18.1 million, in 2024, 2023 and 2022, respectively. The total cash outflow in respect of short-term leases amounted to P4.2 million, P5.5 million and P6.5 million in 2024, 2023 and 2022, respectively.

Interest expense in relation to lease liabilities amounted to P1.6 million, P2.3 million and P3.9 million in 2024, 2023 and 2022, respectively. This is presented as part of Finance Costs under Other Income (Charges) in the consolidated statements of comprehensive income.

10.5 Security Deposits

Refundable security deposits represent the lease deposits made to third parties for the lease of the Group's office spaces.

Related rental deposits for these leases amounted to P8.3 million and P9.6 million as of December 31, 2024 and 2023, respectively, and are presented as part of Security deposits under Other Assets in the consolidated statements of financial position (see Note 8).

11. INVESTMENT PROPERTIES

The Group's investment properties consist of parcels of land. In 2024, the Parent Company acquired three entities under common control for the purpose of acquiring their investment properties, in line with the Group's strategy to develop the Villar City primarily for leasing activities.

The changes in the carrying amounts of investment properties presented in the consolidated statements of financial position are summarized below.

(Amounts in PHP)	Notes	**2024**	2023
Balance at beginning of the year		**75,761,379**	75,761,379
Additions from newly-acquired subsidiaries	1.2	**8,661,170,866**	-
Additions	30.2	**22,389,145**	-
Balance at end of the year		**8,759,321,390**	75,761,379

None of the Group's investment properties have generated rental income. There were also no significant directly attributable cost, purchase commitments and any restrictions as to use related to these investment properties during the reporting periods.

Management has assessed that there were no significant circumstances during the reporting periods that may indicate impairment loss on the Group's investment properties.

The fair value and other information about the measurement and disclosures related to the investment properties are presented in Note 28.3.

12. NON-CURRENT ASSET CLASSIFIED AS HELD FOR SALE

Asset held for sale consists of ALHI's investment in FPI representing 35.62% ownership, which was initially classified as an investment in associate. In 2024, management approved a plan to dispose of its investment in FPI as holding such investment is not essential to the Group's core developmental business (see Note 1.2).

Consequently, this asset was reclassified as Non-current Asset Classified as Held for Sale in the 2024 consolidated statement of financial position. The management believes that the sale of this asset is highly probable in 2025.

The carrying value of this asset amounting to P100.0 million immediately prior to their classification as held for sale is lower than their fair value less cost to sell. Accordingly, the Group did not recognize any loss in connection with the reclassification of the asset. There were also no revenues and expenses recognized during the year that are associated with the non-current asset held for sale.

13. INTEREST-BEARING LOANS

Short-term and long-term interest-bearing loans pertain to bank loans which are broken down as follows:

(Amounts in PHP)	**2024**	2023
Current	**1,846,287,234**	792,139,985
Non-current	**3,211,228,174**	4,457,854,986
	5,057,515,408	5,249,994,971

The Group's bank loans represent secured and unsecured loans from local commercial banks, with maturities ranging from one to five years bear annual interest rates ranging from 5.00% to 8.88% in both 2024 and 2023.

In 2024, 2023 and 2022, the Group obtained interest-bearing loans amounting to P350.8 million, P3,381.3 million and P2,878.9 million, respectively, from local commercial banks for working capital requirements. Also in 2024 and 2023, the Group obtained a loan amounting to P1.2 million and P0.9 million, respectively, to finance the acquisition of certain service equipment (see Note 9). Accordingly, this loan is secured by the related service equipment with carrying amount of P0.8 million and P0.6 million as of December 31, 2024 and 2023, respectively. Certain loans of the Group amounting to P4,476.1 million and P4,499.0 million as of December 31, 2024 and 2023, respectively, are secured by contract receivables with fair values less cost to sell amounting to P4,215.8 million and P4,509.4 million as of December 31, 2024 and 2023 (see Notes 6.1 and 27.2). The receivables assigned are all current and free of lien and non-delinquent accounts and are all collateralized prior to the adoption of the deferred PFRS 15 and other related interpretations.

The Group is required to maintain certain financial ratios to comply with its debt covenants with local banks. These include maintaining a minimum debt-to-equity ratio and debt service coverage ratio. The Group has properly complied with the debt covenants as of December 31, 2024 and 2023.

Interest expense incurred on these loans amounted to P225.2 million, P309.9 million and P310.2 million for the years ended December 31, 2024, 2023 and 2022, respectively. These are presented as part of Finance Costs under Other Income (Charges) section in the consolidated statements of comprehensive income.

There are no outstanding interest payable as of December 31, 2024 and 2023 related to these loans.

The loans are net of debt issue cost amounting to P86.1 million as of both December 31, 2024 and 2023, and P71.8 million as of December 31, 2022. The amortization of debt issue cost amounting to P22.8 million, P9.7 million and P19.7 million in 2024, 2023 and 2022, respectively, is presented as part of Finance Costs under Other Income (Charges) section in the consolidated statements of comprehensive income.

14. TRADE AND OTHER PAYABLES AND RAWLAND PAYABLE

14.1 Rawland Payable

Rawland payable pertains to the amount of outstanding liability regarding the acquisitions of raw land from third parties, which will be used in the development of the Group's projects.

In prior years, the Group purchased various rawlands for expansion and development of the Group's subdivision and memorial lots projects. In addition, the Group, through its newly acquired subsidiaries, have outstanding rawland payable arising from those acquisitions of parcels of land for the construction of the Villar City (see Notes 1.1 and 30.2). The outstanding balance arising from these transactions, which is secured by the purchased properties, amounted to P1,348.3 million and P698.5 million as of December 31, 2024 and 2023, respectively.

14.2 Trade and Other Payables

This account consists of:

(Amounts in PHP)	**2024**	2023
Trade payables	**1,665,915,543**	1,361,832,934
Accrued expenses	**534,720,905**	504,173,092
Advances from customers	**400,000,000**	-
Deferred output VAT	**175,794,426**	187,362,875
Retention payable	**125,624,449**	117,179,777
Refund liability	**76,783,331**	45,026,838
Commission payable	**39,588,082**	23,181,439
Output VAT payable	**14,892,856**	11,498,294
Withholding taxes payable	**1,683,843**	1,264,206
Other payables	**2,258,810**	3,689,859
	3,037,262,245	2,255,209,314

Trade payables comprise mainly of liabilities to suppliers and contractors arising from the construction and development of the Group's real estate properties.

Accrued expenses pertain to accruals of professional fees, salaries and other employee benefits, utilities, advertising, marketing and other administrative expenses.

Advances from customers pertains to payments received in advance for certain transactions and are recognized in accordance with the terms of the related contractual arrangements.

Deferred output VAT is the portion of VAT attributable to outstanding contract receivables. This is reversed upon payment of monthly amortization from customers.

Retention payable pertains to the amount withheld from payments made to contractors to ensure compliance and completion of contracted projects equivalent to 10% of every billing made by the contractor. Upon completion of the contracted projects, the amounts are remitted to the contractors.

Refund liability pertains to the amounts payable to customers due to sales cancellation in respect of installment sales contracts as covered by the R.A. No. 6552, *Realty Installment Buyer Protection Act*, otherwise known as the Maceda Law, and other refunds to the buyer.

Commission payable refers to the liabilities of the Group as of the end of the reporting periods to its sales agents for every sale that already reached the revenue recognition threshold of the Group.

15. CUSTOMERS' DEPOSITS

Customers' deposits pertain to reservation fees and advance payments from buyers, which did not meet the revenue recognition criteria as of the end of the reporting periods. As of December 31, 2024 and 2023, Customers' Deposits account, as presented in the Current Liabilities section of the consolidated statements of financial position, amounted to P1,271.8 million and P1,866.5 million, respectively (see Note 2.9).

16. RESERVE FOR MAINTENANCE CARE

Under the terms of the contract between the Group and the purchasers of memorial lots, a portion of the amount paid by the purchasers is set aside as Maintenance Care Fund (Fund). The balance of the reserve for maintenance care for memorial lots as of December 31, 2024 and 2023 amounting to P754.1 million and P1,026.6 million, respectively, represents the amount of maintenance care from all outstanding sales contracts, net of amount already remitted for fully collected memorial lots into the Fund amounting to P570.4 million and P138.6 million as of December 31, 2024 and 2023, respectively.

As an industry practice, the amount turned over to the Fund is only for fully collected contracts in as much as the outstanding contracts may still be forfeited and/or rescinded. The income earned from the Fund will be used in the maintenance care and maintenance of the memorial lots. Once placed in the Fund, the assets, liabilities, income and expense of the Fund are considered distinct and separate from the assets and liabilities of the Group; thus, do not form part of the accounts of the Group.

The details of the Fund as of December 31, 2024 and 2023 are shown below.

(Amounts in PHP)	**2024**	2023
Cash	**-**	427,901
Investment in special deposit	**425,626,597**	-
Investment in mutual funds	**119,084,895**	120,154,893
Investment in unit investment funds	**16,050,505**	15,261,874
Investment in savings deposit	**736,364**	-
Investment in other securities and debt instruments	**8,900,000**	2,774,727
	570,398,361	138,619,395

17. REVENUES

17.1 Disaggregation of Revenues

The Group derives revenues from sale of real properties and deathcare operations. An analysis of the Group's major sources of revenues in 2024, 2023 and 2022 is presented below and on the succeeding pages.

(Amounts in PHP)	**Segments**		
	Residential	**Deathcare**	**Total**
Geographical areas			
2024			
Luzon	1,585,100,115	514,820,491	2,099,920,606
Visayas	175,687,273	163,719,671	339,406,944
Mindanao	903,585,612	234,523,043	1,138,108,655
	2,664,373,000	**913,063,205**	**3,577,436,205**

(Amounts in PHP)	Segments		
	Residential	**Deathcare**	**Total**
Geographical areas			
2023			
Luzon	2,641,393,219	441,186,289	3,082,579,508
Visayas	195,774,845	113,052,241	308,827,086
Mindanao	1,194,811,643	173,155,613	1,367,967,256
	4,031,979,707	727,394,143	4,759,373,850
2022			
Luzon	3,157,340,053	381,216,574	3,538,556,627
Visayas	1,058,291,889	119,721,343	1,178,013,232
Mindanao	88,939,931	157,552,952	246,492,883
	4,304,571,873	658,490,869	4,963,062,742
Type of product or service			
2024			
Low-cost housing	2,431,790,359	-	2,431,790,359
Memorial lots	-	708,968,334	708,968,334
Residential condominium	170,597,058		170,597,058
Interest income on contract receivables	61,985,583	63,475,676	125,461,259
Interment	-	92,396,537	92,396,537
Chapel services	-	48,222,658	48,222,658
	2,664,373,000	**913,063,205**	**3,577,436,205**
2023			
Low-cost housing	3,685,771,343	-	3,685,771,343
Memorial lots	-	553,678,350	553,678,350
Residential condominium	219,889,941	-	219,889,941
Interest income on contract receivables	126,318,423	64,650,653	190,969,076
Interment	-	75,410,499	75,410,499
Chapel services	-	33,654,641	33,654,641
	4,031,979,707	727,394,143	4,759,373,850
2022			
Low-cost housing	4,111,366,286	-	4,111,366,286
Memorial lots	-	494,611,186	494,611,186
Residential condominium	89,978,653	-	89,978,653
Interest income on contract receivables	103,226,934	65,443,985	168,670,919
Interment	-	68,575,137	68,575,137
Chapel services	-	29,860,561	29,860,561
	4,304,571,873	658,490,869	4,963,062,742

These are presented in the consolidated statements of comprehensive income under Revenues as follows:

(Amounts in PHP)	**2024**	2023	2022
Real estate sales:			
Low-cost housing	**2,431,790,359**	3,685,771,343	4,111,366,286
Memorial lots	**708,968,334**	553,678,350	494,611,186
Residential condominium	**170,597,058**	219,889,941	89,978,653
	3,311,355,751	4,459,339,634	4,695,956,125
Interest income on contract receivables	**125,461,259**	190,969,076	168,670,919
Interment income	**92,396,537**	75,410,499	68,575,137
Income from chapel services	**48,222,658**	33,654,641	29,860,561
	3,577,436,205	4,759,373,850	4,963,062,742

17.2 Contract Assets and Contract Liabilities

A reconciliation of the movements of contract assets is shown below.

(Amounts in PHP)	**2024**	2023 [As Restated – see Note 2.1(e)]
Balance at beginning of year, as previously reported	**2,630,032,900**	2,225,254,391
Effect of restatements, reclassifications and adjustments [see Note 2.1(e)]	**5,546,989,448**	6,490,951,376
Balance at beginning of year, as restated	**8,177,022,348**	8,716,205,767
Transfers from contract assets recognized at beginning of year to trade receivables	**(324,619,440)**	(8,716,205,767)
Increase due to satisfaction of performance obligation over time, net of cash collections	**1,351,622,338**	10,003,818,923
Accretion of interest income due to significant financing component	**553,759,598**	-
Balance at end of year	**9,757,784,844**	10,003,818,923

The current and non-current classification of the Group's Contract Assets account as presented in the consolidated statements of financial position is shown below.

(Amounts in PHP)	**2024**	2023 [As Restated – see Note 2.1(e)]
Current	**8,773,853,894**	9,008,542,352
Non-current	**983,930,950**	995,276,571
	9,757,784,844	10,003,818,923

A reconciliation of the movements of contract liabilities is shown below.

(Amounts in PHP)	**2024**	2023 [As Restated – see Note 2.1(e)]
Balance at beginning of year, as previously reported	**462,593,062**	649,397,808
Effect of restatements, reclassifications and adjustments [see Note 2.1(e)]	**98,459,975**	(77,547,271)
Balance at beginning of year, as restated	**561,053,037**	571,850,537
Revenue recognized that was included in contract liabilities at beginning of year	**(115,666,793)**	(86,749,651)
Accretion of interest expense due to significant financing component	**29,137,705**	-
Increase due to cash received in excess of performance to date	**-**	9,730,150
Balance at end of year	**474,523,949**	494,831,036

The current and non-current classification of the Group's Contract Liabilities account presented in the consolidated statements of financial position is shown below.

(Amounts in PHP)	**2024**	2023 [As Restated – see Note 2.1(e)]
Current	**471,878,601**	457,395,117
Non-current	**2,645,348**	37,435,919
	474,523,949	494,831,036

The Group recognizes contract assets, due to timing difference of payment and satisfaction of performance obligation, to the extent of satisfied performance obligation on all open contracts as of the end of the reporting period.

Meanwhile, the Group recognizes contract liabilities for the consideration received in excess of the amount for which the Group is entitled.

Changes in the contract assets and contract liabilities are recognized by the Group when a right to receive payment is already established and upon performance of unsatisfied performance obligation.

17.3 Direct Contract Costs

The Group incurs sales commissions upon execution of contract to sell real properties to customers. Incremental costs of commission incurred to obtain contracts are capitalized and presented as Prepaid commission under Other Current Assets in the consolidated statements of financial position (see Note 8). These are amortized over the expected construction period on the same basis as how the Group measures progress towards complete satisfaction of its performance obligation in its contracts. The total amount of amortization for 2024, 2023 and 2022 is presented as part of Commission under Operating Expenses (see Note 18.2).

The movements in balances of prepaid commission in 2024 and 2023 are presented below.

(Amounts in PHP)	**2024**	2023
Balance at beginning of year	**164,151,909**	168,475,156
Additional capitalized cost	**29,762,849**	114,183,599
Reversal due to back out	**(3,810,075)**	(4,250,476)
Amortization for the year	**(51,212,085)**	(114,256,370)
Balance at end of year	**138,892,598**	164,151,909

17.4 Transaction Price Allocated to Unsatisfied Performance Obligation

The aggregate amount of transaction price allocated to partially or wholly unsatisfied contracts amounted to P2,035.4 million and P3,060.7 million as of December 31, 2024 and 2023, respectively, which the Group expects to recognize as follows:

(Amounts in PHP)	**2024**	2023
Within a year	**1,349,611,857**	2,025,496,566
More than one year to three years	**685,765,383**	1,035,199,422
	2,035,377,240	3,060,695,988

18. COSTS AND EXPENSES

18.1 Costs of Sales and Services

Presented below are the details of costs of sales and services.

(Amounts in PHP)	Note	**2024**	2023	2022
Cost of real estate sales	7	**1,259,740,543**	1,895,529,341	2,137,387,834
Cost of interment		**33,775,723**	27,092,300	22,749,091
Cost of chapel services		**15,167,188**	13,738,716	13,161,163
		1,308,683,454	1,936,360,357	2,173,298,088

Cost of real estate sales is comprised of:

(Amounts in PHP)	**2024**	2023	2022
Construction and development costs	**726,032,908**	1,093,602,502	1,440,607,377
Cost of land	**533,707,635**	801,926,839	696,780,457
	1,259,740,543	1,895,529,341	2,137,387,834

18.2 Operating Expenses by Nature

The details of operating expenses by nature for the year ended December 31 are shown as follows:

(Amounts in PHP)	Notes	**2024**	2023	2022
Construction and development costs	18.1	**726,032,908**	1,093,602,502	1,440,607,377
Cost of land	18.1	**533,707,635**	801,926,839	696,780,457
Salaries and employee benefits	22.1	**326,959,936**	329,586,508	360,622,958
Commission	17.3	**117,241,001**	166,706,627	169,280,548
Outside services		**89,010,781**	112,756,220	105,831,065
Depreciation and amortization	9, 10.1	**83,421,465**	81,416,484	85,718,236
Loss on sales cancellations		**78,869,996**	51,564,932	82,955,248
Advertising		**72,146,377**	85,672,543	85,188,428
Prompt payment discount		**35,320,779**	20,416,681	23,343,051
Cost of interment		**32,023,410**	26,942,836	22,388,318
Repairs and maintenance		**31,645,745**	44,074,044	41,729,404
Utilities		**28,553,230**	39,149,523	38,789,598
Transportation and travel		**24,068,756**	29,959,626	25,849,538
Promotions		**21,351,011**	15,251,132	11,580,756
Impairment loss on other receivables	6.2	**21,198,354**	-	-
Taxes and licenses		**20,864,352**	11,666,176	14,104,826
Professional fees		**13,159,892**	9,506,913	8,835,886
Cost of chapel services		**9,220,821**	7,030,935	6,965,626
Management fees		**7,992,556**	18,505,510	28,196,540
Collection fees		**7,251,048**	6,976,691	6,797,251
Office supplies		**6,884,937**	10,231,225	10,630,800
Meetings and conferences		**5,349,625**	5,529,144	2,763,980
Insurance		**5,203,652**	5,765,902	7,078,844
Rentals	10.3	**4,189,002**	5,503,908	6,509,520
Representation		**1,498,068**	8,464,294	11,767,138
Trainings and seminars		**748,203**	2,945,563	1,283,917
Miscellaneous		**57,386,787**	56,268,933	43,168,308
		2,361,300,327	3,047,421,691	3,338,767,618

Miscellaneous mainly consist of subscription dues and other fees such as registration, transfer and mortgage fees.

These costs and expenses are classified in the consolidated statements of comprehensive income as follows:

(Amounts in PHP)	Note	**2024**	2023	2022
Cost of sales and services	18.1	**1,308,683,454**	1,936,360,357	2,173,298,088
Other operating expenses		**1,052,616,873**	1,111,061,334	1,165,469,530
		2,361,300,327	3,047,421,691	3,338,767,618

19. OTHER INCOME

This account consists of:

(Amounts in PHP)	Note	**2024**	2023	2022
Forfeited sales		**79,441,585**	214,981,440	132,400,482
Transfer fees		**7,778,244**	13,933,517	5,158,307
Interest on past due accounts		**6,801,529**	4,567,048	5,530,047
Service tent rentals		**4,831,192**	2,085,875	3,487,620
Gain on derecognition of liabilities		**-**	-	17,646,595
Others	10.1	**5,140,368**	10,326,887	5,795,850
		103,992,918	245,894,767	170,018,901

In 2022, the Group reversed a portion of its accrued liabilities as management has assessed these liabilities will no longer be claimed. There was no similar transaction in 2024 and 2023.

Others include gain on lease cancellation, penalties from customers with lapsed payments, restructured accounts, and other fees collected for transactions incidental to the Group's operations such as payment for memorial garden construction fee, among others.

20. TAXES

20.1 Registration with the Board of Investments (BOI)

The BOI approved BHI's application for registration as an Expanding Developer of Economic and Low-Cost Housing Project on a Non-pioneer Status relative to its various units under its Bria Homes Alaminos, Bria Homes Alaminos - Pangasinan, Bria Homes Executive Calamba, Bria Homes General Santos, Bria Homes Lumina Classic - Bacong in 2021; Bria Calamba Phase 2, Bria Calamba Phase 4, Bria Calmaba Phase 3, Bria Magalang, Bria Manolo Fortich, Bria Kidapawan, Bria Urdaneta, Bria Norzagaray, Bria Norzagaray Phase 2, Bria Hermosa, Bria Homes, Paniqui, Bria General Trias, Bria Trece Martires, Bria Sta. Cruz, Lumina Tanza Phase 4, Lumina Camarines Sur, Lumina Camarines Sur Classic, Lumina Dumaguete, Lumina Dumaguete 2, and Bria Flats Azure in 2020.

Under the registration, the applicable rights and privileges provided in the Omnibus Investment Code of 1987 shall equally apply and benefit BHI with certain incentives including income tax holiday for a period of four years from the date of registration.

20.2 Current and Deferred Taxes

The components of tax expense reported in consolidated profit or loss and in consolidated other comprehensive income or loss for the years ended December 31 are presented on the succeeding page.

(Amounts in PHP)	**2024**	2023	2022
Reported in profit or loss:			
Current tax expense:			
Regular corporate income tax (RCIT) at 25%	**71,847,993**	41,343,816	33,569,609
Minimum corporate income tax (MCIT) at 2% in 2024, 1.5% in 2023 and 1% in 2022	**-**	8,996,005	5,935,366
Final tax at 20%	**5,793,293**	871,510	880,781
	77,641,286	51,211,331	40,385,756
Deferred tax expense relating to origination and reversal of temporary differences	**67,741,395**	128,156,728	105,636,473
	145,382,681	179,368,059	146,022,229
Reported in other comprehensive income –			
Deferred tax expense relating to origination and reversal of temporary differences	**7,075,167**	2,835,850	5,163,096

The reconciliation of tax on pretax profit computed at the applicable statutory rate to tax expense is as follows:

(Amounts in PHP)	**2024**	2023	2022
Tax on pre-tax profit at 25%	**392,113,775**	398,907,003	359,704,697
Adjustment for income subjected to lower income tax rates	**(1,469,494)**	(244,472)	(220,195)
Tax effects of:			
Non-taxable income	**(313,306,638)**	(329,129,546)	(357,976,720)
Non-deductible expenses	**68,045,038**	109,809,196	143,595,170
Unrecognized net operating loss carry-over (NOLCO)	**-**	25,878	1,154,977
Recognized NOLCO from prior years	**-**	-	(235,700)
	145,382,681	179,368,059	146,022,229

The net deferred tax liabilities recognized in the consolidated statements of financial position as of December 31, 2024 and 2023 relate to the following:

(Amounts in PHP)	**2024**	2023
Unrealized gross profit	**1,277,187,779**	1,215,702,983
Retirement benefit obligation	**(20,091,863)**	(23,923,216)
Leases	**(808,292)**	(853,749)
MCIT	**-**	(9,448,113)
Unamortized past service cost	**-**	(6,843)
	1,256,287,624	1,181,471,062

The deferred tax expense recognized in the consolidated statements of comprehensive income for December 31 relate to the following:

	Consolidated Profit or Loss			**Consolidated Other Comprehensive Income**		
(Amounts in PHP)	**2024**	2023	2022	**2024**	2023	2022
Unrealized gross profit	**(61,484,796)**	(118,943,471)	(129,865,455)	**-**	-	-
MCIT	**(9,448,113)**	3,512,748	5,935,365	**-**	-	-
Retirement benefit obligation	**3,243,814**	(712,170)	6,878,621	**(7,075,167)**	(2,835,850)	(5,163,096)
Leases	**(45,457)**	(1,094,047)	540,744	**-**	-	-
Unamortized past service cost	**(6,843)**	(22,768)	(22,768)	**-**	-	-
NOLCO	**-**	(10,897,020)	10,897,020	**-**	-	-
Deferred tax expense	**(67,741,395)**	(128,156,728)	(105,636,473)	**(7,075,167)**	(2,835,850)	(5,163,096)

The Parent Company, BHI, GHMPI, ALHI, CPI, and LVC are subject to MCIT, which is computed at 2% in 2024, 1.5% in 2023, and 1% in 2022 of gross income as defined under the tax regulations, or to RCIT, whichever is higher. Meanwhile, VTECH, incorporated in 2022, is not yet subject to MCIT until 2026. The Parent Company and BHI reported RCIT in 2024, 2023 and 2022 as the RCIT was higher than MCIT in those years. GHMPI reported RCIT in 2024 and 2023 but did not report RCIT in 2022 since it was in a taxable loss position in that year. Meanwhile, VTECH did not report RCIT since it is on taxable loss position in 2024, 2023, and 2022. Additionally, ALHI, CPI, and LVC did not report any tax expense in 2024 as each entity only incurred pre-operating expenses during the year.

In 2022, BHI and GHMPI recognized deferred tax asset arising from NOLCO amounting to P10.9 million since management assessed that the related benefits will be utilized within the prescribed period of three to five years. Accordingly, the same amount was fully applied against BHI and GHMPI's taxable income in 2023.

In 2024, 2023 and 2022, the Group claimed itemized deductions in computing for its income tax due.

21. RELATED PARTY TRANSACTIONS

The Group's related parties include its ultimate parent company, parent company, the Group's key management and other related parties under common ownership.

Based on the requirement of SEC MC 2019-10, *Rules of Material Related Party Transactions of Publicly-listed Companies*, transactions amounting to 10% or more of the total consolidated assets based on its latest consolidated financial statements that were entered into with related parties are considered material.

All individual material related party transactions shall be approved by at lease two-thirds vote of the Parent Company's board of directors, with at least a majority of the independent directors voting to approve the material related party transactions. In case that a majority of the independent directors' vote is not secured, the material related party transaction may be ratified by the vote of the stockholders representing at least two-thirds of the outstanding capital stock. For aggregate related party transactions within a 12-month period that breaches the materiality threshold of 10% of the Group's consolidated total assets based on the latest consolidated financial statements, the same board approval would be required for the transactions that meet and exceed the materiality threshold covering the same related party.

The significant transactions of the Group in the normal course of business with its related parties are described as follows:

(Amounts in PHP)		Amount of Transactions			Outstanding Receivable/(Payable)	
Related Party Category	Notes	**2024**	2023	2022	**2024**	2023
HHC –						
Subscription of ALHI shares	1.2, 21.2	**(49,950,000)**	-	-	**(49,950,000)**	-
FPI:						
Subscription of CPI and LVC shares	1.2 21.2	**(5,148,743,473)**	-	-	**(5,148,743,473)**	-
Assumed payable from the acquired subsidiaries	1.2, 21.2	**(3,082,194,964)**	-	-	**(3,051,018,290)**	-
Advances receivable of the acquired subsidiaries	1.2, 21.1	**12,492,000**	-	-	**12,492,000**	-
Reclassifications and advances	21.1	**20,000,000**	193,989,112	-	**215,240,534**	195,240,534
Advances (collections) for land acquisition	21.5	**-**	(1,496,515,368)	1,690,504,480	**-**	-
Related Parties Under Common Ownership:						
Advances paid (obtained)	21.2	**490,512,177**	(9,018,934)	(8,663,934)	**(571,638,851)**	(951,725,398)
Advances granted, net of collections	21.1	**101,147,264**	859,367	8,529,737	**122,524,340**	21,377,076
Key Management Personnel –						
Compensation	21.3	**38,205,496**	34,583,336	36,744,939	**-**	-

21.1 Due from Related Parties

In the normal course of business, the Group grants noninterest-bearing cash advances to its ultimate parent company and other related parties, including those under common ownership, for working capital requirements, capital asset acquisition and other purposes. These advances are unsecured and generally payable in cash on demand or through offsetting arrangements with related parties.

The outstanding advances arising from these transactions amounting to P350.3 million and P216.6 million as at December 31, 2024 and 2023, respectively, is presented as Due from Related Parties account in the consolidated statements of financial position.

The movements in due from related parties are shown below.

(Amounts in PHP)	Notes	**2024**	2023
Balance at beginning of year		**216,617,610**	21,769,131
Advances granted during the year		**134,501,903**	859,367
Collections		**(13,354,639)**	(1,496,515,368)
Advances receivable of the acquired subsidiaries	1.2	**12,492,000**	-
Reclassification from advance for land acquisition	21.5	**-**	1,690,504,480
Balance at end of year		**350,256,874**	216,617,610

Based on management's assessment, no impairment losses need to be recognized in 2024, 2023 and 2022 from its receivables from related parties.

21.2 Due to Related Parties

The Group obtained short-term, unsecured, noninterest-bearing advances from related parties under common ownership for working capital requirements payable in cash upon demand. The outstanding balance is presented as Due to Related Parties account in the consolidated statements of financial position.

The movements in the Due to Related Parties account are shown below.

(Amounts in PHP)	Note	**2024**	2023
Balance at beginning of year		**951,725,398**	960,744,332
Addition arising from the acquisition of new subsidiaries	1.2	**5,198,693,473**	-
Assumed payable from the acquired subsidiaries	1.2	**3,082,194,964**	-
Additional advances		**521,688,851**	11,158,179
Repayments		**(982,902,072)**	(20,177,113)
Balance at end of year		**8,771,400,614**	951,725,398

On September 30, 2024, the Parent Company acquired substantially all the issued and outstanding capital stock of ALHI, CPI, and LVC from FPI and HHC at the aggregate purchase price of P5,198.7 million (see Note 1.2). The amount is still outstanding as of December 31, 2024 and is presented as part of Due to Related Parties account in the 2024 consolidated statement of financial position. In connection with the acquisition, the Group recognized the existing payables of the three entities, which represent advances from FPI for working capital requirements (see Note 1.2). These advances are short-term, unsecured, and noninterest-bearing. There was no similar transaction in 2023 and 2022.

21.3 Key Management Personnel Compensation

The compensation of key management personnel for the years ended December 31 follows:

(Amounts in PHP)	**2024**	2023	2022
Short term benefits	**26,204,949**	23,272,055	26,678,938
Post-employment benefits	**5,211,012**	3,543,803	3,153,659
Other benefits	**6,789,535**	7,767,478	6,912,342
	38,205,496	34,583,336	36,744,939

21.4 Retirement Fund

The Group does not have a formal retirement plan established separately from the Parent Company and its subsidiaries.

The Group's transactions with the fund mainly pertain to contribution, benefit payments and interest income.

The retirement fund neither provides any guarantee or surety for any obligation of the Group nor its investments covered by any restrictions or liens. The details of the contributions of the Group into the plan are presented in Note 22.2.

21.5 Advances for Land Acquisition

In 2023, the advance payments made in 2022 to FPI for future strategic land acquisition were reclassified to Due from Related Parties based on management's assessment that the purchase of land is not probable due to change in intention (see Note 21.1). There was no similar transaction in 2024.

22. EMPLOYEE BENEFITS

22.1 Salaries and Employee Benefits

Details of salaries and employee benefits are presented below.

(Amounts in PHP)	Notes	**2024**	2023	2022
Short-term employee benefits		**319,277,035**	321,879,845	338,392,821
Post-employment defined benefit	22.2	**7,682,901**	7,706,663	22,230,137
	18.2	**326,959,936**	329,586,508	360,622,958

22.2 Post-employment Defined Benefit Plan

(a) Characteristics of the Post-Employment Defined Benefit Plan

The Group maintains a funded, non-contributory post-employment benefit plan. The post-employment plan covers all regular full-time employees.

The Group's post-employment defined benefit plan is based solely on the requirement of RA No. 7641, *The Retirement Pay Law*. The optional retirement age is 60 with a minimum of five years of credited service. Normal retirement benefit is based on the employee's final salary and years of credited service.

(b) Explanation of Amounts Presented in the Consolidated Financial Statements

Actuarial valuations are made annually to update the post-employment benefit costs and the amount of contributions. All amounts presented below and on the succeeding pages are based on the actuarial valuation report obtained from an independent actuary in 2024 and 2023.

The amounts of net retirement benefit obligation recognized in the consolidated statements of financial position are shown below.

(Amounts in PHP)	**2024**	2023
Present value of the obligation	**89,377,178**	104,084,592
Fair value of plan assets	**(9,009,725)**	(8,391,738)
	80,367,453	95,692,854

The movements in the fair value of plan assets are presented below.

(Amounts in PHP)	**2024**	2023
Balance at beginning of year	**8,391,738**	8,485,904
Interest income	**742,802**	819,124
Loss on plan assets (excluding amounts included in net interest)	**(124,815)**	(913,290)
Balance at end of year	**9,009,725**	8,391,738

The Group's plan assets is composed of special deposit account. The plan assets do not comprise any of the Group's own financial instruments or any of its assets occupied and/or used in its operations. The loss on plan assets amounted to P0.1 million, P0.9 million and P1.1 million in 2024, 2023 and 2022, respectively.

The movements in the present value of defined benefit obligation recognized in the books are as follows:

(Amounts in PHP)	**2024**	2023
Balance at beginning of year	**104,084,592**	101,278,339
Current service cost	**7,682,901**	7,706,663
Interest expense	**6,035,169**	7,356,281
Actuarial losses (gains) arising from:		
Experience adjustments	**(28,968,152)**	(19,640,491)
Changes in financial assumptions	**542,668**	11,152,952
Changes in demographic assumptions	**-**	(3,769,152)
Balance at end of year	**89,377,178**	104,084,592

The components of amounts recognized in consolidated profit or loss and in consolidated other comprehensive income or loss in respect of the post-employment defined benefit plan are shown below.

(Amounts in PHP)	**2024**	2023	2022
Reported in profit or loss:			
Current service cost	**7,682,901**	7,706,663	22,230,137
Interest cost - net	**5,292,367**	6,537,157	5,284,351
	12,975,268	14,243,820	27,514,488
Reported in other comprehensive income or loss –			
Actuarial gains (losses) arising from:			
Experience adjustments	**28,968,152**	19,640,491	16,520,807
Changes in financial assumptions	**(542,668)**	(11,152,952)	5,269,939
Changes in demographic assumptions	**-**	3,769,152	-
Loss on plan assets (excluding amounts included in net interest)	**(124,815)**	(913,290)	(1,138,361)
	28,300,669	11,343,401	20,652,385

Current service cost is presented as part of Salaries and employee benefits under the Other Operating Expenses account in the consolidated statements of comprehensive income (see Notes 18.2 and 22.1).

Net interest expense is presented as part of Finance Costs under Other Income (Charges) in the consolidated statements of comprehensive income.

Amounts recognized in other comprehensive income or loss were included within items that will not be reclassified subsequently to profit or loss.

For the determination of the retirement benefit obligation, the following actuarial assumptions were used:

	2024	2023	2022
Discount rates	**6.09%**	6.16%	7.32%
Expected rate of salary increase	**7.75%**	7.75%	7.75%

Assumptions regarding future mortality experience are based on published statistics and mortality tables. The average remaining working lives of an individual retiring at the age of 60 is eight years for both male and female. These assumptions were developed by management with the assistance of an independent actuary.

Discount factors are determined close to the end of each reporting period by reference to the interest rates of a zero coupon government bond with terms to maturity approximating to the terms of the post-employment obligation. Other assumptions are based on current actuarial benchmarks and management's historical experience.

(c) Risks Associated with the Retirement Plan

The plan exposes the Group to actuarial risks such as investment risk, interest rate risk, longevity risk and salary risk.

(i) Investment and Interest Risks

The present value of the DBO is calculated using a discount rate determined by reference to market yields of government bonds. Generally, a decrease in the interest rate of a reference government bond will increase the plan obligation. However, this will be partially offset by an increase in the return on the plan's investments in savings deposit accounts and if the return on plan asset falls below this rate, it will create a deficit in the plan. Currently, the plan has only investments in cash in banks.

(ii) Longevity and Salary Risks

The present value of the DBO is calculated by reference to the best estimate of the mortality of the plan participants both during their employment, and to their future salaries. Consequently, increases in the life expectancy and salary of the plan participants will result in an increase in the plan obligation.

(d) Other Information

The information on the sensitivity analysis for certain significant actuarial assumptions, the Group's timing and uncertainty of future cash flows related to the retirement plan are presented below and on the succeeding page.

(i) Sensitivity Analysis

The table presented below summarizes the effect of changes in the significant actuarial assumptions used in the determination of the defined benefit obligation as of December 31.

		Impact on Retirement Benefit Obligation	
	Change in Assumption	**Increase in Assumption**	**Decrease in Assumption**
2024			
Discount rate	**+7.09%/-5.09%**	**(35,504,359)**	**40,830,783**
Salary growth rate	**+8.75%/-6.75%**	**40,930,708**	**(35,504,905)**
2023			
Discount rate	+7.16%/-5.16%	(36,756,513)	42,380,804
Salary growth rate	+8.75%/-6.75%	42,667,913	(36,846,124)

The sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. This analysis may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. Furthermore, in presenting the sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation recognized in the consolidated statements of financial position.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous year.

(ii) Asset-liability Matching Strategies

To efficiently manage the retirement plan, the Group through its Retirement Committee, ensures that the investment positions are managed in accordance with its asset-liability matching strategy to ensure that long-term investments are in line with the obligations under the retirement scheme. This strategy aims to match the plan assets to the retirement obligations by investing in fixed interest financial assets, primarily in short-term placements.

The Group monitors how the duration and the expected yield of the investments are matching the expected cash outflows arising from the retirement obligations.

The plan asset is currently composed of special deposit accounts as the Group believes that these investments are the best returns with an acceptable level of risk.

There has been no change in the Group's strategies to manage its risks from previous period.

(iii) Funding Arrangements and Expected Contributions

The plan is currently underfunded by P80.4 million as at year-end, while there are no minimum funding requirement in the Philippines, there is a risk that the Group may not have the cash if several employees retire within the same year.

The Group expects to contribute P7.6 million to the retirement fund in 2025.

The maturity profile of undiscounted expected benefit payment from the plan are presented below.

(Amounts in PHP)	**2024**	2023
Less than one year	**1,071,388**	11,625,531
One to less than five years	**23,599,996**	28,255,883
Five to less than 10 years	**61,618,910**	55,775,162
More than 10 years to 15 years	**53,874,185**	57,871,157
More than 15 years to 20 years	**55,913,915**	64,979,071
More than 20 years	**377,980,010**	568,817,166
	574,058,404	787,323,970

The weighted average duration of the defined benefit obligation at the end of the reporting period is 10.52 years.

23. EQUITY

23.1 Capital Stock

Capital stock in 2024 and 2023 consists of:

(Amounts in PHP, except share data)	**Shares**	**Amount**
Common shares – P1.00 par value		
Authorized		
Balance at beginning and end of year	996,000,000	**996,000,000**
Issued and outstanding		
Balance at beginning and end of year	644,117,649	**644,117,649**
Preferred shares – P0.01 par value		
Authorized		
Balance at beginning and end of year	400,000,000	**4,000,000**

On March 17, 2016, the SEC approved the increase in the Parent Company's authorized capital stock from P20.0 million divided into 200,000 common shares with par value of P100 per share to P1,000.0 million divided into 996 million common shares with par value of P1.00 per share and 400 million preferred shares with par value of P0.01 per share.

On April 1, 2016, the Parent Company applied for the registration of its common shares with the SEC and the listing of the Parent Company's shares on the PSE. The PSE approved the Parent Company's application for the listing of its common shares on June 8, 2016 and the SEC approved the registration of the 74,117,649 common shares of the Parent Company on June 14, 2016.

On June 3, 2016, the SEC approved the listing of the Parent Company's common shares totaling 74.1 million. The shares were initially issued at an offer price of P10.50 per common share. In 2023 and 2022, there were no additional issuances.

On June 29, 2016, by way of an initial public offering (IPO), sold 74,117,649 shares of its common stock at an offer price of P10.50 and generated net proceeds of approximately P703.0 million. The IPO resulted in the recognition of additional paid-in capital amounting to P628.9 million, net of IPO-related expenses amounting to P75.2 million.

On December 27, 2017, the Parent Company's BOD authorized the issuance of 150 million common shares to Cambridge Group, Inc., a related party under common ownership, out of the unissued authorized capital stock, at a subscription price of P20.1 per share or an aggregate subscription price of P3,014.0 million.

23.2 Revaluation Reserves

As of December 31, 2024 and 2023, revaluation reserves pertain to accumulated actuarial losses and gains, net of tax, due to remeasurement of post-employment defined benefit plan amounting to P30.2 million and P9.0 million, respectively (see Note 22.2).

24. EARNINGS PER SHARE

The basic and diluted earnings per share were computed as follows:

(Amounts in PHP, except share data)	**2024**	2023	2022
Consolidated net profit	**1,423,072,418**	1,416,259,050	1,292,796,558
Divided by the weighted number of outstanding common shares	**644,117,649**	644,117,649	644,117,649
Basic and diluted earnings per share	**2.21**	2.20	2.01

The Group has no dilutive potential common shares as at December 31, 2024, 2023 and 2022; hence, diluted earnings per share is the same as the basic earnings per share.

25. COMMITMENTS AND CONTINGENCIES

The Group is contingently liable with respect to sales contracts and other transactions arising in the ordinary course of business. Further, the Group's assessment on the regulatory action by the SEC is discussed in Note 31.

There are commitments and contingent liabilities that arise in the normal course of the Group's operations which are not reflected in the consolidated financial statements. Management is of the opinion that losses, if any, from these events and conditions will not have material effects on the Group's consolidated financial statements.

26. RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group is exposed to a variety of financial risks which result from both its operating and investing activities. The Group's risk management focuses on actively securing the Group's short to medium-term cash flows by minimizing the exposure to financial markets. Long-term financial investments are managed to generate lasting returns. The Group does not engage in the trading of financial assets for speculative purposes nor does it write options. The relevant financial risks, unless otherwise stated, to which the Group is exposed to are described on the succeeding pages.

26.1 Interest Rate Risk

The Group has no financial instruments subject to floating interest rate, except cash in banks, which have historically shown small or measured changes in interest rates. As such, the Group's management believes that interest rate risks are not material.

26.2 Credit Risk

The Group operates under sound credit-granting criteria wherein credit policies are in place. These policies include a thorough understanding of the customer or counterparty as well as the purpose and structure of credit and its source of repayment. Credit limits are set and monitored to avoid significant concentrations to credit risk. The Group also employs credit administration activities to ensure that all facets of credit are properly maintained.

The maximum credit risk exposure of financial assets and contract assets is the carrying amount of the financial assets as shown in the consolidated statements of financial position or in the detailed analysis provided in the notes to the consolidated financial statements, are summarized below.

(Amounts in PHP)	Notes	**2024**	2023 [As Restated – see Note 2.1(e)]
Cash and cash equivalents	5	**506,491,281**	981,168,858
Contract receivables	6.1	**6,470,637,551**	7,338,007,148
Contract assets	17.2	**9,757,784,844**	10,003,818,923
Due from related parties	21.1	**350,256,874**	216,617,610
Security deposits	8	**42,883,669**	38,314,879
Other receivables	6.2	**200,174,914**	103,832,106
		17,328,229,133	18,681,759,524

Cash in banks are insured by the Philippine Deposit Insurance Commission up to a maximum coverage of P0.5 million for every depositor per banking institution, which was increased to P1.0 million effective March 15, 2025. Also, the Group's contract receivables are effectively collateralized by residential houses and lots and memorial lots. Other financial assets are not secured by any collateral or other credit enhancements.

The Group applies the PFRS 9 simplified approach in measuring ECL which uses a lifetime expected loss allowance for all contract receivables and other receivables. To measure the expected credit losses, contract receivables and other receivables have been grouped based on shared credit risk characteristics and the days past due (age buckets). The other receivables relate to receivables from both third and related parties other than contract receivables and have substantially the same risk characteristics as the contract receivables.

The expected loss rates are based on the payment profiles of sales over a period of 36 months before December 31, 2024 and 2023, and the corresponding historical credit losses experienced within such period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The management determined that there is no required ECL to be recognized on the Group's contract receivables since the fair value of real estate sold when reacquired is sufficient to cover the unpaid outstanding balance of the related receivable arising from sale. Therefore, there is no expected loss given default as the recoverable amount from subsequent resale of the real estate is sufficient. Accordingly, no allowance was recorded by the Group as of December 31, 2024 and 2023.

The Contract Assets account is secured to the extent of the fair value of the real estate sale of house and lot and condominium units sold since the title to the real estate properties remains with the Group until the contract assets or receivables are fully collected. Therefore, there is also no expected loss given default on the contract asset.

The Group considers credit enhancements in determining the expected credit loss. Contract receivables and contract assets from real estate sales are collateralized by the real properties.

The estimated fair value of collateral and other security enhancements held against contract receivables and contract assets are presented below.

(Amounts in PHP)	**Gross Maximum Exposure**	**Fair Value of Collaterals**	**Net Exposure**
2024			
Contract receivables	6,470,637,551	6,936,486,963	-
Contract assets	9,757,784,844	10,513,304,895	-
	16,228,422,395	**17,449,791,858**	-
2023 [As Restated – see Note 2.1(e)]			
Contract receivables	7,338,007,148	7,945,644,182	-
Contract assets	10,003,818,923	10,876,314,989	-
	17,341,826,071	19,424,882,644	-

Some of the unimpaired contract receivables, which are mostly related to real estate sales, are past due as at the end of the reporting period and are presented on the succeeding page.

(Amounts in PHP)	**2024**	2023 [As Restated – see Note 2.1(e)]
Current (not past due)	**5,517,081,126**	6,358,795,769
Past due but not impaired:		
More than one month but not more than three months	**284,732,884**	345,170,762
More than three months but not more than six months	**316,088,076**	281,939,637
More than six months but not more than one year	**206,758,934**	184,421,822
More than one year	**145,976,531**	167,679,158
	6,470,637,551	7,338,007,148

ECL for due from related parties are measured and recognized using the liquidity approach. Management determines possible impairment based on the related party's ability to repay the advances upon demand at the reporting date taking into consideration the historical defaults from the related parties. The Group does not consider any significant risks in the due from related parties as these are entities whose credit risks for liquid funds are considered negligible, since counterparties are in good financial condition. As of December 31, 2024 and 2023, impairment allowance is not material.

Security deposits are subject to credit risk. The Group's security deposits pertain to receivable from lessors and third party utility providers. Based on the reputation of those counterparties, management considers that these deposits will be refunded when due.

26.3 Liquidity Risk

The Group manages its liquidity needs by carefully monitoring cash outflows due in a day-to-day business. Liquidity needs are monitored in various time bands, on a day-to-day and week-to-week basis, as well as on the basis of a rolling 30-day projection. Long-term liquidity needs for a 6-month and one-year period are identified monthly.

As of December 31, the Group's financial liabilities (excluding lease liabilities – see Note 10.2) have contractual maturities which are presented below.

(Amounts in PHP)	Within 12 months	More than One Year to Five Years	Later than Five Years
2024			
Trade and other payables	2,844,891,120	-	-
Rawland payable	1,348,300,382	-	-
Interest-bearing loans	2,152,472,343	3,359,795,955	-
Due to related parties	8,771,400,614	-	-
Reserve for maintenance care	-	749,641,792	4,439,118
	15,117,064,459	**4,109,437,747**	**4,439,118**
2023			
Trade and other payables	2,055,083,939	-	-
Rawland payable	698,540,244	-	-
Interest-bearing loans	1,067,595,761	4,808,619,014	-
Due to related parties	951,725,398	-	-
Reserve for maintenance care	-	1,026,617,722	-
	4,772,945,342	5,835,236,736	-

27. CATEGORIES AND OFFSETTING OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

27.1 Carrying Values and Fair Values by Category

The carrying values and fair values of the categories of financial assets and financial liabilities presented in the consolidated statements of financial position are shown below and on the succeeding page.

(Amounts in PHP)	Notes	2024		2023 [As Restated – see Note 2.1(e)]	
		Carrying Values	**Fair Values**	Carrying Values	Fair Values
Financial Assets					
At amortized cost:					
Cash and cash equivalents	5	**506,491,281**	**506,491,281**	981,168,858	981,168,858
Contract receivables	6.1	**6,470,637,551**	**6,013,592,769**	7,338,007,148	7,251,710,886
Due from related parties	21.1	**350,256,874**	**350,256,874**	216,617,610	216,617,610
Security deposits	8	**42,883,669**	**38,408,745**	38,314,879	35,052,113
Other receivables	6.2	**200,174,914**	**200,174,914**	103,832,106	103,382,106
		7,570,444,289	**7,108,924,583**	8,677,940,601	8,587,931,573

(Amounts in PHP)	Notes	2024		2023 [As Restated – see Note 2.1(e)]	
		Carrying Values	**Fair Values**	Carrying Values	Fair Values
Financial Liabilities					
At amortized cost:					
Interest-bearing loans	13	**5,057,515,408**	**4,849,650,414**	5,249,994,971	5,159,921,449
Trade and other payables	14	**2,844,891,120**	**2,844,891,120**	2,055,083,939	2,055,083,939
Lease liabilities	10.2	**18,335,532**	**17,928,491**	25,088,659	24,493,322
Due to related parties	21.2	**8,771,400,614**	**8,771,400,164**	951,725,398	951,725,398
Rawland payable	14.2	**1,348,300,382**	**1,348,300,382**	698,540,244	698,540,244
Reserve for maintenance care	16	**754,080,910**	**754,080,910**	1,026,617,722	1,026,617,722
		18,794,523,966	**18,586,251,481**	10,007,050,933	9,916,382,074

See Note 2.4 for a description of the accounting policies for each category of financial instrument. A description of the Group's risk management objectives and policies for financial instruments is provided in Note 26.

27.2 Offsetting of Financial Assets and Financial Liabilities

Except as more fully described in Note 21, the Group has not set-off financial instruments in 2024 and 2023 and does not have relevant offsetting arrangements. Currently, all other financial assets and financial liabilities are settled on a gross basis; however, each party to the financial instrument (particularly related parties) will have the option to settle all such amounts on a net basis in the event of default of the other party through approval by both parties' BOD and stockholders. As such, the Group's outstanding receivables from and payables to the same related parties as presented in Note 21 can be potentially offset to the extent of their corresponding outstanding balances.

The Group has cash in certain local banks to which it has outstanding loans (see Note 13). Moreover, the Group has certain contract receivables which were used as collateral security against interest-bearing loans (see Note 6.1).

Accordingly, in case of the Group's default on loan amortization, cash in bank amounting to P498.2 million and P972.3 million and contract receivables amounting to P4,215.8 million and P4,509.4 million can be applied against its outstanding loans amounting to P5,056.1 million and P5,249.0 million as of December 31, 2024 and 2023, respectively.

28. FAIR VALUE MEASUREMENT AND DISCLOSURES

28.1 Fair Value Hierarchy

In accordance with PFRS 13, *Fair Value Measurement*, the fair value of financial assets and financial liabilities and non-financial assets which are measured at fair value on a recurring or non-recurring basis and those assets and liabilities not measured at fair value but for which fair value is disclosed in accordance with other relevant PFRS Accounting Standards, are categorized into three levels based on the significance of inputs used to measure the fair value. The fair value hierarchy has the following levels:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that an entity can access at the measurement date;

- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and,

- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The level within which the asset or liability is classified is determined based on the lowest level of significant input to the fair value measurement.

For purposes of determining the market value at Level 1, a market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

28.2 Financial Instruments Measured at Amortized Cost for which Fair Value is Disclosed

The Group's financial assets which are not measured at fair value in the consolidated statements of financial position but for which fair value is disclosed include cash and cash equivalents, which are categorized as Level 1, and contracts and other receivables, due from related parties and security deposits which are categorized as Level 3.

Financial liabilities which are not measured at fair value but for which fair value is disclosed pertain to interest-bearing loans, trade and other payables, due to related parties, rawland payable, and reserve for maintenance care which are categorized as Level 3.

The fair values of the financial assets and financial liabilities included in Level 3, which are not traded in an active market, are determined based on the expected cash flows of the underlying net asset or liability based on the instrument where the significant inputs required to determine the fair value of such instruments are not based on observable market data.

28.3 Fair Value Measurement for Non-financial Assets

The Group's investment properties are categorized under Level 3 hierarchy of non-financial assets measured at cost as of December 31, 2024 and 2023.

The fair value of the Group's investment properties amounting to P52,740.9 million and P679.0 million as of December 31, 2024 and 2023, respectively, is determined using the market approach on the basis of the appraisals performed by independent appraisers with appropriate qualifications and recent experiences in the valuation of similar properties in their relevant locations.

In 2024, the Parent Company acquired three entities whose asset portfolios are largely composed of raw land intended for future development, classified as investment properties, in support of the Group's planned expansion into the leasing business.

Given the nature and intended use of the acquired investment properties, the Group considered adopting the income approach as a basis of valuation. After obtaining multiple appraisal reports from independent appraisers, management accepted and ultimately adopted the market approach. This was due to certain impediments or scope limitations in performing the income approach.

As such, there were no changes to the valuation techniques used during the year.

In estimating the fair value of these properties, management considers the ability of market participants to generate economic benefits by utilizing the assets in their highest and best use. Based on the appraisal performed, the highest and best use of certain investment properties differs from their current use. These properties are currently held for future development but would yield a higher value if developed or repurposed in line with prevailing market demand. Accordingly, the fair value measurement reflects this alternative use, which is physically possible, legally permissible, and financially feasible as of the reporting date.

Principal Assumptions for Management's Estimation of Fair Value

The Group determined the Level 3 fair value using the market comparable approach, which reflects the recent transaction prices for similar property in nearby locations. Under this approach, when sales prices of comparable properties located in different areas or with differing characteristics are used in the valuation of the subject property and require significant adjustments, the resulting fair value is included in Level 3. The most significant input into this valuation approach is the price per square meter; hence, the higher the price per square meter, the higher the fair value.

For the valuation of the recently acquired investment properties, verified market evidence of raw land and prime commercial parcels within and around the subject location was analyzed. Necessary adjustments were applied to account for differences between the subject properties and the comparable in terms of location, parcel size, topography, accessibility, presence of improvements, and date of transaction. Only recent, arm's-length transactions involving similarly situated properties in Bacoor, Dasmariñas, and other proximate municipalities with comparable land uses and physical attributes were considered.

The adjustment factors were determined through the Grid Analysis Method. Adjustments were applied to reflect differences between each comparable sale or listing and the subject property, computed on a percentage basis ranging from 0% to 20%.

The Group considers that it is impracticable to discuss with sufficient reliability the possible effects of sensitivities surrounding the estimation of fair value of investment properties as the major assumptions used may differ significantly. With this, it is reasonably possible, based on existing knowledge, that the outcomes within the next financial year are different from the assumptions that could require a material adjustment to the carrying amount of investment properties.

The expected future market selling price are determined on the basis of the current market for similar properties in the same nature and condition.

Also, there were no transfers into or out of Level 3 fair value hierarchy.

29. CAPITAL MANAGEMENT OBJECTIVES, POLICIES AND PROCEDURES

The Group's capital management objectives are to ensure the Group's ability to continue as a going concern and to provide an adequate return to shareholders by pricing products and services commensurate with the level of risk.

The Group sets the amount of capital in proportion to its overall financing structure, i.e., equity and liabilities. The Group manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, issue new shares or sell assets to reduce debt.

The Group monitors capital on the basis of the carrying amount of equity as presented in the consolidated statements of financial position. Capital for the reporting periods under review is summarized as follows:

(Amounts in PHP)	**2024**	2023
Total liabilities	**22,081,486,214**	13,861,148,095
Total equity	**13,668,112,361**	14,116,833,017
Debt-to-equity ratio	**1.62:1.00**	0.98:1.00

The Group has complied with its covenant obligations, including maintaining the required debt-to-equity ratio and debt service coverage ratio for 2024 and 2023.

30. SUPPLEMENTAL INFORMATION ON CASH FLOWS

30.1 Reconciliation of Liabilities Arising from Financing Activities

Presented below is the supplemental information on the Group's liabilities arising from financing activities (see Notes 10.2, 13 and 21.2):

(Amounts in PHP)	Interest-bearing Loans	Due to Related Parties	Lease Liabilities	Total
Balance as of January 1, 2024	5,249,994,971	951,725,398	25,088,659	6,226,809,028
Cash flows from financing activities:				
Repayments	(544,497,147)	(982,902,072)	(15,475,149)	(1,542,874,368)
Additional borrowings	350,773,054	521,688,851	-	872,461,905
Interest paid	(296,997,006)	-	-	(296,997,006)
Non-cash financing activities:			-	
Additions from acquisitions of new subsidiaries (see Note 1.2)	-	5,198,693,473	-	5,198,693,473
Assumed from newly-acquired subsidiaries (see Note 1.2)	-	3,082,194,964	-	3,082,194,964
Interest accrued	296,997,006	-	-	296,997,006
Additional lease liabilities	-	-	7,087,126	7,087,126
Interest expense on lease liabilities	-	-	1,634,896	1,634,896
Additional borrowings	1,244,530	-	-	1,244,530
Balance as of December 31, 2024	**5,057,515,408**	**8,771,400,614**	**18,335,532**	**13,847,251,554**
Balance as of January 1, 2023	6,384,840,763	960,744,332	40,657,457	7,386,242,552
Cash flows from financing activities:				
Repayments	(4,517,094,279)	(20,177,113)	(15,606,604)	(4,552,877,996)
Additional borrowings	3,381,313,387	11,158,179	-	3,392,471,566
Interest paid	359,862,068	-	-	359,862,068
Non-cash financing activities:				
Interest accrued	(359,862,068)	-	-	(359,862,068)
Derecognition of lease liabilities	-	-	(31,065,236)	(31,065,236)
Additional lease liabilities	-	-	28,804,356	28,804,356
Interest expense on lease liabilities	-	-	2,298,686	2,298,686
Additional borrowings	935,100	-	-	935,100
Balance as of December 31, 2023	5,249,994,971	951,725,398	25,088,659	6,226,809,028
Balance as of January 1, 2022	6,825,314,883	952,080,398	35,079,904	7,812,475,185
Cash flows from financing activities:				
Repayments	(3,319,420,897)	-	(18,137,266)	(3,337,558,163)
Additional borrowings	2,878,946,777	8,663,934	-	2,887,610,711
Interest paid	350,493,738	-	-	350,493,738
Non-cash financing activities:				
Interest accrued	(350,493,738)	-	-	(350,493,738)
Additional lease liabilities	-	-	19,809,571	19,809,571
Interest expense on lease liabilities	-	-	3,905,248	3,905,248
Balance as of December 31, 2022	6,384,840,763	960,744,332	40,657,457	7,386,242,552

30.2 Supplemental Information on Non-cash Activities

The following discusses the supplemental information on non-cash investing and financing activities as presented in the consolidated statements of cash flows for the years ended December 31, 2024, 2023 and 2022:

- In 2024, 2023 and 2022, the Group recognized right-of-use assets amounting to P7.2 million, P29.4 million and P21.8 million, respectively, and lease liabilities amounting to P7.1 million, P28.8 million and P19.8 million, respectively (see Note 10).

- In 2023, the Group pre-terminated certain leases as mutually-agreed with its lessors. Accordingly, the Group derecognized the corresponding carrying amount of right-of-use assets amounting to P24.9 million and remaining balance of lease liabilities amounting to P31.1 million as of pre-termination date (see Note 10). There was no similar transaction in 2024 and 2022.

- In 2024 and 2023, the Group acquired certain service equipment through a long-term bank loan with capitalizable amount of P1.2 million and P0.9 million, respectively (see Notes 9 and 13). There was no similar transaction in 2022.

- In 2022, the Group made advance payments to FPI for future strategic land acquisition. However, these advances were reclassified to Due from Related Parties based on management's assessment that the purchase of land is no longer probable due to change in intention in 2023 (see Note 21.5).

- In 2024, the Group acquired investment properties, through its newly acquired subsidiaries, amounting to P22.4 million (see Notes 1.2 and 11). The outstanding amount is presented as part of Rawland Payable in the 2024 consolidated statement of financial position (see Note 14.1). There was no similar transaction in 2023 and 2022.

- In 2024, the Parent Company acquired control over ALHI, CPI and LVC through a non-cash transaction, resulting in the recognition of the respective assets and liabilities of these entities in the consolidated financial statements. The aggregate purchase price amounting to P5,198.7 million remains outstanding as of December 31, 2024 and is presented as part of Due to Related Parties in the 2024 consolidated statement of financial position (see Notes 1.2 and 21.2).

31. REGULATORY ACTION BY THE SEC

On August 18, 2025, the Group received a copy of the Order dated August 18, 2025 issued by the Markets and Securities Regulation Department (MSRD) of the SEC. The Order served as (i) a resolution of the Show Cause Order previously issued by the MSRD which directed the Group and its directors and officers to explain why. its Registration Statement should not be suspended for failure to comply with the SEC's orders to file Annual and Quarterly reports pursuant to the Securities Regulation Code ("SRC") and its implementing rules ("SRC Rules"); and (ii) an order directing the Group, its directors, and its officers, to explain why they should not be held administratively liable for violating Sections 26.3 and 541.1 (c) of the SRC, Section 8 (c) of the Financial Products and Services Consumer Protection Act, and Section 30 of the Revised Corporation Code, on the basis of the disclosures made by the Group in its SEC Form 17-C dated March 28, 2025, wherein the Group disclosed that the Parent Company's Board of Directors has approved and authorized the release of the consolidated financial statements for the year ended 31 December 2024.

On 28 August 2025, the Group filed its Response to the Show Cause Order contained in the Order, emphasizing that the disclosure made in the SEC Form 17-C dated March 28, 2025 was made in utmost good faith with a view of balancing the requirement of the Group, as a publicly-listed company, to timely disclose material facts or events with the Group's obligation to ensure that such disclosures are full, fair, and accurate. Proceeding from this premise, the Group argued that there is no basis for the Group, and much more its officers and directors to be held liable for the cited violations given that there is no willful and deliberate intent to disclose patently false and/or misleading statements through the SEC Form 17-C. In the Response, the Group also emphasized that its officers and directors cannot be held individually liable absent any clear act on their part to commit the alleged violations. Ultimately, the Group prayed that the MSRD earnestly consider the explanation stated in the Response and to refrain from the imposition of administrative sanctions and penalties.

On 2 September 2025, the Group filed a Motion for Reconsideration seeking the reversal of resolution of the MSRD of the prior Show Cause Order issued against the Company for failing to file its Annual and Quarterly reports, through which the MSRD held the Company and its officers and directors administratively liable and imposed a monetary penalty for each of the respondents in the amount of P1.0 million and P2,000 for each day of violation. In its Motion for Reconsideration, the Group emphasized that it was not responsible for the delay in the filings considering that the Group's Audited Consolidated Financial Statements for the year ended 31 December 2024 is still not available at the time the reports were due.

Both the Response dated August 28, 2025 and the Motion for Reconsideration dated September 2, 2025 remain pending for resolution by the MSRD.

On September 19, 2025, the Group received the Show Cause Order dated September 18, 2025 issued by the MSRD, directing the Group to explain why it should not be held liable for violation of Section 25 of the Revised Corporation Code following the subsequent postponements of the Company's Annual Stockholders' Meeting ("ASM").

On 24 September 2025, the Group filed its Response, emphasizing that the Group did not intend to violate any provision of law in postponing the ASM nor was there intent to withhold the exercise of the rights of the Group's stockholders. The Group explained that the postponement of the ASM was necessary considering that the Audited Consolidated Financial Statements of the Group for the year ended December 31, 2024 was not yet ready for presentation to the shareholders, as required by the provisions of the SRC and the Revised Corporation Code.

The resolution of the Response is still pending before the MSRD.

The Group has taken steps to address the delay, including the completion and release of the 2024 audited consolidated financial statements and the submission of the required interim reports. However, the matter remains under regulatory review and may have implications for the Group's compliance status, public disclosures, and market perception.

Management, in consultation with legal counsel, believes that while the penalties are not expected to have a material adverse effect on the Group's consolidated financial statements, the matter is disclosed herein due to its regulatory significance and potential reputational impact.

P&A Grant Thornton

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

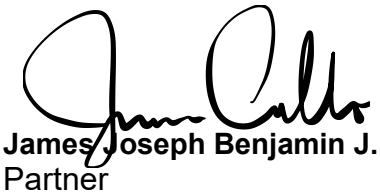
T +63 2 8988 2288

Report of Independent Auditors to Accompany Supplementary Information Required by the Securities and Exchange Commission Filed Separately from the Basic Consolidated Financial Statements

The Board of Directors and Stockholders
Villar Land Holdings, Corp. and Subsidiaries
(Formerly Golden MV Holdings, Inc. and Subsidiaries)
(A Subsidiary of Fine Properties Inc.)
San Ezekiel, C5 Extension
Las Piñas City

We have audited, in accordance with Philippine Standards on Auditing, the consolidated financial statements of Villar Land Holdings, Corp. and subsidiaries (the Group) for the year ended December 31, 2024, on which we have rendered our report dated November 10, 2025. Our audit was made for the purpose of forming an opinion on the basic consolidated financial statements taken as a whole. The applicable supplementary information (see List of Supplementary Information) is presented for purposes of additional analysis in compliance with the requirements of the Revised Securities Regulation Code Rule 68 and is not a required part of the basic consolidated financial statements prepared in accordance with Philippine Financial Reporting Standards (PFRS Accounting Standards), as modified by the application of the financial reporting reliefs issued and approved by the Securities and Exchange Commission. Such supplementary information is the responsibility of the Group's management. The supplementary information has been subjected to the auditing procedures applied in the audit of the basic consolidated financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic consolidated financial statements taken as a whole.

PUNONGBAYAN & ARAULLO



By: James Joseph Benjamin J. Araullo
Partner

CPA Reg. No. 0111202
TIN 212-755-957
PTR No. 10465897, January 2, 2025, Makati City
BIR AN 08-002511-039-2024 (until October 3, 2027)
BOA/PRC Cert. of Reg. No. 0002/P-002 (until August 12, 2027)

November 10, 2025

VILLAR LAND HOLDINGS, CORP. AND SUBSIDIARIES
(Formerly Golden MV Holdings, Inc. and Subsidiaries)
(A Subsidiary of Fine Properties, Inc.)
List of Supplementary Information
December 31, 2024

Schedule	Content	Page No.
Schedules Required under Annex 68-J of the Revised Securities Regulation Code Rule 68		
A	Financial Assets	1
B	Amounts Receivable from Directors, Officers, Employees, Related Parties and Principal Stockholders (Other than Related Parties)	2
C	Amounts Receivable to Related Parties which are Eliminated during the Consolidation of Financial Statements	3
D	Long-term Debt	4
E	Indebtedness to Related Parties (Long-term Loans from Related Companies)	N/A
F	Guarantees of Securities of Other Issuers	N/A
G	Capital Stock	5
Other Required Information		
	Reconciliation of Retained Earnings Available for Dividend Declaration	6
	Map Showing the Relationship Between the Company and its Related Entities	7
	Supplemental Schedule of Financial Soundness Indicators	8

Villar Land Holdings, Corp. and Subsidiaries
(Formerly Golden MV Holdings, Inc. and Subsidiaries)
(A Subsidiary of Fine Properties, Inc.)
Schedule A - Financial Assets
Financial Assets at Amortized Cost
December 31, 2024

Name of issuing entity and association of each issue	*Number of shares or principal amount of bonds or notes*	*Amount shown on the balance sheet*	*Valued based on the market quotation at balance sheet date*	*Income received and accrued*
Cash and cash equivalents	P -	P 506,491,281	P 506,491,281	P 29,046,107
Contract receivable	-	6,470,637,551	6,013,592,769	125,461,259
Due from related parties	-	350,256,874	350,256,874	-
Security deposits	-	42,883,669	38,408,745	-
Other receivables	-	200,174,914	200,174,914	-
	P -	P 7,570,444,289	P 7,108,924,583	P 154,507,366

Villar Land Holdings, Corp. and Subsidiaries
(Formerly Golden MV Holdings, Inc. and Subsidiaries)
(A Subsidiary of Fine Properties, Inc.)
Schedule B - Amounts Receivable from Directors, Officers, Employees, Related Parties and Principal Stockholders
(Other than Related Parties)
December 31, 2024

				Ending Balance		
Name	***Beginning Balance***	***Additions***	***Deductions***	***Current***	***Not current***	***Total***
Manuel B. Villar, Jr.	P 100,000	P -	P -	P 100,000	P -	P 100,000
Maribeth C. Tolentino	100,000	-	-	100,000	-	100,000
Estrellita S. Tan	100,000	-	-	100,000	-	100,000
Camille A. Villar	100,000	-	-	100,000	-	100,000
Manuel Paolo A. Villar	100,000	-	-	100,000	-	100,000

Villar Land Holdings, Corp. and Subsidiaries
(Formerly Golden MV Holdings, Inc. and Subsidiaries)
(A Subsidiary of Fine Properties, Inc.)
Schedule C - Amounts Receivable from Related Parties which are Eliminated During the Consolidation of Financial Statements
December 31, 2024

Name and designation of debtor	Balance at beginning of year	Additions	Deductions		Current	Not-current	Balance at end of year
			Amounts collected	Amounts written off			
Due to related parties:							
Vtech Capital, Inc.	P -	P 54,297,041	P -	P -	P 54,297,041	P -	P 54,297,041
Bria Homes, Inc.	72,496,650	32,000,000	(104,496,650)	-	-	-	-
Due from related parties:							
Golden Haven Memorial Park, Inc.	59,722,179	243,940,626	(110,190,296)	-	193,472,509	-	193,472,509
Bria Homes, Inc.	-	15,839,350	-	-	15,839,350	-	15,839,350
Vtech Capital, Inc.	4,656,240	2,917,568	(7,573,808)	-	-	-	-

Villar Land Holdings, Corp and Subsidiaries
(Formerly Golden MV Holdings, Inc. and Subsidiaries)
(A Subsidiary of Fine Properties, Inc.)
Schedule D - Long-Term Debt
December 31, 2024

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*
Domestic borrowings	P 7,567,815,913	P 1,846,287,234	P 3,211,228,174

Villar Land Holdings, Corp. and Subsidiaries
(Formerly Golden MV Holdings, Inc. and Subsidiaries)
(A Subsidiary of Fine Properties, Inc.)
Schedule G - Capital Stock
December 31, 2024

				Number of shares held by		
Title of Issue	***Number of shares authorized***	***Number of shares issued and outstanding as shown under the related balance sheet caption***	***Number of shares reserved for options, warrants, conversion and other rights***	***Related parties***	***Directors, officers and employees***	***Others***
Common shares - P1 par value	996,000,000	644,117,649	-	570,802,055	337,702	72,977,892
Preferred shares - P.01 par value	400,000,000	-	-	-	-	-

VILLAR LAND HOLDINGS, CORP. AND SUBSIDIARIES
(Formerly Golden MV Holdings, Inc. and Subsidiaries)
(A Subsidiary of Fine Properties, Inc.)
SAN EZEKIEL, C5 EXTENSION, LAS PIÑAS CITY
Reconciliation of Retained Earnings Available for Dividend Declaration
December 31, 2024

Unappropriated Retained Earnings at Beginning of Year		P	1,614,779,267
Add: Items that are directly credited to Unappropriated Retained Earnings			
Effect of restatements or prior-period adjustments	-		
Reversal of Retained Earning Appropriation/s	-		
Others	-		-
Less: Items that are directly debited to Unappropriated Retained Earnings			
Dividend declaration during the reporting period	-		
Retained Earnings appropriated during the reporting period	-		
Effect of restatements or prior-period adjustments	-		
Others	-		-
Unappropriated Retained Earnings at Beginning of Year, as adjusted			1,614,779,267
Add/Less: Net Income (Loss) for the Current Year			169,179,632
Less: 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)	-		
Other unrealized gains or adjustments to the retained earnings as result of certain transactions accounted for under the PFRS	-		
Sub-total			-
Add: Unrealized income recognized in the profit or loss in prior reporting periods but realized in the current reporting period (net of tax)			
Realized foreign exchange gain, except those attributable to cash and cash equivalents	-		
Realized fair value adjustment (mark-to-market gains) of financial instruments at FVTPL	-		
Other realized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS	-		
Sub-total			-
Add: Unrealized income recognized in profit or loss in prior periods but reversed in the current reporting period (net of tax)			
Reversal of previously recorded foreign exchange gain, except those attributable to cash and cash equivalents	-		
Reversal of previously recorded fair value adjustment (mark-to-market gains) of financial instrument at FVTPL	-		
Reversal of 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/Loss		P	169,179,632
Add: Non-actual lossess recognized in profit or loss during the reporting period (net of tax)			
Depreciation on revaluation increment (after tax)	-		
Sub-total			-
Add/ Less: 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: Other items that should be excluded from the determination of the amount of available for dividends distribution			
Net movement of treasury shares (except for reacquisition of redeemable shares)	-		
Net movement of deferred tax asset not considered in the reconciling items under the previous categories	-		
Net movement in deferred tax asset and deferred tax liabilities related to same transaction, e.g., set up of right-of-use of asset and lease liability, set-up of asset and asset retirement obligation, and set-up of service concession asset and concession payable	616,386		
Adjustment due to deviation from PFRS/GAAP - gain (loss)	-		
Others	-		
Sub-total			616,386
Unappropriated Retained Earnings Available for Dividend Distribution at End of Year		**P**	**1,784,575,285**

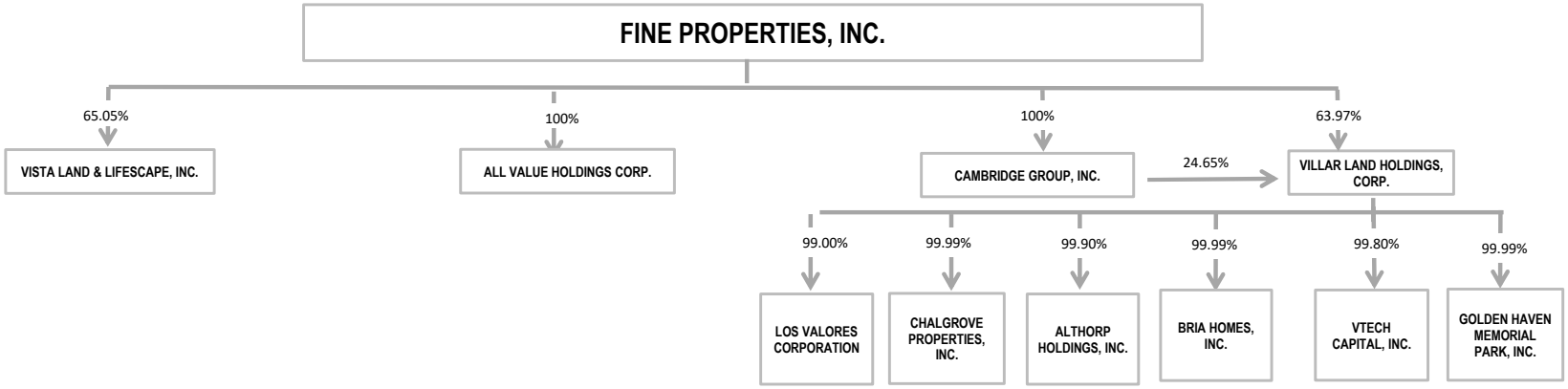
VILLAR LAND HOLDINGS, CORP. AND SUBSIDIARIES

(Formerly Golden MV Holdings, Inc. and Subsidiaries)

SHOWING THE RELATIONSHIPS BETWEEN AND AMONG COMPANIES IN THE GROUP

DECEMBER 31, 2024

ULTIMATE PARENT COMPANY AND SUBSIDIARIES



VILLAR LAND HOLDINGS, CORP. AND SUBSIDIARIES
(Formerly Golden MV Holdings, Inc.and Subsidiaries)
(A Subsidiary of Fine Properties, Inc.)
Supplemental Schedule of Financial Soundness Indicators
December 31, 2024 and 2023

Ratio	Formula	2024	Formula	2023 (As Restated - see Note 2)
Current ratio	Total Current Assets divided by Total Current Liabilities	**1.46**	Total Current Assets divided by Total Current Liabilities	3.48
	Total Current Assets P 24,491,512,468 Divide by: Total Current Liabilities 16,768,525,173 Current ratio 1.46		Total Current Assets P 24,545,464,939 Divide by: Total Current Liabilities 7,047,025,926 Current ratio 3.48	
Acid test ratio	Quick assets (Total Current Assets less Real Estate Inventories) divided by Total Current Liabilities	**1.05**	Quick assets (Total Current Assets less Real Estate Inventories) divided by Total Current Liabilities	2.56
	Total Current Assets P 24,491,512,468 Less: Real Estate Inventories 6,757,117,761 Non-current assets held for sale 100,000,000 Quick Assets 17,634,394,707 Divide by: Total Current Liabilities 16,768,525,173 Acid test ratio 1.05		Total Current Assets P 24,545,464,939 Less: Real Estate Inventories 6,500,025,136 Quick Assets 18,045,439,803 Divide by: Total Current Liabilities 7,047,025,926 Acid test ratio 2.56	
Solvency ratio	Earnings before interest, taxes, depreciation and amortization (EBITDA) divided by Total Debt (includes interest-bearing loans and borrowings)	**0.39**	Earnings before interest, taxes, depreciation and amortization (EBITDA) divided by Total Debt (includes interest-bearing loans and borrowings)	0.39
	Net Profit P 1,423,072,418 Add: Interest expense 334,473,072 Tax expense 145,382,681 Depreciation expense 83,421,465 EBITDA P 1,986,349,636 Divide by: Total Debt 5,057,515,048 Solvency ratio 0.39		Net Profit P 1,416,259,950 Add: Interest expense 369,273,411 Tax expense 179,368,059 Depreciation expense 81,416,484 EBIT P 2,046,317,904 Divide by: Total Debt 5,249,994,971 Solvency ratio 0.39	
Debt-to-equity ratio	Total Debt (includes interest-bearing loans and borrowings) divided by Total Equity	**0.37**	Total Debt (includes interest-bearing loans and borrowings) divided by Total Equity	0.37
	Total Debt P 5,057,515,048 Divide by: Total Equity 13,668,112,361 Debt-to-equity ratio 0.37		Total Debt P 5,249,994,971 Divide by: Total Equity 14,116,833,017 Debt-to-equity ratio 0.37	
Assets-to-equity ratio	Total Assets divided by Total Equity	**2.62**	Total Assets divided by Total Equity	1.98
	Total Assets P 35,749,598,575 Divide by: Total Equity 13,668,112,361 Assets-to-equity ratio 2.62		Total Assets P 27,977,981,112 Divide by: Total Equity 14,116,833,017 Assets-to-equity ratio 1.98	
Interest rate coverage	Earnings before interest and taxes (EBIT) divided by Interest expense	**5.69**	Earnings before interest and taxes (EBIT) divided by Interest expense	5.32
	Net Profit P 1,423,072,418 Add: Interest expense 334,473,072 Tax expense 145,382,681 EBIT P 1,902,928,171 Divide by: Interest expense 334,473,072 Interest rate coverage ratio 5.69		Net Profit P 1,416,259,950 Add: Interest expense 369,273,411 Tax expense 179,368,059 EBIT P 1,964,901,420 Divide by: Interest expense 369,273,411 Interest rate coverage ratio 5.32	
Return on equity	Net Profit divided by Total Equity	**0.10**	Net Profit divided by Total Equity	0.10
	Net Profit P 1,423,072,418 Divide by: Total Equity 13,668,112,361 Return on equity 0.10		Net Profit P 1,416,259,950 Divide by: Total Equity 14,116,833,017 Return on equity 0.10	
Return on assets	Net Profit divided by Total Assets	**0.04**	Net Profit divided by Total Assets	0.05
	Net Profit P 1,423,072,418 Divide by: Total Assets 35,749,598,575 Return on assets 0.04		Net Profit P 1,416,259,950 Divide by: Total Assets 27,977,981,112 Return on assets 0.05	
Net Profit Margin	Net Profit divided by Total Revenues	**0.40**	Net Profit divided by Total Revenues	0.30
	Net Profit P 1,423,072,418 Divide by: Total Revenues 3,577,436,205 Net profit margin 0.40		Net Profit P 1,416,259,950 Divide by: Total Revenues 4,759,373,850 Net profit margin 0.30	

VILLAR LAND HOLDINGS, CORP. AND SUBSIDIARIES
(Formerly Golden MV Holdings, Inc. and Subsidiaries)
(A Subsidiary of Fine Properties, Inc.)
Supplementary Schedule of External Auditor Fee-Related Information
For the Years Ended December 31, 2024 and 2023
(Amounts in Philippine Pesos)

	2024	2023
Total Audit Fees	**P 9,650,000**	P 2,880,000
Non-audit services fees:		
Other assurance services	**-**	-
Tax services	**-**	-
All other services	**-**	-
Total Non-audit Fees	**-**	-
Total Audit and Non-audit Fees	**P 9,650,000**	P 2,880,000

GOLDEN MV HOLDINGS

STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The management of **Villar Land Holdings, Corp.** (the Company), is responsible for the preparation and fair presentation of the financial statements, and the additional supplementary information, for the years ended December 31, 2024, 2023 and 2022, in accordance with the prescribed financial reporting framework indicated therein, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

The Board of Directors reviews and approves the financial statements, and the additional supplementary information, and submits the same to the stockholders.

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

Manuel B. Villar, Jr.
Chairman of the Board

Cynthia J. Javarez
President

Estrellita S. Tan
Chief Financial Officer

Signed this 10th day of November, 2025

GOLDEN MV HOLDINGS

SUBSCRIBED AND SWORN to before me this NOV 10 2025 at MANDALUYONG CITY, affiants exhibiting to me their respective passports, to wit:

Name	Passport No.	Date & Place of Issue
Manuel B. Villar		
Cynthia J. Javarez		
Estrellita S. Tan		

who satisfactorily proven to me their identities through their valid identification cards and that they are the same persons who personally signed before me the foregoing and acknowledges that they executed the same.

ATTY. FERDINAND B. SABILLO
NOTARY PUBLIC
UNTIL DECEMBER 31, 2026
ROLL No. 53511
IBP Lifetime Member No. 018538
PTR No. 5700677 / 03 Jan. 2025 / Mandaluyong City
MCLE Compliance No. VIII-0040452 issued dated 20 August 2025
Notarial Commission Appointment No. 0314-25
Vista Corporate Center, Upper Ground Floor,
Worldwide Corporate Center, Shaw Blvd., Mandaluyong City

Doc. No. 08
Page No. 15
Book No. XIV
Series of 2025.

P&A Grant Thornton

FOR SEC FILING

Financial Statements and
Independent Auditors' Report

Villar Land Holdings, Corp.

December 31, 2024, 2023 and 2022

Punongbayan & Araullo (P&A) is the Philippine member firm of Grant Thornton International Ltd

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

T +63 2 8988 2288

Report of Independent Auditors

The Board of Directors and Stockholders
Villar Land Holdings, Corp.
(Formerly Golden MV Holdings, Inc.)
(A Subsidiary of Fine Properties, Inc.)
San Ezekiel, C5 Extension
Las Piñas City

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Villar Land Holdings, Corp. (the Company), which comprise the statements of financial position as at December 31, 2024 and 2023, and the statements of comprehensive income, statements of changes in equity and statements of cash flows for each of the three years in the period ended December 31, 2024, and notes to the financial statements, including material accounting policy information.

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

Basis for Opinion

We conducted our audits in accordance with Philippine Standards on Auditing (PSA). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics for Professional Accountants in the Philippines (Code of Ethics) together with the ethical requirements that are relevant to our audits of the 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.

Emphasis of Matter

We draw attention to Note 2 to the financial statements, which explains that subsequent to the issuance of the separate financial statements for the year ended December 31, 2024, on which we expressed our audit opinion dated April 28, 2025, management revised the financial statements following discussions with us, the external auditor. The revision reflects management's decision to retain the cost model as the valuation method for its investment properties in the 2024 audited separate financial statements following extensive discussions with the external auditors and considering concerns regarding the valuation inputs and assumptions, as well as the need to complete the finalization and release of the consolidated financial statements.

The originally issued financial statements had adopted a change in accounting policy from the cost model to the fair value model. This change was applied retrospectively in accordance with PAS 8, *Accounting Policies, Changes in Accounting Estimates and Errors*, resulting in the restatement of comparative figures for prior years. Following the decision to retain the cost model, the financial statements have been revised and the retrospective restatements previously made have been reversed.

We also draw attention to Note 2, which discloses that the Company's change in corporate name, from Golden MV Holdings, Inc. to Villar Land Holdings, Corp., was approved by the Securities and Exchange Commission (SEC) on April 15, 2025, and by the Bureau of Internal Revenue (BIR) on July 2, 2025.

Further, we draw attention to Note 29, which describes the ongoing regulatory action by the SEC against the Company and its subsidiaries due to the delayed submission of the audited consolidated financial statements for the year ended December 31, 2024, and the unaudited interim financial statements for the first quarter of 2025.

This audit report has been reissued solely for the purpose of filing the revised financial statements with the SEC and BIR and is dated November 10, 2025.

Except for the matters described above, there have been no other events since the reporting date that would require revisions to the amounts or disclosures in the 2024 financial statements.

In addition, we draw attention to Note 2, which discusses the adoption and impact of the previously deferred provisions of PFRS 15, *Revenue from Contracts with Customers*, using the modified retrospective approach.

Our opinion is not modified in respect of these matters.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Company's SEC Form 20-IS (Definitive Information Statement), SEC Form 17-A and Annual Report for the year ended December 31, 2024, but does not include the financial statements and our auditors' report thereon. The SEC Form 20-IS (Definitive Information Statement), 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 auditors' report.

Our opinion on the 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 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 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 Financial Statements

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

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information for the year ended December 31, 2024 required by the BIR as disclosed in Note 30 to the financial statements is presented for purposes of additional analysis and is not a required part of the basic financial statements prepared in accordance with PFRS Accounting Standards.

Such supplementary information is the responsibility of management. The supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

The engagement partner in the audits resulting in this independent auditor's report is James Joseph Benjamin J. Araullo.

PUNONGBAYAN & ARAULLO



By: James Joseph Benjamin J. Araullo
Partner

CPA Reg. No. 0111202
TIN 212-755-957
PTR No. 10465897, January 2, 2025, Makati City
BIR AN 08-002511-039-2024 (until October 3, 2027)
BOA/PRC Cert. of Reg. No. 0002/P-002 (until August 12, 2027)

November 10, 2025

VILLAR LAND HOLDINGS, CORP.
(Formerly Golden MV Holdings, Inc.)
(A Subsidiary of Fine Properties, Inc.)
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2024 AND 2023
(Amounts in Philippine Pesos)

	Notes	2024	2023
A S S E T S			
CURRENT ASSETS			
Cash and cash equivalents	4	**P 341,051,861**	P 663,022,320
Contracts receivable	5	**826,087,954**	1,124,490,963
Due from related parties	19	**617,220,526**	116,598,014
Other receivables – net	5	**136,574,695**	150,089,200
Memorial lot inventories – net	6	**1,056,825,879**	1,624,430,498
Other current assets	11	**26,312,858**	25,470,424
Total Current Assets		**3,004,073,773**	3,704,101,419
NON-CURRENT ASSETS			
Contracts receivable	5	**1,202,769,913**	1,061,016,387
Investments in subsidiaries	7	**9,212,218,953**	3,303,525,480
Property and equipment – net	8	**75,660,290**	155,127,890
Right-of-use assets – net	9	**3,379,106**	3,405,476
Investment property	10	**-**	5,540,932
Total Non-current Assets		**10,494,028,262**	4,528,616,165
TOTAL ASSETS		**P 13,498,102,035**	P 8,232,717,584

	Notes	2024	2023
LIABILITIES AND EQUITY			
CURRENT LIABILITIES			
Interest-bearing loans	12	**P 960,563**	P 442,328
Trade and other payables	13	**296,787,954**	282,534,815
Due to related parties	19	**5,510,515,623**	112,453,394
Rawlands payable	13	**129,014,166**	162,146,716
Lease liabilities	9	**2,616,482**	2,813,234
Subscription payable	7	**187,500,000**	217,500,000
Customers' deposits		**206,955,994**	194,301,895
Income tax payable		**11,624,576**	14,115,680
Total Current Liabilities		**6,345,975,358**	986,308,062
NON-CURRENT LIABILITIES			
Interest-bearing loans	12	**438,852**	557,193
Lease liabilities	9	**307,756**	294,428
Deferred tax liabilities – net	18	**499,134,462**	474,900,143
Reserve for maintenance care	14	**705,151,709**	994,464,999
Defined benefit obligation – net	20	**21,171,097**	22,234,995
Total Non-current Liabilities		**1,226,203,876**	1,492,451,758
Total Liabilities		**7,572,179,234**	2,478,759,820
EQUITY			
Capital stock	21	**644,117,649**	644,117,649
Additional paid-in capital	21	**3,492,955,822**	3,492,955,822
Revaluation reserves	21	**(96,679)**	(2,882,084)
Retained earnings		**1,788,946,009**	1,619,766,377
Net Equity		**5,925,922,801**	5,753,957,764
		P 13,498,102,035	P 8,232,717,584

See Notes to Financial Statements.

VILLAR LAND HOLDINGS CORP.
(Formerly Golden MV Holdings, Corp.)
(A Subsidiary of Fine Properties, Inc.)
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2024, 2023 AND 2022
(Amounts in Philippine Pesos)

	Notes	2024	2023	2022
REVENUES				
Real estate sales	15	**P 615,585,735**	P 517,232,902	P 445,887,302
Interest income on contract receivables	5	**59,101,430**	63,574,107	65,404,347
Interment income	15	**92,194,659**	75,410,499	68,575,137
Income from chapel services	15	**48,222,658**	33,654,641	29,860,561
		815,104,482	689,872,149	609,727,347
COSTS AND EXPENSES	16			
Cost of memorial lots sold		**(97,242,359)**	(86,416,155)	(64,691,258)
Cost of interment		**(33,775,723)**	(27,092,300)	(22,749,091)
Cost of chapel services		**(15,167,188)**	(13,738,716)	(13,161,163)
Costs of sales and services		**(146,185,270)**	(127,247,171)	(100,601,512)
Other operating expenses		**(492,969,719)**	(394,972,684)	(425,035,633)
		(639,154,989)	(522,219,855)	(525,637,145)
OPERATING PROFIT		**175,949,493**	167,652,294	84,090,202
OTHER INCOME (CHARGES)				
Finance income	4	**28,230,493**	1,131,264	327,647
Finance costs	9, 12, 20	**(3,231,934)**	(2,099,883)	(1,637,943)
Other income	17	**31,068,256**	24,516,148	37,618,419
		56,066,815	23,547,529	36,308,123
PROFIT BEFORE TAX		**232,016,308**	191,199,823	120,398,325
TAX EXPENSE	18	**(62,836,676)**	(47,978,133)	(30,220,119)
NET PROFIT		**169,179,632**	143,221,690	90,178,206
OTHER COMPREHENSIVE INCOME (LOSS)				
Item that will not be reclassified subsequently to profit or loss				
Remeasurements of defined benefit obligation	20	**3,713,873**	(5,029,727)	5,138,317
Tax income (expense)	18	**(928,468)**	1,257,432	(1,284,579)
		2,785,405	(3,772,295)	3,853,738
TOTAL COMPREHENSIVE INCOME		**P 171,965,037**	P 139,449,395	P 94,031,944
Basic and Diluted Earnings Per Share	22	**P 0.26**	P 0.22	P 0.14

See Notes to Financial Statements.

VILLAR LAND HOLDINGS, CORP.
(Formerly Golden MV Holdings, Inc.)
(A Subsidiary of Fine Properties, Inc.)
STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2024, 2023 AND 2022
(Amounts in Philippine Pesos)

	Capital Stock (see Note 21)	Additional Paid-in Capital (see Note 21)	Revaluation Reserves (see Note 21)	Retained Earnings (see Note 2)	Net Equity
Balance at January 1, 2024	P 644,117,649	P 3,492,955,822	(P 2,882,084)	P 1,619,766,377	P 5,753,957,764
Total comprehensive income for the year	-	-	2,785,405	169,179,632	171,965,037
Balance at December 31, 2024	**P 644,117,649**	**P 3,492,955,822**	**(P 96,679)**	**P 1,788,946,009**	**P 5,925,922,801**
Balance at January 1, 2023	P 644,117,649	P 3,492,955,822	P 890,211	P 1,476,544,687	P 5,614,508,369
Total comprehensive income (loss) for the year	-	-	(3,772,295)	143,221,690	139,449,395
Balance at December 31, 2023	P 644,117,649	P 3,492,955,822	(P 2,882,084)	P 1,619,766,377	P 5,753,957,764
Balance at January 1, 2022	P 644,117,649	P 3,492,955,822	(P 2,963,527)	P 1,386,366,481	P 5,520,476,425
Total comprehensive income for the year	-	-	3,853,738	90,178,206	94,031,944
Balance at December 31, 2022	P 644,117,649	P 3,492,955,822	P 890,211	P 1,476,544,687	P 5,614,508,369

See Notes to Financial Statements.

VILLAR LAND HOLDINGS, CORP.
(Formerly Golden MV Holdings, Inc.)
(A Subsidiary of Fine Properties, Inc.)
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2024, 2023 AND 2022
(Amounts in Philippine Pesos)

	Notes	2024	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before tax		**P 232,016,308**	P 191,199,823	P 120,398,325
Adjustments for:				
Interest income	4, 5	**(87,331,923)**	(64,705,371)	(65,731,994)
Depreciation and amortization	8, 9	**51,181,620**	45,224,908	46,544,545
Interest expense	9, 12, 20	**1,820,836**	1,524,383	1,294,576
Gain on derecognition of liabilities	17	**-**	-	(17,646,595)
Operating profit before working capital changes		**197,686,841**	173,243,743	84,858,857
Decrease in contracts receivable		**156,649,483**	187,556,648	473,535,570
Decrease (increase) in other receivables		**13,514,505**	(1,246,377)	(8,522,688)
Decrease (increase) in memorial lot inventories		**49,468,938**	(80,650,522)	(115,244,608)
Increase in other current assets		**(1,019,164)**	(1,721,819)	(191,771)
Increase (decrease) in trade and other payables		**14,253,139**	(7,132,016)	(150,192,168)
Decrease in rawlands payable		**(33,132,550)**	(16,192,459)	(44,397,308)
Increase (decrease) in customers' deposits		**12,654,099**	(3,248,255)	37,991,273
Increase in defined benefit obligation		**1,524,546**	1,409,482	13,155,185
Increase (decrease) in other liabilities		**(287,493,297)**	102,900,858	25,298,812
Cash generated from operations		**124,106,540**	354,919,283	316,291,154
Interest received		**87,331,923**	64,705,371	65,731,994
Cash paid for income taxes		**(41,845,199)**	(34,549,802)	(38,673,260)
Net Cash From Operating Activities		**169,593,264**	385,074,852	343,349,888
CASH FLOWS FROM INVESTING ACTIVITIES				
Advances granted to related parties	19	**(650,444,493)**	(44,246,669)	(25,011,165)
Collections of advances to related parties	19	**149,821,981**	4,172,683	-
Acquisition of shares of stock	7	**(81,683,741)**	-	(62,000,000)
Acquisitions of property and equipment	8	**(70,640,308)**	(30,354,247)	(13,328,883)
Payment of subscription payable	7	**(30,000,000)**	-	-
Net Cash Used in Investing Activities		**(682,946,561)**	(70,428,233)	(100,340,048)
CASH FLOWS FROM FINANCING ACTIVITIES				
Advances obtained from related parties	19	**389,990,405**	23,020,624	8,663,934
Advances paid to related parties	19	**(190,621,649)**	(88,107,896)	(98,931,921)
Repayment of lease liabilities	9	**(7,034,490)**	(6,237,135)	(6,180,670)
Repayment of interest-bearing loans	12	**(844,636)**	(673,494)	(4,489,274)
Interest paid	12	**(106,792)**	(58,778)	(147,061)
Net Cash From (Used in) Financing Activities		**191,382,838**	(72,056,679)	(101,084,992)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		**(321,970,459)**	242,589,940	141,924,848
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		**663,022,320**	420,432,380	278,507,532
CASH AND CASH EQUIVALENTS AT END OF YEAR		**P 341,051,861**	P 663,022,320	P 420,432,380

Supplemental Information on Non-cash Investing and Financing Activities:

1) In 2024, 2023 and 2022, the Company recognized right-of-use assets amounting to P6.3 million, P2.4 million and P3.7 million, respectively, and lease liabilities amounting to P6.3 million, P2.4 million and P2.0 million, respectively (see Notes 9 and 28).

2) In 2022, the Company recognized additional subscription payable amounting to P187.5 million for the unpaid portion of the subscribed shares. There was no similar transaction in 2024 and 2023.

3) In 2024, the Company acquired 99.90%, 99.99% and 99.00% ownership interests in Althorp Land Holdings, Inc., Chalgrove Properties, Inc., and Los Valores Corporation respectively, at an aggregate purchase price amounting to P5,198.7 milllion. The entire amount remains outstanding as of December 31, 2024 and is presented as part of Due to related parties under the Trade and Other Payables (see Notes 1, 7 and 13).

4) In 2024, the Company subscribed to an additional 710.0 million common shares of Golden Haven Memorial Park, Inc., its subsidiary, for a subscription price of P1.00 per share or a total subscription price of P1.00 per share or a total subscription of P710.0 million by transferring the former's Memorial Lot Inventories, Building (presented as part of Property and Equipment) and Investment Property (see Notes 1 and 7).

5) In 2024 and 2023, the Company acquired certain service equipment through a long-term bank loan with capitalized amount of P1.2 million and P0.9 million, respectively (see Note 8). There was no similar transaction in 2022.

See Notes to Financial Statements.

VILLAR LAND HOLDINGS, CORP.
(Formerly Golden MV Holdings, Inc.)
(A Subsidiary of Fine Properties, Inc.)
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024, 2023 AND 2022
(Amounts in Philippine Pesos)

1. CORPORATE INFORMATION

1.1 Organization and Operations

Villar Land Holdings, Corp. (VLC or the Company), formerly Golden MV Holdings, Inc., was incorporated in the Philippines on November 16, 1982. The Company's primary purpose is to invest, purchase or otherwise to acquire and own, hold, use, sell, assign, transfer, lease mortgage, exchange, develop, manage or otherwise dispose of real every kind and description, including shares of stock, bonds, debentures, notes, evidences of indebtedness, and other securities or obligations of any corporations. As of December 31, 2024, the Company is 63.97% effectively-owned subsidiary of Fine Properties, Inc. (FPI), which is a holding company.

On November 27, 2024, the Board of Directors (BOD) approved the change of the Company's corporate name from Golden MV Holdings, Inc. to Villar Land Holdings Corp. Written assent from the stockholders was obtained on December 20, 2024. The application for the name change has been submitted for approval and was approved by the Philippine Securities and Exchange Commission (SEC) and the Bureau of Internal Revenue (BIR) on April 15, 2025 and July 2, 2025, respectively.

In 2017, VLC acquired 99.99% ownership interest in Bria Homes, Inc. (BHI), which is engaged in the development and sale of real estate properties, particularly, residential houses, condominium units and lots.

VLC also holds a 99.99% ownership interest in Golden Haven Memorial Park, Inc. (GHMPI), an entity incorporated on August 24, 2020. GHMPI develops and sells memorial lots. GHMPI commenced its commercial operations on June 30, 2022.

Additionally, VLC owns 99.80% of ownership interest in VTech Capital, Inc. (VTECH). VTECH, upon commencement of its commercial operations, is intended to operate as a holding company focused on investments in technology and financial technology related businesses. As of December 31, 2024, VTECH has not yet started commercial operations.

On September 30, 2024, VLC acquired 99.90%, 99.99%, and 99.00% ownership interests in Althorp Land Holdings, Inc. (ALHI), Cha grove Properties, Inc. (CPI), and Los Valores Corporation (LVC), respectively (see Note 7). ALHI is a holding company currently engaged in acquiring and managing shares of different companies. CPI's primary purpose is to own, lease, and manage hotels and their related facilities and to furnish amusement thereof. LVC's primary purpose is to own, develop, and manage various types of real estate, including buildings and apartments. As of December 31, 2024, CPI and LVC have not yet started their commercial operations.

The registered office address of VLC, GHMPI and VTECH, which is also their principal place of business, is located at San Ezekiel, C5 Extension, Las Piñas City.

The registered office address of BHI, which is also its principal place of business, is located at Lower Ground Floor, Bldg. B Evia Lifestyle Center, Daang Hari Rd., Almanza Dos, City of Las Piñas.

The registered office address of FPI, ALHI and CPI is located at 3rd Level, Starmall, Las Piñas, CV. Starr Avenue, Pamplona, Las Piñas City. The registered office address of LVC is located at LGF Bldg B Evia Lifestyle Center, Daang Hari, Almanza Dos, Las Piñas CV.

The Company's shares of stock are listed at the Philippine Stock Exchange (PSE) beginning June 29, 2016 (see Note 21.1).

1.2 Approval of Financial Statements

The financial statements of the Company as of and for the year ended December 31, 2024 (including the comparative financial statements as of December 31, 2023 and for the years ended December 31, 2023 and 2022) were authorized for issue by the Company's BOD on November 10, 2025.

2. MATERIAL ACCOUNTING POLICY INFORMATION

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

2.1 Basis of Preparation of Financial Statements

(a) Statement of Compliance with Philippine Financial Reporting Standards

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

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

(b) SEC Financial Reporting Relief Availed and Adopted by the Company

In 2023 and prior years, the Company has availed certain financial reporting reliefs granted by the SEC relating to the number of implementation issues of PFRS 15, *Revenue from Contracts with Customers*, and the related financial reporting interpretations affecting the real estate industry.

In 2024, the Company adopted the previously deferred provisions of PFRS 15 and the related issuances of the Philippine Interpretations Committee using modified retrospective approach as allowed by SEC MC No. 08-2021, *Amendment to SEC MC No. 14-2018, MC No. 03-2019, MC No. 04-2020, and MC No. 34-2020 to Clarify Transitory Provision.*

Discussed below are the relevant information about these standard and interpretations.

PIC Q&A No. 2018-12-D, *Concept of the Significant Financing Component in the Contract to Sell* and PIC Q&A No. 2020-04, *Addendum to PIC Q&A 2018-12-D: Significant Financing Component Arising from Mismatch between the Percentage of Completion and Schedule of Payments.* PFRS 15 requires that in determining the transaction price, an entity shall adjust the promised amount of consideration for the effects of the time value of money if the timing of payments agreed to by the parties to the contract (either explicitly or implicitly) provides the customer or the entity with a significant benefit of financing the transfer of goods or services to the customer. In those circumstances, the contract contains a significant financing component.

There is no significant financing component if the difference between the promised consideration and the cash selling price of the good or service arises for reasons other than the provision of finance to either the customer or the entity, and the difference between those amounts is proportional to the reason for the difference.

Further, the Company does not need to adjust the promised amount of consideration for the effects of a significant financing component if the entity expects, at contract inception that the timing difference of the receipt of full payment of the contract price and that of the completion of the project, are expected within one year and significant financing component is not expected to be significant.

Based on the Company's management's assessment, the adoption of these standard and interpretations did not result in any material adjustments to the Company's financial statements because revenue is recognized as the control transfers at the point in time with the customer, by which time the memorial lots are already substantially completed and ready for use [see Note 3.1(b)]. As such, there is no mismatch between the percentage of completion and schedule of payments. Consequently, no restatements to the prior period financial statements were necessary.

(c) Presentation of Financial Statements

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

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

(d) Functional and Presentation Currency

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

Items included in the financial statements of the Company are measured using its functional currency. Functional currency is the currency of the primary economic environment in which the Company operates.

(e) Revision and Reissuance of Previously Issued Financial Statements

The originally issued financial statements of the Company as of and for the year ended December 31, 2024 dated April 28, 2025 have been revised pursuant to management's decision, following discussion with the external auditor to retain the cost model for the 2024 audited consolidated financial statements. The revision reflects management's decision to retain the cost model as the valuation method for its investment properties in the 2024 audited separate financial statements following extensive discussions with the external auditors and considering concerns regarding the finalization and release of the consolidated financial statements. The decision was made to ensure consistency with prior periods and maintain compliance with applicable financial reporting standards.

This decision was made in the context of completing the consolidated financial statements. Accordingly, management decided to retain the cost model measurement of its investment properties. The originally issued financial statements had adopted a change in accounting policy from the cost model to the fair value model. This change was applied retrospectively in accordance with PAS 8, Accounting Policies, Changes in Accounting Estimates and Errors, resulting in the restatement of comparative figures for prior years. Accordingly, the financial statements have been revised to revert to the cost model, and the retrospective restatements previously made have been reversed.

Management concluded that retaining the cost model was the most appropriate approach under the circumstances and has disclosed the fair value of investment properties in accordance with PAS 40, *Investment Properties*.

Presented below is the analysis of the effect of the reissuance in the statement of financial position as of December 31, 2023.

(Amounts in PHP)	As Previously Issued	Adjustments	As Reissued
Statement of Financial Position			
December 31, 2023			
Change in asset –			
Investment property	400,458,000	(394,917,068)	5,540,932
Change in liability –			
Deferred tax liabilities - net	(573,629,410)	98,729,267	(474,900,143)
Net impact on net assets		**(296,187,801)**	

Accordingly, the presentation of a third statement of financial position as of January 1, 2023 is not warranted; hence, not presented in the reissued financial statements.

The following shows the effect of the reissuance in the Company's statements of comprehensive income for the years ended December 31, 2024, 2023, and 2022.

(Amounts in PHP)	As Previously Issued	Adjustments	As Reissued
Statements of Comprehensive Income			
2024			
Change in other income (charges):			
Loss on asset exchange	(419,946,068)	419,946,068	-
Fair value gains on investment property	25,029,000	(25,029,000)	-
Change in tax expense –			
Tax income (expense)	35,892,591	(98,729,267)	(62,836,676)
Total impact on total comprehensive income		**296,187,801**	
2023			
Change in other income (charges) –			
Fair value gains on investment property	25,028,000	(25,028,000)	-
Change in tax expense –			
Tax expense	(54,235,133)	6,257,000	(47,978,133)
Total impact on total comprehensive income		**(18,771,000)**	
2022			
Change in other income (charges) –			
Fair value gains on investment property	130,149,000	(130,149,000)	-
Change in tax expense –			
Tax expense	(62,757,369)	32,537,250	(30,220,119)
Total impact on total comprehensive income		**(97,611,750)**	

The above changes also affected the earnings (loss) per share (EPS) from (P0.20) EPS to P0.26 EPS in 2024, P0.25 EPS to P0.22 EPS in 2023, and P0.29 EPS to P0.14 EPS in 2022.

The following shows the effect of the reissuance in the Company's statements of cash flows for the years ended December 31, 2024, 2023 and 2022.

(Amounts in PHP)	As Previously Issued	Adjustments	As Reissued
Statements of Cash Flows			
2024			
Change in cash flows from operating activities:			
Profit (loss) before tax	(162,900,760)	394,917,068	232,016,308
Loss on asset exchange	419,946,068	(419,946,068)	-
Fair value gains on investment property	(25,029,000)	25,029,000	-
Net impact on cash		**-**	
2023			
Change in cash flows from operating activities:			
Profit before tax	216,227,823	(25,028,000)	191,199,823
Fair value gains on investment property	(25,028,000)	25,028,000	-
Net impact on cash		**-**	
2022			
Change in cash flows from operating activities:			
Profit before tax	250,547,325	(130,149,000)	120,398,325
Fair value gains on investment property	(130,149,000)	130,149,000	-
Net impact on cash		**-**	

In addition, the SEC and the BIR approved the change in the Company's corporate name from Golden MV Holdings, Inc. to Villar Land Holdings Corp. at the time of the financial statement's reissuance. The previously issued financial statements reflected the name Golden MV Holdings, Inc. (HVN).

Further, we included subsequent events disclosures describing the ongoing regulatory action by the SEC against the Company and its subsidiaries (collectively referred to herein as the Group) for the delayed submission of its audited consolidated financial statements for the year ended December 31, 2024, and the unaudited interim financial statements for the first quarter of 2025 (see Note 29).

2.2 Adoption of Amended PFRS Accounting Standards

(a) Effective in 2024 that are Relevant to the Company

The Company adopted for the first time the following amendments to existing standards, which are mandatorily effective for annual periods beginning on or after January 1, 2024:

PAS 1 (Amendments)	:	Presentation of Financial Statements – Classification of Liabilities as Current or Non-current, and Non-current Liabilities with Covenants
PAS 7 and PFRS 7 (Amendments)	:	Statement of Cash Flow, and Financial Instruments: Disclosures – Supplier Finance Arrangements
PFRS 16 (Amendments)	:	Leases – Lease Liability in a Sale and Leaseback

Discussed below and on the succeeding page are the relevant information about these pronouncements.

(i) PAS 1 (Amendments), *Presentation of Financial Statements – Classification of Liabilities as Current or Non-current.* The amendments provide guidance on whether a liability should be classified as either current or non-current. The amendments clarify that the classification of liabilities as current or non-current should be based on rights that are in existence at the end of the reporting period and that the classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability. The application of these amendments had no significant impact on the Company's financial statements.

(ii) PAS 1 (Amendments), *Presentation of Financial Statements – Non-current Liabilities with Covenants.* The amendments specify that if the right to defer settlement for at least 12 months is subject to an entity complying with conditions after the reporting period, then those conditions would not affect whether the right to defer settlement exists at the end of the reporting period for the purpose of classifying a liability as current or non-current. For non-current liabilities subject to conditions, an entity is required to disclose information about the conditions, whether the entity would comply with the conditions based on its circumstances at the reporting date and whether and how the entity expects to comply with the conditions by the date on which they are contractually required to be tested. The application of these amendments had no significant impact on the Company's financial statements.

(iii) PAS 7 and PFRS 7 (Amendments), *Statement of Cash Flows, Financial Instruments: Disclosures – Supplier Finance Arrangements*. The amendments add a disclosure objective to PAS 7 stating that an entity is required to disclose information about its supplier finance arrangements that enable users of financial statements to assess the effects of those arrangements on the entity's liabilities and cash flows. In addition, PFRS 7 is amended to add supplier finance arrangements as an example within the requirements to disclose information about an entity's exposure to concentration of liquidity risk. The application of these amendments had no significant impact on the Company's financial statements.

(iv) PFRS 16 (Amendments), *Leases – Lease Liability in a Sale and Leaseback*. The amendments clarify the subsequent measurement requirements to the lease liability that arises in the sale and leaseback transaction. The amendments require the seller-lessee to subsequently measure lease liabilities arising from a leaseback in a way that it does not recognize any amount of the gain or loss that relates to the right of use it retains. The new requirements do not prevent a seller-lessee from recognizing in profit or loss any gain or loss relating to the partial or full termination of a lease. The application of these amendments had no significant impact on the Company's financial statements.

(b) Effective Subsequent to 2024 but not Adopted Early

There are amendments to existing standards effective for annual periods subsequent to 2024, which are adopted by the FSRSC. Management will adopt the following relevant pronouncements in accordance with their transitional provisions; and unless otherwise indicated, none of these are expected to have significant impact on the Company's financial statements:

(i) PAS 21 (Amendments), *The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability* (effective from January 1, 2025)

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

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

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

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

2.3 Separate Financial Statements and Investments in Subsidiaries

These financial statements are prepared as the Company's separate financial statements. The Company also prepares consolidated financial statements as required under PFRS Accounting Standards.

The Company's investments in subsidiaries are accounted for in these separate financial statements at cost, less any impairment.

2.4 Financial Instruments

(a) Financial Assets

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

The only classification and measurement of financial assets relevant to the Company is financial assets at amortized cost.

The Company's financial assets at amortized cost are presented in the statement of financial position as Cash, Contracts Receivable, Other Receivables (except Advances to contractors and employees), Due from Related Parties and Security deposits presented under Other Current Assets.

The Company applies the simplified approach in measuring expected credit loss (ECL), which uses a lifetime expected loss allowance for contracts receivable. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial assets. The Company uses its historical experience, external indicators and forward-looking information to calculate the ECL using a provision matrix.

The Company applies a general approach specifically, in relation to due from related parties, other receivables and security deposits. The maximum period over which ECL should be measured is the longest contractual period where an entity is exposed to credit risk.

For cash, the Company applies the low credit risk simplification. The probability of default and loss given defaults are publicly available and are considered to be low credit risk investments. It is the Company's policy to measure ECLs on such instruments on a 12-month basis. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL.

(b) Financial Liabilities

Financial liabilities include Interest-bearing Loans, Trade and Other Payables [except output value-added tax (VAT) and other tax-related payables], Rawlands Payable, Reserve for Maintenance Care and Subscription Payable.

2.5 Memorial Lot Inventories

Memorial lot inventories consist of the acquisition cost of the land (including individual acquisition costs), actual development and construction costs, and other necessary costs incurred in bringing the memorial lots ready for sale. In determining the cost of memorial lot available for sale, the Company identifies the specific cost incurred for each park location and subsequently allocates such cost based on the number of developed lots in different phases comprising the whole park area.

The Company recognizes the effect of revisions in the total project cost estimates in the year in which these changes become known.

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

2.6 Property and Equipment

Property and equipment are stated at cost less accumulated depreciation, amortization, and any impairment in value.

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

Building	15 years
Service vehicle	5 years
Service equipment	3-5 years
Park maintenance tools and equipment	3-5 years
Chapel and office furniture, fixtures and equipment	3-5 years
System development cost	3-5 years

Leasehold improvements are amortized over their expected useful lives of five years (determined by reference to comparable assets owned) or the term of lease, whichever is shorter.

2.7 Investment Property

Investment property, which pertains to a parcel of land, is carried at cost, less any impairment in value.

2.8 Revenue and Expense Recognition

Revenue comprises revenue from real estate sales and rendering of chapel services measured by reference to the fair value of consideration received or receivable by the Company for goods sold and services rendered, excluding VAT and trade discounts.

The significant judgments used in determining the existence of a contract with a customer, evaluation of timing of satisfaction of performance obligations and determination of collection threshold for revenue recognition are disclosed in Note 3.1(a), (b) and (c), respectively. In addition, the specific revenue recognition criteria on the succeeding page must also be met before revenue is recognized:

(a) *Real estate sales* – revenue from the Company's sale of memorial lots, which are substantially completed and ready for use, is recognized as the control transfers at the point in time with the customer.

In addition, real estate sales are recognized only when certain collection threshold was met over which the Company determines that collection of total contract price is reasonably assured. The Company uses historical payment pattern of customers in establishing a percentage of collection threshold.

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

(b) *Rendering of services* – revenue from interment, cremation and chapel services is recognized at a point in time when control over the services transfers to the customer.

Incremental costs of obtaining a contract to sell real estate property to customers are recognized as an asset and are subsequently amortized over the duration of the contract on the same basis as revenue from such contract is recognized.

If the transaction does not yet qualify as contract revenue under PFRS 15, the deposit method is applied until all conditions for recording the sale are met. Pending the recognition of revenue on real estate sale, consideration received from buyers are presented under the Customers' Deposits account in the Liabilities section of the statement of financial position. Customers' deposits are recognized at the amounts received from customers and will be subsequently applied against the contract receivables when the related real estate sales are recognized.

Cumulative revenue and cost recognized on cancelled accounts are reversed in the year of cancellation, and any gain or loss on cancellation is charged to profit or loss [see Note 3.1(a)].

2.9 Leases – Company as Lessee

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

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

2.10 Impairment of Non-financial Assets

The Company's investments in subsidiaries, property and equipment, investment property, right-of-use assets and other non-financial assets are subject to impairment testing whenever events or changes in circumstances indicate that the carrying amount of these assets may not be recoverable.

2.11 Employee Benefits

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

The Company's post-employment defined benefit pension plans covers all regular full-time employees. The pension plan are tax-qualified, non-contributory and administered by trustees.

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

3. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

The preparation of the Company's financial statements in accordance with PFRS Accounting Standards requires management to make judgments and estimates that affect the amounts reported in the financial statements and related notes. Judgments and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may ultimately differ from these estimates.

3.1 Critical Management Judgments in Applying Accounting Policies

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

(a) Determining Existence of a Contract with Customer

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

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

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

(i) Real Estate Sales

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

In making this judgment, the Company considers the following:

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

Management determines that its revenue from sale of memorial lots, which are substantially completed and ready for use, shall be recognized at a point in time when the control of goods have passed to the customer, i.e., upon issuance of purchase agreement to the customer.

(ii) Income from Chapel Services and Interment

The Company determines that revenue from interment and cremation services shall be recognized at a point in time based on the actual services provided to the end of the reporting period.

(c) Determination of Collection Threshold for Revenue Recognition

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

(d) Determination of ECL on Contracts and Other Receivables and Due from Related Parties

The Company uses a provision matrix to calculate ECL for contracts and other receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e., by geography, product type, customer type and rating).

The provision matrix is based on the Company's historical observed default rates. The Company's management intends to regularly calibrate (i.e., on an annual basis) the matrix to consider the historical credit loss experience with forward-looking information (i.e., forecast economic conditions). Details about the ECL on the Company's trade and other receivables are disclosed in Note 24.2.

In relation to advances to related parties, PFRS 9 notes that the maximum period over which ECL should be measured is the longest contractual period where an entity is exposed to credit risk. In the case of these receivables from related parties, which are repayable on demand, the contractual period is the very short period needed to transfer the cash once demanded.

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

Based on the relevant facts and circumstances existing at the reporting date, management has assessed that all strategies indicate that the Company can fully recover the outstanding balance of its receivables, thus, no ECL is required to be recognized.

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

In determining the lease term, management considers all relevant factors and circumstances that create an economic incentive to exercise a renewal option or not exercise a termination option. Renewal options and/or periods after termination options are only included in the lease term if the lease is reasonably certain to be extended or not terminated.
For office leases, the factors that are normally the most relevant are (a) if there are significant penalties should the Company pre-terminate the contract, and (b) if any leasehold improvements are expected to have a significant remaining value, the Company is reasonably certain to extend and not to terminate the lease contract. Otherwise, the Company considers other factors including historical lease durations and the costs and business disruption required to replace the leased asset.

(f) Distinction Among Investment Properties, Owner-managed Properties and Memorial Lot Inventories

The Company classifies its acquired properties as property and equipment if used in operations, as investment properties if the Company intends to hold the properties for capital appreciation, rental or undetermined use, and as memorial lot inventories if the Company intends to develop the properties for sale.

(g) Recognition of Provisions and Contingencies

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

Judgment is exercised by management to distinguish between provisions and contingencies. Disclosures on relevant provisions and contingencies are presented in Note 23.

3.2 Key Sources of Estimation Uncertainty

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

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

The Company measures its lease liabilities at present value of the lease payments that are not paid at the commencement date of the lease contract.

The lease payments were discounted using a reasonable rate deemed by management equal to the Company's incremental borrowing rate. In determining a reasonable discount rate, management considers the term of the leases, the underlying asset and the economic environment. Actual results, however, may vary due to changes in estimates brought about by changes in such factors.

(b) Estimation of Allowance for ECL

The measurement of the allowance for ECL on financial assets at amortized cost is an area that requires the use of significant assumptions about the future economic conditions and credit behavior (e.g., likelihood of customers defaulting and the resulting losses). Explanation of the inputs, assumptions and estimation used in measuring ECL is further detailed in Note 24.2.

(c) Determination of Net Realizable Value of Memorial Lot Inventories

In determining the net realizable value of memorial lot inventories, management takes into account the most reliable evidence available at the time the estimates are made. Management determined that the carrying values of its memorial lot inventories are lower than their net realizable values based on the present market rates. Accordingly, management did not recognize any valuation allowance on these assets as of December 31, 2024 and 2023.

(d) Estimation of Useful Lives of Property and Equipment and Right-of-use Assets

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

The carrying amounts of property and equipment and right-of-use assets are analyzed in Notes 8 and 9.1, respectively. Based on management's assessment as of December 31, 2024 and 2023, there is no change in the estimated useful lives of those assets during those years. Actual results, however, may vary due to changes in estimates brought about by changes in factors mentioned.

(e) Fair Value Measurement of Investment Property

The Company's investment property consists of land is carried at cost at the end of the reporting period. In addition, the accounting standards require the disclosure of the fair value of the investment property.

In determining the fair value of these assets, the Company engages the services of professional and independent appraiser applying the Market Approach. In determining the fair value under the Market Approach, records of sales and offerings of similar lands were analyzed, and comparisons were made of such factors as location, size, shape, characteristics of the lot, and present and prospective use (see Note 26.2).

A significant change in these elements may affect prices and the value of the assets. The fair value of investment property is disclosed in Note 26.2.

For investment property with appraisal conducted prior to the end of the current reporting period, management determines whether there are significant circumstances during the intervening period that may require adjustments or changes in the disclosure of fair value of those properties.

(f) Determination of Realizable Amount of Deferred Tax Assets

The Company reviews its deferred tax assets at the end of each reporting period and reduces the carrying amount to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilized. Management assessed that the deferred tax assets recognized as of December 31, 2024 and 2023 will be fully utilized in the coming years (see Note 18).

(g) Impairment of Non-financial Assets

In assessing impairment, management estimates the recoverable amount of each asset or a cash-generating unit based on expected future cash flows and uses an interest rate to calculate the present value of those cash flows. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate. Though management believes that the assumptions used in the estimation of fair values reflected in the financial statements are appropriate and reasonable, significant changes in these assumptions may materially affect the assessment of recoverable values and any resulting impairment loss could have a material adverse effect on the results of operations. In 2024 and 2023, no impairment losses were recognized on property and equipment, right-of-use assets, investment property and other non-financial assets, except for advances to contractors and others, which were found to be impaired in 2024 as determined by the management. The Company recognized an impairment loss which is presented as part of Other Operating Expenses in the 2024 statement of comprehensive income (see Notes 5.2, 8, 9.1, 10, 11 and 16.2).

(h) Valuation of Post-employment Defined Benefit Obligation

The determination of the Company's obligation and cost of post-employment defined benefit plan is dependent on the selection of certain assumptions used by actuaries in calculating such amounts.
A significant change in any of these actuarial assumptions may generally affect the recognized expense, other comprehensive income or losses and the carrying amount of the post-employment defined benefit obligation in the next reporting period.

The amounts of post-employment benefit obligation and expense and an analysis of the movements in the estimated present value of post-employment benefit, as well as the significant assumptions used in estimating such obligation are presented in Note 20.2.

4. CASH AND CASH EQUIVALENTS

This account consists of the following as of December 31:

(Amounts in PHP)	**2024**	2023
Cash on hand	**6,215,190**	5,942,230
Cash in banks	**234,836,671**	657,080,090
Short-term placements	**100,000,000**	-
	341,051,861	663,022,320

Cash in banks generally earn interest based on daily bank deposit rates. The total interest income earned amounted to P0.1 million, P1.1 million and P0.3 million in 2024, 2023 and 2022, respectively, and is presented as Finance Income under Other Income (Charges) in the statements of comprehensive income.

In 2024, the Company invested in short-term placements which are made for varying periods from 35 to 90 days and earn effective interest ranging from 5.75% to 6.30%. The related interest income amounting to P28.1 million is presented as part of Finance Income under Other Income (Charges) section in the 2024 statement of comprehensive income. There was no similar transaction in 2023.

5. CONTRACTS AND OTHER RECEIVABLES

5.1 Contracts Receivable

This account is composed of the following:

(Amounts in PHP)	**2024**	2023
Current	**826,087,954**	1,124,490,963
Non-current	**1,202,769,913**	1,061,016,387
	2,028,857,867	2,185,507,350

Contracts receivable with a maximum term of six years have annual interest rates of 8.00% to 12.00% in years 2024, 2023 and 2022. Interest income related to this account of P59.1 million, P63.6 million and P65.4 million in 2024, 2023 and 2022, respectively, are reported under Revenues section in the statements of comprehensive income.

All of the Company's contracts receivable, which are subject to credit risk exposure (see Note 24.2), have been reviewed for impairment. Based on the provisional matrix as determined by the management, it was assessed that the Company's contracts receivable were found to be collectible; hence, allowance for impairment is no longer required.

The Company's contracts receivable are effectively collateralized by the memorial lots sold to the buyers considering that the title over the right in the memorial lots will only be transferred upon full payment.

5.2 Other Receivables

The composition of this account as of December 31 is shown below.

(Amounts in PHP)	**2024**	2023
Advances to contractors and others	**84,793,415**	84,793,415
Advances to employees	**31,409,069**	31,824,108
Others	**41,570,565**	33,471,677
	157,773,049	150,089,200
Allowance for impairment	**(21,198,354)**	-
	136,574,695	150,089,200

Other receivables comprise mostly of advances to suppliers for construction and development projects and short-term, and non-interest bearing advances to employees which are collected through salary deduction.

All of the Company's other receivables, which are subject to credit risk exposure (see Note 24.2), have been reviewed for impairment. Certain Advances to contractors and others were found to be impaired in 2024 as determined by the management; hence, adequate amount of allowance for impairment have been recognized. In 2024, the Company recognized P21.2 million impairment loss which is presented as part of Other Operating Expenses in the 2024 statement of comprehensive income (see Note 16.2). There was no similar transaction in 2023 and 2022.

6. MEMORIAL LOT INVENTORIES – Net

Memorial lot inventories consist of acquisition costs of the land, construction and development costs, and other necessary costs incurred in bringing the memorial lots ready for sale.

6.1 Memorial Lots

Cost of memorial lots consists of:

(Amounts in PHP)	Note	**2024**	2023
Cost of land		**523,592,236**	804,805,421
Construction and development cost		**533,233,643**	819,625,077
	6.2	**1,056,825,879**	1,624,430,498

6.2 Cost of Memorial Lots Sold

The details of cost of memorial lots sold are shown below.

(Amounts in PHP)	Notes	**2024**	2023	2022
Memorial lot inventories at beginning of year - net		**1,624,430,498**	1,543,779,976	1,428,535,368
Additions and lot improvements		**47,773,421**	167,066,677	179,935,866
Transfer of memorial lots to a subsidiary	1.1, 7.2	**(518,135,681)**	-	-
Memorial lot inventories at end of year - net	6.1	**(1,056,825,879)**	(1,624,430,498)	(1,543,779,976)
	16.1	**97,242,359**	86,416,155	64,691,258

7. INVESTMENTS IN SUBSIDIARIES

The investments in subsidiaries as of December 31, 2024 and 2023 consist of the following:

(Amounts in PHP)	% Interest Held	**2024**	2023
CPI	99.99%	**5,124,743,473**	-
BHI	99.99%	**3,014,027,483**	3,014,027,483
GHMPI	99.99%	**749,997,997**	39,997,997
VTECH	99.80%	**249,500,000**	249,500,000
ALHI	99.90%	**49,950,000**	-
LVC	99.00%	**24,000,000**	-
		9,212,218,953	3,303,525,480

7.1 Investment in Bria Homes, Inc.

In 2017, the Company acquired substantially all issued and outstanding capital stock of BHI, which is legally and/or beneficially owned by Cambridge Group, Inc. (CGI). The Company acquired 9,999,430 common shares for P301.42 per share or an aggregate purchase price of P3,014.0 million or 99.99% of the outstanding and issued shares of BHI.

7.2 Investment in Golden Haven Memorial Parks, Inc.

In 2020, the Company subscribed to 39,997,997 common shares of GHMPI for P1.00 par value per share amounting to a total purchase price of P40.0 million.

On December 20, 2024, the Company entered into an asset-for-share swap transaction with GHMPI in which the Company transferred, assigned and conveyed absolutely in favor of GHMPI all of its rights, title and interest on Memorial Lot Inventories amounting to P518.1 million, Building (presented as part of Property and Equipment) amounting to P104.6 million, and Investment Property amounting to P5.5 million (see Notes 6.2, 8 and 10) plus cash consideration amounting to P81.7 million, free from liabilities and debts and free from all liens and encumbrances, in exchange for an additional 710.0 million common shares with a par value of P1.00 per share.

The subscribed common shares were issued out of the 810.0 million increase in authorized capital stock of GHMPI in 2024.

GHMPI was incorporated on August 24, 2020 and administers the operations of branch expansions of the Company.

Also, the unpaid portion of the subscribed shares from the original issuance amounting to P30.0 million was presented as part of Subscription Payable in the 2023 statement of financial position. This was fully paid in 2024.

7.3 Investment in Vtech Capital, Inc.

In 2022, the Company subscribed to 2,495,000 common shares of VTECH for P100 par value per share amounting to a total purchase price of P249.5 million. VTECH was incorporated on March 1, 2022 to engage in the business of a holding company.

Also, the unpaid portion of the subscribed shares amounting to P187.5 million was presented as part of Subscription Payable in the statements of financial position.

7.4 Investment in Althorp Land Holdings, Inc.

On September 30, 2024, the Company purchased 499,500 common shares of ALHI held by Hollinger Holdings Corporation (HHC), VLC's ultimate parent company and FPI's parent company, for P100 per share amounting to a total purchase price of P50.0 million. ALHI is a holding company currently engaged in acquiring and managing shares of different entities.

7.5 Investment in Chalgrove Properties, Inc.

On September 30, 2024, the Company purchased 11,999,500 common shares ("the CPI Sale Shares") of CPI from FPI for P427.08 per share amounting to a total purchase price of P5,124.7 million and the subscription rights to 1,250,000 shares of CPI ("the CPI Subscription Rights"). The CPI Sale Shares and CPI Subscription Rights are equivalent to 99.99% of the total issued and outstanding capital stock of CPI. CPI's primary purpose is to own, lease, and manage hotels and their related facilities and to furnish amusement thereof.

7.6 Investment in Los Valores Corporation

On September 30, 2024, the Company purchased 240,000 common shares ("the LVC Sale Shares") of LVC from FPI for P100 per share amounting to a total purchase price of P24.0 million and the subscription rights to 750,000 shares of LVC ("the LVC Subscription Rights"). The LVC Sale Shares and LVC Subscription Rights are equivalent to 99% of the total issued and outstanding capital stock of LVC. LVC's primary purpose is to own, develop, and manage various types of real estate, including buildings and apartments.

Management determined that the carrying amount of investments in subsidiaries as of December 31, 2024 and 2023 is fully recoverable; thus, no impairment loss was recognized during those years in the statements of comprehensive income.

No dividends were declared by the subsidiaries in 2024, 2023 and 2022.

8. PROPERTY AND EQUIPMENT – Net

The gross carrying amounts and accumulated depreciation and amortization of property and equipment at the beginning and end of 2024 and 2023 are shown below.

(Amounts in PHP)	Leasehold Improvements	Service Vehicle	Service Equipment	Park Maintenance Tools and Equipment	Chapel and Office Furniture Fixtures and Equipment	System Development Cost	Building	Total
December 31, 2024								
Cost	23,597,022	71,899,082	44,299,396	47,961,631	100,302,723	56,792,131	19,772,020	364,624,005
Accumulated depreciation and amortization	(23,243,431)	(68,155,034)	(15,476,595)	(41,772,819)	(97,310,820)	(38,636,397)	(4,368,619)	(288,963,715)
Net carrying amount	**353,591**	**3,744,048**	**28,822,801**	**6,188,812**	**2,991,903**	**18,155,734**	**15,403,401**	**75,660,290**
December 31, 2023								
Cost	23,698,528	70,083,875	26,253,089	34,756,005	100,137,522	46,961,747	213,853,955	515,744,721
Accumulated depreciation and amortization	(22,531,934)	(65,718,599)	(18,520,414)	(32,072,011)	(92,113,838)	(30,550,468)	(99,109,567)	(360,616,831)
Net carrying amount	1,166,594	4,365,276	7,732,675	2,683,994	8,023,684	16,411,279	114,744,388	155,127,890
January 1, 2023								
Cost	24,702,957	74,118,049	22,994,234	42,199,450	98,658,509	27,751,465	212,204,052	502,628,716
Accumulated depreciation and amortization	(21,568,156)	(67,491,057)	(17,980,661)	(37,585,205)	(90,088,400)	(18,895,146)	(83,281,817)	(336,890,442)
Net carrying amount	3,134,801	6,626,992	5,013,573	4,614,245	8,570,109	8,856,319	128,922,235	165,738,274

A reconciliation of the carrying amounts of property and equipment at the beginning and end of 2024 and 2023 are as follows:

(Amounts in PHP)	Leasehold Improvements	Service Vehicle	Service Equipment	Park Maintenance Tools and Equipment	Chapel and Office Furniture Fixtures and Equipment	System Development Cost	Building	Total
Balance at January 1, 2024, net of accumulated depreciation and amortization	1,166,594	4,365,276	7,732,675	2,683,994	8,023,684	16,411,279	114,744,388	155,127,890
Additions	51,903	1,815,207	25,007,263	13,205,626	473,262	9,831,123	21,500,454	71,884,838
Transfer of building to a subsidiary (see Note 7.2)	-	-	-	-	-	-	(104,639,646)	(104,639,646)
Depreciation and amortization charges for the year	(864,906)	(2,436,435)	(3,917,137)	(9,700,808)	(5,505,043)	(8,086,668)	(16,201,795)	(46,712,792)
Balance at December 31, 2024, net of accumulated depreciation and amortization	**353,591**	**3,744,048**	**28,822,801**	**6,188,812**	**2,991,903**	**18,155,734**	**15,403,401**	**75,660,290**
Balance at January 1, 2023, net of accumulated depreciation and amortization	3,134,801	6,626,992	5,013,573	4,614,245	8,570,109	8,856,319	128,922,235	165,738,274
Additions	-	760,199	4,418,569	164,118	5,086,276	19,210,282	1,649,903	31,289,347
Depreciation and amortization charges for the year	(1,968,207)	(3,021,915)	(1,699,467)	(2,094,369)	(5,632,701)	(11,655,322)	(15,827,750)	(41,899,731)
Balance at December 31, 2023, net of accumulated depreciation and amortization	1,166,594	4,365,276	7,732,675	2,683,994	8,023,684	16,411,279	114,744,388	155,127,890
Balance at January 1, 2022, net of accumulated depreciation and amortization	5,737,908	11,727,568	1,423,538	6,995,398	18,964,433	10,587,349	141,438,515	196,874,709
Additions	62,532	746,344	3,058,983	991,710	1,700,417	3,402,884	3,366,013	13,328,883
Reclassification	-	-	2,260,491	-	(2,260,491)	-	-	-
Depreciation and amortization charges for the year	(2,665,639)	(5,846,920)	(1,729,439)	(3,372,863)	(9,834,250)	(5,133,914)	(15,882,293)	(44,465,318)
Balance at December 31, 2022, net of accumulated depreciation and amortization	3,134,801	6,626,992	5,013,573	4,614,245	8,570,109	8,856,319	128,922,235	165,738,274

In 2024 and 2023, the Company acquired certain service equipment through a long-term bank loan with capitalized amount of P1.2 million and P0.9 million, respectively (see Note 12).

The Company retired certain fully depreciated assets with acquisition costs of P7.4 million and P18.2 million in 2024 and 2023, respectively, which were no longer used in the Company's operation. The total cost of fully depreciated assets still being used in the Company's operations amounts to P261.8 million and P201.3 million in 2024 and 2023, respectively.

The amount of depreciation and amortization is presented as part of Cost of chapel services under Cost of Sales and Services and in Other Operating Expenses in the statements of comprehensive income (see Note 16). Depreciation expense of park maintenance tools and portion of service equipment were charged under park operations, which are subsequently closed to maintenance care fund (see Note 14).

The amount of depreciation and amortization is allocated as follows:

(Amounts in PHP)	**2024**	2023	2022
Other operating expenses	**37,194,119**	32,886,035	33,948,140
Cost of chapel services	**5,946,367**	6,707,781	6,195,537
Receivable from fund	**1,819,993**	2,156,451	3,960,868
Cost of interment	**1,752,313**	149,464	360,773
	46,712,792	41,899,731	44,465,318

9. LEASES

The Company has leases for certain office spaces. With the exception of short-term leases, each lease is reflected on the statement of financial position as a right-of-use asset and a lease liability.

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

The Company has 14 office spaces in 2024 and 13 office spaces in 2023 with an average remaining lease term of one to two years.

9.1 Right-of-use Assets

The carrying amounts of the Company's right-of-use assets as of December 31, 2024 and 2023, and the movements during the periods are shown below.

(Amounts in PHP)	Note	**2024**	2023	2022
Balance as of January 1		**3,405,476**	6,460,060	8,815,474
Additions		**6,262,451**	2,427,044	3,684,681
Amortization	16.2	**(6,288,821)**	(5,481,628)	(6,040,095)
Balance as of December 31		**3,379,106**	3,405,476	6,460,060

The total amortization on the right-of-use assets is presented as part of Depreciation and amortization under Other Operating Expenses in the statements of comprehensive income (see Note 16.2).

9.2 Lease Liabilities

Lease liabilities presented in the statements of financial position as of December 31 are as follows:

(Amounts in PHP)	**2024**	2023
Current	**2,616,482**	2,813,234
Non-current	**307,756**	294,428
	2,924,238	3,107,662

The use of extension and termination options gives the Company added flexibility in the event it has identified more suitable premises in terms of cost and/or location or determined that it is advantageous to remain in a location beyond the original lease term. An option is only exercised when consistent with the Company's regional markets strategy and the economic benefit of exercising the option exceeds the expected overall cost.

As of December 31, 2024 and 2023, the Company has no lease commitment which had not yet commenced.

The lease liabilities are secured by the related underlying assets. The undiscounted maturity analysis of lease liabilities at December 31 is as follows:

(Amounts in PHP)	**2024**	2023
Within 1 year	**2,747,943**	2,974,933
1 to 2 years	**310,894**	301,722
	3,058,837	3,276,655

9.3 Lease Payments Not Recognized as Liabilities

The Company has elected not to recognize a lease liability for short-term leases or for leases of low value assets. Payments made under such leases are expensed on a straight-line basis.

The expenses relating to short-term leases in 2024, 2023 and 2022 amounted to P0.1 million, P1.0 million and P0.9 million, respectively and are presented as Rentals as part of Other Operating Expenses in the statements of comprehensive income (see Note 16.2). There are no existing lease commitments for short-term leases.

9.4 Additional Profit or Loss and Cash Flow Information

The total cash outflow in respect of long-term leases amounted to P7.0 million in 2024, and P6.2 million in both 2023 and 2022. The total cash outflow in respect of short-term leases amounted to P0.1 million, P1.0 million and P0.9 million in 2024, 2023 and 2022, respectively. Interest expense in relation to lease liabilities amounted to P0.6 million in both 2024 and 2023, and P0.8 million in 2022. This is presented as part of Finance Costs under Other Income (Charges) in the statements of comprehensive income.

9.5 Security Deposits

Refundable security deposits represent the lease deposits made to third parties for the lease of the Company's office spaces.

Related rental deposits for these leases amounted to P6.6 million as of December 31, 2024 and 2023, and are presented as Security deposits under Other Current Assets in the statements of financial position (see Note 11).

10. INVESTMENT PROPERTY

The Company's investment property consists of a parcel of land. The changes in the carrying amounts of investment property presented in the statements of financial position are summarized below.

(Amounts in PHP)	Note	**2024**	2023
Balance at beginning of the year		**5,540,932**	5,540,932
Transfer of investment property to a subsidiary	7.2	**(5,540,932)**	-
Balance at end of the year		**-**	5,540,932

None of the Company's investment property have generated rental income. There was also no significant directly attributable cost, purchase commitments or any restrictions as to use related to this investment property during the reporting periods (see Note 26.2).

Other information about the fair value measurement and disclosures related to the investment property are presented in Note 26.2.

11. OTHER CURRENT ASSETS

This account consists of the following as of December 31:

(Amounts in PHP)	Note	**2024**	2023
Prepaid expenses		**14,684,994**	13,848,340
Security deposits	9.5	**6,621,171**	6,557,972
Memorial chapel inventories		**3,659,642**	3,709,428
Deferred input VAT		**69,210**	76,843
Other assets		**1,277,841**	1,277,841
		26,312,858	25,470,424

Prepaid expenses represent advance payments made by the Company for goods or services to be received in the future, such as insurance office rentals and business permits.

Memorial chapel inventories pertain to the Company's supply for their interment service such as caskets, urns, gasoline, embalming and other supplies. These will be recognized as part of Cost of Chapel Services upon their utilization in providing interment services.

12. INTEREST-BEARING LOANS

In 2024 and 2023, the Company obtained a loan amounting to P1.2 million and P0.9 million, respectively, to finance the acquisition of certain service equipment (see Note 8).

Accordingly, these loans are secured by the related service equipment with carrying amounts of P0.8 million and P0.3 million as of December 31, 2024 and 2023, respectively. The loans are payable within two to three years, with annual effective interest rates of 7.6% to 8.8% and 7.9% to 8.6% in 2024 and 2023, respectively.

Short-term and long-term interest-bearing loans pertain to bank loans which are broken down as follows:

(Amounts in PHP)	**2024**	2023
Current	**960,563**	442,328
Non-current	**438,852**	557,193
	1,399,415	999,521

These are presented as Interest-bearing Loans account in the Current and Non-current Liabilities sections in the statements of financial position.

The reconciliation of the Company's interest-bearing loans is as follows:

(Amounts in PHP)	Note	**2024**	2023
Balance as of January 1		**999,521**	737,915
Non-cash financing activity – Availment of car loans		**1,244,530**	935,100
Cash flow used in financing activity – Repayments of borrowings	28	**(844,636)**	(673,494)
Balance as of December 31		**1,399,415**	999,521

Interest expense pertaining to these loans amounting to P106,792, P58,778 and P147,061 in 2024, 2023 and 2022 are shown as part of Finance Costs under Other Income (Charges) account in the statements of comprehensive income. There was no outstanding interest payable as of December 31, 2024 and 2023 related to these loans.

13. TRADE AND OTHER PAYABLES AND RAWLANDS PAYABLE

13.1 Trade and Other Payables

This account consists of:

(Amounts in PHP)	**2024**	2023
Deferred output tax	**163,959,885**	180,474,553
Accounts payable	**76,020,874**	57,388,034
Retention payable	**36,011,728**	31,760,418
VAT payable	**14,892,856**	11,140,028
Withholding taxes payable	**994,818**	1,171,327
Other payables	**4,907,793**	600,455
	296,787,954	282,534,815

Deferred output tax is the portion of VAT attributable to outstanding contracts receivable. This is reversed upon payment of monthly amortization from customers.

13.2 Rawlands Payable

In prior years, the Company purchased various parcels of raw land for expansion. The outstanding balance arising from these transactions amounted to P129.0 million and P162.1 million as of December 31, 2024 and 2023, respectively.

14. RESERVE FOR MAINTENANCE CARE

Under the terms of the contract between the Company and the purchasers of memorial lots, a portion of the amount paid by the purchasers is set aside as Maintenance Care Fund (Fund). The balance of the reserve for maintenance care fund for memorial lots as of December 31, 2024 and 2023 amounting to P705.2 million and P994.5 million, respectively, represents the amount of maintenance care from all outstanding sales contracts, net of amount already remitted for fully collected memorial lots into the Fund amounting to P553.9 million and P138.2 million as of December 31, 2024 and 2023, respectively.

As an industry practice, the amount to be turned over to the Fund is only for fully collected contracts in as much as the outstanding contracts may still be forfeited and/or rescinded. The income earned from the Fund will be used in the maintenance care and maintenance of the memorial lots. Once placed in the Fund, the assets, liabilities, income and expense of the Fund are considered distinct and separate from the assets and liabilities of the Company; thus, do not form part of the accounts of the Company.

The details of the Fund as of December 31, 2024 and 2023 are shown below.

(Amounts in PHP)	**2024**	2023
Investment in special deposit	**418,126,597**	-
Investment in mutual funds	**119,084,895**	120,154,893
Investment in unit investment funds	**16,050,505**	15,261,874
Investment in savings deposit	**622,708**	-
Investment in other securities and debt instruments	**-**	2,774,727
	553,884,705	138,191,494

15. REVENUES

15.1 Disaggregation of Real Estate Sales

The Company's real estate sales are generated from the following major product lines and geographical regions:

(Amounts in PHP)	**2024**	2023	2022
Luzon	**324,741,546**	326,195,299	276,389,977
Visayas	**136,859,651**	90,256,956	95,586,365
Mindanao	**153,984,538**	100,780,647	73,910,960
	615,585,735	517,232,902	445,887,302

15.2 Disaggregation of Other Revenues

The Company's other revenues, which includes interment income and income from chapel services, are generated from the following geographical regions:

(Amounts in PHP)	**Interment Income**	**Income from Chapel Services**	**Total**
2024			
Luzon	52,294,296	48,222,658	100,516,954
Visayas	14,606,639	-	14,606,639
Mindanao	25,293,724	-	25,293,724
	92,194,659	**48,222,658**	**140,417,317**
2023			
Luzon	40,055,452	33,654,641	73,710,093
Visayas	12,217,220	-	12,217,220
Mindanao	23,137,827	-	23,137,827
	75,410,499	33,654,641	109,065,140
2022			
Luzon	34,051,502	29,860,561	63,912,063
Visayas	11,285,739	-	11,285,739
Mindanao	23,237,896	-	23,237,896
	68,575,137	29,860,561	98,435,698

16. COSTS AND EXPENSES

16.1 Costs of Sales and Services

Presented below are the details of costs of sales and services.

(Amounts in PHP)	Notes	**2024**	2023	2022
Cost of memorial lots sold	6.2	**97,242,359**	86,416,155	64,691,258
Cost of interment	8	**33,775,723**	27,092,300	22,749,091
Cost of chapel services	8	**15,167,188**	13,738,716	13,161,163
		146,185,270	127,247,171	100,601,512

Cost of memorial lots sold is comprised of:

(Amounts in PHP)	**2024**	2023	2022
Construction and development cost	**49,064,750**	43,602,264	32,640,718
Cost of land	**48,177,609**	42,813,891	32,050,540
	97,242,359	86,416,155	64,691,258

16.2 Other Operating Expenses

The details of other operating expenses are shown below.

(Amounts in PHP)	Notes	**2024**	2023	2022
Salaries and employee benefits	20.1	**131,178,634**	110,146,216	121,338,584
Loss on sales cancellation		**78,178,909**	51,015,153	82,955,248
Commission		**52,618,746**	44,785,379	38,985,274
Depreciation and amortization	8, 9.1	**43,482,940**	38,367,663	39,988,235
Prompt payment discount		**35,320,779**	20,416,681	23,343,051
Impairment loss on other receivables	5.2	**21,198,354**	-	-
Outside services		**21,174,075**	20,433,651	18,679,597
Promotion		**19,861,214**	14,614,293	11,269,836
Transportation and travel		**10,485,828**	10,503,570	7,497,588
Utilities		**8,915,798**	9,376,115	10,488,098
Taxes and licenses		**8,242,659**	4,658,026	4,240,879
Collection fees		**7,251,998**	6,976,691	6,797,251
Advertising		**6,899,509**	8,172,190	5,100,473
Professional fees		**6,579,334**	5,882,851	5,911,781
Management fees		**6,000,000**	6,000,000	6,080,000
Repairs and maintenance		**5,708,076**	4,609,527	5,223,672
Meetings and conferences		**5,335,430**	5,404,882	2,728,612
Insurance		**4,591,608**	5,651,430	7,070,549
Office supplies		**3,361,430**	3,252,383	3,230,134
Trainings and seminars		**717,127**	2,943,181	1,274,142
Representation		**539,062**	3,258,173	4,121,829
Rentals	9.3	**146,423**	1,041,190	863,356
Miscellaneous		**15,181,786**	17,463,439	17,847,444
		492,969,719	394,972,684	425,035,633

Miscellaneous mainly consists of subscription dues and other fees such as registration, transfer and mortgage fees.

17. OTHER INCOME

This account consists of:

(Amounts in PHP)	**2024**	2023	2022
Forfeited sales	**8,753,615**	586,524	-
Transfer fees	**7,778,244**	13,933,517	5,530,047
Interest on past due accounts	**6,801,529**	4,567,048	5,158,307
Service tent rentals	**4,831,192**	2,085,875	3,487,620
Gain on derecognition of liabilities	**-**	-	17,646,595
Others	**2,903,676**	3,343,184	5,795,850
	31,068,256	24,516,148	37,618,419

In 2022, the Company reversed a portion of its accrued liabilities as management has assessed that these liabilities will no longer be claimed. There were no similar transactions in 2024 and 2023.

Others include penalties from customers with lapsed payments, restructured accounts, and other fees collected for transactions incidental to the Company's operations such as payment for passbooks, memorial garden construction fee, among others.

18. TAXES

The components of tax expense reported in profit or loss and in other comprehensive income for the years ended December 31 is presented below.

(Amounts in PHP)	**2024**	2023	2022
Reported in profit or loss:			
Current tax expense:			
Regular corporate income tax (RCIT) at 25%	**33,884,724**	39,980,086	33,569,609
Final tax at 20% and 15%	**5,646,101**	226,253	65,529
	39,530,825	40,206,339	33,635,138
Deferred tax expense (income) arising from –			
Origination and reversal of temporary differences	**23,305,851**	7,771,794	(3,415,019)
	62,836,676	47,978,133	30,220,119
Reported in other comprehensive income (loss) –			
Deferred tax expense (income) arising from –			
Origination and reversal of temporary differences	**928,468**	(1,257,432)	1,284,579

The reconciliation of tax on pretax profit computed at the applicable statutory rate to tax expense is as follows:

(Amounts in PHP)	**2024**	2023	2022
Tax on pretax profit at 25%	**58,004,077**	47,799,956	30,099,581
Adjustment for income subjected to lower tax rate	**(1,411,524)**	(56,563)	(16,381)
Tax effect of non-deductible expenses	**6,244,123**	234,740	136,919
	62,836,676	47,978,133	30,220,119

The net deferred tax liabilities recognized in the statements of financial position as of December 31, 2024 and 2023 relate to the following:

(Amounts in PHP)	**2024**	2023
Unrealized gross profit	**504,796,599**	480,874,361
Retirement benefit obligation	**(5,292,774)**	(5,558,749)
Leases	**(369,363)**	(408,626)
Unamortized past service costs	**-**	(6,843)
Deferred tax liabilities – net	**499,134,462**	474,900,143

The deferred tax income (expense) recognized in the statements of comprehensive income relate to the following:

	Profit or Loss			**Other Comprehensive Income or Loss**		
(Amounts in PHP)	**2024**	2023	2022	**2024**	2023	2022
Unrealized gross profit	**(23,922,238)**	(8,278,921)	204,173	**-**	-	-
Retirement benefit obligation	**662,493**	573,421	3,373,841	**(928,468)**	1,257,432	(1,284,579)
Leases	**(39,263)**	(43,526)	(140,227)	**-**	-	-
Unamortized past service cost	**(6,843)**	(22,768)	(22,768)	**-**	-	-
Deferred tax income (expense)	**(23,305,851)**	(7,771,794)	3,415,019	**(928,468)**	1,257,432	(1,284,579)

The Company is subject to minimum corporate income tax (MCIT), which is computed at 2% in 2024, 1.5% in 2023 and 1% in 2022 of gross income, net of allowable deductions, as defined under the tax regulations, or to RCIT, whichever is higher. No MCIT was reported in 2024, 2023 and 2022 as the RCIT was higher in those years.

In 2024, 2023 and 2022, the Company claimed itemized deductions in computing for its income tax due.

On December 20, 2024, the Company entered into an asset-for-share swap transaction with GHMPI. Under this agreement, the Company transferred all of its rights, title and interest on Memorial Lot Inventories amounting to P518.1 million, Building (presented as part of Property and Equipment) amounting to P104.6 million, and Investment Property amounting to P5.5 million (see Notes 1.1, 6.2, 8 and 10) plus cash consideration amounting to P81.7 million in exchange for 710.0 million common shares of GHMPI.

This transaction qualifies as a tax-free exchange under Revenue Regulations No. 5-2021, *Tax-Free Exchanges of Properties* as the transferors collectively own majority of the corporation's stock immediately after the exchange. The property transferred qualifies under the tax code, and no additional consideration was involved.

19. RELATED PARTY TRANSACTIONS

The significant transactions of the Company in the normal course of business with its related parties are described below.

Related Party Category	Note	Amount of Transaction			Outstanding Receivable (Payable)		
		2024	2023	2022	**2024**	2023	2022
(Amounts in PHP)							
Ultimate Parent Company –							
Subscription of ALHI shares	19.2	**(49,950,000)**	-	-	**(49,950,000)**	-	-
Parent Company:							
Advances obtained	19.1	**20,000,000**	-	-	**21,251,422**	1,251,422	1,251,422
Subscription of CPI and LVC shares	19.2	**(5,148,743,473)**	-	-	**(5,148,743,473)**	-	-
Subsidiaries:							
Advances granted (net of collections)	19.1	**371,598,617**	31,068,334	24,474,737	**465,568,157**	93,969,540	62,901,206
Advances obtained (paid)	19.2	**203,192,745**	(56,068,314)	(90,267,987)	**(305,335,367)**	(102,142,622)	(158,210,936)
Related Parties under Common Ownership:							
Advances granted (net of collections)	19.1	**109,023,895**	9,005,652	536,428	**130,400,947**	21,377,052	12,371,400
Advances obtained (paid)	19.2	**(3,823,989)**	(9,018,958)	8,663,934	**(6,486,783)**	(10,310,772)	(19,329,730)
Key Management Personnel							
Compensation	19.3	**30,105,496**	25,481,483	29,088,189	**-**	-	-

None of the Company's outstanding balances with related parties were assessed to be impaired; hence, no impairment losses were recognized in the years presented (see Note 24.2).

19.1 Due from Related Parties

The Company grants unsecured, noninterest-bearing advances to its Parent Company, subsidiaries and related parties under common ownership, which are payable in cash upon demand.

The outstanding advances arising from these transactions amounting to P617.2 million and P116.6 million as of December 31, 2024 and 2023, respectively, is presented as Due from Related Parties account in the statements of financial position.

The movements in due from parent company are shown below.

(Amounts in PHP)	**2024**	2023	2022
Balance at beginning of year	**1,251,422**	1,251,422	1,251,422
Advances obtained	**20,000,000**	-	-
Balance at end of year	**21,251,422**	1,251,422	1,251,422

The movements in due from subsidiaries are shown below.

(Amounts in PHP)	**2024**	2023	2022
Balance at beginning of year	**93,969,540**	62,901,206	38,426,469
Additions	**520,503,891**	33,088,490	24,474,737
Collections	**(148,905,274)**	(2,020,156)	-
Balance at end of year	**465,568,157**	93,969,540	62,901,206

The movements in due from related parties under common ownership are shown below.

(Amounts in PHP)	**2024**	2023	2022
Balance at beginning of year	**21,377,052**	12,371,400	11,834,972
Additions	**109,940,602**	11,158,179	536,428
Collections	**(916,707)**	(2,152,527)	-
Balance at end of year	**130,400,947**	21,377,052	12,371,400

19.2 Due to Related Parties

The Company obtained short-term, unsecured, noninterest-bearing advances from related parties for working capital requirements payable in cash upon demand. The outstanding balance is presented as Due to Related Parties in the statements of financial position (see Note 13.1). The movements in the Due to Related Parties account are shown below.

(Amounts in PHP)	**2024**	2023	2022
Balance at beginning of year	**112,453,394**	177,540,666	267,808,653
Additions	**5,588,683,878**	23,020,624	8,663,934
Payments	**(190,621,649)**	(88,107,896)	(98,931,921)
Balance at end of year	**5,510,515,623**	112,453,394	177,540,666

On September 30, 2024, the Company acquired substantially all the issued and outstanding capital stock of ALHI, CPI, and LVC from FPI and HHC at the aggregate purchase price of P5,198.7 million (see Notes 1.1, 7.4, 7.5 and 7.6). The amount is still outstanding as of December 31, 2024 and is presented as part of additions in the Due to Related Parties. There was no similar transaction in 2023 and 2022.

19.3 Key Management Personnel Compensation

The compensation of key management personnel for the years ended December 31 follows:

(Amounts in PHP)	**2024**	2023	2022
Short-term benefits	**25,589,672**	21,659,261	25,934,530
Post-employment benefits	**4,515,824**	3,822,223	3,153,659
	30,105,496	25,481,484	29,088,189

19.4 Retirement Plan

The Company's retirement fund for its defined benefit post-employment plan is administered and managed by a trustee bank. The retirement fund neither provides any guarantee or surety for any obligation of the Company nor its investments covered by any restrictions or liens.

The details of the contributions of the Company and benefits paid out by the plan are presented in Note 20.2.

20. EMPLOYEE BENEFITS

20.1 Salaries and Employee Benefits

Details of salaries and employee benefits which are presented under Other Operating Expenses in the statements of comprehensive income is presented below.

(Amounts in PHP)	Notes	**2024**	2023	2022
Short-term employee benefits		**129,654,088**	108,736,734	108,183,399
Post-employment defined benefit	20.2	**1,524,546**	1,409,482	13,155,185
	16.2	**131,178,634**	110,146,216	121,338,584

20.2 Post-employment Defined Benefit Plan

(a) Characteristics of the Post-Employment Defined Benefit Plan

The Company maintains a funded, non-contributory post-employment benefit plan. The post-employment plan covers all regular full-time employees.

The Company's post-employment defined benefit plan is based solely on the requirement of Republic Act No. 7641, *Retirement Pay Law*. The optional retirement age is 60 with a minimum of five years of credited service. Normal retirement benefit is based on the employee's final salary and years of credited service.

(b) Explanation of Amounts Presented in the Financial Statements

Actuarial valuations are made annually to update the post-employment benefit costs and the amount of contributions. All amounts presented below and on the succeeding pages are based on the actuarial valuation report obtained from an independent actuary in 2024 and 2023.

The amounts of retirement obligation recognized in the statements of financial position are determined as follows:

(Amounts in PHP)	**2024**	2023
Present value of the obligation	**30,180,822**	30,626,733
Fair value of plan assets	**(9,009,725)**	(8,391,738)
	21,171,097	22,234,995

The movements in the present value of defined benefit obligation recognized in the books are presented as follows:

(Amounts in PHP)	**2024**	2023
Balance at beginning of year	**30,626,733**	23,397,478
Current service cost	**1,524,546**	1,409,482
Interest expense	**1,868,231**	1,703,336
Actuarial losses (gains) arising from:		
Experience adjustments	**(3,838,688)**	5,772,634
Changes in demographic assumptions	**-**	(3,769,152)
Changes in financial assumptions	**-**	2,112,955
Balance at end of year	**30,180,822**	30,626,733

The movements in the fair value of plan assets are presented below.

(Amounts in PHP)	**2024**	2023
Balance at beginning of year	**8,391,738**	8,485,904
Interest income	**742,802**	819,124
Negative expected return on plan assets	**(124,815)**	(913,290)
Balance at end of year	**9,009,725**	8,391,738

The Company's plan assets are composed of mutual funds and special deposit accounts. The plan assets do not comprise any of the Company's own financial instruments or any of its assets occupied and/or used in its operations.

The plan assets earned a positive net return amounting to P0.6 million in 2024 and a negative net return amounting to P0.1 million in 2023.

The components of amounts recognized in profit or loss and in other comprehensive income or loss in respect of the post-employment defined benefit plan are as follows:

(Amounts in PHP)	**2024**	2023	2022
Reported in profit or loss:			
Current service cost	**1,524,546**	1,409,482	13,155,185
Interest expense – net	**1,125,429**	884,212	340,180
	2,649,975	2,293,694	13,495,365
Reported in other comprehensive income or losses:			
Actuarial gains (losses) arising from:			
Experience adjustments	**3,838,688**	(5,772,634)	1,006,739
Losses on return on plan assets	**(124,815)**	(913,290)	(1,138,361)
Changes in demographic assumptions	**-**	3,769,152	-
Changes in financial assumptions	**-**	(2,112,955)	5,269,939
	3,713,873	(5,029,727)	5,138,317

Current service cost is presented as part of Salaries and employee benefits under the Other Operating Expenses account in the statements of comprehensive income (see Note 16.2).

Net interest expense is presented as part of Finance Costs under Other Income (Charges) in the statements of comprehensive income.

Amounts recognized in other comprehensive income or loss were included within items that will not be reclassified subsequently to profit or loss (see Note 21.2).

For the determination of the retirement benefit obligation, the following actuarial assumptions were used:

	2024	2023	2022
Discount rates	**6.10%**	6.10%	7.28%
Expected rate of salary increases	**5.00%**	5.00%	5.00%

Assumptions regarding future mortality experience are based on published statistics and mortality tables. The average remaining working lives of an individual retiring at the age of 60 is eight years for both male and female. These assumptions were developed by management with the assistance of an independent actuary.

Discount factors are determined close to the end of each reporting period by reference to the interest rates of a zero-coupon government bond with terms to maturity approximating to the terms of the post-employment obligation. Other assumptions are based on current actuarial benchmarks and management's historical experience.

(c) Risk Associated with Retirement Plan

The plan exposes the Company to actuarial risks such as investment risk, interest rate risk, longevity risk and salary risk.

(i) Investment and Interest Risks

The present value of the defined benefit obligation is calculated using a discount rate determined by reference to market yields of government bonds. Generally, a decrease in the interest rate of a reference government bond will increase the plan obligation. However, this will be partially offset by an increase in the return on the plan's investments in savings deposit accounts and if the return on plan asset falls below this rate, it will create a deficit in the plan. Currently, the plan has only investments in mutual funds.

(ii) Longevity and Salary Risks

The present value of the defined benefit obligation is calculated by reference to the best estimate of the mortality of the plan participants both during their employment, and to their future salaries. Consequently, increases in the life expectancy and salary of the plan participants will result in an increase in the plan obligation.

(d) Other Information

The information on the sensitivity analysis for certain significant actuarial assumptions, the Company's timing and uncertainty of future cash flows related to the retirement plan are described below and on the succeeding pages.

(i) Sensitivity Analysis

The following table summarizes the effect of changes in the significant actuarial assumptions used in the determination of the defined benefit obligation as of December 31, 2024 and 2023:

		Impact on Retirement Benefit Obligation	
	Change in Assumption	Increase in Assumption	Decrease in Assumption
2024:			
Discount rate	**+7.10%/-6.10%**	**(28,208,776)**	**32,488,495**
Salary growth rate	**+6.0%/-4.0%**	**32,590,415**	**(28,085,669)**

		Impact on Retirement Benefit Obligation	
	Change in Assumption	Increase in Assumption	Decrease in Assumption
2023:			
Discount rate	+7.10%/-6.10%	(28,813,919)	32,731,003
Salary growth rate	+6.0%/-4.0%	32,889,299	(28,636,879)

The sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. This analysis may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. Furthermore, in presenting the sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation recognized in the statements of financial position.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous year.

(ii) Asset-liability Matching Strategies

To efficiently manage the retirement plan, the Company, through its Retirement Committee, ensures that the investment positions are managed in accordance with its asset-liability matching strategy to ensure that long-term investments are in line with the obligations under the retirement scheme. This strategy aims to match the plan assets to the retirement obligations by investing in fixed interest financial assets, primarily in short term placements. The Company monitors how the duration and the expected yield of the investments are matching the expected cash outflows arising from the retirement obligations.

The plan asset is currently composed of mutual funds and special deposit accounts as the Company believes that these investments are the best returns with an acceptable level of risk.

There has been no change in the Company's strategies to manage its risks from previous period.

(iii) Funding Arrangements and Expected Contributions

The plan is currently underfunded by P26.5 million as at year-end. While there is no minimum funding requirement in the Philippines, the size of the underfunding may pose a cash flow risk in about a year's time when the total expected benefit payments would have exhausted the assets currently in the fund.

The Company expects to contribute P7.6 million to the retirement fund in 2025.

The maturity profile of undiscounted expected benefit payment from the plan as of December 31, 2024 and 2023.

(Amounts in PHP)	**2024**	2023
One to less than five years	**14,529,707**	19,631,763
More than five years to 10 years	**17,574,752**	10,020,338
More than 10 years to 15 years	**9,233,968**	11,593,612
More than 15 years to 20 years	**21,576,297**	14,595,589
More than 20 years	**42,444,289**	39,004,391
	105,359,013	94,845,693

The weighted average duration of the defined benefit obligation at the end of the reporting period is 10.52 years.

21. EQUITY

21.1 Capital Stock

Capital stock in 2024 and 2023 consists of:

(Amounts in PHP, except share data)	**Shares**	**Amount**
Common shares		
Authorized		
Balance at beginning and end of year	996,000,000	**996,000,000**
Issued and outstanding		
Balance at beginning and end of year	644,117,649	**644,117,649**
Preferred shares		
Authorized		
Balance at beginning and end of year	400,000,000	**4,000,000**

On March 17, 2016, the SEC approved the increase in the Company's authorized capital stock from P20.0 million divided into 200,000 common shares with par value of P100 per share to P1,000.0 million divided into 996,000,000 common shares with par value of P1 per share and 400,000,000 preferred shares with par value of P0.01 per share.

On April 1, 2016, the Company applied for the registration of its common shares with the SEC and the listing of the Company's shares on the PSE. The PSE approved the Company's application for the listing of its common shares on June 8, 2016 and the SEC approved the registration of the 74,117,649 common shares of the Company on June 14, 2016.

On June 29, 2016, by way of an initial public offering (IPO), sold 74,117,649 shares of its common stock at an offer price of P10.50 and generated net proceeds of approximately P703.0 million. In addition, the IPO resulted to the recognition of additional paid-in capital amounting to P628.9 million, after deducting transaction costs associated with the issuance of shares amounting to P75.2 million.

In 2017, the Company executed a Deed of Absolute Sale of Shares for 150,000,000 VLC common shares for its acquisition of substantially all issued and outstanding capital stock of BHI legally and/or beneficially owned by CGI at the purchase price of P20.1 per share or an aggregate purchase price of P3,014.0 million payable in cash.

21.2 Revaluation Reserves

As of December 31, 2024 and 2023, the Company has accumulated actuarial losses and gains, net of tax, due to remeasurement of post-employment defined benefit plan amounting to P96,679 and P2.9 million, respectively (see Note 20.2).

22. EARNINGS PER SHARE

The basic and diluted earnings per share were computed as follows:

(Amounts in PHP, except share data)	**2024**	2023	2022
Net profit	**169,179,632**	143,221,690	90,178,206
Divided by the weighted number of outstanding common shares	**644,117,649**	644,117,649	644,117,649
Basic and diluted earnings per share	**0.26**	0.22	0.14

The Company has no dilutive potential common shares as of December 31, 2024, 2023 and 2022; hence, diluted earnings per share is the same as the basic earnings per share.

23. COMMITMENTS AND CONTINGENCIES

The Company is contingently liable with respect to sales contracts and other transactions arising in the ordinary course of business. Further, the Company's assessment on the regulatory action by the SEC is discussed in Note 29.

There are commitments and contingent liabilities that arise in the normal course of the Company's operations which are not reflected in the financial statements. Management is of the opinion that losses, if any, from these events and conditions will not have material effects on the Company's financial statements.

24. RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company is exposed to a variety of financial risks which result from both its operating and investing activities. The Company's risk management focuses on actively securing the Company's short to medium-term cash flows by minimizing the exposure to financial markets. Long-term financial investments are managed to generate lasting returns.

The Company does not engage in the trading of financial assets for speculative purposes nor does it write options. The significant financial risks, unless otherwise stated, to which the Company is exposed to are described below and on the succeeding pages.

24.1 Interest Rate Risk

Currently, the Company has no material financial assets and financial liabilities with floating interest rates.

24.2 Credit Risk

The Company operates under sound credit-granting criteria wherein credit policies are in place. These policies include a thorough understanding of the customer or counterparty as well as the purpose and structure of credit and its source of repayment. Credit limits are set and monitored to avoid significant concentrations to credit risk. The Company also employs credit administration activities to ensure that all facets of credit are properly maintained.

The maximum credit risk exposure of financial assets is the carrying amount of the financial assets as shown in the statements of financial position or in the detailed analysis provided in the notes to the financial statements, are summarized below.

(Amounts in PHP)	Notes	**2024**	2023
Cash and cash equivalents	4	**341,051,861**	663,022,320
Contracts receivable	5.1	**2,028,857,867**	2,185,507,350
Due from related parties	19.1	**617,220,526**	116,598,014
Security deposits	11	**6,621,171**	6,557,972
Other receivables – net	5.2	**41,570,565**	33,471,677
		3,035,321,990	3,005,157,333

Cash in banks are insured by the Philippine Deposit Insurance Commission up to a maximum coverage of P0.5 million for every depositor per banking institution, which was increased to P1.0 million effective March 15, 2025. Also, the Company's contracts receivable is effectively collateralized by memorial lots. Other financial assets are not secured by any collateral or other credit enhancements.

The Company applies the PFRS 9 simplified approach in measuring ECL which uses a lifetime expected loss allowance for all contract receivables and other receivables. To measure the expected credit losses, contract receivables and other receivables have been grouped based on shared credit risk characteristics and the days past due (age buckets).

The other receivables relate to receivables from both third and related parties other than contract receivables and have substantially the same risk characteristics as the contract receivables.

The expected loss rates are calculated based on the payment profiles of sales over a period of 36 months before December 31, 2024 and 2023, and the corresponding historical credit losses experienced within such period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The management determined that there is no required ECL to be recognized on the Company's contract receivables since the fair value of memorial lots sold when reacquired is sufficient to cover the unpaid outstanding balance of the related receivable arising from sale. Therefore, there is no expected loss given default as the recoverable amount from subsequent resale of the real estate is sufficient. Accordingly, no additional allowance was recorded by the Company in 2024 and 2023.

ECL for due from related parties are measured and recognized using the liquidity approach. Management determines possible impairment based on the counterparties' ability to repay the receivables upon demand at the reporting date taking into consideration the historical defaults from the counterparties. The ECL over due from related parties are considered negligible since the counterparties are in good financial condition.

Security deposits are subject to credit risk. The Company's security deposits pertain to receivable from lessors and third-party utility providers. Based on the reputation of those counterparties, management considers that these deposits will be refunded when due.

24.3 Liquidity Risk

The Company manages its liquidity needs by carefully monitoring cash outflows due in a day-to-day business. Liquidity needs are monitored in various time bands, on a day-to-day and week-to-week basis, as well as on the basis of a rolling 30-day projection. Long-term liquidity needs for a six-month and one-year period are identified monthly.

The Company maintains cash to meet its liquidity requirements for up to 60-day periods. Excess cash are invested in time deposits or short-term placements.

As of December 31, 2024 and 2023, the contractual maturities of the Company's financial liabilities (except lease liabilities – see Note 9.2) are presented as follows:

		Current		Non-current	
(Amounts in PHP)	Notes	Within 6 Months	6 to 12 Months	1 to 5 years	Later than 5 years
2024					
Interest-bearing loans	12	517,526	517,526	448,734	-
Trade and other payables	13.1	59,339,360	57,601,035	-	-
Due to related parties	19.2	5,510,515,623	-	-	-
Rawlands payable	13.2	129,014,166	-	-	-
Reserve for maintenance care	14	-	-	700,712,591	4,439,118
Subscription payable	7	187,500,000	-	-	-
		5,886,886,675	**58,118,561**	**701,161,325**	**4,439,118**

(Amounts in PHP)	Notes	Current: Within 6 Months	Current: 6 to 12 Months	Non-current: 1 to 5 years	Non-current: Later than 5 years
2023					
Interest-bearing loans	12	321,816	181,200	596,018	-
Trade and other payables	13.1	27,257,515	62,491,392	-	-
Due to related parties	19.2	112,453,394	-	-	-
Rawlands payable	13.2	162,146,716	-	-	-
Reserve for maintenance care	14	-	-	988,204,576	6,260,423
Subscription payable	7	217,500,000	-	-	-
		519,679,441	62,672,592	988,800,594	6,260,423

25. CATEGORIES AND OFFSETTING OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

25.1 Carrying Values and Fair Values by Category

The carrying values and fair values of the categories of financial assets and financial liabilities presented in the statements of financial position are shown below.

(Amounts in PHP)	Notes	2024: **Carrying Values**	2024: **Fair Values**	2023: Carrying Values	2023: Fair Values
Financial Assets					
At amortized cost:					
Cash and cash equivalents	4	**341,051,861**	**341,051,861**	663,022,320	663,022,320
Contracts receivable	5.1	**2,028,857,867**	**1,969,756,437**	2,185,507,350	2,153,467,562
Due from related parties	19.1	**617,220,526**	**617,220,526**	116,598,014	116,598,014
Security deposits	11	**6,621,171**	**6,621,171**	6,557,972	6,557,972
Other receivables	5.2	**41,570,565**	**41,570,565**	33,471,677	33,471,677
		3,035,321,990	**2,976,220,560**	3,005,157,333	2,973,117,545
Financial Liabilities					
At amortized cost:					
Interest-bearing loans	12	**1,399,415**	**1,407,141**	999,521	1,025,269
Trade and other payables	13.1	**116,940,395**	**116,940,395**	89,748,907	89,748,907
Due to related parties	19.2	**5,510,515,623**	**5,510,515,623**	112,453,394	112,453,394
Rawlands payable	13.2	**129,014,166**	**129,014,166**	162,146,716	162,146,716
Lease liabilities	9.2	**2,924,238**	**2,924,238**	3,107,662	3,107,662
Reserve for maintenance care	14	**705,151,709**	**705,151,709**	994,464,999	994,464,999
Subscription payable	7	**187,500,000**	**187,500,000**	217,500,000	217,500,000
		6,653,445,546	**6,653,453,272**	1,580,421,199	1,580,446,947

See Note 2.4 for a description of the accounting policies for each category of financial instrument. A description of the Company's risk management objectives and policies for financial instruments is provided in Note 24.

25.2 Offsetting of Financial Assets and Financial Liabilities

Except as described in Note 19, the Company has not set-off financial instruments in 2024 and 2023 and does not have relevant offsetting arrangements. Currently, all other financial assets and financial liabilities are settled on a gross basis; however, each party to the financial instrument (particularly related parties) will have the option to settle all such amounts on a net basis in the event of default of the other party through approval by both parties' BOD and stockholders.

As such, the Company's outstanding receivables from and payables to the same related parties as presented in Note 19 can be potentially offset to the extent of their corresponding outstanding balances.

The Company has cash in certain local banks to which it has outstanding loans (see Note 12). In case of the Company's default on loan amortization, cash in bank amounting to P334.93 million and P657.1 million can be applied against its outstanding loans amounting to P1.4 million and P1.0 million, respectively, as of December 31, 2024 and 2023.

26. FAIR VALUE MEASUREMENT AND DISCLOSURE

26.1 Fair Value Hierarchy

In accordance with PFRS 13, *Fair Value Measurement*, the fair value of financial assets and financial liabilities and non-financial assets which are measured at fair value on a recurring or non-recurring basis and those assets and liabilities not measured at fair value but for which fair value is disclosed in accordance with other relevant PFRS Accounting Standards, are categorized into three levels based on the significance of inputs used to measure the fair value.

The fair value hierarchy has the following levels:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that an entity can access at the measurement date;

- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and,

- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The level within which the asset or liability is classified is determined based on the lowest level of significant input to the fair value measurement.

For purposes of determining the market value at Level 1, a market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

Except for Cash which is categorized at Level 1 of the fair value hierarchy, all other financial instruments are categorized at Level 3.

Management considers that due to short duration of the Company's financial assets, such as cash, due from related parties and security deposits, and financial liabilities, such as trade and other payables, rawlands payable, reserve for maintenance care and subscription payable measured at amortized costs, their fair values as of December 31, 2024 and 2023 approximates their carrying amounts.

26.2 Fair Value Measurement of Investment Properties

As of December 31, 2023, the Company's investment property amounting to P5.5 million is categorized under Level 3 hierarchy of fair value measurements. The investment property was transferred to GHMPI as part of the consideration for the additional subscription in GHMPI's common share issuance in 2024 (see Notes 1.1 and 7.2).

The fair value of the Company's investment property amounting to P400.5 million in 2023 is determined on the basis of the appraisals performed by an independent appraiser with appropriate qualifications and recent experience in the valuation of similar properties in the relevant locations. To some extent, the valuation process was conducted by the appraiser in discussion with the Company's management with respect to the determination of the inputs such as the size and condition of the land, and the comparable prices in the corresponding property location.

In estimating the fair value of these properties, market approach was used. The management takes into account the market participant's ability to generate economic benefits by using the assets in their highest and best use. Based on management assessment, the best use of the Company's non-financial assets indicated above is their current use.

The Level 3 fair value of land was determined based on the observable recent prices of the reference properties, adjusted for differences in key attributes such as property size, zoning, and accessibility. The most significant input into this valuation approach is the price per square meter; hence, the higher the price per square meter, the higher the fair value.

27. CAPITAL MANAGEMENTS OBJECTIVES, POLICIES AND PROCEDURES

The Company's capital management objectives are to ensure the Company's ability to continue as a going concern and to provide an adequate return to shareholders by pricing products and services commensurate with the level of risk.

The Company sets the amount of capital in proportion to its overall financing structure, i.e., equity and liabilities. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, issue new shares or sell assets to reduce debt.

The Company monitors capital on the basis of the carrying amount of equity as presented in the statements of financial position. Capital for the reporting periods under review is summarized as follows:

(Amounts in PHP)	**2024**	2023
Total liabilities	**7,572,179,234**	2,478,759,820
Total equity	**5,925,922,801**	5,753,957,764
Debt-to-equity ratio	**1.28:1.00**	0.43:1.00

28. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

Presented below is the supplemental information on the Company's liabilities arising from financing activities (see Notes 9.2, 12 and 19.2):

(Amounts in PHP)	Interest-bearing Loans	Due to Related Parties	Lease Liabilities	Total
Balance as at January 1, 2024	999,521	112,453,394	3,107,662	116,560,577
Cash flows from financing activities:				
Additions	-	389,990,405	-	389,990,405
Repayments	(844,636)	(190,621,649)	(7,034,490)	(198,500,775)
Interest paid	(106,792)	-	-	(106,792)
Non-cash financing activities:				
Due to FPI and HHC on the subscription of ALHI, CPI and LVC's common shares	-	5,198,693,473	-	5,198,693,473
Additions to lease liabilities	-	-	6,262,451	6,262,451
Availment of car loans	1,244,530	-	-	1,244,530
Interest expense on lease liabilities	-	-	588,615	588,615
Interest accrued	106,792	-	-	106,792
Balance as at December 31, 2024	**1,399,415**	**5,510,515,623**	**2,924,238**	**5,514,839,276**
Balance as at January 1, 2023	737,915	177,540,666	6,336,360	184,614,941
Cash flows from financing activities:				
Repayments	(673,494)	(88,107,896)	(6,237,135)	(95,018,525)
Additions	-	23,020,624	-	23,020,624
Interest paid	(58,778)	-	-	(58,778)
Non-cash financing activities:				
Additions to lease liabilities	-	-	2,427,044	2,427,044
Availment of car loans	935,100			935,100
Interest expense on lease liabilities	-	-	581,393	581,393
Interest accrued	58,778	-	-	58,778
Balance as at December 31, 2023	999,521	112,453,394	3,107,662	116,560,577
Balance as at January 1, 2022	5,227,189	267,808,653	9,704,039	282,739,881
Cash flows from financing activities:				
Repayments	(4,489,274)	(98,931,921)	(6,180,670)	(109,601,865)
Additions		8,663,934		8,663,934
Interest paid	(147,061)			(147,061)
Non-cash financing activities:				
Additions to lease liabilities			2,005,656	2,005,656
Interest expense on lease liabilities			807,335	807,335
Interest accrued	147,061			147,061
Balance as at December 31, 2022	737,915	177,540,666	6,336,360	184,614,941

29. REGULATORY ACTION BY THE SEC

On August 18, 2025, the Group, of which the Company is a part, received a copy of the Order issued by the Markets and Securities Regulation Department (MSRD) of the SEC.

The Order served as (i) a resolution of the Show Cause Order previously issued by the MSRD which directed the Group and its directors and officers to explain why. its Registration Statement should not be suspended for failure to comply with the SEC's orders to file Annual and Quarterly reports pursuant to the Securities Regulation Code ("SRC") and its implementing rules ("SRC Rules"); and (ii) an order directing the Group, its directors, and its officers, to explain why they should not be held administratively liable for violating Sections 26.3 and 541.1 (c) of the SRC, Section 8 (c) of the Financial Products and Services Consumer Protection Act, and Section 30 of the Revised Corporation Code, on the basis of the disclosures made by the Group in its SEC Form 17-C dated March 28, 2025, wherein the Group disclosed that the Parent Company's Board of Directors has approved and authorized the release of the consolidated financial statements for the year ended 31 December 2024.

On 28 August 2025, the Group filed its Response to the Show Cause Order contained in the Order, emphasizing that the disclosure made in the SEC Form 17-C dated March 28, 2025 was made in utmost good faith with a view of balancing the requirement of the Group, as a publicly-listed company, to timely disclose material facts or events with the Group's obligation to ensure that such disclosures are full, fair, and accurate. Proceeding from this premise, the Group argued that there is no basis for the Group, and much more its officers and directors to be held liable for the cited violations given that there is no willful and deliberate intent to disclose patently false and/or misleading statements through the SEC Form 17-C. In the Response, the Group also emphasized that its officers and directors cannot be held individually liable absent any clear act on their part to commit the alleged violations. Ultimately, the Group prayed that the MSRD earnestly consider the explanation stated in the Response and to refrain from the imposition of administrative sanctions and penalties.

On 2 September 2025, the Group filed a Motion for Reconsideration seeking the reversal of resolution of the MSRD of the prior Show Cause Order issued against the Company for failing to file its Annual and Quarterly reports, through which the MSRD held the Company and its officers and directors administratively liable and imposed a monetary penalty for each of the respondents in the amount of P1.0 million and P2,000 for each day of violation. In its Motion for Reconsideration, the Group emphasized that it was not responsible for the delay in the filings considering that the Group's Audited Consolidated Financial Statements for the year ended 31 December 2024 is still not available at the time the reports were due.

Both the Response dated August 28, 2025 and the Motion for Reconsideration dated September 2, 2025 remain pending for resolution by the MSRD.

On September 19, 2025, the Group received the Show Cause Order dated September 18, 2025 issued by the MSRD, directing the Group to explain why it should not be held liable for violation of Section 25 of the Revised Corporation Code following the subsequent postponements of the Company's Annual Stockholders' Meeting ("ASM").

On 24 September 2025, the Group filed its Response, emphasizing that the Group did not intend to violate any provision of law in postponing the ASM nor was there intent to withhold the exercise of the rights of the Group's stockholders. The Group explained that the postponement of the ASM was necessary considering that the Audited Consolidated Financial Statements of the Group for the year ended December 31, 2024 was not yet ready for presentation to the shareholders, as required by the provisions of the SRC and the Revised Corporation Code.

The resolution of the Response is still pending before the MSRD.

The Group has taken steps to address the delay, including the completion and release of the 2024 audited consolidated financial statements and the submission of the required interim reports. However, the matter remains under regulatory review and may have implications for the Group's compliance status, public disclosures, and market perception.

Management, in consultation with legal counsel, believes that while the penalties are not expected to have a material adverse effect on the Company's financial statements, the matter is disclosed herein due to its regulatory significance and potential reputational impact.

30. SUPPLEMENTARY INFORMATION REQUIRED BY THE BUREAU OF INTERNAL REVENUE

Presented below and on the succeeding pages is the supplementary information which is required by the Bureau of Internal Revenue (BIR) under Revenue Regulation No. 15-2010 to be disclosed as part of the notes to financial statements. This supplementary information is not a required disclosure under PFRS Accounting Standards.

(a) Output VAT

In 2024, the Company declared output VAT of P87,658,073, from sale of goods amounting to P730,483,941.

The outstanding output VAT payable amounting to P14,892,856 as of December 31, 2024 is presented as part of Trade and Other Payables account in the 2024 statement of financial position.

The Company also has deferred input VAT amounting to P69,210 as of December 31, 2024 which is presented under Other Current Assets account in the 2024 statement of financial position.

(b) Input VAT

The movements in input VAT in 2024 are summarized below.

(Amounts in PHP)

Balance at beginning of year	-
Tax credit	45,232,175
Services lodged under cost of goods sold	30,550,057
Applied against output VAT	(75,782,232)
Balance at end of year	**-**

(c) Taxes on Importation

The Company has not paid or accrued any customs duties and tariff fees in 2024 as it had no importations for the year.

(d) Excise Tax

The Company did not have any transactions in 2024, which are subject to excise tax.

(e) Documentary Stamp Tax (DST)

In 2024, the Company paid DST amounting to P1,012, which was related to the availment of loans and other bank transactions.

(f) Taxes and Licenses

The details of the account for 2024 is broken down as follows:

(Amounts in PHP)

Business taxes	3,925,775
Tax assessment	3,802,961
Real property taxes	400,644
DST	1,012
Miscellaneous	112,267
	8,242,659

(g) Withholding Taxes

The details of total withholding taxes for the year ended December 31, 2024 are shown below.

(Amounts in PHP)	
Expanded	10,387,102
Compensation	4,785,031
	15,172,133

The Company has no income payments subject to final withholding taxes.

(h) Tax Assessments and Tax Cases

In 2024, the Company was assessed for deficiency taxes on documentary stamp, withholding tax on compensation, expanded withholding tax, and income tax amounting to P3.7 million, including interest of P0.3 million covering the taxable year 2022. This assessment was fully paid in 2024. The deficiency tax is presented as part of Taxes and licenses under Other Operating Expenses in the 2024 statement of comprehensive income.

As of December 31, 2024, the Company has no other outstanding final deficiency tax assessments with the BIR or tax cases outstanding or pending in courts or bodies outside of the BIR in any open taxable years.

P&A Grant Thornton

Report of Independent Auditors to Accompany Supplementary Information Required by the Securities and Exchange Commission Filed Separately from the Basic Financial Statements

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

T +63 2 8988 2288

The Board of Directors and Stockholders
Villar Land Holdings, Corp.
Formerly Golden MV Holdings, Inc.
(A Subsidiary of Fine Properties Inc.)
San Ezekiel, C5 Extension
Las Piñas City

We have audited, in accordance with Philippine Standards on Auditing, the financial statements of Villar Land Holdings, Corp. (the Company), formerly Golden MV Holdings, Inc. for the years ended December 31, 2024 and 2023, on which we have rendered our report dated November 10, 2025. Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The Reconciliation of Retained Earnings Available for Dividend Declaration for the year ended December 31, 2024 is presented for purposes of additional analysis in compliance with the requirements under the Revised Securities Regulation Code Rule 68, and is not a required part of the basic financial statements prepared in accordance with Philippine Financial Reporting Standards. Such supplementary information is the responsibility of management. The supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

PUNONGBAYAN & ARAULLO



By: James Joseph Benjamin J. Araullo
Partner

CPA Reg. No. 0111202
TIN 212-755-957
PTR No. 10465897, January 2, 2025, Makati City
BIR AN 08-002511-039-2024 (until October 3, 2027)
BOA/PRC Cert. of Reg. No. 0002/P-002 (until August 12, 2027)

November 10, 2025

VILLAR LAND HOLDINGS, CORP.
Formerly Golden MV Holdings, Inc.
(A Subsidiary of Fine Properties, Inc.)
SAN EZEKIEL, C5 EXTENSION, LAS PIÑAS CITY
Reconciliation of Retained Earnings Available for Dividend Declaration
December 31, 2024

Unappropriated Retained Earnings at Beginning of Year			P	1,614,779,267
Add: Items that are directly credited to Unappropriated Retained Earnings				
Effect of restatements or prior-period adjustments	-			
Reversal of Retained Earning Appropriation/s	-			
Others	-			-
Less: Items that are directly debited to Unappropriated Retained Earnings				
Dividend declaration during the reporting period	-			
Retained Earnings appropriated during the reporting period	-			
Effect of restatements or prior-period adjustments	-			
Others	-			-
Unappropriated Retained Earnings at Beginning of Year, as adjusted				1,614,779,267
Add/Less: Net Income (Loss) for the Current Year				169,179,632
Less: Unrealized income recognized in the profit or loss during the reporting period (net of tax)				
Equity in net income of associate/joint venture, net of dividends declared	-			
Unrealized foreign exchange gain, except those attributable to cash and cash equivalents	-			
Unrealized fair value adjustment (mark-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	-			
Unrealized fair value gain of investment property	-			
Other unrealized gains or adjustments to the retained earnings as result of certain transactions accounted for under the PFRS	-			
Sub-total				-
Add: Unrealized income recognized in the profit or loss in prior reporting periods but realized in the current reporting period (net of tax)				
Realized foreign exchange gain, except those attributable to cash and cash equivalents	-			
Realized fair value adjustment (mark-to-market gains) of financial instruments at FVTPL	-			
Realized fair value gain of investment property	-			
Other realized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS	-			
Sub-total				-
Add: 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	-			
Reversal of previously recorded fair value adjustment (mark-to-market gains) of financial instrument at	-			
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/Loss			P	169,179,632
Add: Non-actual lossess recognized in profit or loss during the reporting period (net of tax)				
Depreciation on revaluation increment (after tax)	-			
Sub-total				-
Add/ Less: 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: Other items that should be excluded from the determination of the amount of available for dividends distribution				
Net movement of treasury shares (except for reacquisition of redeemable shares)	-			
Net movement of deferred tax asset not considered in the reconciling items under the previous categories	-			
Net movement in deferred tax asset and deferred tax liabilities related to same transaction, e.g., set up of right-of-use of asset and lease liability, set-up of asset and asset retirement obligation, and set-up of service concession asset and concession payable		616,386		
Adjustment due to deviation from PFRS/GAAP - gain (loss)	-			
Others	-			
Sub-total				616,386
Unappropriated Retained Earnings Available for Dividend Distribution at End of Year			**P**	**1,784,575,285**

GOLDEN MV HOLDINGS

November 12, 2025

PHILIPPINE STOCK EXCHANGE
Philippine Stock Exchange Tower
5th Avenue corner 28th Street, Bonifacio Global City
Taguig City

Attention: Atty. Johanne Daniel M. Negre
Officer in Charge, Disclosure Department

Subject: Villar Land Holdings, Corp.: **SEC 17Q – March 31, 2025**

Gentlemen:

Please see attached SEC Form 17Q for the three months ended March 31, 2025.

Thank you.

Katie D. Cator
Officer-in-Charge

COVER SHEET

1	0	8	2	7	0					
S.E.C. Registration Number										

V	I	L	L	A	R		L	A	N	D		H	O	L	D	I	N	G	S	,		C	O	R	P
A	N	D		S	U	B	S	I	D	I	A	R	I	E	S										

(Company's Full Name)

S	A	N		E	Z	E	K	I	E	L	,		C	5		E	X	T	E	N	S	I	O	N	,
L	A	S		P	I	Ñ	A	S		C	I	T	Y												

(Business Address: No. Street/City/Province)

Estrellita S. Tan	(02) 8873-2922
Contact Person	Company Telephone Number

1	2	3	1	17-Q	0	7	1	5
Month	*Day*			FORM TYPE	*Month*	*Day*		
Calendar Year					Annual Meeting			

N/A
Secondary License Type, If Applicable

Dept. Requiring this Doc.	Amended Articles Number/Section

	Total Amount of Borrowings	
Total No. of Stockholders	Domestic	Foreign

To be accomplished by SEC Personnel concerned

File Number	LCU
Document I.D.	Cashier

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-Q

QUARTERLY REPORT PURSUANT TO SECTION 17 OF THE SECURITIES REGULATION CODE AND SRC RULE 17(2)(b) THEREUNDER

1. For the quarterly period ended : **March 31, 2025**

2. SEC Identification number: **108270**

3. BIR Tax Identification No: **768-991-000**

4. **Villar Land Holdings, Corp.**
Exact name of issuer as specified in its charter

5. **Philippines**
Province, country or other jurisdiction of incorporation or organization

6. Industry Classification Code: [ ] (SEC Use Only)

7. **San Ezekiel, C5 Extension, Las Piñas City, Philippines** **1746**
Address of issuer's principal office Postal Code

8. **(632) 8873-2922 / (632) 8873-2923**
Issuer's telephone number, including area code

9. **Golden MV Holdings, Inc.**
Former name, former address and former fiscal year, if changed since last report

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

Title of each Class	Number of shares of common stock outstanding And amount of debt outstanding
Common	644,117,649

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

Yes [X] No [ ]

If yes, state the name of such Stock Exchange and the class/es of securities listed therein:

Philippine Stock Exchange Common Stock

12. Check whether the registrant:

(a) has filed all reports required to be filed by Section 17 of the Securities Regulation Code and SRC Rule 17 thereunder, and Section 25 and 177 of the Revised Corporation Code of the Philippines, during the preceding twelve (12) months (or for such shorter period of the registrant was required to file such reports.)

Yes [x] No [ ]

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

Yes [x] No [ ]

TABLE OF CONTENTS

PART I - FINANCIAL STATEMENTS

Item 1. Financial Statements

- Consolidated Statements of Financial Position as of March 31, 2025 and December 31, 2024
- Consolidated Statements of Income for the three-months ended March 31, 2025 and 2024
- Consolidated Statements of Comprehensive Income for the three-months ended March 31, 2025 and 2024
- Consolidated Statement of Changes in Equity for the three-months ended March 31, 2025 and 2024
- Consolidated Statements of Cash Flows for the three-months ended March 31, 2025 and 2024
- Notes to Consolidated Financial Statements

Item 2. Management Discussion and Analysis of Financial Condition and Results of Operations

- Results of Operation covering three months of 2025 vs. three months of 2024
- Financial Condition as of March 31, 2025 vs December 31, 2024
- Material Changes (5% or more) - Statement of Financial Position
- Material Changes (5% or more) - Statement of Comprehensive Income
- Commitments and Contingencies

PART II – OTHER INFORMATION

Item 3. Three (3) months of 2025 Developments

Item 4. Other Notes to 3 months of 2025 Operating and Financial Results

GOLDEN MV HOLDINGS

VILLAR LAND HOLDINGS, CORP. AND SUBSIDIARIES
(Formerly Golden MV Holdings, Inc.)
[A Subsidiary of Fine Properties, Inc.]
STATEMENTS OF FINANCIAL POSITION
As of March 31, 2025 and December 31, 2024
(Amount in Thousands)

	Notes	UNAUDITED March 2025	AUDITED December 2024
ASSETS			
Current Assets			
Cash and cash equivalents	5	**₱815,567**	₱506,491
Contracts receivables	6	**5,052,583**	5,386,611
Contract assets	17	**8,773,854**	8,773,854
Due from related parties	21	**1,108,105**	350,257
Other receivables	6	**1,995,237**	1,908,866
Real estate inventories	7	**6,520,829**	6,757,118
Other current assets	8	**684,779**	708,316
Non-current asset classified as held for sale	11	**100,000**	100,000
Total Current Assets		**25,050,954**	24,491,513
Non-current Assets			
Contracts receivables	6	**1,940,223**	1,084,027
Contract assets	17	**983,931**	983,931
Property and equipment – net	9	**361,422**	367,598
Right-of-use assets – net	10	**17,035**	17,035
Investment properties	12	**8,759,878**	8,759,321
Other non-current assets	8	**35,818**	46,174
Total Non-current Assets		**12,098,307**	11,258,086
TOTAL ASSETS		**₱37,149,261**	₱35,749,599
LIABILITIES AND EQUITY			
Current Liabilities			
Interest-bearing loans	13	**₱ 2,414,683**	₱1,846,287
Trade and other payables	14	**3,096,553**	3,037,262
Contract liability	17	**471,879**	471,879
Rawland payables	14	**1,352,034**	1,348,300
Lease liability	10	**9,984**	9,984
Customers' deposits	15	**1,261,173**	1,271,788
Due to related parties	21	**9,424,009**	8,771,401
Income tax payable	20	**12,806**	11,625
Total Current Liabilities		**18,043,121**	16,768,526
Noncurrent Liabilities			
Interest-bearing loans	13	**2,571,460**	3,211,228
Contract liability	17	**2,645**	2,645
Lease liability	10	**8,352**	8,352
Deferred tax liabilities – net	20	**1,288,551**	1,256,288
Reserve for maintenance care	16	**1,212,156**	754,081
Retirement benefit obligation		**80,367**	80,367
Total Noncurrent Liabilities		**5,163,531**	5,312,961
Total Liabilities		**23,206,652**	22,081,487
EQUITY	22		
Capital stock		**644,118**	644,118
Additional paid-in capital		**2,970,209**	2,970,209
Retained earnings		**10,298,068**	10,023,571
Revaluation reserves		**30,214**	30,214
Total Equity		**13,942,609**	13,668,112
TOTAL LIABILITIES AND EQUITY		**₱37,149,261**	₱35,749,599

VILLAR LAND HOLDINGS, CORP. AND SUBSIDIARIES
(Formerly Golden MV Holdings, Inc.)
[A Subsidiary of Fine Properties, Inc.]
STATEMENT OF COMPREHENSIVE INCOME
For the three months ended March 31, 2025 and 2024
(Amount in Thousands)

	Notes	**UNAUDITED JAN – MAR Q1-2025**	**UNAUDITED JAN – MAR 2025**	UNAUDITED JAN – MAR Q1-2024	UNAUDITED JAN – MAR 2024
Real estate sales		**₱ 923,852**	**₱ 923,852**	₱ 1,620,721	₱ 1,620,721
Interest income on contract receivables	6	**26,931**	**26,931**	35,794	35,794
Interment Income		**22,771**	**22,771**	20,558	20,558
Income from chapel services		**10,536**	**10,536**	9,199	9,199
	16	**984,090**	**984,090**	1,686,272	1,686,272
COSTS AND EXPENSES	18				
Costs of sales and services		**385,132**	**385,132**	709,045	709,045
Other operating expenses		**220,267**	**220,267**	313,761	313,761
		605,399	**605,399**	1,022,806	1,022,806
OPERATING PROFIT		**378,691**	**378,691**	663,466	663,466
OTHER CHARGES - net					
Finance costs	12	**(85,255)**	**(85,255)**	(70,388)	(70,388)
Finance income	5	**4,916**	**4,916**	2,867	2,867
Other revenues	19	**9,199**	**9,199**	16,715	16,715
		(71,140)	**(71,140)**	(50,806)	(50,806)
PROFIT BEFORE TAX		**307,551**	**307,551**	612,660	612,660
TAX EXPENSE	20	**(33,054)**	**(33,054)**	(62,728)	(62,728)
NET INCOME		**₱274,497**	**₱274,497**	₱549,932	₱549,932
TOTAL COMPREHENSIVE INCOME		**₱274,497**	**₱274,497**	₱549,932	₱549,932
Basic and Diluted Earnings Per Share	23	**₱0.43**	**₱0.43**	₱0.85	₱0.85

See accompanying Notes to Financial Statements

VILLAR LAND HOLDINGS, CORP. AND SUBSIDIARIES
(Formerly Golden MV Holdings, Inc.)
[A Subsidiary of Fine Properties, Inc.]
STATEMENT OF CHANGES IN EQUITY
For the three months ended March 31, 2025 and 2024
(Amount in Thousands)

	Capital Stock	Paid-in Capital	Revaluation Reserves	Retained Earnings	Total Equity
Balance at January 1, 2025	₱644,118	₱2,970,209	₱30,214	₱10,023,571	₱13,668,112
Total comprehensive income for the period	–	–	–	274,497	274,497
Balance at March 31, 2025	**₱644,118**	**₱2,970,209**	**₱30,214**	**₱10,298,068**	**₱13,942,609**
Balance at January 1, 2024	₱644,118	₱2,970,209	₱30,214	₱10,789,704	₱14,434,246
Total comprehensive income for the period	–	–	–	549,932	549,932
Balance at March 31, 2024	**₱644,118**	**₱2,970,209**	**₱30,214**	**₱11,339,636**	**₱ 14,984,178**

See accompanying Notes to Financial Statements

VILLAR LAND HOLDINGS, CORP. AND SUBSIDIARIES
(Formerly Golden MV Holdings, Inc.)
[A Subsidiary of Fine Properties, Inc.]
STATEMENT OF CASH FLOWS
For the three months ended March 31, 2025 and 2024
(Amount in Thousands)

	UNAUDITED JAN – MAR Q1-2025	**UNAUDITED JAN – MAR 2025**	UNAUDITED JAN – MAR Q1-2024	UNAUDITED JAN – MAR 2024
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before tax	**₱307,551**	**₱307,551**	₱612,660	₱612,660
Adjustments for:				
Interest income	**(31,847)**	**(31,847)**	(38,661)	(38,661)
Depreciation and amortization	**18,127**	**18,127**	13,912	13,912
Interest expense	**85,255**	**85,255**	70,388	70,388
Operating profit before working capital changes	**379,086**	**379,086**	658,299	658,299
Decrease (increase) in:				
Contracts receivables	**(522,168)**	**(522,168)**	(1,201,658)	(1,201,658)
Due from related parties	**(757,848)**	**(757,848)**	(132,478)	(132,478)
Other receivables	**(86,371)**	**(86,371)**	(291,500)	(291,500)
Real estate inventories	**236,289**	**236,289**	469,749	469,749
Other assets	**33,893**	**33,893**	621	621
Increase (decrease) in:				
Trade and other payables	**59,292**	**59,292**	447,195	447,195
Rawland payable	**3,734**	**3,734**	(20,296)	(20,296)
Customers' deposits	**(10,615)**	**(10,615)**	85,992	85,992
Other liabilities	**1,110,683**	**1,110,683**	(22,208)	(22,208)
Cash from (used in) operations	**445,975**	**445,975**	(6,284)	(6,284)
Interest received	**31,847**	**31,847**	38,661	38,661
Cash paid for income taxes	**390**	**390**	(39)	(39)
Net Cash From (Used in) Operating Activities	**478,212**	**478,212**	32,338	32,338
CASH FLOWS FROM INVESTING ACTIVITIES				
Acquisitions of investment properties	**(557)**	**(557)**		
Acquisitions of property and equipment	**(11,952)**	**(11,952)**	(17,129)	(17,129)
Cash Used in Investing Activities	**(12,509)**	**(12,509)**	(17,129)	(17,129)
CASH FLOWS FROM FINANCING ACTIVITIES				
Net availment/(payment) of interest-bearing loans	**(71,372)**	**(71,372)**	76,577	76,577
Interest paid	**(85,255)**	**(85,255)**	(70,388)	(70,388)
Net Cash From (Used in) Financing Activities	**(156,627)**	**(156,627)**	6,189	6,189
NET INCREASE (DECREASE) IN CASH	**309,076**	**309,076**	21,398	21,398
CASH AT BEGINNING OF PERIOD	**506,491**	**506,491**	981,169	981,169
CASH AT END OF PERIOD	**₱815,567**	**₱815,567**	₱1,002,567	₱1,002,567

See accompanying Notes to Financial Statements

VILLAR LAND HOLDINGS, CORP. AND SUBSIDIARIES
(Formerly Golden MV Holdings, Inc.)
(A Subsidiary of Fine Properties, Inc.)
NOTES TO FINANCIAL STATEMENT

1. CORPORATE INFORMATION

1.1 Organization and Operations

Villar Land Holdings, Corp. (VLC or the Parent Company), formerly Golden MV Holdings, Inc., was incorporated in the Philippines on November 16, 1982. The Parent Company's primary purpose is to invest, purchase or otherwise to acquire and own, hold, use, sell, assign, transfer, lease mortgage, exchange, develop, manage or otherwise dispose of real property, such as but not limited to memorial lots and chapels, or personal property of every kind and description, including shares of stock, bonds, debentures, notes, evidences of indebtedness, and other securities or obligations of any corporations. As of March 31, 2025, the Parent Company is 63.97% effectively owned subsidiary of Fine Properties, Inc. (FPI), which is a holding company and the ultimate parent company of the Parent Company and its subsidiaries (the Group).

On November 27, 2024, the Board of Directors (BOD) approved the change of the Parent Company's corporate name from Golden MV Holdings, Inc. to Villar Land Holdings Corp. Written assent from the stockholders was obtained on December 20, 2024. The application for the name change has been submitted for approval and was approved by the Philippine Securities and Exchange Commission (SEC) and the Bureau of Internal Revenue (BIR) on April 15, 2025 and July 2, 2025, respectively.

In 2017, VLC acquired 99.99% ownership interest in Bria Homes, Inc. (BHI). Accordingly, BHI became a subsidiary of VLC. BHI is presently engaged in developing and selling real estate properties, particularly, residential houses, and lots. Both the Parent Company and BHI are entities under common control of FPI. Accordingly, the Parent Company accounted for the acquisition of BHI under pooling of interest method of accounting.

In 2020, VLC owns 99.99% ownership interest in Golden Haven Memorial Park, Inc. (GHMPI), an entity incorporated on August 24, 2020. GHMPI is engaged in the development and selling of memorial lots, particularly those under the administration of VLC's memorial parks. GHMPI has started its commercial operations on June 30, 2022.

In 2022, VLC owns 99.80% ownership interest in VTech Capital, Inc. (VTECH), an entity which was newly incorporated on March 1, 2022. VTECH, upon commencement of its commercial operations, is planned to engage in the business of a holding company, to buy and hold shares of other companies particularly in the technology and financial technology related businesses. As of June 30, 2025, VTECH has not yet started commercial operations.

In 2024, VLC acquired 99.90% ownership interest in Althorp Land Holdings, Inc. (ALHI). ALHI, upon commencement of its commercial operations, is planned to engage in the business of a holding company. It owns 25.19 hectares of land in Villar City.

In 2024, VLC acquired 99.99% ownership interest in Chalgrove Properties, Inc. (CPI). CPI, upon commencement of its commercial operations, is planned to engage in the business to own, lease and operate, manage and administer, alone or jointly with others, one or more

hotels and all adjuncts and accessories thereto, including restaurants, bar rooms, barbershops, baths, news and cigar stores, roof gardens and to furnish amusement therefore; to do and perform any and all things for the comfort and convenience and pleasure and amusement of guests in said hotels, hotel-apartments, motorists hotel, motorists court, condominium and inns. It owns 173.79 hectares of land in Villar City.

In 2024, VLC acquired 99.00% ownership interest in Los Valores Corporation (LV). LV, upon commencement of its commercial operations, is planned to engage in the business to own, use, improve, develop, subdivide, sell, exchange, lease, and hold for investment or otherwise, real estate of all kinds, including buildings, houses, apartments and other structures, and grant loans and/or assume or undertake or guarantee or secure, whether as solidary obligor, surety, guarantor, or any other capacity either on its general credit or on the mortgage, pledge, deed of trust, assignment, and/or other security arrangement of any or all of its property, the whole or any part of the liabilities and obligations of its parent company, subsidiaries, or investee companies or affiliates, without engaging in the business of a financing company or lending investor. It owns 197.90 hectares of land in Villar City.

The registered office address of VLC, GHMPI and VTECH, which is also their principal place of business, is located at San Ezekiel, C5 Extension, Las Piñas City. The registered office address of BHI and LV which is also their principal place of business, is located at Bldg. B, Evia Lifestyle Center, Daang Hari Rd., Almanza Dos, City of Las Pinas. The registered office address of ALHI, CPI and FPI is located at 3rd Level, Starmall Las Piñas, CV. Starr Avenue, Pamplona, Las Piñas City.

The Parent Company's shares of stock are listed at the Philippine Stock Exchange (PSE) beginning June 29, 2016 (see Note 22.1).

2. MATERIAL ACCOUNTING POLICY INFORMATION

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

2.1 Basis of Preparation of Consolidated Financial Statements

(a) Statement of Compliance with Philippine Financial Reporting Standards

The consolidated financial statements of the Group have been prepared in accordance with Philippine Financial Reporting Standards (PFRS), as modified by the application of the financial reporting reliefs issued and approved by the SEC in response to the COVID-19 pandemic. The financial reporting reliefs availed of by the Group are disclosed in detail in the succeeding pages. PFRS are adopted by the Financial and Sustainability Reporting Standards Council (FSRSC) from the pronouncements issued by the International Accounting Standards Board and approved by the Philippine Board of Accountancy.

The consolidated financial statements have been prepared using the measurement bases specified by PFRS, as modified by the application of the financial reporting reliefs issued and approved by the SEC in response to the COVID-19 pandemic, for each type of asset, liability, income and expense. The measurement bases are more fully described in the accounting policies
that follow.

(b) SEC Financial Reporting Reliefs Availed by the Group

The Group has availed of certain financial reporting reliefs granted by the SEC relating to several implementation issues of PFRS 15, *Revenue from Contracts with Customers*, affecting the real estate industry under following Memorandum Circular (MC):

- MC No. 14-2018, *Philippine Interpretation Committee Question and Answer (PIC Q&A) No. 2018-12 Implementation Issues Affecting Real Estate Industry*
- MC No. 3-2019, *PIC Q&A Nos. 2018-12-H and 2018-14*

SEC MC No. 08-2021, A*mendment to SEC MC No. 14-2018, MC No. 03-2019, MC No.04-2020, and MC No. 34-2020 to Clarify Transitory Provision,* provides real estate companies the accounting policy option of applying either the full retrospective approach or the modified retrospective approach when they apply the provisions of the PIC and IFRIC pronouncement.

Discussed below and in the succeeding page are the financial reporting reliefs availed of by the Group, including the descriptions of the implementation issues and their estimated qualitative impacts to the consolidated financial statements. The Group opted to avail the reliefs until the end of the deferment period as provided under the relevant MC.

PIC Q&A No. 2018-12-D, *Concept of the Significant Financing Component in the Contract to Sell* and PIC Q&A No. 2020-04, *Addendum to PIC Q&A 2018-12-D: Significant Financing Component Arising from Mismatch between the Percentage of Completion and Schedule of Payments* (deferred until December 31, 2023). PFRS 15 requires that in determining the transaction price, an entity shall adjust the promised amount of consideration for the effects of the time value of money if the timing of payments agreed to by the parties to the contract (either explicitly or implicitly) provides the customer or the entity with a significant benefit of financing the transfer of goods or services to the customer. In those circumstances, the contract contains a significant financing component.

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

Had the Group elected not to defer this provision of the standard, it would have an impact in the consolidated financial statements as there would have been a significant financing component when there is a difference between the percentage of completion (POC) of the real estate project and the right to the consideration based on the payment schedule stated in the contract. The Group would have recognized an interest income when the POC of the real estate project is greater than the right to the tion and interest expense when lesser. Both interest income and expense will be calculated using the effective interest rate method.

This will impact the retained earnings, real estate sales, and profit or loss in the year of adoption and in comparative periods presented. Furthermore, these would have impacted the cash flows from operations and cash flows from financing activities for all years presented in case of a full retrospective approach. Should the Group elect to apply the

modified retrospective approach as allowed by MC No. 2021-08, this will impact the opening retained earnings in the year of adoption.

(c) Presentation of Consolidated Financial Statements

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

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

(d) Functional and Presentation Currency

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

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

2.2 Adoption of Amended PFRS

(a) Effective in 2024 that are Relevant to the Group

The Group adopted for the first time the following amendments to existing standards, which are mandatorily effective for annual periods beginning on or after January 1, 2024:

PAS 1 (Amendments)	:	Presentation of Financial Statements – Classification of Liabilities as Current or Non-current, and Non-current Liabilities with Covenants
PAS 7 and PFRS 7 (Amendments)	:	Statement of Cash Flow, and Financial Instruments: Disclosures – Supplier Finance Arrangements
PFRS 16 (Amendments)	:	Leases – Lease Liability in a Sale and Leaseback

Discussed below and on the succeeding pages are the relevant information about these pronouncements.

(i) PAS 1 (Amendments), *Presentation of Financial Statements – Classification of Liabilities as Current or Non-current.* The amendments provide guidance on whether a liability should be classified as either current or non-current.

The amendments clarify that the classification of liabilities as current or non-current should be based on rights that are in existence at the end of the reporting period and that the classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability. The application of these amendments had no significant impact on the Group's consolidated financial statements.

(ii) PAS 1 (Amendments), *Presentation of Financial Statements – Non-current Liabilities with Covenants.* The amendments specify that if the right to defer settlement for at least 12 months is subject to an entity complying with conditions after the reporting period, then those conditions would not affect whether the right to defer settlement exists at the end of the reporting period for the purpose of classifying a liability as current or non-current. For non-current liabilities subject to conditions, an entity is required to disclose information about the conditions, whether the entity would comply with the conditions based on its circumstances at the reporting date and whether and how the entity expects to comply with the conditions by the date on which they are contractually required to be tested. The application of these amendments had no significant impact on the Group's consolidated financial statements.

(iii) PAS 7 and PFRS 7 (Amendments), *Statement of Cash Flows, Financial Instruments: Disclosures – Supplier Finance Arrangements*. The amendments add a disclosure objective to PAS 7 stating that an entity is required to disclose information about its supplier finance arrangements that enable users of financial statements to assess the effects of those arrangements on the entity's liabilities and cash flows. In addition, PFRS 7 is amended to add supplier finance arrangements as an example within the requirements to disclose information about an entity's exposure to concentration of liquidity risk. The application of these amendments had no significant impact on the Group's consolidated financial statements.

(iv) PFRS 16 (Amendments), *Leases – Lease Liability in a Sale and Leaseback.* The amendments clarify the subsequent measurement requirements to the lease liability that arises in the sale and leaseback transaction. The amendments require the seller-lessee to subsequently measure lease liabilities arising from a leaseback in a way that it does not recognize any amount of the gain or loss that relates to the right of use it retains. The new requirements do not prevent a seller-lessee from recognizing in profit or loss any gain or loss relating to the partial or full termination of a lease. The application of these amendments had no significant impact on the Group's consolidated financial statements.

(b) Effective Subsequent to 2024 but not Adopted Early

There are amendments to existing standards effective for annual periods subsequent to 2024, which are adopted by the FSRSC. Management will adopt the following relevant pronouncements in accordance with their transitional provisions; and unless otherwise indicated, none of these are expected to have significant impact on the Group's consolidated financial statements:

(i) PAS 21 (Amendments), *The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability* (effective from January 1, 2025)

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

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

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

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

2.3 Basis of Consolidation

The Group's consolidated financial statements comprise the accounts of the Parent Company and its subsidiaries as disclosed in Note 1.1, after the elimination of material intercompany transactions.

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

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

(a) Business acquisitions of entities not under common control of a principal stockholder are accounted for using the acquisition method of accounting.

(b) Business combinations arising from transfers of interests in entities that are under the common control of the principal stockholder are accounted for under the pooling-of interests method. Transfers of assets between commonly-controlled entities are accounted for under historical cost accounting; hence, the assets and liabilities are reflected in the consolidated financial statements at carrying values and no adjustments are made to reflect fair values or recognize any new assets or liabilities, at the date of the combination that otherwise would have been done under the acquisition method.

(c) Acquisition of assets in an entity, which does not constitute a business is accounted for as an asset acquisition.

2.4 Financial Instruments

(a) Financial Assets

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

The only classification and measurement of financial assets relevant to the Group is financial assets at amortized cost.

The Group's financial assets at amortized cost are presented in the consolidated statement of financial position as Cash and Cash Equivalents, Contract Receivables, Due from Related Parties, and Security deposits (presented under Other Current Assets and Other Non-current Assets) and Other Receivables (except Advances to contractors and others, Advances for land acquisition and Advances to employees) which pertain to receivables from customers for documentary fees and other assistance related to processing and transfer of lots and units sold.

The Group assesses impairment of contract receivables and other receivables on a collective basis based on shared credit risk characteristics of financial assets. The Group determines the expected credit losses (ECL) for contract receivables by applying a method that evaluates the credit quality of a portfolio of contract receivables and the cumulative loss rates by analyzing historical net charge-offs arising from sales cancellations for homogenous accounts that share the same origination period.

For other credit exposures, the Group applies the simplified approach in measuring ECL which uses a lifetime expected loss allowance. To calculate the ECL, the Group uses its historical experience, external indicators and forward-looking information using a provision matrix. For due from related parties, the Group applies the low credit risk simplification and measures the ECL on the financial assets based on a 12-month basis unless there has been a significant increase in credit risk since origination, in that case, the loss allowance will be based on the lifetime ECL. The ECL on due from related parties is based on the assumption that repayment of the advances or loans is demanded at the reporting date taking into consideration the historical default of the related parties. Management considers if the related party has sufficient accessible highly liquid assets in order to repay the loan if demanded at the reporting date.

For cash and cash equivalents, the Group applies the low credit risk simplification. The probability of default and loss given defaults are publicly available and are considered to be low credit risk investments. It is the Group's policy to measure ECLs on such instruments on a 12-month basis. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL. Meanwhile, impairment of security deposits is assessed based on potential liquidity of counterparties based on available financial information.

(b) Financial Liabilities

Financial liabilities include Interest-bearing Loans, Trade and Other Payables (except tax-related payables), Rawland Payable, Lease Liabilities, Reserve for Maintenance Care and Due to Related Parties.

2.5 Inventories

a) Real Estate Inventories

Real estate inventories include raw land, memorial lots, residential houses and lots for sale, condominium units and property development costs. Costs of inventories are assigned using specific identification of their individual costs. Cost includes acquisition costs of the land plus the costs incurred for its development, improvement and construction, including capitalized borrowing costs. All costs relating to the real estate property sold are recognized as expense as the work to which they relate is performed.

b) Construction Materials

Construction materials (presented as part of Other Current Assets) pertain to cost of uninstalled and unused construction and development materials at the end of the reporting period. It is recognized at purchase price and is subsequently recognized as part of real estate inventories when installed or used during construction and development of real estate projects. Cost is determined using the weighted average method.

The Group recognizes the effect of revisions in the total project cost estimates in the year in which these changes become known.

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

2.6 Property and Equipment

Property and equipment are stated at cost less accumulated depreciation, amortization and any impairment in value.

Depreciation and amortization is computed on the straight-line basis over the estimated useful lives of the assets starting on the month following the date of acquisition or completion of the assets.

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

Chapel and office building	15 years
Service vehicle	5 years
Service equipment	3-5 years
Park maintenance tools and equipment	3-5 years
System development cost	3-5 years
Chapel and office furniture, fixtures and equipment	2-5 years

Leasehold improvements are amortized over their expected useful lives of five years (determined by reference to comparable assets owned) or the term of lease, whichever is shorter.

2.7 Investment Properties

Investment properties, which consist of parcels of land, are measured at cost less any impairment in value.

2.8 Revenue and Expense Recognition

Revenue comprises revenue from real estate sales and rendering of interment and chapel services measured by reference to the fair value of consideration received or receivable by the Group for goods sold and services rendered, excluding value-added tax (VAT) and trade discounts.

The Group develops real estate properties such as residential house and lot, condominium units and memorial lots. The Group often enters into contracts to sell real properties as they are being developed. The Group also provides interment and chapel services inside its memorial parks.

The significant judgments used in determining the existence of a contract with customer, evaluating the timing of satisfaction of the Group's performance obligation with respect to its contracts to sell real properties and determining the collection threshold for revenue recognition are disclosed in Note 3.1(a), (b) and (c), respectively. In addition, the following specific recognition criteria must also be met before revenue is recognized:

(a) *Real estate sales on pre-completed residential houses and lots* – Revenue from real estate sales is recognized over time proportionate to the progress of the development. The Group measures its progress based on actual costs incurred relative to the total expected costs to be incurred in completing the development.

(b) *Real estate sales on completed residential houses and lots* – Revenue from real estate sales
is recognized at point in time when the control over the real estate property is transferred to the buyer.

(c) *Real estate sales on memorial lots* – Revenue from the Group's sale of memorial lots, which are substantially completed and ready for use, is recognized as the control transfers at the point in time with the customer.

(d) *Rendering of services* – income from interment and chapel services is recognized at a point in time when control over the services transfers to the customer.

Incremental costs of obtaining a contract to sell real estate property to customers are recognized as an asset and are subsequently amortized over the duration of the contract on the same basis as revenue from such contract is recognized.

Contract assets pertain to rights to consideration in exchange for goods or services that the Group has transferred to a customer that is conditioned on something other than passage of time. Under its contracts with customers, the Group will receive an unconditional right to payment for the total consideration upon the completion of the development of the property sold. Any rights to consideration recognized by the Group as it develops the property are presented as Contract Assets in the consolidated statement of financial position. Contract assets are subsequently tested for impairment in the same manner as the Group assesses impairment of its financial assets.

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

In addition, real estate sales are recognized only when certain collection threshold was met over which the Group determines that collection of total contract price is reasonably assured. The Group uses historical payment pattern of customers in establishing a percentage of collection threshold. If the transaction does not yet qualify as contract revenue under PFRS 15, the deposit method is applied until all conditions for recording the sale are met. Pending the recognition of revenue on real estate sales, consideration received from customers are recognized as Customers' Deposits in the consolidated statement of financial position. Customers' deposit is recognized at the amounts received from customers and will be subsequently applied against the contract receivables when the related real estate sales is recognized.

Sales cancellations are accounted for on the year of forfeiture. Any gain or loss on cancellation is charged to profit or loss. The Group accounts for cancellation of sales contract as modification of contract; accordingly, previously recognized revenues and related costs are reversed at the time of cancellation.

2.9 Leases – Group as Lessee

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

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

2.10 Impairment of Non-financial Assets

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

2.11 Employee Benefits

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

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

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

3. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

The preparation of the Group's consolidated financial statements in accordance with PFRS requires management to make judgments and estimates that affect the amounts reported in the consolidated financial statements and related notes. Judgments and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may ultimately differ from these estimates.

3.1 Critical Management Judgments in Applying Accounting Policies

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

(a) Determining Existence of a Contract with Customer

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

In rare cases wherein contract to sell are not executed by both parties, management has determined that the combination of other signed documentations with the customers such as reservation agreement, official receipts, computation sheets and invoices, would contain all the elements to qualify as contract with customer (i.e., approval of the contract by the parties, which has commercial substance, identification of each party's rights regarding the goods or services and the related payment terms). Moreover, as part of the evaluation, the Group assesses the probability that the Group will collect the consideration to which it will be entitled in exchange for the real estate property that will be transferred to the customer. In evaluating whether collectability of an amount of consideration is probable, the Group considers the significance of the customer's downpayment in relation to the total contract price.
Collectability is also assessed by considering factors such as past history with the customer and pricing of the property. Management regularly evaluates the historical cancellations and back-outs if it would still support its current threshold of customers' equity before commencing revenue recognition.

(b) Determination of Transaction Price and Amounts Allocated to Performance Obligations

The transaction price for a contract is allocated amongst the material right and other performance obligations identified in the contract based on their stand-alone selling prices, which are all observable and agreed at the start of the contract. The Group applies judgment in determining the transaction price and amounts allocated to performance obligations on its contracts with customers. The transaction price for a contract excludes any amounts collected on behalf of third parties (e.g., VAT).

The Group enters 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 buyer upon full payment of contract price. The amount of consideration indicated in the contract to sell is fixed and has no variable consideration.

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

(i) Real Estate Sales
The Group exercises critical judgment in determining whether each performance obligation to develop properties promised in its contracts with customers is satisfied over time or at a point in time. In making this judgment, the Group considers the following:

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

The Group's performance obligation are satisfied as follows:

- *Residential condominium units and houses and lots* – Management determines that revenues from sale of pre-completed residential condominium units and houses and lots are satisfied over time, while completed real estate properties is satisfied at a point in time, since it does not have an alternative use of the specific property sold as it is precluded by its contract from redirecting the use of the property for a different purpose. Further, the Group has rights over payment for development completed to date as the Group can choose to complete the development and enforce its rights to full payment under its contracts even if the customer defaults on amortization payments.

- *Memorial lots* – Management determines that its revenue from sale of memorial lots, which are substantially completed and ready for use, shall be recognized at a point in time when the control of goods have passed to the customer, i.e., upon issuance of purchase agreement (PA) to the customer.

(ii) Interment and Cremation Services

The Group determines that revenue from interment and cremation services shall be recognized at a point in time based on the actual services provided to the end of the reporting period as a proportion of the total services to be provided.

(d) Determination of Collection Threshold for Revenue Recognition

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

The Group considers that the initial and continuing investments by the buyer when reaching the set collection threshold would demonstrate the buyer's commitment to pay the total contract price.

(e) Determination of ECL on Contract and Other Receivables, Contract Assets, Due from Related Parties and Security Deposits

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

The provision matrix is based on the Group's historical observed default rates. The Group's management intends to regularly calibrate (i.e., on an annual basis) the matrix to consider the historical credit loss experience with forward-looking information (i.e., forecast economic conditions). Details about the ECL on the Group's contract and other receivables are disclosed in Note 25.2.

In relation to advances to related parties, PFRS 9 notes that the maximum period over which ECL should be measured is the longest contractual period where an entity is exposed to credit risk. In the case of these receivables from related parties, which are repayable on demand, the contractual period is the very short period needed to transfer

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

Based on the relevant facts and circumstances existing at the reporting date, management has assessed that all strategies indicate that the Group can fully recover the outstanding balance of its receivables; thus, no ECL is required to be recognized.

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

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

For office leases, the factors that are normally the most relevant are (a) if there are significant penalties should the Group pre-terminate the contract, and (b) if any leasehold improvements are expected to have a significant remaining value, the Group is reasonably certain to extend and not to terminate the lease contract. Otherwise, the Group considers other factors including historical lease durations and the costs and business disruption required to replace the leased asset.

The Group included the renewal period as part of the lease term for office leases due to the significance of these assets to its operations. These leases have a non-cancellable lease period (i.e., 4 to 10 years) and there will be a significant negative effect on production if a replacement is not readily available. However, the renewal options for leases of transportation equipment were not included as part of the lease term because the Group has historically exercises its option to buy these transportation equipment at the end of the lease term.

(g) Distinction Among Investment Properties, Owner-managed Properties and Real Estate Inventories

The Group classifies its acquired properties as Property and Equipment if used in operations and administrative purposes, as Investment Properties if the Group intends to hold the properties for capital appreciation or rental and as Real Estate Inventories if the Group intends to develop the properties for sale.

Transfers from other accounts (such as Memorial lots and Rawland) are made to investment property when and only when, there is a change in use, evidenced by ending of owner-occupation or commencement of an operating lease to another party. For a transfer from investment property to owner-occupied property or inventories, the cost of property for subsequent measurement is its carrying value at the date of change in use. If the property occupied by the Group as an owner-occupied property becomes an investment property, the Group accounts for such property in accordance with the policy stated under property and equipment up to the date of change in use.

(b) Recognition of Provisions and Contingencies

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

Judgment is exercised by management to distinguish between provisions and contingencies. Disclosures on relevant provisions and contingencies are discussed in Notes 14.1 and 24.

3.2 Key Sources of Estimation Uncertainty

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

(a) Revenue Recognition for Performance Obligations Satisfied Over Time

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

(b) Estimation of Allowance for ECL

The measurement of the allowance for ECL on financial assets at amortized cost is an area that requires the use of significant assumptions about the future economic conditions and credit behavior (e.g., likelihood of customers defaulting and the resulting losses). Explanation of the inputs, assumptions and estimation used in measuring ECL is further detailed in Note 25.2.

(c) Determination of Net Realizable Value of Real Estate Inventories

In determining the net realizable value of real estate inventories, management takes into account the most reliable evidence available at the time the estimates are made. Management determined that the carrying values of its real estate inventories are lower than their net realizable values based on the present market rates. Accordingly, management did not recognize any valuation allowance on these assets as of March 31, 2025 and December 31, 2024.

(d) Estimation of Useful Lives of Property and Equipment and Right-of-use Assets

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

The carrying amounts of property and equipment and right-of-use assets are analyzed in Notes 9 and 10.1, respectively. Based on management's assessment as at March 31, 2025 and December 31, 2024, there is no change in the estimated useful lives of those assets during those years. Actual results, however, may vary due to changes in estimates brought about by changes in factors mentioned above.

(e) Fair Value Measurement of Investment Properties

The Group's investment properties which composed of parcels of land are carried at cost at the end of the reporting period. In addition, the accounting standards require the disclosure of the fair value of the investment properties. In determining the fair value of these assets, the Group engages the services of professional and independent appraiser applying the relevant valuation methodologies as discussed in Note 27.3.

For investment properties with appraisal conducted prior to the end of the current reporting period, management determines whether there are significant circumstances during the intervening period that may require adjustments or changes in the disclosure of fair value of those properties.

(f) Determination of Realizable Amount of Deferred Tax Assets

The Group reviews its deferred tax assets at the end of each reporting period and reduces the carrying amount to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Management assessed that the deferred tax assets recognized as at March 31, 2025 and December 31, 2024 will be fully utilized in the coming years (see Note 20.2).

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

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

(h) Impairment of Non-financial Assets

In assessing impairment, management estimates the recoverable amount of each asset or a cash-generating unit based on expected future cash flows and uses an interest rate to calculate the present value of those cash flows. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate. Though management believes that the assumptions used in the estimation of fair values reflected in the consolidated financial statements are appropriate and reasonable, significant changes in these assumptions may materially affect the assessment of recoverable values and any resulting impairment loss could have a material adverse effect on the results of operations.

(i) Valuation of Post-employment DBO

The determination of the Group's obligation and cost of post-employment defined benefit plan is dependent on the selection of certain assumptions used by actuaries in calculating such amounts. These assumptions include, among others, discount rates and

salary increase rate. A significant change in any of these actuarial assumptions may generally affect the recognized expense, other comprehensive income or losses and the carrying amount of the post-employment DBO in the next reporting period.

4. SEGMENT REPORTING

4.1 Business Segments

The Group's operating businesses are organized and managed separately according to the nature of products and services provided. In identifying its reportable operating segments, management generally follows the Group's two main revenue sources, which represent the products and services provided by the Group, namely Residential Projects and Deathcare.

(a) Residential – this segment pertains to the housing market segment of the Group. It caters on the development and sale of residential house and lots, subdivision lots, and condominium units.

(b) Deathcare – the segment pertains to sale of memorial lots, interment income, and income from chapel services.

4.2 Analysis of Segment Information

The following table present revenue and profit information regarding business segments of the Group for the period ended March 31, 2025:

	Death Care	**Residential**	**Total**
Revenues	₱258,873	₱725,217	₱984,090
Cost of sales and services	(73,563)	(311,569)	(385,132)
Gross profit	185,310	413,648	598,958
Other operating expenses	104,526	115,741	220,267
Depreciation and amortization	(6,529)	(7,383)	(13,912)
	97,997	108,358	206,355
Segment profit before tax and depreciation and amortization	₱87,313	₱305,290	₱392,603
Segment Assets	₱5,209,202	₱22,072,076	₱27,281,278
Segment Liabilities	₱1,906,563	₱10,574,723	₱12,481,286

The results of operations from the two segments are used by management to analyze the Group's operation and to allow them to control and study the costs and expenses. It is also a management indicator on how to improve the Group's operation. Expenses are allocated through direct association of costs and expenses to operating segments.

4.3 Reconciliation

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

	(in thousands)
Assets:	
Total segment asset	₱27,281,278
Due from related parties	1,108,105
Investment property	8,759,878
Group Total Assets	₱37,149,261
Liabilities:	
Total segment liabilities	₱12,481,286
Due to related parties	9,424,009
Income tax payable	12,806
Deferred tax liabilities	1,288,551
Group Total Liabilities	₱23,206,652

4.4 Disaggregation of Revenue from Contract with Customers and Other Counterparties

When the Group's Executive Committee evaluates the financial performance of the operating segments, it disaggregates revenue similar to its segment reporting as presented in Notes 4.1 and 4.2.

The Group determines that the categories used in the investor presentations and financial reports used by the Group's Executive Committee can be used to meet the objective of the disaggregation disclosure requirement of PFRS 15, which is to disaggregate revenue from contracts with customers and other counterparties and disclosed herein as additional information) into categories that depict how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic factors. A summary of additional disaggregation from the segment revenues and other unallocated income are shown in the Note 17.

5. CASH AND CASH EQUIVALENTS

Cash and cash equivalents as of March 31 follows:

	(in thousands)
Cash on hand	₱7,369
Cash in bank	808,198
	₱815,567

Cash on hand comprises of revolving fund, commission fund and petty cash fund intended for the general use of the Group. Cash in banks generally earn interest at rates based on daily bank deposit rates. The related interest income earned amounted to ₱4.92 million and ₱2.87 million on March 31, 2025 and 2024, respectively, is presented as Finance Income in the statements of comprehensive income.

6. CONTRACTS AND OTHER RECEIVABLES

6.1 Contracts Receivables

This account is composed of the following:

	(in thousands)
Current	₱5,052,583
Non-current	1,940,223
	₱6,992,806

Contracts receivables represent receivables from sale of residential houses and lots, subdivision lots, memorial lots, and condominium units, which are normally collectible within one to ten years. Contracts receivables have an annual effective interest rate of 5% to 12.0% in 2025 and 2024. Interest income related to contracts receivables amounted to ₱26.9 million and ₱35.8 million on March 31, 2025 and 2024, respectively, and are reported under Revenues in the consolidated statements of comprehensive income.

The Group's contracts receivables are effectively collateralized by the real estate properties sold to the buyers considering that the title over the rights in the real estate properties will only be transferred to the buyers upon full payment.

In 2025, certain receivables amounting to ₱4,700.0 million were used as collateral security against interest-bearing loans (see Note 13).

6.2 Other Receivables

The composition of this account as of March 31 is shown below.

	(in thousands)
Advances to contractors and others	₱1,804,270
Advances to employees	96,492
Others	94,475
	₱1,995,237

Advances to contractors and others mainly represent advances to contractors or suppliers as advance payments for purchase of construction materials, supplies and construction services. This also include excess of advances over the remaining liability related to construction development.

Advances to employees represent cash advances and noninterest-bearing short-term loans granted to the Group's employees, which are collected through liquidation and salary deduction.

Others mainly pertain to receivables from the buyers for documentary fees and other assistance related to processing and transfer of lots and units sold.

7. REAL ESTATE INVENTORIES

Details of real estate inventories, which are stated at cost and is lower than NRV, are shown below.

	(in thousands)
Raw land	₱4,247,736
Memorial lots	1,544,727
Condominium units	287,905
Property development costs	238,793
Residential houses and lots	201,668
	₱6,520,829

Raw land pertains to the cost of several parcels of land acquired by the Group to be developed and other costs incurred to effect the transfer of the title of the properties to the Group.

Memorial lots consist of acquisition costs of the land, construction and development costs, and other necessary costs incurred in bringing the memorial lots ready for sale.

Condominium units for sale pertain to the accumulated land costs, construction services and other development costs incurred in developing the Group's condominium projects.

The property development costs represent the accumulated costs incurred in developing the real estate properties for sale. Costs incurred comprise of actual costs of land, construction and related engineering, architectural and other consultancy fees related to the development of residential projects.

Residential houses and lots represent houses and lots in subdivision projects for which the Group has already been granted the license to sell by the Housing and Land Use Regulatory Board of the Philippines. Residential houses include units that are ready for occupancy and units under construction.

8. OTHER ASSETS

This account consists of the following as of March 31:

	(in thousands)
Current:	
Prepaid commission	₱294,536
Construction materials	133,333
Creditable withholding taxes	121,074
Deferred input VAT	76,467
Prepaid expenses	24,640
Security deposits - current	6,723
Other assets	28,006
	684,779
Non-current:	
Security deposits	35,818
	₱720,597

Construction materials pertain to aluminum forms and various materials to be used in the construction of residential houses. Deferred input VAT pertains to the unamortized portion of input VAT from purchases of capital goods which are subject to amortization.

9. PROPERTY AND EQUIPMENT

The gross carrying amounts and accumulated depreciation and amortization of property and equipment at March 31, 2025 shown below.

	Building	Leasehold Improvements	Service Vehicle	Service Equipment	Park Maintenance Tools and Equipment	Furniture, Fixtures and Equipment	System Development Cost	Total
Cost	₱244,445	₱73,635	₱157,173	₱49,163	₱321,308	₱249,294	₱69,034	₱1,164,052
Accumulated depreciation and amortization	(119,265)	(58,955)	(142,369)	(16,981)	(187,464)	(232,129)	(45,467)	(802,630)
Net carrying amount	₱125,180	₱14,680	₱14,804	₱32,182	₱133,844	₱17,165	₱23,567	₱361,422

The amount of depreciation and amortization is presented as part of Cost of Sales and Services and Other Operating Expenses in the consolidated statements of comprehensive income (see Note 18). Depreciation expense of park maintenance tools and portion of service equipment were charged under park operations, which is subsequently closed to maintenance care fund (see Note 16).

10. LEASES

The Group has leases for certain office spaces. With the exception of short-term leases, each lease is reflected on the consolidated statement of financial position as right-of-use assets and a lease liabilities.
Each lease generally imposes a restriction that, unless there is a contractual right for the Group to sublease the asset to another party, the right-of-use asset can only be used by the Group. Leases are either non-cancellable or may only be cancelled by incurring a substantive termination fee. Some leases contain an option to purchase the underlying lease asset outright at the end of the lease, or to extend the lease for a further term.

The Group is prohibited from selling or pledging the underlying leased assets as security. For leases over office spaces, the Group must keep those properties in a good state of repair and return the properties in their original condition at the end of the lease. Further, the Group must insure the leased assets and incur maintenance fees on such items in accordance with the lease contracts.

The Group has leased 32 office spaces with an average remaining lease term of three years.

10.1 Right-of-use Assets

The carrying amounts of the Group's right-of-use assets as of March 31, 2025 is ₱17.0 million.

The total amortization on the right-of-use assets is presented as part of Depreciation and amortization under Other operating expense in the consolidated statement of comprehensive income (see Note 18.2).

10.2 Lease Liabilities

Lease liabilities are presented in the consolidated statement of financial position as at March 31, 2025 as follows:

	(in thousands)
Current	₱9,984
Non-current	8,352
	₱18,336

The use of extension and termination options gives the Group added flexibility in the event it has identified more suitable premises in terms of cost and/or location or determined that it is advantageous to remain in a location beyond the original lease term. The future cash outflows to which the Group is potentially exposed to are not reflected in the measurement of lease liabilities represent the amount of monthly rent remaining for the lease term and security deposit to be forfeited.

An option is only exercised when consistent with the Group's regional markets strategy and the economic benefits of exercising the option exceeds the expected overall cost.

As at March 31, 2025, the Group has no lease commitment, which had not yet commenced.

10.3 Lease Payments Not Recognized as Liabilities

The Group has elected not to recognize a lease liability for short-term leases or for leases of low value assets. Payments made under such leases are expensed on a straight-line basis.

The expenses relating to short-term leases amounted to ₱2.72 million is presented as Rentals as part of Other Operating Expenses in the consolidated statements of comprehensive income (see Note 18.2). There are no existing lease commitments for short-term leases.

10.4 Security Deposits

Refundable security deposits represent the lease deposits made to third parties for the lease of the Group's office spaces.

Related rental deposits for these leases amounted to ₱8.3 million as of March 31, 2025 and is presented as part of the Other Assets in the consolidated statements of financial position (see Note 8).

11. NON-CURRENT ASSET CLASSIFIED AS HELD FOR SALE

Asset held for sale consists of ALHI's investment in FPI representing 35.62% ownership, which was initially classified as an investment in associate. In 2024, management approved a plan to dispose of its investment in FPI. Consequently, this asset was reclassified as Non-current Asset Classified as Held for Sale in the 2024 consolidated statement of financial position. The management believes that the sale of this asset is highly probable this year.

The carrying value of this asset amounting to P100.0 million immediately prior to their classification as held for sale is lower than their fair value less cost to sell. Accordingly, the Group did not recognize any loss in connection with the reclassification of the asset. There were also no revenues and expenses recognized during the year that are associated with the non-current asset held for sale.

12. INVESTMENT PROPERTIES

The Group's investment properties consist of parcels of land which is intended for capital appreciation amounting to ₱8,759.9 million as of March 31, 2025.

None of the Group's investment properties have generated rental income. There were also no significant directly attributable cost, purchase commitments and any restrictions as to use related to these investment properties during the reporting periods.

Management has assessed that there were no significant circumstances during the reporting periods that may indicate impairment loss on the Group's investment properties.

The fair value and other information about the measurement and disclosures related to the investment properties are presented in Note 27.3.

13. INTEREST-BEARING LOANS

Short-term and long-term interest-bearing loans and borrowings pertain to bank loans which are broken down as follows:

	(in thousands)
Current	₱2,414,683
Non-current	2,571,460
	₱4,986,143

The bank loans represent secured and unsecured loans from local commercial banks. The loans which have maturities ranging from 1 to 15 years bear annual interest rates ranging from 5.0% to 8.8%.

Interest expense incurred on these loans amounted to ₱85.3 million and ₱70.4 million for the periods ended March 31, 2025 and 2024, respectively. These are presented as part of Finance cost in the consolidated statements of comprehensive income.

There are no outstanding interest payable as of March 31, 2025 related to these loans.

The loans are net of debt issue cost amounting to ₱86.1 million as of March 31, 2025. The amortization of debt issue cost amounting to ₱75.3 million, is presented as part of Finance Cost under Other Income (Charges) section in the consolidated statements of comprehensive income.

Certain loans of the Group are secured by contract receivables with a carrying amount of ₱4,700.0 million as of March 31, 2025 (see Note 6.1 and 26.2).

14. TRADE AND OTHER PAYABLES AND RAWLAND PAYABLE

14.1 Trade and Other Payables

This account consists of:

	(in thousands)
Trade payables	₱2,178,928
Accrued expenses	522,834
Deferred output tax	177,079
Retention payable	125,669
Commission payable	71,768

	(in thousands)
VAT payable	12,974
Withholding taxes payable	1,705
Other payables	5,596
	₱3,096,553

Trade payables comprise mainly of liabilities to suppliers and contractors arising from the construction and development of the Group's real estate properties.

Accrued expenses pertain to accruals of professional fees, salaries and other employee benefits, utilities, advertising, marketing and other administrative expenses.
Deferred output tax is the portion of VAT attributable to outstanding contract receivables. This is reversed upon payment of monthly amortization from customers.

Retention payable pertains to the amount withheld from payments made to contractors to ensure compliance and completion of contracted projects equivalent to 10% of every billing made by the contractor. Upon completion of the contracted projects, the amounts are remitted to the contractors.

Commission payable refers to the liabilities of the Group as of the end of the reporting periods to its sales agents for every sale that already reached the revenue recognition threshold of the Group.

14.2 Rawland Payables

Rawland payables pertain to the amount of outstanding liability regarding the acquisitions of rawland from third parties, which will be used in the development of the Group's subdivision and memorial lots projects.

The Group purchased various rawlands for expansion and development of the Group's subdivision and memorial lots projects. The outstanding balance arising from these transactions amounted to ₱1,352.0 million and ₱1,348.3 million as of March 31, 2025 and December 31, 2024, respectively.

15. CUSTOMERS' DEPOSITS

Customers' deposits pertain to reservation fees and advance payments from buyers, which did not meet the revenue recognition criteria as of the end of the reporting periods. As of March 31, 2025, Customers' Deposits account, as presented in the current liabilities section of the consolidated statements of financial position, amounted to ₱1,261.2 million (see Note 2.13).

16. RESERVE FOR MAINTENANCE CARE

Under the terms of the contract between the Group and the purchasers of memorial lots, a portion of the amount paid by the purchasers is set aside as Maintenance Care Fund (Fund). The balance of the reserve for maintenance care for memorial lots as of March 31, 2025 and December 31, 2024 amounted to ₱1,212.2 million and ₱754.1 million, respectively, represents the total amount of maintenance care from all outstanding sales contracts, net of amount already remitted for fully collected memorial lots into the Fund.

As an industry practice, the amount turned over to the Fund is only for fully collected contracts in as much as the outstanding contracts may still be forfeited and/or rescinded. The income earned

from the Fund will be used in the maintenance care and maintenance of the memorial lots. Once placed in the Fund, the assets, liabilities, income and expense of the Fund are considered distinct and separate from the assets and liabilities of the Group, thus, do not form part of the accounts of the Group.

17. REVENUES

17.1 Disaggregation of Revenues

The Group derives revenues from sale of real properties and deathcare operations. An analysis of the Group's major sources of revenues for the period ended March 31, 2025 is presented below.

	Segments		
	Death Care	**Residential**	**Total**
Geographical areas			
Luzon	₱160,274	₱486,200	₱646,474
Visayas	42,620	53,226	95,846
Mindanao	55,979	185,791	241,770
	₱258,873	₱725,217	₱984,090

17.2 Contract Assets and Contract Liabilities

The Group recognizes contract assets, due to timing difference of payment and satisfaction of performance obligation, to the extent of satisfied performance obligation on all open contracts as of the end of the reporting period.

The Group recognized contract liabilities, which pertain to consideration received by the Group in excess of the amount for which the Group is entitled.

Changes in the contract assets are recognized by the Group when a right to receive payment is already established and upon performance of unsatisfied performance obligation.

17.3 Direct Contract Costs

The Group incurs sales commissions upon execution of contracts to sell real properties to customers. Incremental costs of commission incurred to obtain contracts are capitalized and presented as Prepaid commission under Other Current Assets in the consolidated statements of financial position (see Note 8). These are amortized over the expected construction period on the same basis as how the Group measures progress towards complete satisfaction of its performance obligation in its contracts. The total amount of amortization is presented as part of Commission under Operating Expenses (see Note 18.2).

18. COSTS AND EXPENSES

18.1 Costs of Sales and Services

Presented below are the details of costs of sale and services.

	(in thousands)
Cost of real estate sales	₱370,941
Cost of interment	10,169
Cost of chapel services	4,022
	₱385,132

Cost of real estate sales is comprised of:

	(in thousands)
Construction and development costs	₱229,385
Cost of land	141,556
	₱370,941

18.2 Operating expenses by nature

The details of operating expenses by nature for the period ended March 31, 2025 is shown below.

	(in thousands)
Salaries and wages	₱75,438
Commission	32,298
Outside services	22,406
Depreciation and amortization	18,127
Promotions	12,647
Repairs and Maintenance	7,616
Utilities	6,671
Professional fees	5,068
Loss on Sales Cancellation	4,493
Taxes and licenses	4,152
Transportation and travel	4,008
Management Fees	3,745
Prompt payment discount	3,602
Rentals	2,725
Advertising	2,130
Collection fees	1,286
Office supplies	1,262
Insurance	1,254
Meetings and conferences	1,009
Representation	261
Training and seminars	156
Miscellaneous expenses	9,913
	₱220,267

Miscellaneous mainly consist of subscription dues and other fees such as registration, transfer and mortgage fees.

19. OTHER REVENUES

This account consists of:

	(in thousands)
Forfeited sales	₱4,899
Transfer Fee	2,013
Interest on past due Accounts	1,920
Service Tent rental	354
Others	13
	₱9,199

Others include penalties from customers with lapsed payments, restructured accounts, and other fees collected for transactions incidental to the Group's operations such as payment for memorial garden construction fee, among others.

20. TAXES

20.1 Registration with the Board of Investments (BOI)

The BOI approved the Company's application for registration as an Expanding Developer of Economic and Low-Cost Housing Project on a Non-pioneer Status relative to its various units under its Bria Alaminos, Bria Alaminos-Pangasinan, Bria Calamba Executive and Bria General Santos in 2021, Bria Calamba Phase 2, Bria Calamba Phase 4, Bria Calmaba Phase 3, Bria Magalang, Bria Manolo Fortich, Bria Kidapawan, Bria Urdaneta, Bria Norzagaray, Bria Norzagaray Phase 2, Bria Hermosa, Bria Homes, Paniqui, Bria General Trias, Bria Trece Martires, Bria Sta. Cruz, Lumina Tanza Phase 4, Lumina Camarines Sur, Lumina Camarines Sur Classic, Lumina Dumaguete, Lumina Dumaguete 2, and Bria Flats Azure in 2020; Lumina Quezon Phase 2, Bria La Hacienda, Bria San Pablo, Lumina Gensan, Bria Flats Mykonos, Bria Flats Levitha, Bria Flats Corfu, Bria Flats Rhodes, Bria Flats Capri, Bria Sta. Maria, Bria Homes Digos, Bria Homes Tagum, Bria Flats Crimson, Bria Flats Scarlet, Bria Flats Magenta, and Lumina Classic 2B in 2019; Bria Calamba Phases 1 and 2 project in December 2018; under the Northridge Central Lane, Northridge Grove Phase 2, Northridge View, Bria Home Binangonan and Bria General Santos projects in December 2017; and, under the Lumina Tanza Phase 2, Lumina Homes San Pablo and Lumina General Trias (Phases 1 and 2) projects in December 2016.

Under the registration, the applicable rights and privileges provided in the Omnibus Investment Code of 1987 shall equally apply and benefit the BHI with certain incentives including income tax holiday (ITH) for a period of four years from the date of registration.

20.2 Current and Deferred Taxes

The components of tax expense reported in consolidated profit or loss and in consolidated other comprehensive income for the period ended March 31, 2025 follow:

	(in thousands)
Current	₱791
Deferred	32,263
	₱33,054

The Group is subject to the MCIT, which is computed at 2% of gross income as defined under the tax regulations, or RCIT, whichever is higher. The Group reported RCIT in 2025 and 2024 as the RCIT is higher than MCIT in such years.
In March 31, 2025 and 2024, the Group claimed itemized deductions in computing for its income tax due.

21. RELATED PARTY TRANSACTIONS

21.1 Due from Related Parties

In the normal course of business, the Group grants noninterest-bearing cash advances to its parent company and other related parties, including those under common ownership, for working capital requirements, capital asset acquisition and other purposes. These advances

are unsecured and generally payable in cash on demand or through offsetting arrangements with related parties.

The outstanding advances arising from these transactions amounting to ₱1,108.1 million and ₱350.3 million as at March 31, 2025 and December 31, 2024 is presented as Due from Related Parties account in the consolidated statements of financial position.

The movements in the Due from Related Parties account are shown below.

	(in thousands)
Balance at beginning of period	₱350,257
Additions	757,848
	₱1,108,105

Based on management's assessment, no impairment losses need to be recognized for the period ended March 31, 2025 and December 31, 2024 from its receivables from related parties.

21.2 Due to Related Parties

The Group obtained short-term, unsecured, noninterest-bearing advances from prelated parties under common control for working capital requirements payable in cash upon demand. The outstanding balance is presented as Due to Related Parties account as at March 31, 2025 and December 31, 2024.

The movements in the Due to Related Parties account are shown below.

	(in thousands)
Balance at beginning of period	₱8,771,401
Additions	652,608
	₱9,424,009

22. EQUITY

22.1 Capital Stock

Capital stock consists of:

	March 31, 2025	**Dec 31, 2024**
Common		
Authorized	996,000,000	996,000,000
Par value per share	₱1.00	₱1.00
Issued shares	644,117,649	644,117,649
Value of shares issued	₱644,117,649	₱644,117,649
Preferred		
Authorized	400,000,000	400,000,000
Par value per share	₱0.01	₱0.01
Issued shares	–	–
Value of shares issued	–	–

On March 17, 2016, the SEC approved the increase in the Parent Company's authorized capital stock from P20.0 million divided into 200,000 common shares with par value of ₱100

per share to ₱1.0 billion divided into 996,000,000 common shares with par value of ₱1 per share and 400,000,000 preferred shares with par value of ₱0.01 per share.

On April 1, 2016, the Parent Company applied for the registration of its common shares with the SEC and the listing of the Parent Company's shares on the PSE.

The PSE approved the Parent Company's application for the listing of its common shares on June 8, 2016 and the SEC approved the registration of the 74,117,649 common shares of the Parent Company on June 14, 2016.

On June 3, 2016, the SEC approved the listing of the Parent Company's common shares totaling 74.1 million. The shares were initially issued at an offer price of ₱10.50 per common share. In 2021 and 2020, there were no additional issuances.

On June 29, 2016, by way of an initial public offering (IPO), sold 74,117,649 shares of its common stock at an offer price of P10.50 and generated net proceeds of approximately ₱703.0 million. The IPO resulted in the recognition of additional paid-in capital amounting to ₱628.9 million, net of IPO-related expenses amounting to ₱75.2 million.

On December 27, 2017, the Parent Company's BOD authorized the issuance of 150,000,000 common shares to CGI, a related party under common ownership, out of the unissued authorized capital stock, at a subscription price of ₱20.1 per share or an aggregate subscription price of ₱3,014.0 million.

As at March 31, 2025, there are 14 holders of the listed common shares owning at least one board lot of 100 shares. Such listed shares closed at ₱2,340.00 per share as of March 31, 2025.

22.2 Revaluation Reserves

As of March 31, 2025, the Company has revaluation reserves which pertains to accumulated actuarial losses and gains, net of tax, due to remeasurement of post-employment defined benefit plan amounting to ₱30.2 million.

23. EARNINGS PER SHARE

The basic and diluted earnings per share were computed as follows:

	(in thousands)
Net profit	₱274,497
Divided by the number of outstanding common shares	644,118
Basic and diluted earnings per share	₱0.43

The Group has no dilutive potential common shares as at March 31, 2025, hence, diluted earnings per share equals the basic earnings per share.

24. COMMITMENTS AND CONTINGENCIES

24.1 Operating Lease Commitments

The Group has leases with terms ranging from three to five years with renewal options upon mutual written agreement between the parties,and include annual escalation in rental rates.

The total rentals from this operating lease amounted to ₱2.7 million in 2025, which is shown as Rentals under Other Operating Expenses in the consolidated statement of comprehensive income (see Note 18.2).

24.2 Others

There are other commitments and contingent liabilities that arise in the normal course of the Group's operations which are not reflected in the consolidated financial statements. Management is of the opinion that losses, if any, from these events and conditions will not have material effects on the Group's consolidated financial statements.

25. RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group is exposed to a variety of financial risks which result from both its operating and investing activities. The Group's risk management focuses on actively securing the Group's short to medium-term cash flows by minimizing the exposure to financial markets. Long-term financial investments are managed to generate lasting returns.

The Group does not engage in the trading of financial assets for speculative purposes nor does it write options. The relevant financial risks, unless otherwise stated, to which the Group is exposed to are described below and in the succeeding pages.
Interest Rate Risk

25.1 Interest Rate Risk

The Group has no financial instruments subject to floating interest rate, except cash in banks, which has historically shown small or measured changes in interest rates. As such, the Group's management believes that interest rate risks are not material.

25.2 Credit Risk

The Group operates under sound credit-granting criteria wherein credit policies are in place. These policies include a thorough understanding of the customer or counterparty as well as the purpose and structure of credit and its source of repayment. Credit limits are set and monitored to avoid significant concentrations to credit risk. The Group also employs credit administration activities to ensure that all facets of credit are properly maintained.

The maximum credit risk exposure of financial assets and contract assets is the carrying amount of the financial assets as shown on the consolidated statements of financial position are summarized below.

	(in thousands)
Cash and cash equivalents	₱815,567
Contract assets	9,757,785
Contracts receivable	6,992,806
Due from related parties	1,108,105
Security deposits	42,541
Other receivables	94,475
	₱18,811,279

Cash in banks are insured by the Philippine Deposit Insurance Commission up to a maximum coverage of ₱0.5 million for every depositor per banking institution. Also, the

Group's contracts receivable are effectively collateralized by residential houses and lots and memorial lots. Other financial assets are not secured by any collateral or other credit enhancements.

The Company applies the PFRS 9 simplified approach in measuring ECL which uses a lifetime expected loss allowance for all contract receivables and other receivables. To measure the expected credit losses, contract receivables and other receivables have been grouped based on shared credit risk characteristics and the days past due (age buckets). The other receivables relate to receivables from both third and related parties other than contract receivables and have substantially the same risk characteristics as the contract receivables.

The expected loss rates are based on the payment profiles of sales over a period of 36 months and the corresponding historical credit losses experienced within such period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The management determined that there is no required ECL to be recognized on the Group's contract receivables since the fair value of real estate sold when reacquired is sufficient to cover the unpaid outstanding balance of the related receivable arising from sale. Therefore, there is no expected loss given default as the recoverable amount from subsequent resale of the real estate is sufficient. Accordingly, no additional allowance was recorded by the Group as of March 31, 2025 and December 31, 2024.

The Contract Asset account is secured to the extent of the fair value of the real estate sale of house and lot and condominium units sold since the title to the real estate properties remains with the Group until the contract assets or receivables are fully collected. Therefore, there is also no expected loss given default on the contract asset.

The Group considers credit enhancements in determining the expected credit loss. Contract receivables and contract assets from real estate sales are collateralized by the real properties. The estimated fair value of collateral and other security enhancements held against trade receivables are presented below.

	Gross Maximum Exposure	**Fair Value of Collaterals**	**Net Exposure**
Contract receivables	₱6,992,806	₱6,992,806	₱–
Contract assets	9,757,785	9,757,785	–
	₱16,750,591	₱16,750,591	₱–

As of March 31, 2025, the aging of receivables is as follows:

(In Thousands)	Current	Within 90 days	91-180 days	181-360 days	Over 1Year	Total
Contracts receivable	₱5,709,248	₱304,319	₱233,814	₱163,155	₱582,270	₱6,992,806
Due from related parties	1,108,105	–	–	–	–	1,108,105
Other receivables	94,475	–	–	–	–	94,475
Total	₱6,911,828	₱304,319	₱233,814	₱163,155	₱582,270	₱8,195,386

ECL for due from related parties are measured and recognized using the liquidity approach. Management determines possible impairment based on the related party's ability to repay the advances upon demand at the reporting date taking into consideration the historical defaults from the related parties.

The Group does not consider any significant risks in the due from related parties as these are entities whose credit risks for liquid funds are considered negligible, since counterparties are in good financial condition. As of March 31, 2025, impairment allowance is not material.

Security deposits are subject to credit risk. The Group's security deposits pertain to receivable from lessors and third party utility providers. Based on the reputation of those counterparties, management considers that these deposits will be refunded when due.

25.3 Liquidity Risk

The Group manages its liquidity needs by carefully monitoring cash outflows due in a day-to-day business. Liquidity needs are monitored in various time bands, on a day-to-day and week-to-week basis, as well as on the basis of a rolling 30-day projection. Long-term liquidity needs for a 6-month and one-year period are identified monthly.

As of March 31, 2025, the Group's financial liabilities have contractual maturities which are presented below.

	Within 12 Months	More than One Year to Five Years
Trade and other payables	₱2,904,795	₱–
Rawland payable	1,352,034	–
Interest-bearing loans and borrowings	2,414,683	2,571,460
Due to related parties	9,424,009	–
Lease liability	9,984	8,352
Reserve for maintenance care	–	1,212,156
	₱16,105,505	₱3,791,968

26. CATEGORIES AND OFFSETTING OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

26.1 Carrying Amounts and Fair Values by Category

The carrying amounts and fair values of the categories of financial assets and financial liabilities presented in the consolidated statements of financial position are shown below.

	Notes	**Carrying Values** *(in thousands)*	**Fair Values**
Financial Assets			
At amortized cost:			
Cash and cash equivalents	5	₱815,567	₱815,567
Contracts receivables	6	6,992,806	6,992,806
Due from related parties	21.1	1,108,105	1,108,105
Security deposits	8	42,541	42,541
Other Receivables		94,475	94,475
		₱9,053,494	₱9,053,494

	Notes	Carrying Values	Fair Values
		(in thousands)	
Financial Liabilities			
At amortized cost:			
Interest-bearing loans	13	₱4,986,143	₱4,986,143
Trade and other payables	14	2,904,795	2,904,795
Rawland payables	14	1,352,034	1,352,034
Lease liability	10	18,336	18,336
Reserve for maintenance care	16	1,212,156	1,212,156
		₱10,473,464	₱10,473,464

See Note 2.5 for a description of the accounting policies for each category of financial instrument. A description of the Group's risk management objectives and policies for financial instruments is provided in Note 25.

26.2 Offsetting of Financial Assets and Financial Liabilities

Except as more fully described in Note 21, the Group has not set-off financial instruments and does not have relevant offsetting arrangements. Currently, all other financial assets and financial liabilities are settled on a gross basis; however, each party to the financial instrument (particularly related parties) will have the option to settle all such amounts on a net basis in the event of default of the other party through approval by both parties' BOD and stockholders. As such, the Group's outstanding receivables from and payables to the same related parties as presented in Note 21 can be potentially offset to the extent of their corresponding outstanding balances.

27. CATEGORIES AND OFFSETTING OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

27.1 Fair Value Hierarchy

In accordance with PFRS 13, Fair Value Measurement, the fair value of financial assets and financial liabilities and non-financial assets which are measured at fair value on a recurring or non-recurring basis and those assets and liabilities not measured at fair value but for which fair value is disclosed in accordance with other relevant PFRS, are categorized into three levels based on the significance of inputs used to measure the fair value. The fair value hierarchy has the following levels:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that an entity can access at the measurement date;

- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and,

- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The level within which the asset or liability is classified is determined based on the lowest level of significant input to the fair value measurement.

For purposes of determining the market value at Level 1, a market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

27.2 Financial Instruments Measured at Amortized Cost for which Fair Value is Disclosed

The Group's financial assets which are not measured at fair value in the consolidated statements of financial position but for which fair value is disclosed include cash and cash equivalents, which are categorized as Level 1, and contract and other receivables, due from related parties and security deposits which are categorized as Level 3. Financial liabilities which are not measured at fair value but for which fair value is disclosed pertain to interest-bearing loans and borrowings, trade and other payables, due from related parties, rawland payable, and reserve for maintenance care which are categorized as Level 3.

The fair values of the financial assets and financial liabilities included in Level 3, which are not traded in an active market, are determined based on the expected cash flows of the underlying net asset or liability based on the instrument where the significant inputs required to determine the fair value of such instruments are not based on observable market data.

27.3 Fair Value Measurement for Non-financial Assets

The Group's investment properties amounting to ₱8,759.9 million are categorized under level 3 hierarchy of non-financial assets measured at cost as of March 31, 2025 (see Note 12).

The fair value of the Group's investment properties, pertaining to parcels of land, amounting to ₱53,023.5 million as of December 31, 2024, are determined on the basis of the appraisals performed by an independent appraiser, respectively, with appropriate qualifications and recent experience in the valuation of similar properties in the relevant locations. To some extent, the valuation process was conducted by the appraiser in discussion with the Group's management with respect to the determination of the inputs such as the size, age, and condition of the land and buildings, and the comparable prices in the corresponding property location.

In estimating the fair value of these properties, management takes into account the market participant's ability to generate economic benefits by using the assets in their highest and best use. Based on management assessment, the best use of the Group's non-financial assets indicated above is their current use.

The Group determines the fair value of idle properties through appraisals by independent valuation specialists using market – based valuation approach where prices of comparable properties are adequate for specific market factors such as location and condition of the property.

The level 3 fair value of land was determined based on the observable recent prices of the reference properties, adjusted for differences in key attributes such as property size, zoning, and accessibility. The most significant input into this valuation approach is the price per square foot; hence, the higher the price per square foot, the higher the fair value.

28. CAPITAL MANAGEMENT OBJECTIVES, POLICIES AND PROCEDURES

The Group's capital management objectives are to ensure the Group's ability to continue as a going concern and to provide an adequate return to shareholders by pricing products and services commensurate with the level of risk.

The Group sets the amount of capital in proportion to its overall financing structure, i.e., equity and financial liabilities. The Group manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, issue new shares or sell assets to reduce debt.

The Group monitors capital on the basis of the carrying amount of equity as presented in the consolidated statements of financial position. Capital for the reporting periods under review is summarized as follows:

	(in thousands)
Total interest-bearing loans	₱4,986,143
Total adjusted equity	13,942,609
Debt-to-equity ratio	0.36:1.00

Financial Soundness Indicator

Below are the financial ratios that are relevant to the Company for the period ended March 31, 2025 and 2024.

		31-Mar-25	**2024**
Liquidity:			
Current Ratio	Current Assets/Current Liability	1.39:1	1.46:1
Solvency:			
Solvency ratio	EBITDA / Total debt (Total debt includes interest bearing loans and borrowings)	0.08:1	0.39:1
Total Liabilities-to-Equity Ratio	Total debt / Total stockholders' equity (Total debt includes interest bearing loans and borrowings)	0.36:1	0.37:1
Asset-to-equity:			
Asset-to-Equity ratio	Total Assets/Total Equity	2.66:1	2.62:1
		31-Mar-25	**31-Mar-24**
Interest-rate-coverage:			
Interest-rate-coverage ratio	Profit Before Tax and Interest/Finance Costs (Including capitalized interest)	4.61:1	9.70:1
Profitability:			
Return-on-equity	Net profit / Average total equity	8%	10%

MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

RESULTS OF OPERATIONS COVERING 3-MONTHS OF 2025 VS. 3-MONTHS OF 2024

Revenues

The revenues of the Company decreased from **₱1,686.3 million** for the 3-months ended March 31, 2024 to **₱984.1 million** for the 3-months ended March 31, 2025**.** The **42%** decrease was primarily attributable to the following:

- **Real estate sales**
  Real estate sales of the group decreased to **₱923.9 million** for the 3-months of 2025, a **43%** decrease from **₱1,620.7 million** in the same period in 2024. This is due to the decrease in sales of residential units as the Company is shifting its strategy to focus on expanding its real estate development footprint as the master developer of Villar City, supported by the recent acquisition of approximately 366 hectares within the Villar City masterplan.

- **Interest income on contract receivables**
  Interest income on contract receivables were recorded at **₱26.9 million** in 3-months of 2025, decreased by **25%** compared to **₱35.8 million** in 3-months of 2024. This was due to the lower in-house financed sales on account in 3-months of 2025 compared to 3-months of 2024.

- **Interment income**
  There was an **11%** increase in income from interment services to **₱22.8 million** in 3-months of 2025 from **₱20.6 million** in the same period in 2024. This was attributable to the increase in the number of services rendered in 3-months of 2025, compared to the same period in 2024.

- **Income from Chapel Services**
  Income from chapel services increased by **15%**, to **₱10.5 million**, from **₱9.2 million**, due to the increase in the number of memorial chapel and cremation services rendered in 3-months of 2025, compared to the same period in 2024.

Costs and Expenses

Cost and expenses decreased to **₱605.4 million** in 3-months ended March 31, 2025, from **₱1,022.8 million** for period ended March 31, 2024. The **41%** decrease was primarily attributable to the decrease in cost of real estate sales and other operating expenses.

Other Charges - Net

Other charges - net increased to **₱71.1 million** in the 3-months of 2025, from **₱50.8 million** in 3-months of 2024. The **40%** increase was mainly attributable to the increase in finance costs for the period.

Tax Expense

The Company's tax expense decreased by **47%,** to **₱33.1 million** for 3-months of 2025 from **₱62.7 million** for 3-months of 2024 primarily due to lower taxable base for the period.

Net Income

As a result of the movements above, total net profits decreased by **50%**, to **₱549.9 million** in 3-months of 2025 from **₱274.5 million** recorded in 3-months of 2024.

For the 3-months of 2025, except as discussed in Note 1.2 of the 2025 Financial Statements, there were no other seasonal aspects that had a material effect on the financial condition or results of operations of the Group. Neither were there any trends, events or uncertainties that have had or that are reasonably expected to have a material impact on the net sales or revenues or income from continuing operations. The Group is not aware of events that will cause a material change in the relationship between the costs and revenues.

There are no significant elements of income or loss that did not arise from the Group's continuing operations.

FINANCIAL CONDITION AS OF MARCH 31, 2025 VS. DECEMBER 31, 2024

The Group's total assets were recorded at **₱37,149.3 million** as of March 31, 2025, compared to the **₱35,749.6 million** recorded as of December 31, 2024, increasing by **4%.** This increase was due to the following movements:

- Cash on-hand and in-banks increased by **61%**, from **₱506.5 million** as of December 31, 2024, to **₱815.6 million** as of March 31, 2025, due primarily to cash generated from operations.

- Total contracts receivable and contract assets, including non-current, increased by **3%** from **₱16,228.4 million** as of December 31, 2024, to **₱16,750.6 million** as of March 31, 2025 due to sales on account recorded over the period.

- Due from related parties increased by **216%,** from **₱350.3 million** as of December 31, 2024 to **₱1,108.1 million** as of March 31, 2025 due primarily to advances made to related parties.

- Other receivables increased by **5%** from **₱1,908.9 million** as of December 31, 2024, to **₱1,995.2 million** as of March 31, 2025 due primarily to increase in receivables from contractors.

- Real estate inventories decreased by **3%**, from **₱6,757.1 million** of December 31, 2024 to **₱6,520.8 million** as of March 31, 2025 due to sales for the period.

- Property and equipment-net decreased by **2%,** from **₱367.6 million** as of December 31, 2024 to **₱361.4 million** as of March 31, 2025, due to depreciation of property and equipment for the period.

The total liabilities of the Group increased by **5%** from **₱22,081.5 million** as of December 31, 2024 to **₱23,206.7 million** as of March 31, 2025. This increase was due to the following:

- Total interest-bearing loans, including non-current, decreased by **1%**, from **₱5,057.5 million** as of December 31, 2024 to **₱4,986.1 million** as of March 31, 2025, due to payments made by the Company during the period.

- Trade and other payables increased by **2%** from **₱3,037.3 million** as of December 31, 2024 to **₱3,096.6 million** as of March 31, 2025, due to new contracts in relation to construction and development of residential houses for the period.

- Customers' deposits decreased by **1%**, from **₱1,271.8 million** as of December 31, 2024 to **₱1,261.2 million** as of March 31, 2025, due mainly to recognition of sales for the period.

- Due to related parties increased by **7%**, from **₱8,771.4 million** as of December 31, 2024 to **₱9,424.0 million** as of March 31, 2025, due mainly to advances made by the company during the period.

- Deferred tax liability increased by **3%**, from **₱1,256.3 million** as of December 31, 2024 to **₱1,288.6 million** as of March 31, 2025 due to the increase in temporary difference for the period.

- Reserve for Perpetual Care increased by **61%** from **₱754.1 million** as of December 31, 2024 to **₱1,212.2 million** as of March 31, 2025 due to sales recorded for the period.

Total stockholder's equity increased by **2%** or by **₱274.5 million** from **₱13,668.1 million** as of December 31, 2024 to **₱13,942.65 million** as of March 31, 2025, due mostly to an increase in retained earnings by **3%,** from **₱10,023.6 million** in December 31, 2024, to **₱10,298.0 million** as of March 31, 2025, coming from the net income earned during the period.

MATERIAL CHANGES TO THE GROUP'S STATEMENT OF FINANCIAL POSITION AS OF MARCH 31, 2025 COMPARED TO DECEMBER 31, 2024 (INCREASE/DECREASE OF 5% OR MORE)

- Cash on-hand and in-banks increased by **₱309.1 million**, or **61%,** from **₱506.5 million** as of December 31, 2024 to **₱815.6 million** as of March 31, 2025 due primarily to cash generated from operations.

- Due from related parties increased by **₱757.8 million**, or **216%,** from **₱350.3 million** as of December 31, 2024 to **₱1,108.1 million** as of March 31, 2025 due primarily to advances made to related parties.

- Other receivables increased by **₱86.4 million**, or **5%** from **₱1,908.9 million** as of December 31, 2024, to **₱1,995.2 million** as of March 31, 2025 due primarily to increase in receivables from contractors.

- Other non-current assets decreased by **₱10.4 million**, or **22%**, from **₱46.2 million** of December 31, 2024 to **₱35.8 million** as of March 31, 2025 due to decrease in security deposits for the period.

- Due to related parties increased by **₱652.6 million**, or **7%**, from **₱8,771.4 million** as of December 31, 2024 to **₱9,424.0 million** as of March 31, 2025, due mainly to additional advances received by the company during the period.

- Income tax payable increased by **₱1.2 million**, or **10%**, from **₱11.6 million** as of December 31, 2024 to **₱12.8 million** as of March 31, 2025, primarily due to the current tax expense incurred during the period.

- Reserve for maintenance Care increased by **₱458.1 million**, or **61%**, from **₱754.1 million** as of December 31, 2024 to **₱1,212.2 million** as of March 31, 2025 due to sales recorded for the period.

- Total stockholder's equity increased by **₱274.5 million** or **2%** from **₱13,668.1 million** as of December 31, 2024 to **₱13,942.6 million** as of March 31, 2025, due mostly to an increase in retained earnings by **3%,** from **₱10,023.6 million** in December 31, 2024, to **₱10,298.0 million** as of March 31, 2025, due to net income earned during the period.

MATERIAL CHANGES TO THE GROUP'S STATEMENT OF INCOME FOR THE 3-MONTHS OF 2025 COMPARED TO THE 3-MONTHS OF 2024 (INCREASE/ DECREASE OF 5% OR MORE)

- Real estate sales decreased by **₱696.9 million** or **43%**, to **₱923.9 million** in 3-months of 2025 from **₱1,620.7 million** in the same period in 2024. The decrease was due to lower sales compared to same period of the previous year as the Company is shifting its strategy to focus on expanding its real estate development footprint as the master developer of Villar City, supported by the recent acquisition of approximately 366 hectares within the Villar City masterplan.

- Interest income on contract receivables decreased by **₱8.9 million** or **25%**, to **₱26.9 million** in 3-months of 2025 from **₱35.8 million** in the same period in 2024. This was due to lower in-house financed sales on account in 3-months of 2025 compared to the same period in 2024.

- Interment Income increased by **₱2.2 million** or **11%**, to **₱22.8 million** in 3-months of 2025 from **₱20.6 million** in 3-months of 2024 due to increase in the number of services rendered in 3-months of 2025, compared to the same period in 2024.

- Income from chapel services increased by **₱1.3 million** or **15%**, to **₱10.5 million** in 3-months of 2025 from **₱9.2 million** in 3-months of 2024 due to increase in the number of memorial chapel and cremation services rendered in 3-months of 2025, compared to the same period in 2024.

- Cost and expenses decreased by **₱417.4 million** or **41%,** to **₱605.4 million** in the 3-months of 2025, from **₱1,022.8 million** in 3-months of 2024. The decrease was primarily attributable to the decrease in cost of real estate sales and other operating expenses.

- Other charges - net increased by **₱20.3 million** or **40%,** to **₱71.1 million** in the 3-months of 2025, from **₱50.8 million** in 3-months of 2024. The increase was mainly attributable to the increase in finance costs during the period.

- The Company's tax expense decreased by **₱29.7 million** or **47%**, to **₱33.1 million** in the 3-months of 2025, from **₱62.7 million** in 3-months of 2024. Primarily due to a lower taxable base for the period.

- As a result of the movements above, net profit decreased by **₱275.4 million** or **50%,** to **₱274.5 million** for 3-months of 2025 from **₱549.9 million** for 3-months of 2024.

COMMITMENTS AND CONTINGENCIES

The Group is a lessee under non-cancellable operating lease agreements for its office spaces. The leases have terms ranging from three to five years with renewal options upon mutual written agreement between the parties, and include annual escalation in rental rates.

There are other commitments and contingent liabilities that arise in the normal course of the Company's operations, which are not reflected in the financial statements. Management is of the opinion that losses, if any, from these events and conditions will not have material effects on the Company's financial statements.

PART II – OTHER INFORMATION

Item 3. 3-months of 2025 Developments

A. New Projects of Investments in another line of business or corporation

None.

B. Composition of the Board of Directors

Name	Position
Manuel B. Villar, Jr.	Director and Chairman of the Board
Cynthia J. Javarez	Director and President
Manuel Paulo A. Villar	Director
Mark A. Villar	Director
Camille A. Villar	Director
Ana Marie V. Pagsibigan	Independent Director
Garth F. Castaneda	Independent Director

C. Performance of the corporation or result/progress of operations

Please see unaudited Financial Statements and Management Discussion and Analysis.

D. Declaration of Dividends

None.

E. **Contracts of merger, consolidation, or joint venture; contract of management, licensing, marketing, distributorship, technical assistance, or similar agreements.**
None.

F. Offering of rights, granting of Stock Options and corresponding plans thereof.

None.

G. Acquisition of additional mining claims or other capital assets or patents, formula, real estate

Not applicable.

H. Other information, material events or happenings that may have affected or may affect the market price of security.

None.

I. Transferring of assets, except in normal course of business.

None.

Item 4. Other Notes as of 3-months of 2025 Operations and Financials.

J. Nature and amount of items affecting assets, liabilities, equity, net income, or cash flows that is unusual because of their nature, size, or incidents.

None.

K. Nature and amount of changes in estimates of amounts reported in prior periods and their material effect in the current period.

In 2025, the Group reassessed the historical behavior of its customers and determined a new percentage of collection threshold in recognizing revenue from sale of memorial lots, results of which was reflected in the audited financial statements.

L. New financing through loans/ issuances, repurchases and repayments of debt and equity securities.

See notes to Financial Statements and Management Discussion and Analysis.

M. Material events subsequent to the end of interim period that have not been reflected in the financial statements for the interim period.

See notes to Financial Statements and Management Discussion and Analysis.

N. The effect of changes in the composition of the issuer during the interim period including business combinations, acquisition or disposal of subsidiaries and long term investments, restructurings, and discontinuing operations.

None.

O. Changes in contingent liabilities or contingent assets since the last annual statement of financial position date.

None.

P. Existence of material contingencies and other material events or transactions during the interim period.

None.

Q. Events that will trigger direct or contingent financial obligation that is material to the company, including any default or acceleration of an obligation.

None.

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

None.

S. Material commitment for capital expenditures, general purpose and expected sources of funds.

The movement of capital expenditures being contracted arose from the regular land development and construction requirements which are well within the regular cash flow budget coming from internally generated funds.

T. Known trends, events or uncertainties that have had or that are reasonably expected to have impact on sales/revenues/income from continuing operations.

As of March 31, 2025, no known trends, events, or uncertainties that are reasonably expected to have impact on sales/revenues/income from continuing operations except for those being disclosed in the 3-months of 2025 financial statements.

U. Significant elements of income or loss that did not arise from continuing operations.

None.

V. Causes for any material change/s from period to period in one or more line items of the financial statements.

None.

W. Seasonal aspects that had material effects on the financial condition or results of operations.

None.

X. Disclosures not made under SEC Form 17-C.
None.

SIGNATURE

Pursuant to the requirements of the Securities Regulation Code, the issuer has duly caused this report to be signed on behalf by the undersigned hereunto duly authorized.

VILLAR LAND HOLDINGS, CORP.
Issuer

By:



ESTRELLITA S. TAN
Chief Financial Officer/
Investor Relations Officer

Date: November 12, 2025

GOLDEN MV HOLDINGS

November 12, 2025

PHILIPPINE STOCK EXCHANGE
Philippine Stock Exchange Tower
5th Avenue corner 28th Street, Bonifacio Global City
Taguig City

Attention: Atty. Johanne Daniel M. Negre
Officer in Charge, Disclosure Department

Subject: Villar Land Holdings, Corp.: **SEC 17Q – June 30, 2025**

Gentlemen:

Please see attached SEC Form 17Q for the six months ended June 30, 2025.

Thank you.

Kate D. Cator
Officer-in-Charge

COVER SHEET

1	0	8	2	7	0					
S.E.C. Registration Number										

V	I	L	L	A	R		L	A	N	D		H	O	L	D	I	N	G	S	,		C	O	R	P
A	N	D		S	U	B	S	I	D	I	A	R	I	E	S										

(Company's Full Name)

S	A	N		E	Z	E	K	I	E	L	,		C	5		E	X	T	E	N	S	I	O	N	,
L	A	S		P	I	Ñ	A	S		C	I	T	Y												

(Business Address: No. Street/City/Province)

Estrellita S. Tan	(02) 8873-2922
Contact Person	Company Telephone Number

1	2	3	1	17-Q	0	7	1	5
Month	*Day*			FORM TYPE	*Month*	*Day*		
Calendar Year					Annual Meeting			

N/A
Secondary License Type, If Applicable

Dept. Requiring this Doc.	Amended Articles Number/Section

	Total Amount of Borrowings	
Total No. of Stockholders	Domestic	Foreign

To be accomplished by SEC Personnel concerned

File Number	LCU
Document I.D.	Cashier

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-Q

QUARTERLY REPORT PURSUANT TO SECTION 17 OF THE SECURITIES REGULATION CODE AND SRC RULE 17(2)(b) THEREUNDER

1. For the quarterly period ended : **June 30, 2025**

2. SEC Identification number: **108270**

3. BIR Tax Identification No: **768-991-000**

4. **Villar Land Holdings, Corp.**
Exact name of issuer as specified in its charter

5. **Philippines**
Province, country or other jurisdiction of incorporation or organization

6. Industry Classification Code: [ ] (SEC Use Only)

7. **San Ezekiel, C5 Extension, Las Piñas City, Philippines** **1746**
Address of issuer's principal office Postal Code

8. **(632) 8873-2922 / (632) 8873-2923**
Issuer's telephone number, including area code

9. **Golden MV Holdings, Inc.**
Former name, former address and former fiscal year, if changed since last report

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

Title of each Class	Number of shares of common stock outstanding And amount of debt outstanding
Common	644,117,649

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

Yes [X] No [ ]

If yes, state the name of such Stock Exchange and the class/es of securities listed therein:

Philippine Stock Exchange Common Stock

12. Check whether the registrant:

(a) has filed all reports required to be filed by Section 17 of the Securities Regulation Code and SRC Rule 17 thereunder, and Section 25 and 177 of the Revised Corporation Code of the Philippines, during the preceding twelve (12) months (or for such shorter period of the registrant was required to file such reports.)

Yes [x] No [ ]

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

Yes [x] No [ ]

TABLE OF CONTENTS

PART I - FINANCIAL STATEMENTS

Item 1. Financial Statements

- Consolidated Statements of Financial Position as of June 30, 2025 and December 31, 2024
- Consolidated Statements of Income for the six-months ended June 30, 2025 and 2024
- Consolidated Statements of Comprehensive Income for the six-months ended June 30, 2025 and 2024
- Consolidated Statement of Changes in Equity for the six-months ended June 30, 2025 and 2024
- Consolidated Statements of Cash Flows for the six-months ended June 30, 2025 and 2024
- Notes to Consolidated Financial Statements

Item 2. Management Discussion and Analysis of Financial Condition and Results of Operations

- Results of Operation covering six months of 2025 vs. six months of 2024
- Financial Condition as of June 30, 2025 vs December 31, 2024
- Material Changes (5% or more) - Statement of Financial Position
- Material Changes (5% or more) - Statement of Comprehensive Income
- Commitments and Contingencies

PART II – OTHER INFORMATION

Item 3. Six (6) months of 2025 Developments

Item 4. Other Notes to 6 months of 2025 Operating and Financial Results

GOLDEN MV HOLDINGS

VILLAR LAND HOLDINGS, CORP. AND SUBSIDIARIES
(Formerly Golden MV Holdings, Inc.)
[A Subsidiary of Fine Properties, Inc.]
STATEMENTS OF FINANCIAL POSITION
As of June 30, 2025 and December 31, 2024
(Amount in Thousands)

	Notes	UNAUDITED June 2025	AUDITED December 2024
ASSETS			
Current Assets			
Cash and cash equivalents	5	**₱854,414**	₱506,491
Contracts receivables	6	**5,052,583**	5,386,611
Contract assets	17	**8,773,854**	8,773,854
Due from related parties	21	**1,131,715**	350,257
Other receivables	6	**2,154,881**	1,908,866
Real estate inventories	7	**6,303,669**	6,757,118
Other current assets	8	**645,324**	708,316
Non-current asset classified as held for sale	11	**100,000**	100,000
Total Current Assets		**25,016,440**	24,491,513
Non-current Assets			
Contracts receivables	6	**2,537,547**	1,084,027
Contract assets	17	**983,931**	983,931
Property and equipment – net	9	**349,021**	367,598
Right-of-use assets – net	10	**17,035**	17,035
Investment properties	12	**8,777,438**	8,759,321
Other non-current assets	8	**35,818**	46,174
Total Non-current Assets		**12,700,790**	11,258,086
TOTAL ASSETS		**₱37,717,230**	₱35,749,599
LIABILITIES AND EQUITY			
Current Liabilities			
Interest-bearing loans	13	**₱1,090,276**	₱1,846,287
Trade and other payables	14	**3,273,494**	3,037,262
Contract liability	17	**471,879**	471,879
Rawland payables	14	**1,346,141**	1,348,300
Lease liability	10	**9,984**	9,984
Customers' deposits	15	**1,326,248**	1,271,788
Due to related parties	21	**9,553,631**	8,771,401
Income tax payable	20	**7,539**	11,625
Total Current Liabilities		**17,079,192**	16,768,526
Noncurrent Liabilities			
Interest-bearing loans	13	**3,935,095**	3,211,228
Contract liability	17	**2,645**	2,645
Lease liability	10	**8,352**	8,352
Deferred tax liabilities – net	20	**1,291,798**	1,256,288
Reserve for maintenance care	16	**1,094,189**	754,081
Retirement benefit obligation		**80,367**	80,367
Total Noncurrent Liabilities		**6,412,446**	5,312,961
Total Liabilities		**23,491,638**	22,081,487
EQUITY	22		
Capital stock		**644,118**	644,118
Additional paid-in capital		**2,970,209**	2,970,209
Retained earnings		**10,581,051**	10,023,571
Revaluation reserves		**30,214**	30,214
Total Equity		**14,225,592**	13,668,112
TOTAL LIABILITIES AND EQUITY		**₱37,717,230**	₱35,749,599

VILLAR LAND HOLDINGS, CORP. AND SUBSIDIARIES
(Formerly Golden MV Holdings, Inc.)
[A Subsidiary of Fine Properties, Inc.]
STATEMENT OF COMPREHENSIVE INCOME
For the six months ended June 30, 2025 and 2024
(Amount in Thousands)

	Notes	**UNAUDITED APR – JUN Q2-2025**	**UNAUDITED JAN – JUN 2025**	UNAUDITED APR – JUN Q2-2024	UNAUDITED JAN – JUN 2024
Real estate sales		**₱ 799,521**	**₱ 1,723,373**	₱ 727,030	₱ 2,347,751
Interest income on contract receivables	6	**28,502**	**55,433**	34,672	70,467
Interment Income		**24,178**	**46,949**	23,841	44,399
Income from chapel services		**12,961**	**23,497**	14,270	23,469
	16	**865,162**	**1,849,252**	799,813	2,486,086
COSTS AND EXPENSES	18				
Costs of sales and services		**295,132**	**680,264**	291,315	1,000,360
Other operating expenses		**194,531**	**414,798**	174,770	488,531
		489,663	**1,095,062**	466,085	1,488,891
OPERATING PROFIT		**375,499**	**754,190**	333,728	997,195
OTHER CHARGES - net					
Finance costs	12	**(103,522)**	**(188,777)**	(97,225)	(167,614)
Finance income	5	**6,167**	**11,082**	2,608	5,475
Other revenues	19	**18,188**	**27,387**	27,533	44,249
		(79,167)	**(150,308)**	(67,084)	(117,890)
PROFIT BEFORE TAX		**296,332**	**603,882**	266,644	879,305
TAX EXPENSE	20	**(13,348)**	**(46,402)**	(42,607)	(105,335)
NET INCOME		**₱282,984**	**₱557,480**	₱224,037	₱773,970
TOTAL COMPREHENSIVE INCOME		**₱282,984**	**₱557,480**	₱224,037	₱773,970
Basic and Diluted Earnings Per Share	23	**₱0.44**	**₱0.87**	₱0.35	₱1.2

See accompanying Notes to Financial Statements

VILLAR LAND HOLDINGS, CORP. AND SUBSIDIARIES
(Formerly Golden MV Holdings, Inc.)
[A Subsidiary of Fine Properties, Inc.]
STATEMENT OF CHANGES IN EQUITY
For the six months ended June 30, 2025 and 2024
(Amount in Thousands)

	Capital Stock	Paid-in Capital	Revaluation Reserves	Retained Earnings	Total Equity
Balance at January 1, 2025	₱644,118	₱2,970,209	₱30,214	₱10,023,571	₱13,668,112
Total comprehensive income for the period	–	–	–	557,480	557,480
Balance at June 30, 2025	**₱644,118**	**₱2,970,209**	**₱30,214**	**₱10,581,051**	**₱14,225,592**
Balance at January 1, 2024	₱644,118	₱2,970,209	₱30,214	₱10,789,704	₱14,434,246
Total comprehensive income for the period	–	–	–	773,970	773,970
Balance at June 30, 2024	**₱644,118**	**₱2,970,209**	**₱30,214**	**₱11,563,674**	**₱15,208,216**

See accompanying Notes to Financial Statements

GOLDEN MV HOLDINGS

VILLAR LAND HOLDINGS, CORP. AND SUBSIDIARIES
(Formerly Golden MV Holdings, Inc.)
[A Subsidiary of Fine Properties, Inc.]
STATEMENT OF CASH FLOWS
For the three months ended June 30, 2025 and 2024
(Amount in Thousands)

	UNAUDITED APR – JUN Q2-2025	**UNAUDITED JAN – JUN 2025**	UNAUDITED APR – JUN Q2-2024	UNAUDITED JAN – JUN 2024
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before tax	**₱296,332**	**₱603,882**	₱266,644	₱879,305
Adjustments for:				
Interest income	**(34,669)**	**(66,515)**	(37,280)	(75,942)
Depreciation and amortization	**3,485**	**21,613**	7,701	21,613
Interest expense	**103,522**	**188,777**	97,225	167,614
Operating profit before working capital changes	**368,670**	**747,757**	334,290	992,590
Decrease (increase) in:				
Contracts receivables	**(597,324)**	**(1,119,492)**	(441,819)	(1,643,477)
Due from related parties	**(23,610)**	**(781,458)**	59,444	(73,034)
Other receivables	**(159,644)**	**(246,015)**	(367,350)	(658,851)
Real estate inventories	**217,160**	**453,449**	128,213	597,962
Other assets	**37,310**	**73,348**	28,249	29,050
Increase (decrease) in:				
Trade and other payables	**176,941**	**236,233**	242,829	690,027
Rawland payable	**(5,893)**	**(2,159)**	(19,675)	(39,971)
Customers' deposits	**65,075**	**54,460**	80,161	166,153
Other liabilities	**11,655**	**1,122,338**	94,904	72,696
Cash from (used in) operations	**90,340**	**538,461**	139,426	133,145
Interest received	**34,668**	**66,515**	37,281	75,942
Cash paid for income taxes	**(13,223)**	**(14,978)**	(24,553)	(24,952)
Net Cash From (Used in) Operating Activities	**111,785**	**589,995**	152,154	184,495
CASH FLOWS FROM INVESTING ACTIVITIES				
Acquisitions of investment properties	**(17,560)**	**(18,117)**		
Acquisitions of property and equipment	**8,916**	**(3,037)**	(30,474)	(47,603)
Cash Used in Investing Activities	**(8,644)**	**(21,154)**	(30,474)	(47,603)
CASH FLOWS FROM FINANCING ACTIVITIES				
Net availment/(payment) of interest-bearing loans	**39,228**	**(32,144)**	(115,071)	(38,494)
Interest paid	**(103,522)**	**(188,777)**	(97,225)	(167,614)
Net Cash From (Used in) Financing Activities	**(64,294)**	**(220,921)**	(212,296)	(206,108)
NET INCREASE (DECREASE) IN CASH	**38,847**	**347,923**	(90,616)	(69,216)
CASH AT BEGINNING OF PERIOD	**815,567**	**506,491**	1,002,569	981,169
CASH AT END OF PERIOD	**₱ 854,414**	**₱854,414**	₱911,953	₱911,953

See accompanying Notes to Financial Statements

VILLAR LAND HOLDINGS, CORP. AND SUBSIDIARIES
(Formerly Golden MV Holdings, Inc.)
(A Subsidiary of Fine Properties, Inc.)
NOTES TO FINANCIAL STATEMENT

1. CORPORATE INFORMATION

1.1 Organization and Operations

Villar Land Holdings, Corp. (VLC or the Parent Company), formerly Golden MV Holdings, Inc., was incorporated in the Philippines on November 16, 1982. The Parent Company's primary purpose is to invest, purchase or otherwise to acquire and own, hold, use, sell, assign, transfer, lease mortgage, exchange, develop, manage or otherwise dispose of real property, such as but not limited to memorial lots and chapels, or personal property of every kind and description, including shares of stock, bonds, debentures, notes, evidences of indebtedness, and other securities or obligations of any corporations. As of June 30, 2025, the Parent Company is 63.97% effectively owned subsidiary of Fine Properties, Inc. (FPI), which is a holding company and the ultimate parent company of the Parent Company and its subsidiaries (the Group).

On November 27, 2024, the Board of Directors (BOD) approved the change of the Parent Company's corporate name from Golden MV Holdings, Inc. to Villar Land Holdings Corp. Written assent from the stockholders was obtained on December 20, 2024. The application for the name change has been submitted for approval and was approved by the Philippine Securities and Exchange Commission (SEC) and the Bureau of Internal Revenue (BIR) on April 15, 2025 and July 2, 2025, respectively.

In 2017, VLC acquired 99.99% ownership interest in Bria Homes, Inc. (BHI). Accordingly, BHI became a subsidiary of VLC. BHI is presently engaged in developing and selling real estate properties, particularly, residential houses, and lots. Both the Parent Company and BHI are entities under common control of FPI. Accordingly, the Parent Company accounted for the acquisition of BHI under pooling of interest method of accounting.

In 2020, VLC owns 99.99% ownership interest in Golden Haven Memorial Park, Inc. (GHMPI), an entity incorporated on August 24, 2020. GHMPI is engaged in the development and selling of memorial lots, particularly those under the administration of VLC's memorial parks. GHMPI has started its commercial operations on June 30, 2022.

In 2022, VLC owns 99.80% ownership interest in VTech Capital, Inc. (VTECH), an entity which was newly incorporated on March 1, 2022. VTECH, upon commencement of its commercial operations, is planned to engage in the business of a holding company, to buy and hold shares of other companies particularly in the technology and financial technology related businesses. As of June 30, 2025, VTECH has not yet started commercial operations.

In 2024, VLC acquired 99.90% ownership interest in Althorp Land Holdings, Inc. (ALHI). ALHI, upon commencement of its commercial operations, is planned to engage in the business of a holding company. It owns 25.19 hectares of land in Villar City.

In 2024, VLC acquired 99.99% ownership interest in Chalgrove Properties, Inc. (CPI). CPI, upon commencement of its commercial operations, is planned to engage in the business to own, lease and operate, manage and administer, alone or jointly with others, one or more hotels and all

adjuncts and accessories thereto, including restaurants, bar rooms, barbershops, baths, news and cigar stores, roof gardens and to furnish amusement therefore; to do and perform any and all things for the comfort and convenience and pleasure and amusement of guests in said hotels, hotel-apartments, motorists hotel, motorists court, condominium and inns. It owns 173.79 hectares of land in Villar City.

In 2024, VLC acquired 99.00% ownership interest in Los Valores Corporation (LV). LV, upon commencement of its commercial operations, is planned to engage in the business to own, use, improve, develop, subdivide, sell, exchange, lease, and hold for investment or otherwise, real estate of all kinds, including buildings, houses, apartments and other structures, and grant loans and/or assume or undertake or guarantee or secure, whether as solidary obligor, surety, guarantor, or any other capacity either on its general credit or on the mortgage, pledge, deed of trust, assignment, and/or other security arrangement of any or all of its property, the whole or any part of the liabilities and obligations of its parent company, subsidiaries, or investee companies or affiliates, without engaging in the business of a financing company or lending investor. It owns 197.90 hectares of land in Villar City.

The registered office address of VLC, GHMPI and VTECH, which is also their principal place of business, is located at San Ezekiel, C5 Extension, Las Piñas City. The registered office address of BHI and LV which is also their principal place of business, is located at Bldg. B, Evia Lifestyle Center, Daang Hari Rd., Almanza Dos, City of Las Pinas. The registered office address of ALHI, CPI and FPI is located at 3rd Level, Starmall Las Piñas, CV. Starr Avenue, Pamplona, Las Piñas City.

The Parent Company's shares of stock are listed at the Philippine Stock Exchange (PSE) beginning June 29, 2016 (see Note 22.1).

2. MATERIAL ACCOUNTING POLICY INFORMATION

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

2.1 Basis of Preparation of Consolidated Financial Statements

(a) Statement of Compliance with Philippine Financial Reporting Standards

The consolidated financial statements of the Group have been prepared in accordance with Philippine Financial Reporting Standards (PFRS), as modified by the application of the financial reporting reliefs issued and approved by the SEC in response to the COVID-19 pandemic. The financial reporting reliefs availed of by the Group are disclosed in detail in the succeeding pages. PFRS are adopted by the Financial and Sustainability Reporting Standards Council (FSRSC) from the pronouncements issued by the International Accounting Standards Board and approved by the Philippine Board of Accountancy.

The consolidated financial statements have been prepared using the measurement bases specified by PFRS, as modified by the application of the financial reporting reliefs issued and approved by the SEC in response to the COVID-19 pandemic, for each type of asset, liability, income and expense. The measurement bases are more fully described in the accounting policies
that follow.

(b) SEC Financial Reporting Reliefs Availed by the Group

The Group has availed of certain financial reporting reliefs granted by the SEC relating to several implementation issues of PFRS 15, *Revenue from Contracts with Customers*, affecting the real estate industry under following Memorandum Circular (MC):

- MC No. 14-2018, *Philippine Interpretation Committee Question and Answer (PIC Q&A) No. 2018-12 Implementation Issues Affecting Real Estate Industry*
- MC No. 3-2019, *PIC Q&A Nos. 2018-12-H and 2018-14*

SEC MC No. 08-2021, A*mendment to SEC MC No. 14-2018, MC No. 03-2019, MC No.04-2020, and MC No. 34-2020 to Clarify Transitory Provision,* provides real estate companies the accounting policy option of applying either the full retrospective approach or the modified retrospective approach when they apply the provisions of the PIC and IFRIC pronouncement.

Discussed below and in the succeeding page are the financial reporting reliefs availed of by the Group, including the descriptions of the implementation issues and their estimated qualitative impacts to the consolidated financial statements. The Group opted to avail the reliefs until the end of the deferment period as provided under the relevant MC.

PIC Q&A No. 2018-12-D, *Concept of the Significant Financing Component in the Contract to Sell* and PIC Q&A No. 2020-04, *Addendum to PIC Q&A 2018-12-D: Significant Financing Component Arising from Mismatch between the Percentage of Completion and Schedule of Payments* (deferred until December 31, 2023). PFRS 15 requires that in determining the transaction price, an entity shall adjust the promised amount of consideration for the effects of the time value of money if the timing of payments agreed to by the parties to the contract (either explicitly or implicitly) provides the customer or the entity with a significant benefit of financing the transfer of goods or services to the customer. In those circumstances, the contract contains a significant financing component.

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

Had the Group elected not to defer this provision of the standard, it would have an impact in the consolidated financial statements as there would have been a significant financing component when there is a difference between the percentage of completion (POC) of the real estate project and the right to the consideration based on the payment schedule stated in the contract. The Group would have recognized an interest income when the POC of the real estate project is greater than the right to the tion and interest expense when lesser. Both interest income and expense will be calculated using the effective interest rate method.

This will impact the retained earnings, real estate sales, and profit or loss in the year of adoption and in comparative periods presented. Furthermore, these would have impacted the cash flows from operations and cash flows from financing activities for all years presented in case of a full retrospective approach. Should the Group elect to apply the

modified retrospective approach as allowed by MC No. 2021-08, this will impact the opening retained earnings in the year of adoption.

(c) Presentation of Consolidated Financial Statements

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

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

(d) Functional and Presentation Currency

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

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

2.2 Adoption of Amended PFRS

(a) Effective in 2024 that are Relevant to the Group

The Group adopted for the first time the following amendments to existing standards, which are mandatorily effective for annual periods beginning on or after January 1, 2024:

PAS 1 (Amendments)	:	Presentation of Financial Statements – Classification of Liabilities as Current or Non-current, and Non-current Liabilities with Covenants
PAS 7 and PFRS 7 (Amendments)	:	Statement of Cash Flow, and Financial Instruments: Disclosures – Supplier Finance Arrangements
PFRS 16 (Amendments)	:	Leases – Lease Liability in a Sale and Leaseback

Discussed below and on the succeeding pages are the relevant information about these pronouncements.

(i) PAS 1 (Amendments), *Presentation of Financial Statements – Classification of Liabilities as Current or Non-current.* The amendments provide guidance on whether a liability should be classified as either current or non-current.

The amendments clarify that the classification of liabilities as current or non-current should be based on rights that are in existence at the end of the reporting period and that the classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability. The application of these amendments had no significant impact on the Group's consolidated financial statements.

(ii) PAS 1 (Amendments), *Presentation of Financial Statements – Non-current Liabilities with Covenants.* The amendments specify that if the right to defer settlement for at least 12 months is subject to an entity complying with conditions after the reporting period, then those conditions would not affect whether the right to defer settlement exists at the end of the reporting period for the purpose of classifying a liability as current or non-current. For non-current liabilities subject to conditions, an entity is required to disclose information about the conditions, whether the entity would comply with the conditions based on its circumstances at the reporting date and whether and how the entity expects to comply with the conditions by the date on which they are contractually required to be tested. The application of these amendments had no significant impact on the Group's consolidated financial statements.

(iii) PAS 7 and PFRS 7 (Amendments), *Statement of Cash Flows, Financial Instruments: Disclosures – Supplier Finance Arrangements*. The amendments add a disclosure objective to PAS 7 stating that an entity is required to disclose information about its supplier finance arrangements that enable users of financial statements to assess the effects of those arrangements on the entity's liabilities and cash flows. In addition, PFRS 7 is amended to add supplier finance arrangements as an example within the requirements to disclose information about an entity's exposure to concentration of liquidity risk. The application of these amendments had no significant impact on the Group's consolidated financial statements.

(iv) PFRS 16 (Amendments), *Leases – Lease Liability in a Sale and Leaseback.* The amendments clarify the subsequent measurement requirements to the lease liability that arises in the sale and leaseback transaction. The amendments require the seller-lessee to subsequently measure lease liabilities arising from a leaseback in a way that it does not recognize any amount of the gain or loss that relates to the right of use it retains. The new requirements do not prevent a seller-lessee from recognizing in profit or loss any gain or loss relating to the partial or full termination of a lease. The application of these amendments had no significant impact on the Group's consolidated financial statements.

(b) Effective Subsequent to 2024 but not Adopted Early

There are amendments to existing standards effective for annual periods subsequent to 2024, which are adopted by the FSRSC. Management will adopt the following relevant pronouncements in accordance with their transitional provisions; and unless otherwise indicated, none of these are expected to have significant impact on the Group's consolidated financial statements:

(i) PAS 21 (Amendments), *The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability* (effective from January 1, 2025)

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

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

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

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

2.3 Basis of Consolidation

The Group's consolidated financial statements comprise the accounts of the Parent Company and its subsidiaries as disclosed in Note 1.1, after the elimination of material intercompany transactions.

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

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

(a) Business acquisitions of entities not under common control of a principal stockholder are accounted for using the acquisition method of accounting.

(b) Business combinations arising from transfers of interests in entities that are under the common control of the principal stockholder are accounted for under the pooling-of interests method. Transfers of assets between commonly-controlled entities are accounted for under historical cost accounting; hence, the assets and liabilities are reflected in the consolidated financial statements at carrying values and no adjustments are made to reflect fair values or recognize any new assets or liabilities, at the date of the combination that otherwise would have been done under the acquisition method.

(c) Acquisition of assets in an entity, which does not constitute a business is accounted for as an asset acquisition.

2.4 Financial Instruments

(a) Financial Assets

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

The only classification and measurement of financial assets relevant to the Group is financial assets at amortized cost.

The Group's financial assets at amortized cost are presented in the consolidated statement of financial position as Cash and Cash Equivalents, Contract Receivables, Due from Related Parties, and Security deposits (presented under Other Current Assets and Other Non-current Assets) and Other Receivables (except Advances to contractors and others, Advances for land acquisition and Advances to employees) which pertain to receivables from customers for documentary fees and other assistance related to processing and transfer of lots and units sold.

The Group assesses impairment of contract receivables and other receivables on a collective basis based on shared credit risk characteristics of financial assets. The Group determines the expected credit losses (ECL) for contract receivables by applying a method that evaluates the credit quality of a portfolio of contract receivables and the cumulative loss rates by analyzing historical net charge-offs arising from sales cancellations for homogenous accounts that share the same origination period.

For other credit exposures, the Group applies the simplified approach in measuring ECL which uses a lifetime expected loss allowance. To calculate the ECL, the Group uses its historical experience, external indicators and forward-looking information using a provision matrix. For due from related parties, the Group applies the low credit risk simplification and measures the ECL on the financial assets based on a 12-month basis unless there has been a significant increase in credit risk since origination, in that case, the loss allowance will be based on the lifetime ECL. The ECL on due from related parties is based on the assumption that repayment of the advances or loans is demanded at the reporting date taking into consideration the historical default of the related parties. Management considers if the related party has sufficient accessible highly liquid assets in order to repay the loan if demanded at the reporting date.

For cash and cash equivalents, the Group applies the low credit risk simplification. The probability of default and loss given defaults are publicly available and are considered to be low credit risk investments. It is the Group's policy to measure ECLs on such instruments on a 12-month basis. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL. Meanwhile, impairment of security deposits is assessed based on potential liquidity of counterparties based on available financial information.

(b) Financial Liabilities

Financial liabilities include Interest-bearing Loans, Trade and Other Payables (except tax-related payables), Rawland Payable, Lease Liabilities, Reserve for Maintenance Care and Due to Related Parties.

2.5 Inventories

a) Real Estate Inventories

Real estate inventories include raw land, memorial lots, residential houses and lots for sale, condominium units and property development costs. Costs of inventories are assigned using specific identification of their individual costs. Cost includes acquisition costs of the land plus the costs incurred for its development, improvement and construction, including capitalized borrowing costs. All costs relating to the real estate property sold are recognized as expense as the work to which they relate is performed.

b) Construction Materials

Construction materials (presented as part of Other Current Assets) pertain to cost of uninstalled and unused construction and development materials at the end of the reporting period. It is recognized at purchase price and is subsequently recognized as part of real estate inventories when installed or used during construction and development of real estate projects. Cost is determined using the weighted average method.

The Group recognizes the effect of revisions in the total project cost estimates in the year in which these changes become known.

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

2.6 Property and Equipment

Property and equipment are stated at cost less accumulated depreciation, amortization and any impairment in value.

Depreciation and amortization is computed on the straight-line basis over the estimated useful lives of the assets starting on the month following the date of acquisition or completion of the assets.

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

Chapel and office building	15 years
Service vehicle	5 years
Service equipment	3-5 years
Park maintenance tools and equipment	3-5 years
System development cost	3-5 years
Chapel and office furniture, fixtures and equipment	2-5 years

Leasehold improvements are amortized over their expected useful lives of five years (determined by reference to comparable assets owned) or the term of lease, whichever is shorter.

2.7 Investment Properties

Investment properties, which consist of parcels of land, are measured at cost less any impairment in value.

2.8 Revenue and Expense Recognition

Revenue comprises revenue from real estate sales and rendering of interment and chapel services measured by reference to the fair value of consideration received or receivable by the Group for goods sold and services rendered, excluding value-added tax (VAT) and trade discounts.

The Group develops real estate properties such as residential house and lot, condominium units and memorial lots. The Group often enters into contracts to sell real properties as they are being developed. The Group also provides interment and chapel services inside its memorial parks.

The significant judgments used in determining the existence of a contract with customer, evaluating the timing of satisfaction of the Group's performance obligation with respect to its contracts to sell real properties and determining the collection threshold for revenue recognition are disclosed in Note 3.1(a), (b) and (c), respectively. In addition, the following specific recognition criteria must also be met before revenue is recognized:

(a) Real estate sales on pre-completed residential houses and lots – Revenue from real estate sales is recognized over time proportionate to the progress of the development. The Group measures its progress based on actual costs incurred relative to the total expected costs to be incurred in completing the development.

(b) Real estate sales on completed residential houses and lots – Revenue from real estate sales
is recognized at point in time when the control over the real estate property is transferred to the buyer.

(c) Real estate sales on memorial lots – Revenue from the Group's sale of memorial lots, which are substantially completed and ready for use, is recognized as the control transfers at the point in time with the customer.

(d) Rendering of services – income from interment and chapel services is recognized at a point in time when control over the services transfers to the customer.

Incremental costs of obtaining a contract to sell real estate property to customers are recognized as an asset and are subsequently amortized over the duration of the contract on the same basis as revenue from such contract is recognized.

Contract assets pertain to rights to consideration in exchange for goods or services that the Group has transferred to a customer that is conditioned on something other than passage of time. Under its contracts with customers, the Group will receive an unconditional right to payment for the total consideration upon the completion of the development of the property sold. Any rights to consideration recognized by the Group as it develops the property are presented as Contract Assets in the consolidated statement of financial position. Contract assets are subsequently tested for impairment in the same manner as the Group assesses impairment of its financial assets.

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

In addition, real estate sales are recognized only when certain collection threshold was met over which the Group determines that collection of total contract price is reasonably assured.

The Group uses historical payment pattern of customers in establishing a percentage of collection threshold. If the transaction does not yet qualify as contract revenue under PFRS 15, the deposit method is applied until all conditions for recording the sale are met. Pending the recognition of revenue on real estate sales, consideration received from customers are recognized as Customers' Deposits in the consolidated statement of financial position. Customers' deposit is recognized at the amounts received from customers and will be subsequently applied against the contract receivables when the related real estate sales is recognized.

Sales cancellations are accounted for on the year of forfeiture. Any gain or loss on cancellation is charged to profit or loss. The Group accounts for cancellation of sales contract as modification of contract; accordingly, previously recognized revenues and related costs are reversed at the time of cancellation.

2.9 Leases – Group as Lessee

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

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

2.10 Impairment of Non-financial Assets

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

2.11 Employee Benefits

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

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

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

3. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

The preparation of the Group's consolidated financial statements in accordance with PFRS requires management to make judgments and estimates that affect the amounts reported in the consolidated financial statements and related notes. Judgments and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may ultimately differ from these estimates.

3.1 Critical Management Judgments in Applying Accounting Policies

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

(a) Determining Existence of a Contract with Customer

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

In rare cases wherein contract to sell are not executed by both parties, management has determined that the combination of other signed documentations with the customers such as reservation agreement, official receipts, computation sheets and invoices, would contain all the elements to qualify as contract with customer (i.e., approval of the contract by the parties, which has commercial substance, identification of each party's rights regarding the goods or services and the related payment terms). Moreover, as part of the evaluation, the Group assesses the probability that the Group will collect the consideration to which it will be entitled in exchange for the real estate property that will be transferred to the customer. In evaluating whether collectability of an amount of consideration is probable, the Group considers the significance of the customer's downpayment in relation to the total contract price.
Collectability is also assessed by considering factors such as past history with the customer and pricing of the property. Management regularly evaluates the historical cancellations and back-outs if it would still support its current threshold of customers' equity before commencing revenue recognition.

(b) Determination of Transaction Price and Amounts Allocated to Performance Obligations

The transaction price for a contract is allocated amongst the material right and other performance obligations identified in the contract based on their stand-alone selling prices, which are all observable and agreed at the start of the contract. The Group applies judgment in determining the transaction price and amounts allocated to performance obligations on its contracts with customers. The transaction price for a contract excludes any amounts collected on behalf of third parties (e.g., VAT).

The Group enters 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 buyer upon full payment of contract price. The amount of consideration indicated in the contract to sell is fixed and has no variable consideration.

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

(i) Real Estate Sales
The Group exercises critical judgment in determining whether each performance obligation to develop properties promised in its contracts with customers is satisfied over time or at a point in time. In making this judgment, the Group considers the following:

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

The Group's performance obligation are satisfied as follows:

- *Residential condominium units and houses and lots* – Management determines that revenues from sale of pre-completed residential condominium units and houses and lots are satisfied over time, while completed real estate properties is satisfied at a point in time, since it does not have an alternative use of the specific property sold as it is precluded by its contract from redirecting the use of the property for a different purpose. Further, the Group has rights over payment for development completed to date as the Group can choose to complete the development and enforce its rights to full payment under its contracts even if the customer defaults on amortization payments.

- *Memorial lots* – Management determines that its revenue from sale of memorial lots, which are substantially completed and ready for use, shall be recognized at a point in time when the control of goods have passed to the customer, i.e., upon issuance of purchase agreement (PA) to the customer.

(ii) Interment and Cremation Services

The Group determines that revenue from interment and cremation services shall be recognized at a point in time based on the actual services provided to the end of the reporting period as a proportion of the total services to be provided.

(d) Determination of Collection Threshold for Revenue Recognition

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

The Group considers that the initial and continuing investments by the buyer when reaching the set collection threshold would demonstrate the buyer's commitment to pay the total contract price.

(e) Determination of ECL on Contract and Other Receivables, Contract Assets, Due from Related Parties and Security Deposits

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

The provision matrix is based on the Group's historical observed default rates. The Group's management intends to regularly calibrate (i.e., on an annual basis) the matrix to consider the historical credit loss experience with forward-looking information (i.e., forecast economic conditions). Details about the ECL on the Group's contract and other receivables are disclosed in Note 25.2.

In relation to advances to related parties, PFRS 9 notes that the maximum period over which ECL should be measured is the longest contractual period where an entity is exposed to credit risk. In the case of these receivables from related parties, which are

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

Based on the relevant facts and circumstances existing at the reporting date, management has assessed that all strategies indicate that the Group can fully recover the outstanding balance of its receivables; thus, no ECL is required to be recognized.

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

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

For office leases, the factors that are normally the most relevant are (a) if there are significant penalties should the Group pre-terminate the contract, and (b) if any leasehold improvements are expected to have a significant remaining value, the Group is reasonably certain to extend and not to terminate the lease contract. Otherwise, the Group considers other factors including historical lease durations and the costs and business disruption required to replace the leased asset.

The Group included the renewal period as part of the lease term for office leases due to the significance of these assets to its operations. These leases have a non-cancellable lease period (i.e., 4 to 10 years) and there will be a significant negative effect on production if a replacement is not readily available. However, the renewal options for leases of transportation equipment were not included as part of the lease term because the Group has historically exercises its option to buy these transportation equipment at the end of the lease term.

(g) Distinction Among Investment Properties, Owner-managed Properties and Real Estate Inventories

The Group classifies its acquired properties as Property and Equipment if used in operations and administrative purposes, as Investment Properties if the Group intends to hold the properties for capital appreciation or rental and as Real Estate Inventories if the Group intends to develop the properties for sale.

Transfers from other accounts (such as Memorial lots and Rawland) are made to investment property when and only when, there is a change in use, evidenced by ending of owner-occupation or commencement of an operating lease to another party. For a transfer from investment property to owner-occupied property or inventories, the cost of property for subsequent measurement is its carrying value at the date of change in use. If the property occupied by the Group as an owner-occupied property becomes an investment property, the Group accounts for such property in accordance with the policy stated under property and equipment up to the date of change in use.

(b) Recognition of Provisions and Contingencies

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

Judgment is exercised by management to distinguish between provisions and contingencies. Disclosures on relevant provisions and contingencies are discussed in Notes 14.1 and 24.

3.2 Key Sources of Estimation Uncertainty

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

(a) Revenue Recognition for Performance Obligations Satisfied Over Time

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

(b) Estimation of Allowance for ECL

The measurement of the allowance for ECL on financial assets at amortized cost is an area that requires the use of significant assumptions about the future economic conditions and credit behavior (e.g., likelihood of customers defaulting and the resulting losses). Explanation of the inputs, assumptions and estimation used in measuring ECL is further detailed in Note 25.2.

(c) Determination of Net Realizable Value of Real Estate Inventories

In determining the net realizable value of real estate inventories, management takes into account the most reliable evidence available at the time the estimates are made. Management determined that the carrying values of its real estate inventories are lower than their net realizable values based on the present market rates. Accordingly, management did not recognize any valuation allowance on these assets as of June 30, 2025 and December 31, 2024.

(d) Estimation of Useful Lives of Property and Equipment and Right-of-use Assets

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

The carrying amounts of property and equipment and right-of-use assets are analyzed in Notes 9 and 10.1, respectively. Based on management's assessment as at June 30, 2025 and December 31, 2024, there is no change in the estimated useful lives of those assets during those years. Actual results, however, may vary due to changes in estimates brought about by changes in factors mentioned above.

(e) Fair Value Measurement of Investment Properties

The Group's investment properties which composed of parcels of land are carried at cost at the end of the reporting period. In addition, the accounting standards require the disclosure of the fair value of the investment properties. In determining the fair value of these assets, the Group engages the services of professional and independent appraiser applying the relevant valuation methodologies as discussed in Note 27.3.

For investment properties with appraisal conducted prior to the end of the current reporting period, management determines whether there are significant circumstances during the intervening period that may require adjustments or changes in the disclosure of fair value of those properties.

(f) Determination of Realizable Amount of Deferred Tax Assets

The Group reviews its deferred tax assets at the end of each reporting period and reduces the carrying amount to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Management assessed that the deferred tax assets recognized as at June 30, 2025 and December 31, 2024 will be fully utilized in the coming years (see Note 20.2).

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

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

(h) Impairment of Non-financial Assets

In assessing impairment, management estimates the recoverable amount of each asset or a cash-generating unit based on expected future cash flows and uses an interest rate to calculate the present value of those cash flows. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate. Though management believes that the assumptions used in the estimation of fair values reflected in the consolidated financial statements are appropriate and reasonable, significant changes in these assumptions may materially affect the assessment of recoverable values and any resulting impairment loss could have a material adverse effect on the results of operations.

(i) Valuation of Post-employment DBO

The determination of the Group's obligation and cost of post-employment defined benefit plan is dependent on the selection of certain assumptions used by actuaries in calculating such amounts. These assumptions include, among others, discount rates and

salary increase rate. A significant change in any of these actuarial assumptions may generally affect the recognized expense, other comprehensive income or losses and the carrying amount of the post-employment DBO in the next reporting period.

4. SEGMENT REPORTING

4.1 Business Segments

The Group's operating businesses are organized and managed separately according to the nature of products and services provided. In identifying its reportable operating segments, management generally follows the Group's two main revenue sources, which represent the products and services provided by the Group, namely Residential Projects and Deathcare.

(a) Residential – this segment pertains to the housing market segment of the Group. It caters on the development and sale of residential house and lots, subdivision lots, and condominium units.

(b) Deathcare – the segment pertains to sale of memorial lots, interment income, and income from chapel services.

4.2 Analysis of Segment Information

The following table present revenue and profit information regarding business segments of the Group for the period ended June 30, 2025:

	Death Care	Residential	Total
Revenues	₱454,319	₱1,394,933	₱1,849,252
Cost of sales and services	(124,718)	(555,546)	(680,264)
Gross profit	329,601	839,387	1,168,988
Other operating expenses	200,152	214,646	414,798
Depreciation and amortization	(12,907)	(8,706)	(21,613)
	187,245	205,940	393,185
Segment profit before tax and depreciation and amortization	₱142,356	₱633,447	₱775,803
Segment Assets	₱5,210,695	₱22,597,382	₱27,808,077
Segment Liabilities	₱1,790,949	₱10,847,721	₱12,638,670

The results of operations from the two segments are used by management to analyze the Group's operation and to allow them to control and study the costs and expenses. It is also a management indicator on how to improve the Group's operation. Expenses are allocated through direct association of costs and expenses to operating segments.

4.3 Reconciliation

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

	(in thousands)
Assets:	
Total segment asset	₱27,808,077
Due from related parties	1,131,715
Investment property	8,777,438
Group Total Assets	₱37,717,230
Liabilities:	
Total segment liabilities	₱12,638,670
Due to related parties	9,553,631
Income tax payable	7,539
Deferred tax liabilities	1,291,798
Group Total Liabilities	₱23,491,638

4.4 Disaggregation of Revenue from Contract with Customers and Other Counterparties

When the Group's Executive Committee evaluates the financial performance of the operating segments, it disaggregates revenue similar to its segment reporting as presented in Notes 4.1 and 4.2.

The Group determines that the categories used in the investor presentations and financial reports used by the Group's Executive Committee can be used to meet the objective of the disaggregation disclosure requirement of PFRS 15, which is to disaggregate revenue from contracts with customers and other counterparties and disclosed herein as additional information) into categories that depict how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic factors. A summary of additional disaggregation from the segment revenues and other unallocated income are shown in the Note 17.

5. CASH AND CASH EQUIVALENTS

Cash and cash equivalents as of June 30 follows:

	(in thousands)
Cash on hand	₱8,429
Cash in bank	845,985
	₱854,414

Cash on hand comprises of revolving fund, commission fund and petty cash fund intended for the general use of the Group. Cash in banks generally earn interest at rates based on daily bank deposit rates. The related interest income earned amounted to ₱11.08 million and ₱5.47 million on June 30, 2025 and 2024, respectively, is presented as Finance Income in the statements of comprehensive income.

6. CONTRACTS AND OTHER RECEIVABLES

6.1 Contracts Receivables

This account is composed of the following:

	(in thousands)
Current	₱5,052,583
Non-current	2,537,547
	₱7,590,130

Contracts receivables represent receivables from sale of residential houses and lots, subdivision lots, memorial lots, and condominium units, which are normally collectible within one to ten years. Contracts receivables have an annual effective interest rate of 5% to 12.0% in 2025 and 2024. Interest income related to contracts receivables amounted to ₱55.4 million and ₱70.5 million on June 30, 2025 and 2024, respectively, and are reported under Revenues in the consolidated statements of comprehensive income.

The Group's contracts receivables are effectively collateralized by the real estate properties sold to the buyers considering that the title over the rights in the real estate properties will only be transferred to the buyers upon full payment.

In 2025, certain receivables amounting to ₱800.7 million were used as collateral security against interest-bearing loans (see Note 13).

6.2 Other Receivables

The composition of this account as of June 30 is shown below.

	(in thousands)
Advances to contractors and others	₱1,955,196
Advances to employees	98,327
Others	101,358
	₱2,154,881

Advances to contractors and others mainly represent advances to contractors or suppliers as advance payments for purchase of construction materials, supplies and construction services. This also include excess of advances over the remaining liability related to construction development.

Advances to employees represent cash advances and noninterest-bearing short-term loans granted to the Group's employees, which are collected through liquidation and salary deduction.

Others mainly pertain to receivables from the buyers for documentary fees and other assistance related to processing and transfer of lots and units sold.

7. REAL ESTATE INVENTORIES

Details of real estate inventories, which are stated at cost and is lower than NRV, are shown below.

	(in thousands)
Raw land	₱4,233,243
Memorial lots	1,538,754
Property development costs	240,672
Residential houses and lots	169,901
Condominium units	121,099
	₱6,303,669

Raw land pertains to the cost of several parcels of land acquired by the Group to be developed and other costs incurred to effect the transfer of the title of the properties to the Group.

Memorial lots consist of acquisition costs of the land, construction and development costs, and other necessary costs incurred in bringing the memorial lots ready for sale.

The property development costs represent the accumulated costs incurred in developing the real estate properties for sale. Costs incurred comprise of actual costs of land, construction and related engineering, architectural and other consultancy fees related to the development of residential projects.

Residential houses and lots represent houses and lots in subdivision projects for which the Group has already been granted the license to sell by the Housing and Land Use Regulatory Board of the Philippines. Residential houses include units that are ready for occupancy and units under construction.

Condominium units for sale pertain to the accumulated land costs, construction services and other development costs incurred in developing the Group's condominium projects.

8. OTHER ASSETS

This account consists of the following as of June 30:

	(in thousands)
Current:	
Prepaid commission	₱292,234
Creditable withholding taxes	128,926
Construction materials	103,389
Deferred input VAT	77,168
Prepaid expenses	24,923
Security deposits - current	6,741
Other assets	11,943
	645,324
Non-current:	
Security deposits	35,818
	₱681,142

Construction materials pertain to aluminum forms and various materials to be used in the construction of residential houses. Deferred input VAT pertains to the unamortized portion of input VAT from purchases of capital goods which are subject to amortization.

9. PROPERTY AND EQUIPMENT

The gross carrying amounts and accumulated depreciation and amortization of property and equipment at June 30, 2025 shown below.

	Building	Leasehold Improvements	Service Vehicle	Service Equipment	Park Maintenance Tools and Equipment	Furniture, Fixtures and Equipment	System Development Cost	Total
Cost	₱245,491	₱73,548	₱157,173	₱52,761	₱319,708	₱250,382	₱72,432	₱1,171,495
Accumulated depreciation and amortization	(123,469)	(59,077)	(143,271)	(18,898)	(195,227)	(233,808)	(48,724)	(822,474)
Net carrying amount	₱122,022	₱14,471	₱13,902	₱33,863	₱124,481	₱16,574	₱23,708	₱ 349,021

The amount of depreciation and amortization is presented as part of Cost of Sales and Services and Other Operating Expenses in the consolidated statements of comprehensive income (see Note 18). Depreciation expense of park maintenance tools and portion of service equipment were charged under park operations, which is subsequently closed to maintenance care fund (see Note 16).

10. LEASES

The Group has leases for certain office spaces. With the exception of short-term leases, each lease is reflected on the consolidated statement of financial position as right-of-use assets and a lease liabilities. Each lease generally imposes a restriction that, unless there is a contractual right for the Group to sublease the asset to another party, the right-of-use asset can only be used by the Group. Leases are either non-cancellable or may only be cancelled by incurring a substantive termination fee. Some leases contain an option to purchase the underlying lease asset outright at the end of the lease, or to extend the lease for a further term.

The Group is prohibited from selling or pledging the underlying leased assets as security. For leases over office spaces, the Group must keep those properties in a good state of repair and return the properties in their original condition at the end of the lease. Further, the Group must insure the leased assets and incur maintenance fees on such items in accordance with the lease contracts.

The Group has leased 32 office spaces with an average remaining lease term of three years.

10.1 Right-of-use Assets

The carrying amounts of the Group's right-of-use assets as of June 30, 2025 is ₱17.0 million.

The total amortization on the right-of-use assets is presented as part of Depreciation and amortization under Other operating expense in the consolidated statement of comprehensive income (see Note 18.2).

10.2 Lease Liabilities

Lease liabilities are presented in the consolidated statement of financial position as at June 30, 2025 as follows:

	(in thousands)
Current	₱9,984
Non-current	8,352
	₱18,336

The use of extension and termination options gives the Group added flexibility in the event it has identified more suitable premises in terms of cost and/or location or determined that it is advantageous to remain in a location beyond the original lease term. The future cash outflows to which the Group is potentially exposed to are not reflected in the measurement of lease liabilities represent the amount of monthly rent remaining for the lease term and security deposit to be forfeited.

An option is only exercised when consistent with the Group's regional markets strategy and the economic benefits of exercising the option exceeds the expected overall cost.

As at June 30, 2025, the Group has no lease commitment, which had not yet commenced.

10.3 Lease Payments Not Recognized as Liabilities

The Group has elected not to recognize a lease liability for short-term leases or for leases of low value assets. Payments made under such leases are expensed on a straight-line basis.

The expenses relating to short-term leases amounted to ₱5.97 million is presented as Rentals as part of Other Operating Expenses in the consolidated statements of comprehensive income (see Note 18.2). There are no existing lease commitments for short-term leases.

10.4 Security Deposits

Refundable security deposits represent the lease deposits made to third parties for the lease of the Group's office spaces.

Related rental deposits for these leases amounted to ₱8.3 million as of June 30, 2025 and is presented as part of the Other Assets in the consolidated statements of financial position (see Note 8).

11. NON-CURRENT ASSET CLASSIFIED AS HELD FOR SALE

Asset held for sale consists of ALHI's investment in FPI representing 35.62% ownership, which was initially classified as an investment in associate. In 2024, management approved a plan to dispose of its investment in FPI. Consequently, this asset was reclassified as Non-current Asset Classified as Held for Sale in the 2024 consolidated statement of financial position. The management believes that the sale of this asset is highly probable this year.

The carrying value of this asset amounting to P100.0 million immediately prior to their classification as held for sale is lower than their fair value less cost to sell. Accordingly, the Group did not recognize any loss in connection with the reclassification of the asset. There were also no revenues and expenses recognized during the year that are associated with the non-current asset held for sale.

12. INVESTMENT PROPERTIES

The Group's investment properties consist of parcels of land which is intended for capital appreciation amounting to ₱8,777.4 million as of June 30, 2025.

None of the Group's investment properties have generated rental income. There were also no significant directly attributable cost, purchase commitments and any restrictions as to use related to these investment properties during the reporting periods.

Management has assessed that there were no significant circumstances during the reporting periods that may indicate impairment loss on the Group's investment properties.

The fair value and other information about the measurement and disclosures related to the investment properties are presented in Note 27.3.

13. INTEREST-BEARING LOANS

Short-term and long-term interest-bearing loans and borrowings pertain to bank loans which are broken down as follows:

	(in thousands)
Current	₱1,090,276
Non-current	3,935,095
	₱5,025,371

The bank loans represent secured and unsecured loans from local commercial banks. The loans which have maturities ranging from 1 to 15 years bear annual interest rates ranging from 5.0% to 8.8%.

Interest expense incurred on these loans amounted to ₱188.8 million and ₱167.6 million for the periods ended June 30, 2025 and 2024, respectively. These are presented as part of Finance cost in the consolidated statements of comprehensive income.

There are no outstanding interest payable as of June 30, 2025 related to these loans.

The loans are net of debt issue cost amounting to ₱86.1 million as of June 30, 2025. The amortization of debt issue cost amounting to ₱85.3 million, is presented as part of Finance Cost under Other Income (Charges) section in the consolidated statements of comprehensive income.

Certain loans of the Group are secured by contract receivables with a carrying amount of ₱800.7 million as of June 30, 2025 (see Note 6.1 and 26.2).

14. TRADE AND OTHER PAYABLES AND RAWLAND PAYABLE

14.1 Trade and Other Payables

This account consists of:

	(in thousands)
Trade payables	₱2,347,348
Accrued expenses	532,669
Deferred output tax	169,660
Retention payable	124,102
Commission payable	68,060
VAT payable	23,541
Withholding taxes payable	2,577
Other payables	5,537
	₱3,273,494

Trade payables comprise mainly of liabilities to suppliers and contractors arising from the construction and development of the Group's real estate properties.

Accrued expenses pertain to accruals of professional fees, salaries and other employee benefits, utilities, advertising, marketing and other administrative expenses.
Deferred output tax is the portion of VAT attributable to outstanding contract receivables. This is reversed upon payment of monthly amortization from customers.

Retention payable pertains to the amount withheld from payments made to contractors to ensure compliance and completion of contracted projects equivalent to 10% of every billing made by the contractor. Upon completion of the contracted projects, the amounts are remitted to the contractors.

Commission payable refers to the liabilities of the Group as of the end of the reporting periods to its sales agents for every sale that already reached the revenue recognition threshold of the Group.

14.2 Rawland Payables

Rawland payables pertain to the amount of outstanding liability regarding the acquisitions of rawland from third parties, which will be used in the development of the Group's subdivision and memorial lots projects.

The Group purchased various rawlands for expansion and development of the Group's subdivision and memorial lots projects. The outstanding balance arising from these transactions amounted to ₱1,346.1 million and ₱1,348.3 million as of June 30, 2025 and December 31, 2024, respectively.

15. CUSTOMERS' DEPOSITS

Customers' deposits pertain to reservation fees and advance payments from buyers, which did not meet the revenue recognition criteria as of the end of the reporting periods. As of June 30, 2025, Customers' Deposits account, as presented in the current liabilities section of the consolidated statements of financial position, amounted to ₱1,326.2 million (see Note 2.13).

16. RESERVE FOR MAINTENANCE CARE

Under the terms of the contract between the Group and the purchasers of memorial lots, a portion of the amount paid by the purchasers is set aside as Maintenance Care Fund (Fund). The balance of the reserve for maintenance care for memorial lots as of June 30, 2025 and December 31, 2024 amounted to ₱1,094.2 million and ₱754.1 million, respectively, represents the total amount of maintenance care from all outstanding sales contracts, net of amount already remitted for fully collected memorial lots into the Fund.

As an industry practice, the amount turned over to the Fund is only for fully collected contracts in as much as the outstanding contracts may still be forfeited and/or rescinded. The income earned from the Fund will be used in the maintenance care and maintenance of the memorial lots. Once placed in the Fund, the assets, liabilities, income and expense of the Fund are considered distinct and separate from the assets and liabilities of the Group, thus, do not form part of the accounts of the Group.

17. REVENUES

17.1 Disaggregation of Revenues

The Group derives revenues from sale of real properties and deathcare operations. An analysis of the Group's major sources of revenues for the period ended June 30, 2025 is presented below.

	Segments		
	Death Care	**Residential**	**Total**
Geographical areas			
Luzon	₱284,553	₱938,160	₱1,222,713
Visayas	63,401	102,670	166,071
Mindanao	106,365	354,103	460,468
	₱454,319	₱1,394,933	₱1,849,252

17.2 Contract Assets and Contract Liabilities

The Group recognizes contract assets, due to timing difference of payment and satisfaction of performance obligation, to the extent of satisfied performance obligation on all open contracts as of the end of the reporting period.

The Group recognized contract liabilities, which pertain to consideration received by the Group in excess of the amount for which the Group is entitled.

Changes in the contract assets are recognized by the Group when a right to receive payment is already established and upon performance of unsatisfied performance obligation.

17.3 Direct Contract Costs

The Group incurs sales commissions upon execution of contracts to sell real properties to customers. Incremental costs of commission incurred to obtain contracts are capitalized and presented as Prepaid commission under Other Current Assets in the consolidated statements of financial position (see Note 8). These are amortized over the expected construction period on the same basis as how the Group measures progress towards complete satisfaction of its performance obligation in its contracts. The total amount of amortization is presented as part of Commission under Operating Expenses (see Note 18.2).

18. COSTS AND EXPENSES

18.1 Costs of Sales and Services

Presented below are the details of costs of sale and services.

	(in thousands)
Cost of real estate sales	₱650,323
Cost of interment	20,309
Cost of chapel services	9,632
	₱680,264

Cost of real estate sales is comprised of:

	(in thousands)
Construction and development costs	₱405,453
Cost of land	244,870
	₱650,323

18.2 Operating expenses by nature

The details of operating expenses by nature for the period ended June 30, 2025 is shown below.

	(in thousands)
Salaries and wages	₱155,863
Outside services	45,904
Commission	43,254
Depreciation and amortization	31,683
Promotions	23,712
Repairs and Maintenance	14,462
Utilities	13,100
Loss on Sales Cancellation	7,937
Transportation and travel	7,860
Professional fees	7,428
Prompt payment discount	6,782
Taxes and licenses	6,598
Rentals	5,966
Management Fees	5,490
Advertising	3,940
Office supplies	3,004
Insurance	2,455
Collection fees	2,315
Meetings and conferences	2,235
Training and seminars	416
Representation	370
Miscellaneous expenses	24,024
	₱414,798

Miscellaneous mainly consist of subscription dues and other fees such as registration, transfer and mortgage fees.

19. OTHER REVENUES

This account consists of:

	(in thousands)
Forfeited sales	₱17,200
Interest on past due Accounts	3,450
Transfer Fee	2,497
Service Tent rental	719
Others	3,521
	₱27,387

Others include penalties from customers with lapsed payments, restructured accounts, and other fees collected for transactions incidental to the Group's operations such as payment for memorial garden construction fee, among others.

20. TAXES

20.1 Registration with the Board of Investments (BOI)

The BOI approved the Company's application for registration as an Expanding Developer of Economic and Low-Cost Housing Project on a Non-pioneer Status relative to its various units under its Bria Alaminos, Bria Alaminos-Pangasinan, Bria Calamba Executive and Bria General Santos in 2021, Bria Calamba Phase 2, Bria Calamba Phase 4, Bria Calmaba Phase 3, Bria Magalang, Bria Manolo Fortich, Bria Kidapawan, Bria Urdaneta, Bria Norzagaray, Bria Norzagaray Phase 2, Bria Hermosa, Bria Homes, Paniqui, Bria General Trias, Bria Trece Martires, Bria Sta. Cruz, Lumina Tanza Phase 4, Lumina Camarines Sur, Lumina Camarines Sur Classic, Lumina Dumaguete, Lumina Dumaguete 2, and Bria Flats Azure in 2020; Lumina Quezon Phase 2, Bria La Hacienda, Bria San Pablo, Lumina Gensan, Bria Flats Mykonos, Bria Flats Levitha, Bria Flats Corfu, Bria Flats Rhodes, Bria Flats Capri, Bria Sta. Maria, Bria Homes Digos, Bria Homes Tagum, Bria Flats Crimson, Bria Flats Scarlet, Bria Flats Magenta, and Lumina Classic 2B in 2019; Bria Calamba Phases 1 and 2 project in December 2018; under the Northridge Central Lane, Northridge Grove Phase 2, Northridge View, Bria Home Binangonan and Bria General Santos projects in December 2017; and, under the Lumina Tanza Phase 2, Lumina Homes San Pablo and Lumina General Trias (Phases 1 and 2) projects in December 2016.

Under the registration, the applicable rights and privileges provided in the Omnibus Investment Code of 1987 shall equally apply and benefit the BHI with certain incentives including income tax holiday (ITH) for a period of four years from the date of registration.

20.2 Current and Deferred Taxes

The components of tax expense reported in consolidated profit or loss and in consolidated other comprehensive income for the period ended June 30, 2025 follow:

	(in thousands)
Current	₱10,892
Deferred	35,510
	₱46,402

The Group is subject to the MCIT, which is computed at 2% of gross income as defined under the tax regulations, or RCIT, whichever is higher. The Group reported RCIT in 2025 and 2024 as the RCIT is higher than MCIT in such years.

In June 30, 2025 and 2024, the Group claimed itemized deductions in computing for its income tax due.

21. RELATED PARTY TRANSACTIONS

21.1 Due from Related Parties

In the normal course of business, the Group grants noninterest-bearing cash advances to its parent company and other related parties, including those under common ownership, for working capital requirements, capital asset acquisition and other purposes. These advances

are unsecured and generally payable in cash on demand or through offsetting arrangements with related parties.

The outstanding advances arising from these transactions amounting to ₱1,131.7 million and ₱350.3 million as at June 30, 2025 and December 31, 2024 is presented as Due from Related Parties account in the consolidated statements of financial position.

The movements in the Due from Related Parties account are shown below.

	(in thousands)
Balance at beginning of period	₱350,257
Additions	781,458
	₱1,131,715

Based on management's assessment, no impairment losses need to be recognized for the period ended June 30, 2025 and December 31, 2024 from its receivables from related parties.

21.2 Due to Related Parties

The Group obtained short-term, unsecured, noninterest-bearing advances from prelated parties under common control for working capital requirements payable in cash upon demand. The outstanding balance is presented as Due to Related Parties account as at June 30, 2025 and December 31, 2024.

The movements in the Due to Related Parties account are shown below.

	(in thousands)
Balance at beginning of period	₱8,771,401
Additions	782,230
	₱9,553,631

22. EQUITY

22.1 Capital Stock

Capital stock consists of:

	June 30, 2025	**Dec 31, 2024**
Common		
Authorized	996,000,000	996,000,000
Par value per share	₱1.00	₱1.00
Issued shares	644,117,649	644,117,649
Value of shares issued	₱644,117,649	₱644,117,649
Preferred		
Authorized	400,000,000	400,000,000
Par value per share	₱0.01	₱0.01
Issued shares	–	–
Value of shares issued	–	–

On March 17, 2016, the SEC approved the increase in the Parent Company's authorized capital stock from P20.0 million divided into 200,000 common shares with par value of ₱100

per share to ₱1.0 billion divided into 996,000,000 common shares with par value of ₱1 per share and 400,000,000 preferred shares with par value of ₱0.01 per share.

On April 1, 2016, the Parent Company applied for the registration of its common shares with the SEC and the listing of the Parent Company's shares on the PSE.

The PSE approved the Parent Company's application for the listing of its common shares on June 8, 2016 and the SEC approved the registration of the 74,117,649 common shares of the Parent Company on June 14, 2016.

On June 3, 2016, the SEC approved the listing of the Parent Company's common shares totaling 74.1 million. The shares were initially issued at an offer price of ₱10.50 per common share. In 2021 and 2020, there were no additional issuances.

On June 29, 2016, by way of an initial public offering (IPO), sold 74,117,649 shares of its common stock at an offer price of P10.50 and generated net proceeds of approximately ₱703.0 million. The IPO resulted in the recognition of additional paid-in capital amounting to ₱628.9 million, net of IPO-related expenses amounting to ₱75.2 million.

On December 27, 2017, the Parent Company's BOD authorized the issuance of 150,000,000 common shares to CGI, a related party under common ownership, out of the unissued authorized capital stock, at a subscription price of ₱20.1 per share or an aggregate subscription price of ₱3,014.0 million.

As at June 30, 2025, there are 14 holders of the listed common shares owning at least one board lot of 100 shares. Such listed shares closed at ₱2,296.00 per share as of June 30, 2025.

22.2 Revaluation Reserves

As of June 30, 2025, the Company has revaluation reserves which pertains to accumulated actuarial losses and gains, net of tax, due to remeasurement of post-employment defined benefit plan amounting to ₱30.2 million.

23. EARNINGS PER SHARE

The basic and diluted earnings per share were computed as follows:

	(in thousands)
Net profit	₱557,480
Divided by the number of outstanding common shares	644,118
Basic and diluted earnings per share	₱0.87

The Group has no dilutive potential common shares as at June 30, 2025, hence, diluted earnings per share equals the basic earnings per share.

24. COMMITMENTS AND CONTINGENCIES

24.1 Operating Lease Commitments

The Group has leases with terms ranging from three to five years with renewal options upon mutual written agreement between the parties,and include annual escalation in rental rates.

The total rentals from this operating lease amounted to ₱6.0 million in 2025, which is shown as Rentals under Other Operating Expenses in the consolidated statement of comprehensive income (see Note 18.2).

24.2 Others

There are other commitments and contingent liabilities that arise in the normal course of the Group's operations which are not reflected in the consolidated financial statements. Management is of the opinion that losses, if any, from these events and conditions will not have material effects on the Group's consolidated financial statements.

25. RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group is exposed to a variety of financial risks which result from both its operating and investing activities. The Group's risk management focuses on actively securing the Group's short to medium-term cash flows by minimizing the exposure to financial markets. Long-term financial investments are managed to generate lasting returns.

The Group does not engage in the trading of financial assets for speculative purposes nor does it write options. The relevant financial risks, unless otherwise stated, to which the Group is exposed to are described below and in the succeeding pages.
Interest Rate Risk

25.1 Interest Rate Risk

The Group has no financial instruments subject to floating interest rate, except cash in banks, which has historically shown small or measured changes in interest rates. As such, the Group's management believes that interest rate risks are not material.

25.2 Credit Risk

The Group operates under sound credit-granting criteria wherein credit policies are in place. These policies include a thorough understanding of the customer or counterparty as well as the purpose and structure of credit and its source of repayment. Credit limits are set and monitored to avoid significant concentrations to credit risk. The Group also employs credit administration activities to ensure that all facets of credit are properly maintained.

The maximum credit risk exposure of financial assets and contract assets is the carrying amount of the financial assets as shown on the consolidated statements of financial position are summarized below.

	(in thousands)
Cash and cash equivalents	₱854,414
Contracts assets	9,757,785
Contracts receivable	7,590,130
Due from related parties	1,131,715
Security deposits	42,559
Other receivables	101,358
	₱19,477,961

Cash in banks are insured by the Philippine Deposit Insurance Commission up to a maximum coverage of ₱0.5 million for every depositor per banking institution. Also, the Group's contracts receivable are effectively collateralized by residential houses and lots and

memorial lots. Other financial assets are not secured by any collateral or other credit enhancements.

The Company applies the PFRS 9 simplified approach in measuring ECL which uses a lifetime expected loss allowance for all contract receivables and other receivables. To measure the expected credit losses, contract receivables and other receivables have been grouped based on shared credit risk characteristics and the days past due (age buckets). The other receivables relate to receivables from both third and related parties other than contract receivables and have substantially the same risk characteristics as the contract receivables.

The expected loss rates are based on the payment profiles of sales over a period of 36 months and the corresponding historical credit losses experienced within such period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The management determined that there is no required ECL to be recognized on the Group's contract receivables since the fair value of real estate sold when reacquired is sufficient to cover the unpaid outstanding balance of the related receivable arising from sale. Therefore, there is no expected loss given default as the recoverable amount from subsequent resale of the real estate is sufficient. Accordingly, no additional allowance was recorded by the Group as of June 30, 2025 and December 31, 2024.

The Contract Asset account is secured to the extent of the fair value of the real estate sale of house and lot and condominium units sold since the title to the real estate properties remains with the Group until the contract assets or receivables are fully collected. Therefore, there is also no expected loss given default on the contract asset.

The Group considers credit enhancements in determining the expected credit loss. Contract receivables and contract assets from real estate sales are collateralized by the real properties. The estimated fair value of collateral and other security enhancements held against trade receivables are presented below.

	Gross Maximum Exposure	**Fair Value of Collaterals**	**Net Exposure**
Contract receivables	₱7,590,130	₱7,590,130	₱–
Contract assets	9,757,785	9,757,785	–
	₱17,347,915	₱17,347,915	₱–

As of June 30, 2025, the aging of receivables is as follows:

(In Thousands)	Current	Within 90 days	91-180 days	181-360 days	Over 1Year	Total
Contracts receivable	₱6,293,020	₱312,730	₱242,079	₱164,408	₱577,893	₱7,590,130
Due from related parties	1,131,715	–	–	–	–	1,131,715
Other receivables	101,358	–	–	–	–	101,358
Total	₱7,526,093	₱312,730	₱242,079	₱164,408	₱577,893	₱8,823,203

ECL for due from related parties are measured and recognized using the liquidity approach. Management determines possible impairment based on the related party's ability to repay the advances upon demand at the reporting date taking into consideration the historical defaults from the related parties.

The Group does not consider any significant risks in the due from related parties as these are entities whose credit risks for liquid funds are considered negligible, since counterparties are in good financial condition. As of June 30, 2025, impairment allowance is not material.

Security deposits are subject to credit risk. The Group's security deposits pertain to receivable from lessors and third party utility providers. Based on the reputation of those counterparties, management considers that these deposits will be refunded when due.

25.3 Liquidity Risk

The Group manages its liquidity needs by carefully monitoring cash outflows due in a day-to-day business. Liquidity needs are monitored in various time bands, on a day-to-day and week-to-week basis, as well as on the basis of a rolling 30-day projection. Long-term liquidity needs for a 6-month and one-year period are identified monthly.

As of June 30, 2025, the Group's financial liabilities have contractual maturities which are presented below.

	Within 12 Months	More than One Year to Five Years
Trade and other payables	₱3,077,716	₱–
Rawland payable	1,346,141	–
Interest-bearing loans and borrowings	1,090,276	3,935,095
Due to related parties	9,553,631	–
Lease liability	9,984	8,352
Reserve for maintenance care	–	1,094,189
	₱15,077,748	₱5,037,636

26. CATEGORIES AND OFFSETTING OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

26.1 Carrying Amounts and Fair Values by Category

The carrying amounts and fair values of the categories of financial assets and financial liabilities presented in the consolidated statements of financial position are shown below.

	Notes	**Carrying Values**	**Fair Values**
		(in thousands)	
Financial Assets			
At amortized cost:			
Cash and cash equivalents	5	₱854,414	₱854,414
Contracts receivables	6	7,590,130	7,590,130
Due from related parties	21.1	1,131,715	1,131,715
Security deposits	8	42,559	42,559
Other Receivables		101,358	101,358
		₱9,720,176	₱9,720,176

	Notes	Carrying Values	Fair Values
		(in thousands)	
Financial Liabilities			
At amortized cost:			
Interest-bearing loans	13	₱5,025,371	₱5,025,371
Trade and other payables	14	3,077,716	3,077,716
Rawland payables	14	1,346,141	1,346,141
Lease liability	10	18,336	18,336
Reserve for maintenance care	16	1,094,189	1,094,189
		₱10,561,753	₱10,561,753

See Note 2.5 for a description of the accounting policies for each category of financial instrument. A description of the Group's risk management objectives and policies for financial instruments is provided in Note 25.

26.2 Offsetting of Financial Assets and Financial Liabilities

Except as more fully described in Note 21, the Group has not set-off financial instruments and does not have relevant offsetting arrangements. Currently, all other financial assets and financial liabilities are settled on a gross basis; however, each party to the financial instrument (particularly related parties) will have the option to settle all such amounts on a net basis in the event of default of the other party through approval by both parties' BOD and stockholders. As such, the Group's outstanding receivables from and payables to the same related parties as presented in Note 21 can be potentially offset to the extent of their corresponding outstanding balances.

27. CATEGORIES AND OFFSETTING OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

27.1 Fair Value Hierarchy

In accordance with PFRS 13, Fair Value Measurement, the fair value of financial assets and financial liabilities and non-financial assets which are measured at fair value on a recurring or non-recurring basis and those assets and liabilities not measured at fair value but for which fair value is disclosed in accordance with other relevant PFRS, are categorized into three levels based on the significance of inputs used to measure the fair value. The fair value hierarchy has the following levels:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that an entity can access at the measurement date;

- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and,

- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The level within which the asset or liability is classified is determined based on the lowest level of significant input to the fair value measurement.

For purposes of determining the market value at Level 1, a market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

27.2 Financial Instruments Measured at Amortized Cost for which Fair Value is Disclosed

The Group's financial assets which are not measured at fair value in the consolidated statements of financial position but for which fair value is disclosed include cash and cash equivalents, which are categorized as Level 1, and contract and other receivables, due from related parties and security deposits which are categorized as Level 3. Financial liabilities which are not measured at fair value but for which fair value is disclosed pertain to interest-bearing loans and borrowings, trade and other payables, due from related parties, rawland payable, and reserve for maintenance care which are categorized as Level 3.

The fair values of the financial assets and financial liabilities included in Level 3, which are not traded in an active market, are determined based on the expected cash flows of the underlying net asset or liability based on the instrument where the significant inputs required to determine the fair value of such instruments are not based on observable market data.

27.3 Fair Value Measurement for Non-financial Assets

The Group's investment properties amounting to ₱8,777.4 million are categorized under level 3 hierarchy of non-financial assets measured at cost as of June 30, 2025 (see Note 12).

The fair value of the Group's investment properties, pertaining to parcels of land, amounting to ₱53,023.5 million as of December 31, 2024, are determined on the basis of the appraisals performed by an independent appraiser, respectively, with appropriate qualifications and recent experience in the valuation of similar properties in the relevant locations. To some extent, the valuation process was conducted by the appraiser in discussion with the Group's management with respect to the determination of the inputs such as the size, age, and condition of the land and buildings, and the comparable prices in the corresponding property location.

In estimating the fair value of these properties, management takes into account the market participant's ability to generate economic benefits by using the assets in their highest and best use. Based on management assessment, the best use of the Group's non-financial assets indicated above is their current use.

The Group determines the fair value of idle properties through appraisals by independent valuation specialists using market – based valuation approach where prices of comparable properties are adequate for specific market factors such as location and condition of the property.

The level 3 fair value of land was determined based on the observable recent prices of the reference properties, adjusted for differences in key attributes such as property size, zoning, and accessibility. The most significant input into this valuation approach is the price per square foot; hence, the higher the price per square foot, the higher the fair value.

28. CAPITAL MANAGEMENT OBJECTIVES, POLICIES AND PROCEDURES

The Group's capital management objectives are to ensure the Group's ability to continue as a going concern and to provide an adequate return to shareholders by pricing products and services commensurate with the level of risk.

The Group sets the amount of capital in proportion to its overall financing structure, i.e., equity and financial liabilities. The Group manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, issue new shares or sell assets to reduce debt.

The Group monitors capital on the basis of the carrying amount of equity as presented in the consolidated statements of financial position. Capital for the reporting periods under review is summarized as follows:

	(in thousands)
Total interest-bearing loans	₱5,025,371
Total adjusted equity	14,225,592
Debt-to-equity ratio	0.35:1.00

Financial Soundness Indicator

Below are the financial ratios that are relevant to the Company for the period ended June 30, 2025 and 2024.

		30-Jun-25	**2024**
Liquidity:			
Current Ratio	Current Assets/Current Liability	1.46:1	1.46:1
Solvency:			
Solvency ratio	EBITDA / Total debt (Total debt includes interest bearing loans and borrowings)	0.16:1	0.39:1
Total Liabilities-to-Equity Ratio	Total debt / Total stockholders' equity (Total debt includes interest bearing loans and borrowings)	0.35:1	0.37:1
Asset-to-equity:			
Asset-to-Equity ratio	Total Assets/Total Equity	2.65:1	2.62:1
		30-Jun-25	**30-Jun-24**
Interest-rate-coverage:			
Interest-rate-coverage ratio	Profit Before Tax and Interest/Finance Costs (Including capitalized interest)	4.20:1	7.17:1
Profitability:			
Return-on-equity	Net profit / Average total equity	8%	10%

MANAGEMENT DISCUSSION AND ANALYSIS OF
FINANCIAL CONDITION AND RESULTS OF OPERATIONS

RESULTS OF OPERATIONS COVERING

6-MONTHS OF 2025 VS. 6-MONTHS OF 2024

Revenues

The revenues of the Company decreased from **₱2,486.1 million** for the 6-months ended June 30, 2024 to **₱1,849.3 million** for the 6-months ended June 30, 2025**.** The **26%** decrease was primarily attributable to the following:

- **Real estate sales**
  Real estate sales of the group decreased to **₱1,723.4 million** for the 6-months of 2025, a **27%** decrease from **₱2,347.8 million** in the same period in 2024. This is due to the decrease in sales for the period as the Company is shifting its strategy to focus on expanding its real estate development footprint as the master developer of Villar City, supported by the recent acquisition of approximately 366 hectares within the Villar City masterplan

- **Interest income on contract receivables**
  Interest income on contract receivables were recorded at **₱55.4 million** in 6-months of 2025, decreased by **21%** compared to **₱70.5 million** in 6-months of 2024. This was due to the lower in-house financed sales on account in 6-months of 2025 compared to 6-months of 2024.

- **Interment income**
  There was a **6%** increase in income from interment services to **₱46.9 million** in 6-months of 2025 from **₱44.4 million** in the same period in 2024. This was attributable to the increase in the number of services rendered in 6-months of 2025, compared to the same period in 2024.

Costs and Expenses

Cost and expenses decreased to **₱1,095.1 million** in 6-months ended June 30, 2025, from **₱1,488.9 million** for period ended June 30, 2024. The **26%** decrease was primarily attributable to the decrease in cost of real estate sales and other operating expenses.

Other Charges - Net

Other charges - net increased to **₱150.3 million** in the 6-months of 2025, from **₱117.9 million** in 6-months of 2024. The **27%** increase was mainly attributable to the increase in finance costs for the period.

Tax Expense

The Company's tax expense decreased by **56%,** to **₱46.4 million** for 6-months of 2025 from **₱105.3 million** for 6-months of 2024 primarily due to a lower taxable base for the period.

Net Income

As a result of the movements above, total net profits decreased by **28%**, to **₱557.5 million** in 6-months of 2025 from **₱774.0 million** recorded in 6-months of 2024.

For the 6-months of 2025, except as discussed in Note 1.2 of the 2025 Financial Statements, there were no other seasonal aspects that had a material effect on the financial condition or results of operations of the Group. Neither were there any trends, events or uncertainties that have had or that are reasonably expected to have a material impact on the net sales or revenues or income from continuing operations. The Group is not aware of events that will cause a material change in the relationship between the costs and revenues.

There are no significant elements of income or loss that did not arise from the Group's continuing operations.

FINANCIAL CONDITION AS OF JUNE 30, 2025 VS. DECEMBER 31, 2024

The Group's total assets were recorded at **₱37,717.2 million** as of June 30, 2025, compared to the **₱35,749.6 million** recorded as of December 31, 2024, increasing by **6%.** This increase was due to the following movements:

- Cash on-hand and in-banks increased by **69%**, from **₱506.5 million** as of December 31, 2024, to **₱854.4 million** as of June 30, 2025, due primarily to cash generated from operations.

- Total contracts receivable and contract assets, including non-current, increased by **7%** from **₱16,228.4 million** as of December 31, 2024, to **₱17,347.9 million** as of June 30, 2025 due to sales on account recorded over the period.

- Due from related parties increased by **223%,** from **₱350.3 million** as of December 31, 2024 to **₱1,131.7 million** as of June 30, 2025 due primarily to advances made to related parties.

- Other receivables increased by **13%** from **₱1,908.9 million** as of December 31, 2024, to **₱2,154.9 million** as of June 30, 2025 due primarily to increase in receivables from contractors.

- Real estate inventories decreased by **7%**, from **₱6,757.1 million** of December 31, 2024 to **₱6,303.7 million** as of June 30, 2025 due to sales for the period.

- Property and equipment-net decreased by **5%,** from **₱367.6 million** as of December 31, 2024 to **₱349.0 million** as of June 30, 2025, due to depreciation of property and equipment for the period.

- Other non-current assets decreased by **22%** from **₱46.2 million** as of December 31, 2024, to **₱35.8 million** as of June 30, 2025 due to decrease in security deposits for the period.

The total liabilities of the Group increased by **6%** from **₱22,081.5 million** as of December 31, 2024 to **₱23,491.7 million** as of June 30, 2025. This increase was due to the following:

Total interest-bearing loans, including non-current, decreased by **1%**, from **₱5,057.5 million** as of December 31, 2024 to **₱5,025.4 million** as of June 30, 2025, due to payments made by the Company during the period.

- Trade and other payables increased by **8%** from **₱3,037.3 million** as of December 31, 2024 to **₱3,273.5 million** as of June 30, 2025, due to new contracts in relation to construction and development of residential houses for the period.

- Customers' deposits increased by **4%**, from **₱1,271.8 million** as of December 31, 2024 to **₱1,326.2 million** as of June 30, 2025, due mainly to collections from reservation sales during the period.

- Due to related parties increased by **9%**, from **₱8,771.4 million** as of December 31, 2024 to **₱9,553.6 million** as of June 30, 2025, due mainly to advances made by the company during the period.

- Deferred tax liability increased by **3%**, from **₱1,256.3 million** as of December 31, 2024 to **₱1,291.8 million** as of June 30, 2025 due to the increase in temporary difference for the period.

- Reserved for Maintenance Care increased by **45%** from **₱754.1 million** as of December 31, 2024 to **₱1,094.2 million** as of June 30, 2025 due to sales recorded for the period.

Total stockholder's equity increased by **4%** or by **₱557.5 million** from **₱13,668.1 million** as of December 31, 2024 to **₱14,225.6 million** as of June 30, 2025, due mostly to an increase in retained earnings by **6%,** from **₱10,023.6 million** in December 31, 2024, to **₱10,581.0 million** as of June 30, 2025, coming from the net income earned during the period.

MATERIAL CHANGES TO THE GROUP'S STATEMENT OF FINANCIAL POSITION AS OF JUNE 30, 2025 COMPARED TO DECEMBER 31, 2024 (INCREASE/DECREASE OF 5% OR MORE)

- Cash on-hand and in-banks increased by **₱347.9 million**, or **69%,** from **₱506.5 million** as of December 31, 2024 to **₱854.4 million** as of June 30, 2025 due primarily to cash generated from operations.

- Total contracts receivable and contract assets, including non-current, increased by **₱1,119.5 million** or **7%** from **₱16,228.4 million** as of December 31, 2024, to **₱17,347.9 million** as of June 30, 2025 due to sales on account recorded over the period.

- Due from related parties increased by **₱781.5 million**, or **223%,** from **₱350.3 million** as of December 31, 2024 to **₱1,131.7 million** as of June 30, 2025 due primarily to advances made to related parties.

- Other receivables increased by **₱246.0 million**, or **13%** from **₱1,908.9 million** as of December 31, 2024, to **₱2,154.9 million** as of June 30, 2025 due primarily to an increase in receivables from contractors.

- Real estate inventories decreased by **₱453.4 million** or **7%**, from **₱6,757.1 million** of December 31, 2024 to **₱6,303.7 million** as of June 30, 2025 due to sales for the period.

- Other current assets decreased by **₱63.0 million**, or **9%**, from **₱708.3 million** of December 31, 2024 to **₱645.3 million** as of June 30, 2025 due to decrease in prepaid assets for the period.

- Property and equipment-net decreased by **₱18.6 million** or **5%,** from **₱367.6 million** as of December 31, 2024 to **₱349.0 million** as of June 30, 2025, due to depreciation of property and equipment for the period.

- Other non-current assets decreased by **₱10.4 million**, or **22%**, from **₱46.2 million** of December 31, 2024 to **₱35.8 million** as of June 30, 2025 due to decrease in security deposits for the period.

- Trade and other payables increased by **₱236.2 million**, or **8%** from **₱3,037.3 million** as of December 31, 2024 to **₱3,273.5 million** as of June 30, 2025, due to new contracts in relation to construction and development of residential houses for the period.

- Due to related parties increased by **₱350.1 million**, or **4%**, from **₱8,771.4 million** as of December 31, 2024 to **₱9,161.5 million** as of June 30, 2025, due mainly to collection of advances made by the company during the period.

- Income tax payable decreased by **₱4.1 million**, or **35%**, from **₱11.6 million** as of December 31, 2024 to **₱7.5 million** as of June 30, 2025, primarily due to payments made during the period.

- Reserved for Maintenance Care increased by **₱340.1 million**, or **45%**, from **₱754.1 million** as of December 31, 2024 to **₱1,094.2 million** as of June 30, 2025 due to sales recorded for the period.

- Total stockholder's equity increased by **₱557.5 million** or **4%** from **₱13,668.1 million** as of December 31, 2024 to **₱14,225.6 million** as of June 30, 2025, due mostly to an increase in retained earnings by **6%,** from **₱10,023.6 million** in December 31, 2024, to **₱10,581.0 million** as of June 30, 2025, due to net income earned during the period.

MATERIAL CHANGES TO THE GROUP'S STATEMENT OF INCOME FOR THE 6-MONTHS OF 2025 COMPARED TO THE 6-MONTHS OF 2024 (INCREASE/ DECREASE OF 5% OR MORE)

- Real estate sales decreased by **₱624.4 million** or **27%**, to **₱1,723.4 million** in 6-months of 2025 from **₱2,347.8 million** in the same period in 2024. This is due to the decrease in sales for the period as the Company is shifting its strategy to focus on expanding its real estate development footprint as the master developer of Villar City, supported by the recent acquisition of approximately 366 hectares within the Villar City masterplan

- Interest income on contract receivables decreased by **₱15.0 million** or **21%**, to **₱55.4 million** in 6-months of 2025 from **₱70.5 million** in the same period in 2024. This was due to lower in-house financed sales on account in 6-months of 2025 compared to the same period in 2024.

- Interment Income increased by **₱2.6 million** or **6%**, to **₱46.9 million** in 6-months of 2025 from **₱44.4 million** in 6-months of 2024 due to increase in the number of services rendered in 6-months of 2025, compared to the same period in 2024.

- Cost and expenses decreased by **₱393.8 million** or **26%,** to **₱1,095.1 million** in the 6-months of 2025, from **₱1,488.9 million** in 6-months of 2024. The decrease was primarily attributable to the decrease in cost of real estate sales and other operating expenses.

- Other charges - net increased by **₱32.4 million** or **27%,** to **₱150.3 million** in the 6-months of 2025, from **₱117.9 million** in 6-months of 2024. The increase was mainly attributable to the increase in finance costs during the period.

- The Company's tax expense decreased by **₱58.9 million** or **56%**, to **₱46.4 million** in the 6-months of 2025, from **₱105.3 million** in 6-months of 2024. Primarily due to a lower taxable base for the period.

- As a result of the movements above, net profit decreased by **₱216.5 million** or **28%,** to **₱557.5 million** for 6-months of 2025 from **₱774.0 million** for 6-months of 2024.

COMMITMENTS AND CONTINGENCIES

The Group is a lessee under non-cancellable operating lease agreements for its office spaces. The leases have terms ranging from three to five years with renewal options upon mutual written agreement between the parties, and include annual escalation in rental rates.

There are other commitments and contingent liabilities that arise in the normal course of the Company's operations, which are not reflected in the financial statements. Management is of the opinion that losses, if any, from these events and conditions will not have material effects on the Company's financial statements.

PART II – OTHER INFORMATION

Item 3. 6-months of 2025 Developments

A. New Projects of Investments in another line of business or corporation

None.

B. Composition of the Board of Directors

Name	Position
Manuel B. Villar, Jr.	Director and Chairman of the Board
Cynthia J. Javarez	Director and President
Manuel Paulo A. Villar	Director
Mark A. Villar	Director
Camille A. Villar	Director
Ana Marie V. Pagsibigan	Independent Director
Garth F. Castaneda	Independent Director

C. Performance of the corporation or result/progress of operations

Please see unaudited Financial Statements and Management Discussion and Analysis.

D. Declaration of Dividends

None.

E. **Contracts of merger, consolidation, or joint venture; contract of management, licensing, marketing, distributorship, technical assistance, or similar agreements.**
None.

F. Offering of rights, granting of Stock Options and corresponding plans thereof.

None.

G. Acquisition of additional mining claims or other capital assets or patents, formula, real estate

Not applicable.

H. Other information, material events or happenings that may have affected or may affect the market price of security.

None.

I. Transferring of assets, except in normal course of business.

None.

Item 4. Other Notes as of 6-months of 2025 Operations and Financials.

J. Nature and amount of items affecting assets, liabilities, equity, net income, or cash flows that is unusual because of their nature, size, or incidents.

None.

K. Nature and amount of changes in estimates of amounts reported in prior periods and their material effect in the current period.

In 2025, the Group reassessed the historical behavior of its customers and determined a new percentage of collection threshold in recognizing revenue from sale of memorial lots, results of which was reflected in the audited financial statements.

L. New financing through loans/ issuances, repurchases and repayments of debt and equity securities.

See notes to Financial Statements and Management Discussion and Analysis.

M. Material events subsequent to the end of interim period that have not been reflected in the financial statements for the interim period.

See notes to Financial Statements and Management Discussion and Analysis.

N. The effect of changes in the composition of the issuer during the interim period including business combinations, acquisition or disposal of subsidiaries and long term investments, restructurings, and discontinuing operations.

None.

O. Changes in contingent liabilities or contingent assets since the last annual statement of financial position date.

None.

P. Existence of material contingencies and other material events or transactions during the interim period.

None.

Q. Events that will trigger direct or contingent financial obligation that is material to the company, including any default or acceleration of an obligation.

None.

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

None.

S. Material commitment for capital expenditures, general purpose and expected sources of funds.

The movement of capital expenditures being contracted arose from the regular land development and construction requirements which are well within the regular cash flow budget coming from internally generated funds.

T. Known trends, events or uncertainties that have had or that are reasonably expected to have impact on sales/revenues/income from continuing operations.

As of June 30, 2025, no known trends, events, or uncertainties that are reasonably expected to have impact on sales/revenues/income from continuing operations except for those being disclosed in the 6-months of 2025 financial statements.

U. Significant elements of income or loss that did not arise from continuing operations.

None.

V. Causes for any material change/s from period to period in one or more line items of the financial statements.

None.

W. Seasonal aspects that had material effects on the financial condition or results of operations.

None.

X. Disclosures not made under SEC Form 17-C.
None.

SIGNATURE

Pursuant to the requirements of the Securities Regulation Code, the issuer has duly caused this report to be signed on behalf by the undersigned hereunto duly authorized.

VILLAR LAND HOLDINGS, CORP.
Issuer

By:



ESTRELLITA S. TAN
Chief Financial Officer/
Investor Relations Officer

Date: November 12, 2025

GOLDEN MV HOLDINGS

November 14, 2025

PHILIPPINE STOCK EXCHANGE
Philippine Stock Exchange Tower
5th Avenue corner 28th Street, Bonifacio Global City
Taguig City

Attention: Atty. Johanne Daniel M. Negre
Officer in Charge, Disclosure Department

Subject: Villar Land Holdings, Corp.: **SEC 17Q – September 30, 2025**

Gentlemen:

Please see attached SEC Form 17Q for the three months ended September 30, 2025.

Thank you.

Kate B. Icator
Officer-in-Charge

COVER SHEET

1	0	8	2	7	0					
S.E.C. Registration Number										

V	I	L	L	A	R		L	A	N	D		H	O	L	D	I	N	G	S	,		C	O	R	P
A	N	D		S	U	B	S	I	D	I	A	R	I	E	S										

(Company's Full Name)

S	A	N		E	Z	E	K	I	E	L	,		C	5		E	X	T	E	N	S	I	O	N	,
L	A	S		P	I	Ñ	A	S		C	I	T	Y												

(Business Address: No. Street/City/Province)

Estrellita S. Tan	**(02) 8873-2922**
Contact Person	Company Telephone Number

1	2		3	1		**17-Q**		0	7		1	5
Month		*Day*				FORM TYPE		*Month*		*Day*		
Calendar Year								Annual Meeting				

N/A
Secondary License Type, If Applicable

Dept. Requiring this Doc.		Amended Articles Number/Section	

Total Amount of Borrowings

Total No. of Stockholders	Domestic	Foreign

To be accomplished by SEC Personnel concerned

File Number									LCU	
Document I.D.									Cashier	

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-Q

QUARTERLY REPORT PURSUANT TO SECTION 17 OF THE SECURITIES REGULATION CODE AND SRC RULE 17(2)(b) THEREUNDER

1. For the quarterly period ended : **September 30, 2025**

2. SEC Identification number: **108270**

3. BIR Tax Identification No: **768-991-000**

4. **Villar Land Holdings, Corp.**
   Exact name of issuer as specified in its charter

5. **Philippines**
   Province, country or other jurisdiction of incorporation or organization

6. Industry Classification Code: [ ] (SEC Use Only)

7. **San Ezekiel, C5 Extension, Las Piñas City, Philippines** **1746**
   Address of issuer's principal office Postal Code

8. **(632) 8873-2922 / (632) 8873-2923**
   Issuer's telephone number, including area code

9. **Golden MV Holdings, Inc.**
   Former name, former address and former fiscal year, if changed since last report

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

Title of each Class	Number of shares of common stock outstanding And amount of debt outstanding
Common	644,117,649

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

Yes [X] No [ ]

If yes, state the name of such Stock Exchange and the class/es of securities listed therein:

Philippine Stock Exchange Common Stock

12. Check whether the registrant:

(a) has filed all reports required to be filed by Section 17 of the Securities Regulation Code and SRC Rule 17 thereunder, and Section 25 and 177 of the Revised Corporation Code of the Philippines, during the preceding twelve (12) months (or for such shorter period of the registrant was required to file such reports.)

Yes [x] No [ ]

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

Yes [x] No [ ]

TABLE OF CONTENTS

PART I - FINANCIAL STATEMENTS

Item 1. Financial Statements

- Consolidated Statements of Financial Position as of September 30, 2025 and December 31, 2024
- Consolidated Statements of Income for the nine-months ended September 30, 2025 and 2024
- Consolidated Statements of Comprehensive Income for the nine-months ended September 30, 2025 and 2024
- Consolidated Statement of Changes in Equity for the nine-months ended September 30, 2025 and 2024
- Consolidated Statements of Cash Flows for the nine-months ended September 30, 2025 and 2024
- Notes to Consolidated Financial Statements

Item 2. Management Discussion and Analysis of Financial Condition and Results of Operations

- Results of Operation covering nine months of 2025 vs. nine months of 2024
- Financial Condition as of September 30, 2025 vs December 31, 2024
- Material Changes (5% or more) - Statement of Financial Position
- Material Changes (5% or more) - Statement of Comprehensive Income
- Commitments and Contingencies

PART II – OTHER INFORMATION

Item 3. Nine (9) months of 2025 Developments

Item 4. Other Notes to 9 months of 2025 Operating and Financial Results

GOLDEN MV HOLDINGS

VILLAR LAND HOLDINGS, CORP. AND SUBSIDIARIES
(Formerly Golden MV Holdings, Inc.)
[A Subsidiary of Fine Properties, Inc.]
STATEMENTS OF FINANCIAL POSITION
As of September 30, 2025 and December 31, 2024
(Amount in Thousands)

	Notes	UNAUDITED September 2025	AUDITED December 2024
ASSETS			
Current Assets			
Cash and cash equivalents	5	**₱655,259**	₱506,491
Contracts receivables	6	**5,193,005**	5,386,611
Contract assets	17	**9,560,899**	8,773,854
Due from related parties	21	**1,426,192**	350,257
Other receivables	6	**2,216,273**	1,908,866
Real estate inventories	7	**6,371,112**	6,757,118
Other current assets	8	**644,905**	708,316
Non-current asset classified as held for sale	11	**100,000**	100,000
Total Current Assets		**26,167,645**	24,491,513
Non-current Assets			
Contracts receivables	6	**1,392,368**	1,084,027
Contract assets	17	**1,593,483**	983,931
Property and equipment – net	9	**335,516**	367,598
Right-of-use assets – net	10	**17,035**	17,035
Investment properties	12	**8,781,921**	8,759,321
Other non-current assets	8	**35,818**	46,174
Total Non-current Assets		**12,156,141**	11,258,086
TOTAL ASSETS		**₱38,323,786**	₱35,749,599
LIABILITIES AND EQUITY			
Current Liabilities			
Interest-bearing loans	13	**₱1,256,969**	₱1,846,287
Trade and other payables	14	**3,811,766**	3,037,262
Contract liability	17	**478,045**	471,879
Rawland payables	14	**1,325,231**	1,348,300
Lease liability	10	**9,984**	9,984
Customers' deposits	15	**1,376,729**	1,271,788
Due to related parties	21	**9,564,314**	8,771,401
Income tax payable	20	**4,881**	11,625
Total Current Liabilities		**17,827,919**	16,768,526
Noncurrent Liabilities			
Interest-bearing loans	13	**3,597,719**	3,211,228
Contract liability	17	**2,645**	2,645
Lease liability	10	**8,352**	8,352
Deferred tax liabilities – net	20	**1,307,693**	1,256,288
Reserve for maintenance care	16	**1,126,452**	754,081
Retirement benefit obligation		**80,367**	80,367
Total Noncurrent Liabilities		**6,123,228**	5,312,961
Total Liabilities		**23,951,147**	22,081,487
EQUITY	22		
Capital stock		**644,118**	644,118
Additional paid-in capital		**2,970,209**	2,970,209
Retained earnings		**10,728,098**	10,023,571
Revaluation reserves		**30,214**	30,214
Total Equity		**14,372,639**	13,668,112
TOTAL LIABILITIES AND EQUITY		**₱38,323,786**	₱35,749,599

VILLAR LAND HOLDINGS, CORP. AND SUBSIDIARIES
(Formerly Golden MV Holdings, Inc.)
[A Subsidiary of Fine Properties, Inc.]
STATEMENT OF COMPREHENSIVE INCOME
For the nine months ended September 30, 2025 and 2024
(Amount in Thousands)

	Notes	**UNAUDITED JUL – SEP Q3-2025**	**UNAUDITED JAN – SEP 2025**	UNAUDITED JUL – SEP Q3-2024	UNAUDITED JAN – SEP 2024
Real estate sales		**₱ 663,036**	**₱ 2,386,409**	₱ 665,517	₱ 3,013,268
Interest income on contract receivables	6	**29,271**	**84,704**	26,754	97,221
Interment Income		**28,238**	**75,187**	24,223	68,623
Income from chapel services		**13,069**	**36,566**	13,055	36,524
	16	**733,614**	**2,582,866**	729,549	3,215,636
COSTS AND EXPENSES	18				
Costs of sales and services		**242,632**	**922,896**	109,029	1,109,389
Other operating expenses		**240,725**	**655,523**	237,142	750,673
		483,357	**1,578,419**	346,171	1,860,062
OPERATING PROFIT		**250,257**	**1,004,447**	383,378	1,355,574
OTHER CHARGES - net					
Finance costs	12	**(101,097)**	**(289,875)**	(89,706)	(232,320)
Finance income	5	**755**	**11,837**	450	5,925
Other revenues	19	**18,920**	**46,307**	53,483	97,731
		(81,422)	**(231,731)**	(35,773)	(128,664)
PROFIT BEFORE TAX		**168,835**	**772,716**	347,605	1,226,910
TAX EXPENSE	20	**(21,786)**	**(68,189)**	(12,787)	(118,122)
NET INCOME		**₱147,049**	**₱704,527**	₱334,818	₱1,108,788
TOTAL COMPREHENSIVE INCOME		**₱147,049**	**₱704,527**	₱334,818	₱1,108,788
Basic and Diluted Earnings Per Share	23	**₱0.23**	**₱1.09**	₱0.52	₱1.72

See accompanying Notes to Financial Statements

VILLAR LAND HOLDINGS, CORP. AND SUBSIDIARIES
(Formerly Golden MV Holdings, Inc.)
[A Subsidiary of Fine Properties, Inc.]
STATEMENT OF CHANGES IN EQUITY
For the nine months ended September 30, 2025 and 2024
(Amount in Thousands)

	Capital Stock	Paid-in Capital	Revaluation Reserves	Retained Earnings	Total Equity
Balance at January 1, 2025	₱644,118	₱2,970,209	₱30,214	₱10,023,571	₱13,668,112
Total comprehensive income for the period	–	–	–	704,527	704,527
Balance at September 30, 2025	**₱644,118**	**₱2,970,209**	**₱30,214**	**₱10,728,098**	**₱14,372,639**
Balance at January 1, 2024	₱644,118	₱2,970,209	₱30,214	₱10,789,704	₱14,434,246
Total comprehensive income for the period	–	–	–	1,108,788	1,108,788
Balance at September 30, 2024	**₱644,118**	**₱2,970,209**	**₱30,214**	**₱11,898,492**	**₱15,543,034**

See accompanying Notes to Financial Statements

VILLAR LAND HOLDINGS, CORP. AND SUBSIDIARIES
(Formerly Golden MV Holdings, Inc.)
[A Subsidiary of Fine Properties, Inc.]
STATEMENT OF CASH FLOWS
For the nine months ended September 30, 2025 and 2024
(Amount in Thousands)

	UNAUDITED JUL – SEP Q3-2025	**UNAUDITED JAN – SEP 2025**	UNAUDITED JUL – SEP Q3-2024	UNAUDITED JAN – SEP 2024
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before tax	**₱168,835**	**₱772,716**	₱347,605	₱1,226,910
Adjustments for:				
Interest income	**(30,026)**	**(96,541)**	(27,204)	(103,146)
Depreciation and amortization	**24,580**	**46,194**	8,101	29,715
Interest expense	**101,097**	**289,875**	89,706	232,320
Operating profit before working capital changes	**264,486**	**1,012,244**	418,208	1,385,799
Decrease (increase) in:				
Contracts receivables	**(391,840)**	**(1,511,332)**	907,815	(735,662)
Due from related parties	**(294,477)**	**(1,075,935)**	(128,668)	(201,702)
Other receivables	**(61,392)**	**(307,407)**	418,282	(240,569)
Real estate inventories	**(67,446)**	**386,006**	(424,233)	(26,271)
Other assets	**419**	**73,767**	(35,396)	(6,346)
Increase (decrease) in:				
Trade and other payables	**538,271**	**774,504**	(668,779)	221,244
Rawland payable	**(14,744)**	**(23,069)**	141,804	101,833
Customers' deposits	**50,481**	**104,941**	(756,325)	(590,172)
Other liabilities	**42,946**	**1,171,450**	263,140	335,836
Cash from (used in) operations	**66,704**	**605,170**	135,848	243,990
Interest received	**30,026**	**96,541**	27,204	103,146
Cash paid for income taxes	**(8,550)**	**(23,528)**	(8,263)	(32,855)
Net Cash From (Used in) Operating Activities	**88,180**	**678,183**	154,789	314,281
CASH FLOWS FROM INVESTING ACTIVITIES				
Acquisitions of investment properties	**(4,483)**	**(22,600)**		
Acquisitions of property and equipment	**(11,076)**	**(14,113)**	(462)	(48,065)
Cash Used in Investing Activities	**(15,559)**	**(36,713)**	(462)	(48,065)
CASH FLOWS FROM FINANCING ACTIVITIES				
Net availment/(payment) of interest-bearing loans	**(170,678)**	**(202,827)**	(61,443)	(99,937)
Interest paid	**(101,098)**	**(289,875)**	(89,707)	(232,320)
Net Cash From (Used in) Financing Activities	**(271,776)**	**(492,702)**	(151,150)	(332,257)
NET INCREASE (DECREASE) IN CASH	**(199,155)**	**148,768**	3,177	(66,041)
CASH AT BEGINNING OF PERIOD	**854,414**	**506,491**	911,951	981,169
CASH AT END OF PERIOD	**₱655,259**	**₱655,259**	₱915,128	₱915,128

See accompanying Notes to Financial Statements

VILLAR LAND HOLDINGS, CORP. AND SUBSIDIARIES
(Formerly Golden MV Holdings, Inc.)
(A Subsidiary of Fine Properties, Inc.)
NOTES TO FINANCIAL STATEMENT

1. CORPORATE INFORMATION

1.1 Organization and Operations

Villar Land Holdings, Corp. (VLC or the Parent Company), formerly Golden MV Holdings, Inc., was incorporated in the Philippines on November 16, 1982. The Parent Company's primary purpose is to invest, purchase or otherwise to acquire and own, hold, use, sell, assign, transfer, lease mortgage, exchange, develop, manage or otherwise dispose of real property, such as but not limited to memorial lots and chapels, or personal property of every kind and description, including shares of stock, bonds, debentures, notes, evidences of indebtedness, and other securities or obligations of any corporations. As of September 30, 2025, the Parent Company is 63.97% effectively owned subsidiary of Fine Properties, Inc. (FPI), which is a holding company and the ultimate parent company of the Parent Company and its subsidiaries (the Group).

On November 27, 2024, the Board of Directors (BOD) approved the change of the Parent Company's corporate name from Golden MV Holdings, Inc. to Villar Land Holdings Corp. Written assent from the stockholders was obtained on December 20, 2024. The application for the name change has been submitted for approval and was approved by the Philippine Securities and Exchange Commission (SEC) and the Bureau of Internal Revenue (BIR) on April 15, 2025 and July 2, 2025, respectively.

In 2017, VLC acquired 99.99% ownership interest in Bria Homes, Inc. (BHI). Accordingly, BHI became a subsidiary of VLC. BHI is presently engaged in developing and selling real estate properties, particularly, residential houses, and lots. Both the Parent Company and BHI are entities under common control of FPI. Accordingly, the Parent Company accounted for the acquisition of BHI under pooling of interest method of accounting.

In 2020, VLC owns 99.99% ownership interest in Golden Haven Memorial Park, Inc. (GHMPI), an entity incorporated on August 24, 2020. GHMPI is engaged in the development and selling of memorial lots, particularly those under the administration of VLC's memorial parks. GHMPI has started its commercial operations on June 30, 2022.

In 2022, VLC owns 99.80% ownership interest in VTech Capital, Inc. (VTECH), an entity which was newly incorporated on March 1, 2022. VTECH, upon commencement of its commercial operations, is planned to engage in the business of a holding company, to buy and hold shares of other companies particularly in the technology and financial technology related businesses. As of September 30, 2025, VTECH has not yet started commercial operations.

In 2024, VLC acquired 99.90% ownership interest in Althorp Land Holdings, Inc. (ALHI). ALHI, upon commencement of its commercial operations, is planned to engage in the business of a holding company. It owns 25.19 hectares of land in Villar City.

In 2024, VLC acquired 99.99% ownership interest in Chalgrove Properties, Inc. (CPI). CPI, upon commencement of its commercial operations, is planned to engage in the business to own, lease and operate, manage and administer, alone or jointly with others, one or more hotels and all

adjuncts and accessories thereto, including restaurants, bar rooms, barbershops, baths, news and cigar stores, roof gardens and to furnish amusement therefore; to do and perform any and all things for the comfort and convenience and pleasure and amusement of guests in said hotels, hotel-apartments, motorists hotel, motorists court, condominium and inns. It owns 173.79 hectares of land in Villar City.

In 2024, VLC acquired 99.00% ownership interest in Los Valores Corporation (LV). LV, upon commencement of its commercial operations, is planned to engage in the business to own, use, improve, develop, subdivide, sell, exchange, lease, and hold for investment or otherwise, real estate of all kinds, including buildings, houses, apartments and other structures, and grant loans and/or assume or undertake or guarantee or secure, whether as solidary obligor, surety, guarantor, or any other capacity either on its general credit or on the mortgage, pledge, deed of trust, assignment, and/or other security arrangement of any or all of its property, the whole or any part of the liabilities and obligations of its parent company, subsidiaries, or investee companies or affiliates, without engaging in the business of a financing company or lending investor. It owns 197.90 hectares of land in Villar City.

The registered office address of VLC, GHMPI and VTECH, which is also their principal place of business, is located at San Ezekiel, C5 Extension, Las Piñas City. The registered office address of BHI and LV which is also their principal place of business, is located at Bldg. B, Evia Lifestyle Center, Daang Hari Rd., Almanza Dos, City of Las Pinas. The registered office address of ALHI, CPI and FPI is located at 3rd Level, Starmall Las Piñas, CV. Starr Avenue, Pamplona, Las Piñas City.

The Parent Company's shares of stock are listed at the Philippine Stock Exchange (PSE) beginning June 29, 2016 (see Note 22.1).

2. MATERIAL ACCOUNTING POLICY INFORMATION

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

2.1 Basis of Preparation of Consolidated Financial Statements

(a) Statement of Compliance with Philippine Financial Reporting Standards

The consolidated financial statements of the Group have been prepared in accordance with Philippine Financial Reporting Standards (PFRS), as modified by the application of the financial reporting reliefs issued and approved by the SEC in response to the COVID-19 pandemic. The financial reporting reliefs availed of by the Group are disclosed in detail in the succeeding pages. PFRS are adopted by the Financial and Sustainability Reporting Standards Council (FSRSC) from the pronouncements issued by the International Accounting Standards Board and approved by the Philippine Board of Accountancy.

The consolidated financial statements have been prepared using the measurement bases specified by PFRS, as modified by the application of the financial reporting reliefs issued and approved by the SEC in response to the COVID-19 pandemic, for each type of asset, liability, income and expense. The measurement bases are more fully described in the accounting policies
that follow.

(b) SEC Financial Reporting Reliefs Availed by the Group

The Group has availed of certain financial reporting reliefs granted by the SEC relating to several implementation issues of PFRS 15, *Revenue from Contracts with Customers*, affecting the real estate industry under following Memorandum Circular (MC):

- MC No. 14-2018, *Philippine Interpretation Committee Question and Answer (PIC Q&A) No. 2018-12 Implementation Issues Affecting Real Estate Industry*
- MC No. 3-2019, *PIC Q&A Nos. 2018-12-H and 2018-14*

SEC MC No. 08-2021, A*mendment to SEC MC No. 14-2018, MC No. 03-2019, MC No.04-2020, and MC No. 34-2020 to Clarify Transitory Provision,* provides real estate companies the accounting policy option of applying either the full retrospective approach or the modified retrospective approach when they apply the provisions of the PIC and IFRIC pronouncement.

Discussed below and in the succeeding page are the financial reporting reliefs availed of by the Group, including the descriptions of the implementation issues and their estimated qualitative impacts to the consolidated financial statements. The Group opted to avail the reliefs until the end of the deferment period as provided under the relevant MC.

PIC Q&A No. 2018-12-D, *Concept of the Significant Financing Component in the Contract to Sell* and PIC Q&A No. 2020-04, *Addendum to PIC Q&A 2018-12-D: Significant Financing Component Arising from Mismatch between the Percentage of Completion and Schedule of Payments* (deferred until December 31, 2023). PFRS 15 requires that in determining the transaction price, an entity shall adjust the promised amount of consideration for the effects of the time value of money if the timing of payments agreed to by the parties to the contract (either explicitly or implicitly) provides the customer or the entity with a significant benefit of financing the transfer of goods or services to the customer. In those circumstances, the contract contains a significant financing component.

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

Had the Group elected not to defer this provision of the standard, it would have an impact in the consolidated financial statements as there would have been a significant financing component when there is a difference between the percentage of completion (POC) of the real estate project and the right to the consideration based on the payment schedule stated in the contract. The Group would have recognized an interest income when the POC of the real estate project is greater than the right to the tion and interest expense when lesser. Both interest income and expense will be calculated using the effective interest rate method.

This will impact the retained earnings, real estate sales, and profit or loss in the year of adoption and in comparative periods presented. Furthermore, these would have impacted the cash flows from operations and cash flows from financing activities for all years presented in case of a full retrospective approach. Should the Group elect to apply the

modified retrospective approach as allowed by MC No. 2021-08, this will impact the opening retained earnings in the year of adoption.

(c) Presentation of Consolidated Financial Statements

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

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

(d) Functional and Presentation Currency

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

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

2.2 Adoption of Amended PFRS

(a) Effective in 2024 that are Relevant to the Group

The Group adopted for the first time the following amendments to existing standards, which are mandatorily effective for annual periods beginning on or after January 1, 2024:

PAS 1 (Amendments)	:	Presentation of Financial Statements – Classification of Liabilities as Current or Non-current, and Non-current Liabilities with Covenants
PAS 7 and PFRS 7 (Amendments)	:	Statement of Cash Flow, and Financial Instruments: Disclosures – Supplier Finance Arrangements
PFRS 16 (Amendments)	:	Leases – Lease Liability in a Sale and Leaseback

Discussed below and on the succeeding pages are the relevant information about these pronouncements.

(i) PAS 1 (Amendments), *Presentation of Financial Statements – Classification of Liabilities as Current or Non-current.* The amendments provide guidance on whether a liability should be classified as either current or non-current.

The amendments clarify that the classification of liabilities as current or non-current should be based on rights that are in existence at the end of the reporting period and that the classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability. The application of these amendments had no significant impact on the Group's consolidated financial statements.

(ii) PAS 1 (Amendments), *Presentation of Financial Statements – Non-current Liabilities with Covenants.* The amendments specify that if the right to defer settlement for at least 12 months is subject to an entity complying with conditions after the reporting period, then those conditions would not affect whether the right to defer settlement exists at the end of the reporting period for the purpose of classifying a liability as current or non-current. For non-current liabilities subject to conditions, an entity is required to disclose information about the conditions, whether the entity would comply with the conditions based on its circumstances at the reporting date and whether and how the entity expects to comply with the conditions by the date on which they are contractually required to be tested. The application of these amendments had no significant impact on the Group's consolidated financial statements.

(iii) PAS 7 and PFRS 7 (Amendments), *Statement of Cash Flows, Financial Instruments: Disclosures – Supplier Finance Arrangements*. The amendments add a disclosure objective to PAS 7 stating that an entity is required to disclose information about its supplier finance arrangements that enable users of financial statements to assess the effects of those arrangements on the entity's liabilities and cash flows. In addition, PFRS 7 is amended to add supplier finance arrangements as an example within the requirements to disclose information about an entity's exposure to concentration of liquidity risk. The application of these amendments had no significant impact on the Group's consolidated financial statements.

(iv) PFRS 16 (Amendments), *Leases – Lease Liability in a Sale and Leaseback.* The amendments clarify the subsequent measurement requirements to the lease liability that arises in the sale and leaseback transaction. The amendments require the seller-lessee to subsequently measure lease liabilities arising from a leaseback in a way that it does not recognize any amount of the gain or loss that relates to the right of use it retains. The new requirements do not prevent a seller-lessee from recognizing in profit or loss any gain or loss relating to the partial or full termination of a lease. The application of these amendments had no significant impact on the Group's consolidated financial statements.

(b) Effective Subsequent to 2024 but not Adopted Early

There are amendments to existing standards effective for annual periods subsequent to 2024, which are adopted by the FSRSC. Management will adopt the following relevant pronouncements in accordance with their transitional provisions; and unless otherwise indicated, none of these are expected to have significant impact on the Group's consolidated financial statements:

(i) PAS 21 (Amendments), *The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability* (effective from January 1, 2025)

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

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

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

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

2.3 Basis of Consolidation

The Group's consolidated financial statements comprise the accounts of the Parent Company and its subsidiaries as disclosed in Note 1.1, after the elimination of material intercompany transactions.

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

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

(a) Business acquisitions of entities not under common control of a principal stockholder are accounted for using the acquisition method of accounting.

(b) Business combinations arising from transfers of interests in entities that are under the common control of the principal stockholder are accounted for under the pooling-of interests method. Transfers of assets between commonly-controlled entities are accounted for under historical cost accounting; hence, the assets and liabilities are reflected in the consolidated financial statements at carrying values and no adjustments are made to reflect fair values or recognize any new assets or liabilities, at the date of the combination that otherwise would have been done under the acquisition method.

(c) Acquisition of assets in an entity, which does not constitute a business is accounted for as an asset acquisition.

2.4 Financial Instruments

(a) Financial Assets

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

The only classification and measurement of financial assets relevant to the Group is financial assets at amortized cost.

The Group's financial assets at amortized cost are presented in the consolidated statement of financial position as Cash and Cash Equivalents, Contract Receivables, Due from Related Parties, and Security deposits (presented under Other Current Assets and Other Non-current Assets) and Other Receivables (except Advances to contractors and others, Advances for land acquisition and Advances to employees) which pertain to receivables from customers for documentary fees and other assistance related to processing and transfer of lots and units sold.

The Group assesses impairment of contract receivables and other receivables on a collective basis based on shared credit risk characteristics of financial assets. The Group determines the expected credit losses (ECL) for contract receivables by applying a method that evaluates the credit quality of a portfolio of contract receivables and the cumulative loss rates by analyzing historical net charge-offs arising from sales cancellations for homogenous accounts that share the same origination period.

For other credit exposures, the Group applies the simplified approach in measuring ECL which uses a lifetime expected loss allowance. To calculate the ECL, the Group uses its historical experience, external indicators and forward-looking information using a provision matrix. For due from related parties, the Group applies the low credit risk simplification and measures the ECL on the financial assets based on a 12-month basis unless there has been a significant increase in credit risk since origination, in that case, the loss allowance will be based on the lifetime ECL. The ECL on due from related parties is based on the assumption that repayment of the advances or loans is demanded at the reporting date taking into consideration the historical default of the related parties. Management considers if the related party has sufficient accessible highly liquid assets in order to repay the loan if demanded at the reporting date.

For cash and cash equivalents, the Group applies the low credit risk simplification. The probability of default and loss given defaults are publicly available and are considered to be low credit risk investments. It is the Group's policy to measure ECLs on such instruments on a 12-month basis. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL. Meanwhile, impairment of security deposits is assessed based on potential liquidity of counterparties based on available financial information.

(b) Financial Liabilities

Financial liabilities include Interest-bearing Loans, Trade and Other Payables (except tax-related payables), Rawland Payable, Lease Liabilities, Reserve for Maintenance Care and Due to Related Parties.

2.5 Inventories

a) Real Estate Inventories

Real estate inventories include raw land, memorial lots, residential houses and lots for sale, condominium units and property development costs. Costs of inventories are assigned using specific identification of their individual costs. Cost includes acquisition costs of the land plus the costs incurred for its development, improvement and construction, including capitalized borrowing costs. All costs relating to the real estate property sold are recognized as expense as the work to which they relate is performed.

b) Construction Materials

Construction materials (presented as part of Other Current Assets) pertain to cost of uninstalled and unused construction and development materials at the end of the reporting period. It is recognized at purchase price and is subsequently recognized as part of real estate inventories when installed or used during construction and development of real estate projects. Cost is determined using the weighted average method.

The Group recognizes the effect of revisions in the total project cost estimates in the year in which these changes become known.

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

2.6 Property and Equipment

Property and equipment are stated at cost less accumulated depreciation, amortization and any impairment in value.

Depreciation and amortization is computed on the straight-line basis over the estimated useful lives of the assets starting on the month following the date of acquisition or completion of the assets.

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

Chapel and office building	15 years
Service vehicle	5 years
Service equipment	3-5 years
Park maintenance tools and equipment	3-5 years
System development cost	3-5 years
Chapel and office furniture, fixtures and equipment	2-5 years

Leasehold improvements are amortized over their expected useful lives of five years (determined by reference to comparable assets owned) or the term of lease, whichever is shorter.

2.7 Investment Properties

Investment properties, which consist of parcels of land, are measured at cost less any impairment in value.

2.8 Revenue and Expense Recognition

Revenue comprises revenue from real estate sales and rendering of interment and chapel services measured by reference to the fair value of consideration received or receivable by the Group for goods sold and services rendered, excluding value-added tax (VAT) and trade discounts.

The Group develops real estate properties such as residential house and lot, condominium units and memorial lots. The Group often enters into contracts to sell real properties as they are being developed. The Group also provides interment and chapel services inside its memorial parks.

The significant judgments used in determining the existence of a contract with customer, evaluating the timing of satisfaction of the Group's performance obligation with respect to its contracts to sell real properties and determining the collection threshold for revenue recognition are disclosed in Note 3.1(a), (b) and (c), respectively. In addition, the following specific recognition criteria must also be met before revenue is recognized:

(a) *Real estate sales on pre-completed residential houses and lots* – Revenue from real estate sales is recognized over time proportionate to the progress of the development. The Group measures its progress based on actual costs incurred relative to the total expected costs to be incurred in completing the development.

(b) *Real estate sales on completed residential houses and lots* – Revenue from real estate sales
is recognized at point in time when the control over the real estate property is transferred to the buyer.

(c) *Real estate sales on memorial lots* – Revenue from the Group's sale of memorial lots, which are substantially completed and ready for use, is recognized as the control transfers at the point in time with the customer.

(d) *Rendering of services* – income from interment and chapel services is recognized at a point in time when control over the services transfers to the customer.

Incremental costs of obtaining a contract to sell real estate property to customers are recognized as an asset and are subsequently amortized over the duration of the contract on the same basis as revenue from such contract is recognized.

Contract assets pertain to rights to consideration in exchange for goods or services that the Group has transferred to a customer that is conditioned on something other than passage of time. Under its contracts with customers, the Group will receive an unconditional right to payment for the total consideration upon the completion of the development of the property sold. Any rights to consideration recognized by the Group as it develops the property are presented as Contract Assets in the consolidated statement of financial position. Contract assets are subsequently tested for impairment in the same manner as the Group assesses impairment of its financial assets.

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

In addition, real estate sales are recognized only when certain collection threshold was met over which the Group determines that collection of total contract price is reasonably assured.

The Group uses historical payment pattern of customers in establishing a percentage of collection threshold. If the transaction does not yet qualify as contract revenue under PFRS 15, the deposit method is applied until all conditions for recording the sale are met. Pending the recognition of revenue on real estate sales, consideration received from customers are recognized as Customers' Deposits in the consolidated statement of financial position. Customers' deposit is recognized at the amounts received from customers and will be subsequently applied against the contract receivables when the related real estate sales is recognized.

Sales cancellations are accounted for on the year of forfeiture. Any gain or loss on cancellation is charged to profit or loss. The Group accounts for cancellation of sales contract as modification of contract; accordingly, previously recognized revenues and related costs are reversed at the time of cancellation.

2.9 Leases – Group as Lessee

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

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

2.10 Impairment of Non-financial Assets

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

2.11 Employee Benefits

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

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

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

3. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

The preparation of the Group's consolidated financial statements in accordance with PFRS requires management to make judgments and estimates that affect the amounts reported in the consolidated financial statements and related notes. Judgments and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may ultimately differ from these estimates.

3.1 Critical Management Judgments in Applying Accounting Policies

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

(a) Determining Existence of a Contract with Customer

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

In rare cases wherein contract to sell are not executed by both parties, management has determined that the combination of other signed documentations with the customers such as reservation agreement, official receipts, computation sheets and invoices, would contain all the elements to qualify as contract with customer (i.e., approval of the contract by the parties, which has commercial substance, identification of each party's rights regarding the goods or services and the related payment terms). Moreover, as part of the evaluation, the Group assesses the probability that the Group will collect the consideration to which it will be entitled in exchange for the real estate property that will be transferred to the customer. In evaluating whether collectability of an amount of consideration is probable, the Group considers the significance of the customer's downpayment in relation to the total contract price.
Collectability is also assessed by considering factors such as past history with the customer and pricing of the property. Management regularly evaluates the historical cancellations and back-outs if it would still support its current threshold of customers' equity before commencing revenue recognition.

(b) Determination of Transaction Price and Amounts Allocated to Performance Obligations

The transaction price for a contract is allocated amongst the material right and other performance obligations identified in the contract based on their stand-alone selling prices, which are all observable and agreed at the start of the contract. The Group applies judgment in determining the transaction price and amounts allocated to performance obligations on its contracts with customers. The transaction price for a contract excludes any amounts collected on behalf of third parties (e.g., VAT).

The Group enters 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 buyer upon full payment of contract price. The amount of consideration indicated in the contract to sell is fixed and has no variable consideration.

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

(i) Real Estate Sales
The Group exercises critical judgment in determining whether each performance obligation to develop properties promised in its contracts with customers is satisfied over time or at a point in time. In making this judgment, the Group considers the following:

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

The Group's performance obligation are satisfied as follows:

- *Residential condominium units and houses and lots* – Management determines that revenues from sale of pre-completed residential condominium units and houses and lots are satisfied over time, while completed real estate properties is satisfied at a point in time, since it does not have an alternative use of the specific property sold as it is precluded by its contract from redirecting the use of the property for a different purpose. Further, the Group has rights over payment for development completed to date as the Group can choose to complete the development and enforce its rights to full payment under its contracts even if the customer defaults on amortization payments.

- *Memorial lots* – Management determines that its revenue from sale of memorial lots, which are substantially completed and ready for use, shall be recognized at a point in time when the control of goods have passed to the customer, i.e., upon issuance of purchase agreement (PA) to the customer.

(ii) Interment and Cremation Services

The Group determines that revenue from interment and cremation services shall be recognized at a point in time based on the actual services provided to the end of the reporting period as a proportion of the total services to be provided.

(d) Determination of Collection Threshold for Revenue Recognition

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

The Group considers that the initial and continuing investments by the buyer when reaching the set collection threshold would demonstrate the buyer's commitment to pay the total contract price.

(e) Determination of ECL on Contract and Other Receivables, Contract Assets, Due from Related Parties and Security Deposits

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

The provision matrix is based on the Group's historical observed default rates. The Group's management intends to regularly calibrate (i.e., on an annual basis) the matrix to consider the historical credit loss experience with forward-looking information (i.e., forecast economic conditions). Details about the ECL on the Group's contract and other receivables are disclosed in Note 25.2.

In relation to advances to related parties, PFRS 9 notes that the maximum period over which ECL should be measured is the longest contractual period where an entity is exposed to credit risk. In the case of these receivables from related parties, which are

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

Based on the relevant facts and circumstances existing at the reporting date, management has assessed that all strategies indicate that the Group can fully recover the outstanding balance of its receivables; thus, no ECL is required to be recognized.

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

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

For office leases, the factors that are normally the most relevant are (a) if there are significant penalties should the Group pre-terminate the contract, and (b) if any leasehold improvements are expected to have a significant remaining value, the Group is reasonably certain to extend and not to terminate the lease contract. Otherwise, the Group considers other factors including historical lease durations and the costs and business disruption required to replace the leased asset.

The Group included the renewal period as part of the lease term for office leases due to the significance of these assets to its operations. These leases have a non-cancellable lease period (i.e., 4 to 10 years) and there will be a significant negative effect on production if a replacement is not readily available. However, the renewal options for leases of transportation equipment were not included as part of the lease term because the Group has historically exercises its option to buy these transportation equipment at the end of the lease term.

(g) Distinction Among Investment Properties, Owner-managed Properties and Real Estate Inventories

The Group classifies its acquired properties as Property and Equipment if used in operations and administrative purposes, as Investment Properties if the Group intends to hold the properties for capital appreciation or rental and as Real Estate Inventories if the Group intends to develop the properties for sale.

Transfers from other accounts (such as Memorial lots and Rawland) are made to investment property when and only when, there is a change in use, evidenced by ending of owner-occupation or commencement of an operating lease to another party. For a transfer from investment property to owner-occupied property or inventories, the cost of property for subsequent measurement is its carrying value at the date of change in use. If the property occupied by the Group as an owner-occupied property becomes an investment property, the Group accounts for such property in accordance with the policy stated under property and equipment up to the date of change in use.

(h) Recognition of Provisions and Contingencies

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

Judgment is exercised by management to distinguish between provisions and contingencies. Disclosures on relevant provisions and contingencies are discussed in Notes 14.1 and 24.

3.2 Key Sources of Estimation Uncertainty

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

(a) Revenue Recognition for Performance Obligations Satisfied Over Time

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

(b) Estimation of Allowance for ECL

The measurement of the allowance for ECL on financial assets at amortized cost is an area that requires the use of significant assumptions about the future economic conditions and credit behavior (e.g., likelihood of customers defaulting and the resulting losses). Explanation of the inputs, assumptions and estimation used in measuring ECL is further detailed in Note 25.2.

(c) Determination of Net Realizable Value of Real Estate Inventories

In determining the net realizable value of real estate inventories, management takes into account the most reliable evidence available at the time the estimates are made. Management determined that the carrying values of its real estate inventories are lower than their net realizable values based on the present market rates. Accordingly, management did not recognize any valuation allowance on these assets as of September 30, 2025 and December 31, 2024.

(d) Estimation of Useful Lives of Property and Equipment and Right-of-use Assets

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

The carrying amounts of property and equipment and right-of-use assets are analyzed in Notes 9 and 10.1, respectively. Based on management's assessment as at September 30, 2025 and December 31, 2024, there is no change in the estimated useful lives of those assets during those years. Actual results, however, may vary due to changes in estimates brought about by changes in factors mentioned above.

(e) Fair Value Measurement of Investment Properties

The Group's investment properties which composed of parcels of land are carried at cost at the end of the reporting period. In addition, the accounting standards require the disclosure of the fair value of the investment properties. In determining the fair value of these assets, the Group engages the services of professional and independent appraiser applying the relevant valuation methodologies.

(f) Determination of Realizable Amount of Deferred Tax Assets

The Group reviews its deferred tax assets at the end of each reporting period and reduces the carrying amount to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Management assessed that the deferred tax assets recognized as at September 30, 2025 and December 31, 2024 will be fully utilized in the coming years (see Note 20.2).

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

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

(h) Impairment of Non-financial Assets

In assessing impairment, management estimates the recoverable amount of each asset or a cash-generating unit based on expected future cash flows and uses an interest rate to calculate the present value of those cash flows. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate. Though management believes that the assumptions used in the estimation of fair values reflected in the consolidated financial statements are appropriate and reasonable, significant changes in these assumptions may materially affect the assessment of recoverable values and any resulting impairment loss could have a material adverse effect on the results of operations.

(i) Valuation of Post-employment DBO

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

4. SEGMENT REPORTING

4.1 Business Segments

The Group's operating businesses are organized and managed separately according to the nature of products and services provided. In identifying its reportable operating segments, management generally follows the Group's two main revenue sources, which represent the products and services provided by the Group, namely Residential Projects and Deathcare.

(a) Residential – this segment pertains to the housing market segment of the Group. It caters on the development and sale of residential house and lots, subdivision lots, and condominium units.

(b) Deathcare – the segment pertains to sale of memorial lots, interment income, and income from chapel services.

4.2 Analysis of Segment Information

The following table present revenue and profit information regarding business segments of the Group for the period ended September 30, 2025:

	Death Care	**Residential**	**Total**
Revenues	₱673,538	₱1,909,328	₱2,582,866
Cost of sales and services	(175,961)	(746,935)	(922,896)
Gross profit	497,577	1,162,393	1,659,970
Other operating expenses	312,247	343,276	655,523
Depreciation and amortization	(19,043)	(27,151)	(46,194)
	293,204	316,125	609,329
Segment profit before tax and depreciation and amortization	₱204,373	₱846,268	₱1,050,641
Segment Assets	₱5,011,014	₱23,104,659	₱28,115,673
Segment Liabilities	₱1,834,480	₱11,239,779	₱13,074,259

The results of operations from the two segments are used by management to analyze the Group's operation and to allow them to control and study the costs and expenses. It is also a management indicator on how to improve the Group's operation. Expenses are allocated through direct association of costs and expenses to operating segments.

4.3 Reconciliation

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

	(in thousands)
Assets:	
Total segment asset	₱28,115,673
Due from related parties	1,426,192
Investment property	8,781,921
Group Total Assets	₱38,323,786
Liabilities:	
Total segment liabilities	₱13,074,259
Due to related parties	9,564,314
Income tax payable	4,881
Deferred tax liabilities	1,307,693
Group Total Liabilities	₱23,951,147

4.4 Disaggregation of Revenue from Contract with Customers and Other Counterparties

When the Group's Executive Committee evaluates the financial performance of the operating segments, it disaggregates revenue similar to its segment reporting as presented in Notes 4.1 and 4.2.

The Group determines that the categories used in the investor presentations and financial reports used by the Group's Executive Committee can be used to meet the objective of the disaggregation disclosure requirement of PFRS 15, which is to disaggregate revenue from contracts with customers and other counterparties and disclosed herein as additional information) into categories that depict how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic factors. A summary of additional disaggregation from the segment revenues and other unallocated income are shown in the Note 17.

5. CASH AND CASH EQUIVALENTS

Cash and cash equivalents as of September 30 follows:

	(in thousands)
Cash on hand	₱8,918
Cash in bank	646,341
	₱655,259

Cash on hand comprises of revolving fund, commission fund and petty cash fund intended for the general use of the Group. Cash in banks generally earn interest at rates based on daily bank deposit rates. The related interest income earned amounted to ₱11.84 million and ₱5.92 million on September 30, 2025 and 2024, respectively, is presented as Finance Income in the statements of comprehensive income.

6. CONTRACTS AND OTHER RECEIVABLES

6.1 Contracts Receivables

This account is composed of the following:

	(in thousands)
Current	₱5,193,005
Non-current	1,392,368
	₱6,585,373

Contracts receivables represent receivables from sale of residential houses and lots, subdivision lots, memorial lots, and condominium units, which are normally collectible within one to ten years. Contracts receivables have an annual effective interest rate of 5% to 12.0% in 2025 and 2024. Interest income related to contracts receivables amounted to ₱84.7 million and ₱97.2 million on September 30, 2025 and 2024, respectively, and are reported under Revenues in the consolidated statements of comprehensive income.

The Group's contracts receivables are effectively collateralized by the real estate properties sold to the buyers considering that the title over the rights in the real estate properties will only be transferred to the buyers upon full payment.

In 2025, certain receivables amounting to ₱783.1 million were used as collateral security against interest-bearing loans (see Note 13).

6.2 Other Receivables

The composition of this account as of September 30 is shown below.

	(in thousands)
Advances to contractors and others	₱2,030,947
Advances to employees	98,635
Others	86,691
	₱2,216,273

Advances to contractors and others mainly represent advances to contractors or suppliers as advance payments for purchase of construction materials, supplies and construction services. This also include excess of advances over the remaining liability related to construction development.

Advances to employees represent cash advances and noninterest-bearing short-term loans granted to the Group's employees, which are collected through liquidation and salary deduction.

Others mainly pertain to receivables from the buyers for documentary fees and other assistance related to processing and transfer of lots and units sold.

7. REAL ESTATE INVENTORIES

Details of real estate inventories, which are stated at cost and is lower than NRV, are shown below.

	(in thousands)
Raw land	₱4,191,415
Memorial lots	1,536,521
Property development costs	231,171
Residential houses and lots	288,305
Condominium units	123,700
	₱6,371,112

Raw land pertains to the cost of several parcels of land acquired by the Group to be developed and other costs incurred to effect the transfer of the title of the properties to the Group.

Memorial lots consist of acquisition costs of the land, construction and development costs, and other necessary costs incurred in bringing the memorial lots ready for sale.

Residential houses and lots represent houses and lots in subdivision projects for which the Group has already been granted the license to sell by the Housing and Land Use Regulatory Board of the Philippines. Residential houses include units that are ready for occupancy and units under construction.

The property development costs represent the accumulated costs incurred in developing the real estate properties for sale. Costs incurred comprise of actual costs of land, construction and related engineering, architectural and other consultancy fees related to the development of residential projects.

Condominium units for sale pertain to the accumulated land costs, construction services and other development costs incurred in developing the Group's condominium projects.

8. OTHER ASSETS

This account consists of the following as of September 30:

	(in thousands)
Current:	
Prepaid commission	₱291,484
Creditable withholding taxes	137,682
Construction materials	102,946
Deferred input VAT	78,474
Prepaid expenses	22,850
Security deposits - current	6,804
Other assets	4,665
	644,905
Non-current:	
Security deposits	35,818
	₱680,723

Construction materials pertain to aluminum forms and various materials to be used in the construction of residential houses. Deferred input VAT pertains to the unamortized portion of input VAT from purchases of capital goods which are subject to amortization.

9. PROPERTY AND EQUIPMENT

The gross carrying amounts and accumulated depreciation and amortization of property and equipment at September 30, 2025 shown below.

	Building	Leasehold Improvements	Service Vehicle	Service Equipment	Park Maintenance Tools and Equipment	Furniture, Fixtures and Equipment	System Development Cost	Total
Cost	₱246,396	₱73,504	₱157,173	₱54,465	₱319,708	₱251,199	₱74,785	₱1,177,230
Accumulated depreciation and amortization	(127,702)	(59,236)	(143,998)	(20,956)	(203,096)	(235,413)	(51,313)	(841,714)
Net carrying amount	₱118,694	₱14,268	₱13,175	₱33,509	₱116,612	₱15,786	₱23,472	₱335,516

The amount of depreciation and amortization is presented as part of Cost of Sales and Services and Other Operating Expenses in the consolidated statements of comprehensive income (see Note 18). Depreciation expense of park maintenance tools and portion of service equipment were charged under park operations, which is subsequently closed to maintenance care fund (see Note 16).

10. LEASES

The Group has leases for certain office spaces. With the exception of short-term leases, each lease is reflected on the consolidated statement of financial position as right-of-use assets and a lease liabilities. Each lease generally imposes a restriction that, unless there is a contractual right for the Group to sublease the asset to another party, the right-of-use asset can only be used by the Group. Leases are either non-cancellable or may only be cancelled by incurring a substantive termination fee. Some leases contain an option to purchase the underlying lease asset outright at the end of the lease, or to extend the lease for a further term.

The Group is prohibited from selling or pledging the underlying leased assets as security. For leases over office spaces, the Group must keep those properties in a good state of repair and return the properties in their original condition at the end of the lease. Further, the Group must insure the leased assets and incur maintenance fees on such items in accordance with the lease contracts.

The Group has leased 32 office spaces with an average remaining lease term of three years.

10.1 Right-of-use Assets

The carrying amounts of the Group's right-of-use assets as of September 30, 2025 is ₱17.0 million.

The total amortization on the right-of-use assets is presented as part of Depreciation and amortization under Other operating expense in the consolidated statement of comprehensive income (see Note 18.2).

10.2 Lease Liabilities

Lease liabilities are presented in the consolidated statement of financial position as at September 30, 2025 as follows:

	(in thousands)
Current	₱9,984
Non-current	8,352
	₱18,336

The use of extension and termination options gives the Group added flexibility in the event it has identified more suitable premises in terms of cost and/or location or determined that it is advantageous to remain in a location beyond the original lease term. The future cash outflows to which the Group is potentially exposed to are not reflected in the measurement of lease liabilities represent the amount of monthly rent remaining for the lease term and security deposit to be forfeited.

An option is only exercised when consistent with the Group's regional markets strategy and the economic benefits of exercising the option exceeds the expected overall cost.

As at September 30, 2025, the Group has no lease commitment, which had not yet commenced.

10.3 Lease Payments Not Recognized as Liabilities

The Group has elected not to recognize a lease liability for short-term leases or for leases of low value assets. Payments made under such leases are expensed on a straight-line basis.

The expenses relating to short-term leases amounted to ₱8.55 million is presented as Rentals as part of Other Operating Expenses in the consolidated statements of comprehensive income (see Note 18.2). There are no existing lease commitments for short-term leases.

10.4 Security Deposits

Refundable security deposits represent the lease deposits made to third parties for the lease of the Group's office spaces.

Related rental deposits for these leases amounted to ₱8.3 million as of September 30, 2025 and is presented as part of the Other Assets in the consolidated statements of financial position (see Note 8).

11. NON-CURRENT ASSET CLASSIFIED AS HELD FOR SALE

Asset held for sale consists of ALHI's investment in FPI representing 35.62% ownership, which was initially classified as an investment in associate. In 2024, management approved a plan to dispose of its investment in FPI. Consequently, this asset was reclassified as Non-current Asset Classified as Held for Sale in the 2024 consolidated statement of financial position. The management believes that the sale of this asset is highly probable this year.

The carrying value of this asset amounting to P100.0 million immediately prior to their classification as held for sale is lower than their fair value less cost to sell. Accordingly, the Group did not recognize any loss in connection with the reclassification of the asset. There were also no revenues and expenses recognized during the year that are associated with the non-current asset held for sale.

12. INVESTMENT PROPERTIES

The Group's investment properties consist of parcels of land which is intended for capital appreciation amounting to ₱8,781.9 million as of September 30, 2025.

None of the Group's investment properties have generated rental income. There were also no significant directly attributable cost, purchase commitments and any restrictions as to use related to these investment properties during the reporting periods.

Management has assessed that there were no significant circumstances during the reporting periods that may indicate impairment loss on the Group's investment properties.

13. INTEREST-BEARING LOANS

Short-term and long-term interest-bearing loans and borrowings pertain to bank loans which are broken down as follows:

	(in thousands)
Current	₱1,256,969
Non-current	3,597,719
	₱4,854,688

The bank loans represent secured and unsecured loans from local commercial banks. The loans which have maturities ranging from 1 to 15 years bear annual interest rates ranging from 5.0% to 8.8%.

Interest expense incurred on these loans amounted to ₱289.87 million and ₱232.32 million for the periods ended September 30, 2025 and 2024, respectively. These are presented as part of Finance cost in the consolidated statements of comprehensive income.

There are no outstanding interest payable as of September 30, 2025 related to these loans.

The loans are net of debt issue cost amounting to ₱86.1 million as of September 30, 2025. The amortization of debt issue cost amounting to ₱85.6 million, is presented as part of Finance Cost under Other Income (Charges) section in the consolidated statements of comprehensive income.

Certain loans of the Group are secured by contract receivables with a carrying amount of ₱783.1 million as of September 30, 2025 (see Note 6.1 and 26.2).

14. TRADE AND OTHER PAYABLES AND RAWLAND PAYABLE

14.1 Trade and Other Payables

This account consists of:

	(in thousands)
Trade payables	₱2,865,150
Accrued expenses	527,351
Deferred output tax	157,588
Retention payable	127,009
Commission payable	94,599
VAT payable	30,396
Withholding taxes payable	3,783
Other payables	5,890
	₱3,811,766

Trade payables comprise mainly of liabilities to suppliers and contractors arising from the construction and development of the Group's real estate properties.

Accrued expenses pertain to accruals of professional fees, salaries and other employee benefits, utilities, advertising, marketing and other administrative expenses.
Deferred output tax is the portion of VAT attributable to outstanding contract receivables. This is reversed upon payment of monthly amortization from customers.

Retention payable pertains to the amount withheld from payments made to contractors to ensure compliance and completion of contracted projects equivalent to 10% of every billing made by the contractor. Upon completion of the contracted projects, the amounts are remitted to the contractors.

Commission payable refers to the liabilities of the Group as of the end of the reporting periods to its sales agents for every sale that already reached the revenue recognition threshold of the Group.

14.2 Rawland Payables

Rawland payables pertain to the amount of outstanding liability regarding the acquisitions of rawland from third parties, which will be used in the development of the Group's subdivision and memorial lots projects.

The Group purchased various rawlands for expansion and development of the Group's subdivision and memorial lots projects. The outstanding balance arising from these transactions amounted to ₱1,325.2 million and ₱1,348.3 million as of September 30, 2025 and December 31, 2024, respectively.

15. CUSTOMERS' DEPOSITS

Customers' deposits pertain to reservation fees and advance payments from buyers, which did not meet the revenue recognition criteria as of the end of the reporting periods. As of September 30, 2025, Customers' Deposits account, as presented in the current liabilities section of the consolidated statements of financial position, amounted to ₱1,376.7 million (see Note 2.13).

16. RESERVE FOR MAINTENANCE CARE

Under the terms of the contract between the Group and the purchasers of memorial lots, a portion of the amount paid by the purchasers is set aside as Maintenance Care Fund (Fund). The balance of the reserve for maintenance care for memorial lots as of September 30, 2025 and December 31, 2024 amounted to ₱1,126.5 million and ₱754.1 million, respectively, represents the total amount of maintenance care from all outstanding sales contracts, net of amount already remitted for fully collected memorial lots into the Fund.

As an industry practice, the amount turned over to the Fund is only for fully collected contracts in as much as the outstanding contracts may still be forfeited and/or rescinded. The income earned from the Fund will be used in the maintenance care and maintenance of the memorial lots. Once placed in the Fund, the assets, liabilities, income and expense of the Fund are considered distinct and separate from the assets and liabilities of the Group, thus, do not form part of the accounts of the Group.

17. REVENUES

17.1 Disaggregation of Revenues

The Group derives revenues from sale of real properties and deathcare operations. An analysis of the Group's major sources of revenues for the period ended September 30, 2025 is presented below.

	Segments		
	Death Care	**Residential**	**Total**
Geographical areas			
Luzon	₱400,244	₱1,335,500	₱1,735,744
Visayas	169,022	235,768	404,790
Mindanao	104,272	338,060	442,332
	₱673,538	₱1,909,328	₱2,582,866

17.2 Contract Assets and Contract Liabilities

The Group recognizes contract assets, due to timing difference of payment and satisfaction of performance obligation, to the extent of satisfied performance obligation on all open contracts as of the end of the reporting period.

The Group recognized contract liabilities, which pertain to consideration received by the Group in excess of the amount for which the Group is entitled.

Changes in the contract assets are recognized by the Group when a right to receive payment is already established and upon performance of unsatisfied performance obligation.

17.3 Direct Contract Costs

The Group incurs sales commissions upon execution of contracts to sell real properties to customers. Incremental costs of commission incurred to obtain contracts are capitalized and presented as Prepaid commission under Other Current Assets in the consolidated statements of financial position (see Note 8). These are amortized over the expected construction period on the same basis as how the Group measures progress towards complete satisfaction of its performance obligation in its contracts. The total amount of amortization is presented as part of Commission under Operating Expenses (see Note 18.2).

18. COSTS AND EXPENSES

18.1 Costs of Sales and Services

Presented below are the details of costs of sale and services.

	(in thousands)
Cost of real estate sales	₱877,787
Cost of interment	29,931
Cost of chapel services	15,178
	₱922,896

Cost of real estate sales is comprised of:

	(in thousands)
Construction and development costs	₱508,804
Cost of land	368,983
	₱877,787

18.2 Operating expenses by nature

The details of operating expenses by nature for the period ended September 30, 2025 is shown below.

	(in thousands)
Salaries and wages	₱246,771
Commission	86,243
Outside services	68,214
Depreciation and amortization	46,194
Promotions	29,204
Repairs and Maintenance	20,680
Utilities	19,051
Transportation and travel	13,518
Professional fees	13,147
Taxes and licenses	12,049
Prompt payment discount	11,628
Loss on Sales Cancellation	9,680
Rentals	8,553
Management Fees	8,236
Advertising	8,085
Office supplies	4,687
Collection fees	4,916
Meetings and conferences	4,009
Insurance	3,374
Training and seminars	627
Representation	383
Miscellaneous expenses	36,274
	₱655,523

Miscellaneous mainly consist of subscription dues and other fees such as registration, transfer and mortgage fees.

19. OTHER REVENUES

This account consists of:

	(in thousands)
Forfeited sales	₱34,220
Interest on past due Accounts	4,938
Transfer Fee	3,309
Service Tent rental	1,090
Others	2,750
	₱46,307

Others include penalties from customers with lapsed payments, restructured accounts, and other fees collected for transactions incidental to the Group's operations such as payment for memorial garden construction fee, among others.

20. TAXES

20.1 Registration with the Board of Investments (BOI)

The BOI approved the Company's application for registration as an Expanding Developer of Economic and Low-Cost Housing Project on a Non-pioneer Status relative to its various units under its Bria Alaminos, Bria Alaminos-Pangasinan, Bria Calamba Executive and Bria General Santos in 2021, Bria Calamba Phase 2, Bria Calamba Phase 4, Bria Calmaba Phase 3, Bria Magalang, Bria Manolo Fortich, Bria Kidapawan, Bria Urdaneta, Bria Norzagaray, Bria Norzagaray Phase 2, Bria Hermosa, Bria Homes, Paniqui, Bria General Trias, Bria Trece Martires, Bria Sta. Cruz, Lumina Tanza Phase 4, Lumina Camarines Sur, Lumina Camarines Sur Classic, Lumina Dumaguete, Lumina Dumaguete 2, and Bria Flats Azure in 2020; Lumina Quezon Phase 2, Bria La Hacienda, Bria San Pablo, Lumina Gensan, Bria Flats Mykonos, Bria Flats Levitha, Bria Flats Corfu, Bria Flats Rhodes, Bria Flats Capri, Bria Sta. Maria, Bria Homes Digos, Bria Homes Tagum, Bria Flats Crimson, Bria Flats Scarlet, Bria Flats Magenta, and Lumina Classic 2B in 2019; Bria Calamba Phases 1 and 2 project in December 2018; under the Northridge Central Lane, Northridge Grove Phase 2, Northridge View, Bria Home Binangonan and Bria General Santos projects in December 2017; and, under the Lumina Tanza Phase 2, Lumina Homes San Pablo and Lumina General Trias (Phases 1 and 2) projects in December 2016.

Under the registration, the applicable rights and privileges provided in the Omnibus Investment Code of 1987 shall equally apply and benefit the BHI with certain incentives including income tax holiday (ITH) for a period of four years from the date of registration.

20.2 Current and Deferred Taxes

The components of tax expense reported in consolidated profit or loss and in consolidated other comprehensive income for the period ended September 30, 2025 follow:

	(in thousands)
Current	₱16,784
Deferred	51,405
	₱68,189

The Group is subject to the MCIT, which is computed at 2% of gross income as defined under the tax regulations, or RCIT, whichever is higher. The Group reported RCIT in 2025 and 2024 as the RCIT is higher than MCIT in such years.

In September 30, 2025 and 2024, the Group claimed itemized deductions in computing for its income tax due.

21. RELATED PARTY TRANSACTIONS

21.1 Due from Related Parties

In the normal course of business, the Group grants noninterest-bearing cash advances to its parent company and other related parties, including those under common ownership, for working capital requirements, capital asset acquisition and other purposes. These advances

are unsecured and generally payable in cash on demand or through offsetting arrangements with related parties.

The outstanding advances arising from these transactions amounting to ₱1,426.2 million and ₱350.3 million as at September 30, 2025 and December 31, 2024 is presented as Due from Related Parties account in the consolidated statements of financial position.

The movements in the Due from Related Parties account are shown below.

	(in thousands)
Balance at beginning of period	₱350,257
Additions	1,075,935
	₱1,426,192

Based on management's assessment, no impairment losses need to be recognized for the period ended September 30, 2025 and December 31, 2024 from its receivables from related parties.

21.2 Due to Related Parties

The Group obtained short-term, unsecured, noninterest-bearing advances from prelated parties under common control for working capital requirements payable in cash upon demand. The outstanding balance is presented as Due to Related Parties account as at September 30, 2025 and December 31, 2024.

The movements in the Due to Related Parties account are shown below.

	(in thousands)
Balance at beginning of period	₱8,771,401
Additions	792,913
	₱9,564,314

22. EQUITY

22.1 Capital Stock

Capital stock consists of:

	September 30, 2025	**Dec 31, 2024**
Common		
Authorized	996,000,000	996,000,000
Par value per share	₱1.00	₱1.00
Issued shares	644,117,649	644,117,649
Value of shares issued	₱644,117,649	₱644,117,649
Preferred		
Authorized	400,000,000	400,000,000
Par value per share	₱0.01	₱0.01
Issued shares	–	–
Value of shares issued	–	–

On March 17, 2016, the SEC approved the increase in the Parent Company's authorized capital stock from P20.0 million divided into 200,000 common shares with par value of ₱100

per share to ₱1.0 billion divided into 996,000,000 common shares with par value of ₱1 per share and 400,000,000 preferred shares with par value of ₱0.01 per share.

On April 1, 2016, the Parent Company applied for the registration of its common shares with the SEC and the listing of the Parent Company's shares on the PSE.

The PSE approved the Parent Company's application for the listing of its common shares on June 8, 2016 and the SEC approved the registration of the 74,117,649 common shares of the Parent Company on June 14, 2016.

On June 3, 2016, the SEC approved the listing of the Parent Company's common shares totaling 74.1 million. The shares were initially issued at an offer price of ₱10.50 per common share. In 2021 and 2020, there were no additional issuances.

On June 29, 2016, by way of an initial public offering (IPO), sold 74,117,649 shares of its common stock at an offer price of P10.50 and generated net proceeds of approximately ₱703.0 million. The IPO resulted in the recognition of additional paid-in capital amounting to ₱628.9 million, net of IPO-related expenses amounting to ₱75.2 million.

On December 27, 2017, the Parent Company's BOD authorized the issuance of 150,000,000 common shares to CGI, a related party under common ownership, out of the unissued authorized capital stock, at a subscription price of ₱20.1 per share or an aggregate subscription price of ₱3,014.0 million.

As at September 30, 2025, there are 14 holders of the listed common shares owning at least one board lot of 100 shares. Such listed shares closed at ₱2,296.00 per share as of September 30, 2025.

22.2 Revaluation Reserves

As of September 30, 2025, the Company has revaluation reserves which pertains to accumulated actuarial losses and gains, net of tax, due to remeasurement of post-employment defined benefit plan amounting to ₱30.2 million.

23. EARNINGS PER SHARE

The basic and diluted earnings per share were computed as follows:

	(in thousands)
Net profit	₱704,527
Divided by the number of outstanding common shares	644,118
Basic and diluted earnings per share	₱1.09

The Group has no dilutive potential common shares as at September 30, 2025, hence, diluted earnings per share equals the basic earnings per share.

24. COMMITMENTS AND CONTINGENCIES

24.1 Operating Lease Commitments

The Group has leases with terms ranging from three to five years with renewal options upon mutual written agreement between the parties,and include annual escalation in rental rates.

The total rentals from this operating lease amounted to ₱8.6 million in 2025, which is shown as Rentals under Other Operating Expenses in the consolidated statement of comprehensive income (see Note 18.2).

24.2 Others

There are other commitments and contingent liabilities that arise in the normal course of the Group's operations which are not reflected in the consolidated financial statements. Management is of the opinion that losses, if any, from these events and conditions will not have material effects on the Group's consolidated financial statements.

25. RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group is exposed to a variety of financial risks which result from both its operating and investing activities. The Group's risk management focuses on actively securing the Group's short to medium-term cash flows by minimizing the exposure to financial markets. Long-term financial investments are managed to generate lasting returns.

The Group does not engage in the trading of financial assets for speculative purposes nor does it write options. The relevant financial risks, unless otherwise stated, to which the Group is exposed to are described below and in the succeeding pages.
Interest Rate Risk

25.1 Interest Rate Risk

The Group has no financial instruments subject to floating interest rate, except cash in banks, which has historically shown small or measured changes in interest rates. As such, the Group's management believes that interest rate risks are not material.

25.2 Credit Risk

The Group operates under sound credit-granting criteria wherein credit policies are in place. These policies include a thorough understanding of the customer or counterparty as well as the purpose and structure of credit and its source of repayment. Credit limits are set and monitored to avoid significant concentrations to credit risk. The Group also employs credit administration activities to ensure that all facets of credit are properly maintained.

The maximum credit risk exposure of financial assets and contract assets is the carrying amount of the financial assets as shown on the consolidated statements of financial position are summarized below.

	(in thousands)
Cash and cash equivalents	₱655,259
Contracts assets	11,154,382
Contracts receivable	6,585,373
Due from related parties	1,426,192
Security deposits	42,622
Other receivables	86,691
	₱19,950,519

Cash in banks are insured by the Philippine Deposit Insurance Commission up to a maximum coverage of ₱1 million for every depositor per banking institution. Also, the Group's contracts receivable are effectively collateralized by residential houses and lots and

memorial lots. Other financial assets are not secured by any collateral or other credit enhancements.

The Company applies the PFRS 9 simplified approach in measuring ECL which uses a lifetime expected loss allowance for all contract receivables and other receivables. To measure the expected credit losses, contract receivables and other receivables have been grouped based on shared credit risk characteristics and the days past due (age buckets). The other receivables relate to receivables from both third and related parties other than contract receivables and have substantially the same risk characteristics as the contract receivables.

The expected loss rates are based on the payment profiles of sales over a period of 36 months and the corresponding historical credit losses experienced within such period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The management determined that there is no required ECL to be recognized on the Group's contract receivables since the fair value of real estate sold when reacquired is sufficient to cover the unpaid outstanding balance of the related receivable arising from sale. Therefore, there is no expected loss given default as the recoverable amount from subsequent resale of the real estate is sufficient. Accordingly, no additional allowance was recorded by the Group as of September 30, 2025 and December 31, 2024.

The Contract Asset account is secured to the extent of the fair value of the real estate sale of house and lot and condominium units sold since the title to the real estate properties remains with the Group until the contract assets or receivables are fully collected. Therefore, there is also no expected loss given default on the contract asset.

The Group considers credit enhancements in determining the expected credit loss. Contract receivables and contract assets from real estate sales are collateralized by the real properties. The estimated fair value of collateral and other security enhancements held against trade receivables are presented below.

	Gross Maximum Exposure	**Fair Value of Collaterals**	**Net Exposure**
Contract receivables	₱6,585,373	₱6,585,373	₱–
Contract assets	11,154,382	11,154,382	–
	₱17,739,755	₱17,739,755	₱–

As of September 30, 2025, the aging of receivables is as follows:

(In Thousands)	Current	Within 90 days	91-180 days	181-360 days	Over 1Year	Total
Contracts receivable	₱5,320,167	₱296,911	₱227,067	₱161,099	₱580,129	₱6,585,373
Due from related parties	1,426,192	–	–	–	–	1,426,192
Other receivables	86,691	–	–	–	–	86,691
Total	₱6,833,050	₱296,911	₱227,067	₱161,099	₱580,129	₱8,098,256

ECL for due from related parties are measured and recognized using the liquidity approach. Management determines possible impairment based on the related party's ability to repay the advances upon demand at the reporting date taking into consideration the historical defaults from the related parties.

The Group does not consider any significant risks in the due from related parties as these are entities whose credit risks for liquid funds are considered negligible, since counterparties are in good financial condition. As of September 30, 2025, impairment allowance is not material.

Security deposits are subject to credit risk. The Group's security deposits pertain to receivable from lessors and third party utility providers. Based on the reputation of those counterparties, management considers that these deposits will be refunded when due.

25.3 Liquidity Risk

The Group manages its liquidity needs by carefully monitoring cash outflows due in a day-to-day business. Liquidity needs are monitored in various time bands, on a day-to-day and week-to-week basis, as well as on the basis of a rolling 30-day projection. Long-term liquidity needs for a 6-month and one-year period are identified monthly.

As of September 30, 2025, the Group's financial liabilities have contractual maturities which are presented below.

	Within 12 Months	More than One Year to Five Years
Trade and other payables	₱3,619,999	₱–
Rawland payable	1,325,231	–
Interest-bearing loans and borrowings	1,256,969	3,597,719
Due to related parties	9,564,314	–
Lease liability	9,984	8,352
Reserve for maintenance care	–	1,126,452
	₱15,776,497	₱4,732,523

26. CATEGORIES AND OFFSETTING OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

26.1 Carrying Amounts and Fair Values by Category

The carrying amounts and fair values of the categories of financial assets and financial liabilities presented in the consolidated statements of financial position are shown below.

	Notes	**Carrying Values**	**Fair Values**
		(in thousands)	
Financial Assets			
At amortized cost:			
Cash and cash equivalents	5	₱655,259	₱655,259
Contracts receivables	6	6,585,373	6,585,373
Due from related parties	21.1	1,426,192	1,426,192
Security deposits	8	42,622	42,622
Other Receivables		86,691	86,691
		₱8,796,137	₱8,796,137

	Notes	Carrying Values	Fair Values
		(in thousands)	
Financial Liabilities			
At amortized cost:			
Interest-bearing loans	13	₱4,854,688	₱4,854,688
Trade and other payables	14	3,619,999	3,619,999
Rawland payables	14	1,325,321	1,325,321
Lease liability	10	18,336	18,336
Reserve for maintenance care	16	1,126,452	1,126,452
		₱10,944,706	₱10,944,706

See Note 2.5 for a description of the accounting policies for each category of financial instrument. A description of the Group's risk management objectives and policies for financial instruments is provided in Note 25.

26.2 Offsetting of Financial Assets and Financial Liabilities

Except as more fully described in Note 21, the Group has not set-off financial instruments and does not have relevant offsetting arrangements. Currently, all other financial assets and financial liabilities are settled on a gross basis; however, each party to the financial instrument (particularly related parties) will have the option to settle all such amounts on a net basis in the event of default of the other party through approval by both parties' BOD and stockholders. As such, the Group's outstanding receivables from and payables to the same related parties as presented in Note 21 can be potentially offset to the extent of their corresponding outstanding balances.

27. CATEGORIES AND OFFSETTING OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

27.1 Fair Value Hierarchy

In accordance with PFRS 13, Fair Value Measurement, the fair value of financial assets and financial liabilities and non-financial assets which are measured at fair value on a recurring or non-recurring basis and those assets and liabilities not measured at fair value but for which fair value is disclosed in accordance with other relevant PFRS, are categorized into three levels based on the significance of inputs used to measure the fair value. The fair value hierarchy has the following levels:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that an entity can access at the measurement date;

- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and,

- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The level within which the asset or liability is classified is determined based on the lowest level of significant input to the fair value measurement.

For purposes of determining the market value at Level 1, a market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

27.2 Financial Instruments Measured at Amortized Cost for which Fair Value is Disclosed

The Group's financial assets which are not measured at fair value in the consolidated statements of financial position but for which fair value is disclosed include cash and cash equivalents, which are categorized as Level 1, and contract and other receivables, due from related parties and security deposits which are categorized as Level 3. Financial liabilities which are not measured at fair value but for which fair value is disclosed pertain to interest-bearing loans and borrowings, trade and other payables, due from related parties, rawland payable, and reserve for maintenance care which are categorized as Level 3.

The fair values of the financial assets and financial liabilities included in Level 3, which are not traded in an active market, are determined based on the expected cash flows of the underlying net asset or liability based on the instrument where the significant inputs required to determine the fair value of such instruments are not based on observable market data.

28. CAPITAL MANAGEMENT OBJECTIVES, POLICIES AND PROCEDURES

The Group's capital management objectives are to ensure the Group's ability to continue as a going concern and to provide an adequate return to shareholders by pricing products and services commensurate with the level of risk.

The Group sets the amount of capital in proportion to its overall financing structure, i.e., equity and financial liabilities. The Group manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, issue new shares or sell assets to reduce debt.

The Group monitors capital on the basis of the carrying amount of equity as presented in the consolidated statements of financial position. Capital for the reporting periods under review is summarized as follows:

	(in thousands)
Total interest-bearing loans	₱4,854,688
Total adjusted equity	14,370,986
Debt-to-equity ratio	0.34:1.00

Financial Soundness Indicator

Below are the financial ratios that are relevant to the Company for the period ended September 30, 2025 and 2024.

		30-Sep-25	2024
Liquidity:			
Current Ratio	Current Assets/Current Liability	1.47:1	1.46:1
Solvency:			
Solvency ratio	EBITDA / Total debt (Total debt includes interest bearing loans and borrowings)	0.23:1	0.39:1
Total Liabilities-to-Equity Ratio	Total debt / Total stockholders' equity (Total debt includes interest bearing loans and borrowings)	0.34:1	0.37:1
Asset-to-equity:			
Asset-to-Equity ratio	Total Assets/Total Equity	2.67:1	2.62:1
		30-Sep-25	**30-Sep-24**
Interest-rate-coverage:			
Interest-rate-coverage ratio	Profit Before Tax and Interest/Finance Costs (Including capitalized interest)	3.67:1	7.17:1
Profitability:			
Return-on-equity	Net profit / Average total equity	10%	10%

MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

RESULTS OF OPERATIONS COVERING

9-MONTHS OF 2025 VS. 9-MONTHS OF 2024

Revenues

The revenues of the Company decreased from **₱3,215.6 million** for the 9-months ended September 30, 2024 to **₱2,582.9 million** for the 9-months ended September 30, 2025**.** The **20%** decrease was primarily attributable to the following:

- **Real estate sales**
  Real estate sales of the group decreased to **₱2,386.4 million** for the 9-months of 2025, a **21%** decrease from **₱3,013.3 million** for the same period in 2024. This is due to the decrease in sales for the period as the Company is shifting its strategy to focus on expanding its real estate development footprint as the master developer of Villar City, supported by the recent acquisition of approximately 366 hectares within the Villar City masterplan

- **Interest income on contract receivables**
  Interest income on contract receivables were recorded at **₱84.7 million** for the 9-months of 2025, decreased by **13%** compared to **₱97.2 million** for the 9-months of 2024. This was due to the lower in-house financed sales during the period.

- **Interment income**
  There was a **10%** increase in interment income to **₱75.2 million** for the 9-months of 2025 from **₱68.6 million** in the same period in 2024. This was attributable to the increase in the number of services rendered.

Costs and Expenses

Cost and expenses decreased to **₱1,578.4 million** for the 9-months ended September 30, 2025, from **₱1,860.1 million** for period ended September 30, 2024. The **15%** decrease was primarily attributable to the following:.

- **Cost of sales and services**
  Cost of sales and services decreased from **₱1,109.4 million** for the 9-months of 2024 to **₱922.9 million** for the 9-months of 2025. The **17%** decrease was due mainly to decrease in residential units sold.

- **Other operating expenses**
  Other operating expenses decreased from **₱750.7 million** for the 9-months of 2024 to **₱655.5 million** for the 9-months of 2025. The **13%** decrease was due primarily to decrease in commission, promotions and advertising expenses.

Other Charges - Net

Other charges - net increased to **₱231.7 million** in the 9-months of 2025, from **₱128.7 million** in 9-months of 2024. The **80%** increase was mainly attributable to the increase in finance costs for the period.

Tax Expense

The Company's tax expense decreased by **42%,** to **₱68.2 million** for 9-months of 2025 from **₱118.1 million** for 9-months of 2024 primarily due to a lower taxable base for the period.

Net Income

As a result of the movements above, total net profits decreased by **36%**, to **₱704.5 million** in 9-months of 2025 from **₱1,108.8 million** recorded in 9-months of 2024.

For the 9-months of 2025, except as discussed in Note 1.2 of the 2025 Financial Statements, there were no other seasonal aspects that had a material effect on the financial condition or results of operations of the Group. Neither were there any trends, events or uncertainties that have had or that are reasonably expected to have a material impact on the net sales or revenues or income from continuing operations. The Group is not aware of events that will cause a material change in the relationship between the costs and revenues.

There are no significant elements of income or loss that did not arise from the Group's continuing operations.

FINANCIAL CONDITION AS OF SEPTEMBER 30, 2025 VS. DECEMBER 31, 2024

The Group's total assets were recorded at **₱38,323.8 million** as of September 30, 2025, compared to the **₱35,749.6 million** recorded as of December 31, 2024, increasing by **7%.** This increase was due to the following movements:

- Cash on-hand and in-banks increased by **29%**, from **₱506.5 million** as of December 31, 2024, to **₱655.3 million** as of September 30, 2025, due primarily to cash generated from operations.

- Total contracts receivable and contract assets, including non-current, increased by **9%** from **₱16,228.4 million** as of December 31, 2024, to **₱17,739.8 million** as of September 30, 2025 due to sales on account recorded over the period.

- Due from related parties increased by **307%,** from **₱350.3 million** as of December 31, 2024 to **₱1,426.2 million** as of September 30, 2025 due primarily to advances made to related parties.

- Other receivables increased by **16%** from **₱1,908.9 million** as of December 31, 2024, to **₱2,216.3 million** as of September 30, 2025 due primarily to increase in receivables from contractors.

- Real estate inventories decreased by **6%**, from **₱6,757.1 million** of December 31, 2024 to **₱6,371.1 million** as of September 30, 2025 due to sales for the period.

- Other current assets decreased by **9%** from **₱708.3 million** as of December 31, 2024, to **₱644.9 million** as of September 30, 2025 due to decrease in prepaid assets for the period.

- Property and equipment-net decreased by **9%,** from **₱367.6 million** as of December 31, 2024 to **₱335.5 million** as of September 30, 2025, due to depreciation of property and equipment for the period.

- Other non-current assets decreased by **22%** from **₱46.2 million** as of December 31, 2024, to **₱35.8 million** as of September 30, 2025 due to decrease in security deposits for the period.

The total liabilities of the Group increased by **8%** from **₱22,081.5 million** as of December 31, 2024 to **₱23,951.1 million** as of September 30, 2025. This increase was due to the following:

Total interest-bearing loans, including non-current, decreased by **4%**, from **₱5,057.5 million** as of December 31, 2024 to **₱4,854.7 million** as of September 30, 2025, due to payments made by the Company during the period.

- Trade and other payables increased by **26%** from **₱3,037.3 million** as of December 31, 2024 to **₱3,811.8 million** as of September 30, 2025, due to new contracts in relation to construction and development of residential houses for the period.

- Customers' deposits increased by **8%**, from **₱1,271.8 million** as of December 31, 2024 to **₱1,376.7 million** as of September 30, 2025, due mainly to collections from reservation sales during the period.

- Due to related parties increased by **9%**, from **₱8,771.4 million** as of December 31, 2024 to **₱9,564.3 million** as of September 30, 2025, due mainly to advances made to the company during the period.

- Deferred tax liability increased by **4%**, from **₱1,256.3 million** as of December 31, 2024 to **₱1,307.7 million** as of September 30, 2025 due to the increase in temporary difference for the period.

- Reserved for Maintenance Care increased by **49%** from **₱754.1 million** as of December 31, 2024 to **₱1,126.5 million** as of September 30, 2025 due to sales recorded for the period.

Total stockholder's equity increased by **5%** or by **₱704.5 million** from **₱13,668.1 million** as of December 31, 2024 to **₱14,372.6 million** as of September 30, 2025, due mostly to an increase in retained earnings by **7%,** from **₱10,023.6 million** in December 31, 2024, to **₱10,728.1 million** as of September 30, 2025, coming from the net income earned during the period.

MATERIAL CHANGES TO THE GROUP'S STATEMENT OF FINANCIAL POSITION AS OF SEPTEMBER 30, 2025 COMPARED TO DECEMBER 31, 2024 (INCREASE/DECREASE OF 5% OR MORE)

- Cash on-hand and in-banks increased by **₱148.8 million**, or **29%,** from **₱506.5 million** as of December 31, 2024 to **₱655.3 million** as of September 30, 2025 due primarily to cash generated from operations.

- Total contracts receivable and contract assets, including non-current, increased by **₱1,511.3 million** or **9%** from **₱16,228.4 million** as of December 31, 2024, to **₱17,739.8 million** as of September 30, 2025 due to sales on account recorded over the period.

- Due from related parties increased by **₱1,075.9 million**, or **307%,** from **₱350.3 million** as of December 31, 2024 to **₱1,426.2 million** as of September 30, 2025 due primarily to advances made to related parties.

- Other receivables increased by **₱307.4 million**, or **16%** from **₱1,908.9 million** as of December 31, 2024, to **₱2,216.3 million** as of September 30, 2025 due primarily to an increase in receivables from contractors.

- Real estate inventories decreased by **₱386.0 million** or **6%**, from **₱6,757.1 million** as of December 31, 2024 to **₱6,371.1 million** as of September 30, 2025 due to sales for the period.

- Other current assets decreased by **₱63.4 million**, or **9%**, from **₱708.3 million** of December 31, 2024 to **₱644.9 million** as of September 30, 2025 due to decrease in prepaid assets for the period.

- Property and equipment-net decreased by **₱32.1 million** or **9%,** from **₱367.6 million** as of December 31, 2024 to **₱335.5 million** as of September 30, 2025, due to depreciation of property and equipment for the period.

- Other non-current assets decreased by **₱10.4 million**, or **22%**, from **₱46.2 million** of December 31, 2024 to **₱35.8 million** as of September 30, 2025 due to decrease in security deposits for the period.

- Trade and other payables increased by **₱774.5 million**, or **26%** from **₱3,037.3 million** as of December 31, 2024 to **₱3,811.8 million** as of September 30, 2025, due to new contracts in relation to construction and development of residential houses for the period.

- Due to related parties increased by **₱792.9 million**, or **9%**, from **₱8,771.4 million** as of December 31, 2024 to **₱9,564.3 million** as of September 30, 2025, due mainly to advances made to the company during the period.

- Customers' deposits increased by **₱104.9 million** or **8%**, from **₱1,271.8 million** as of December 31, 2024 to **₱1,376.7 million** as of September 30, 2025, due mainly to collections from reservation sales during the period.

- Income tax payable decreased by **₱6.7 million**, or **58%**, from **₱11.6 million** as of December 31, 2024 to **₱4.9 million** as of September 30, 2025, primarily due to payments made during the period.

- Reserved for Maintenance Care increased by **₱372.4 million**, or **49%**, from **₱754.1 million** as of December 31, 2024 to **₱1,126.5 million** as of September 30, 2025 due to sales recorded for the period.

- Total stockholder's equity increased by **₱704.5 million** or **5%** from **₱13,668.1 million** as of December 31, 2024 to **₱14,372.6 million** as of September 30, 2025, due mostly to an increase in retained earnings by **7%,** from **₱10,023.6 million** in December 31, 2024, to **₱10,728.1 million** as of September 30, 2025, due to net income earned during the period.

MATERIAL CHANGES TO THE GROUP'S STATEMENT OF INCOME FOR THE 9-MONTHS OF 2025 COMPARED TO THE 9-MONTHS OF 2024 (INCREASE/ DECREASE OF 5% OR MORE)

- Real estate sales decreased by **₱626.9 million** or **21%**, to **₱2,386.4 million** for the 9-months of 2025 from **₱3,013.3 million** for the same period in 2024. This is due to the decrease in sales for the period as the Company is shifting its strategy to focus on expanding its real estate development footprint as the master developer of Villar City, supported by the recent acquisition of approximately 366 hectares within the Villar City masterplan

- Interest income on contract receivables decreased by **₱12.5 million** or **13%**, to **₱84.7 million** for the 9-months of 2025 from **₱97.2 million** for the same period in 2024. This was due to lower in-house financed sales.

- Interment Income increased by **₱6.6 million** or **10%**, to **₱75.2 million** for the 9-months of 2025 from **₱68.6 million** for the 9-months of 2024 due to increase in the number of services rendered.

- Cost and expenses decreased by **₱281.6 million** or **15%,** to **₱1,578.4 million** for the 9-months of 2025, from **₱1,860.1 million** for the 9-months of 2024. The decrease was primarily attributable to the decrease in cost of real estate sales and other operating expenses.

- Other charges - net increased by **₱103.1 million** or **80%,** to **₱231.7 million** for the 9-months of 2025, from **₱128.7 million** in 9-months of 2024. The increase was mainly attributable to the increase in finance costs during the period.

- The Company's tax expense decreased by **₱49.9 million** or **42%**, to **₱68.2 million** for the 9-months of 2025, from **₱118.1 million** for the 9-months of 2024. The decrease was primarily due to a lower taxable base for the period.

- As a result of the movements above, net profit decreased by **₱404.3 million** or **36%,** to **₱704.5 million** for the 9-months of 2025 from **₱1,108.8 million** for the 9-months of 2024.

COMMITMENTS AND CONTINGENCIES

The Group is a lessee under non-cancellable operating lease agreements for its office spaces. The leases have terms ranging from three to five years with renewal options upon mutual written agreement between the parties, and include annual escalation in rental rates.

There are other commitments and contingent liabilities that arise in the normal course of the Company's operations, which are not reflected in the financial statements. Management is of the opinion that losses, if any, from these events and conditions will not have material effects on the Company's financial statements.

PART II – OTHER INFORMATION

Item 3. 9-months of 2025 Developments

A. New Projects of Investments in another line of business or corporation

None.

B. Composition of the Board of Directors

Name	Position
Manuel B. Villar, Jr.	Director and Chairman of the Board
Cynthia J. Javarez	Director and President
Manuel Paulo A. Villar	Director
Mark A. Villar	Director
Camille A. Villar	Director
Ana Marie V. Pagsibigan	Independent Director
Garth F. Castaneda	Independent Director

C. Performance of the corporation or result/progress of operations

Please see unaudited Financial Statements and Management Discussion and Analysis.

D. Declaration of Dividends

None.

E. **Contracts of merger, consolidation, or joint venture; contract of management, licensing, marketing, distributorship, technical assistance, or similar agreements.**
None.

F. Offering of rights, granting of Stock Options and corresponding plans thereof.

None.

G. Acquisition of additional mining claims or other capital assets or patents, formula, real estate

Not applicable.

H. Other information, material events or happenings that may have affected or may affect the market price of security.

None.

I. Transferring of assets, except in normal course of business.

None.

Item 4. Other Notes as of 9-months of 2025 Operations and Financials.

J. Nature and amount of items affecting assets, liabilities, equity, net income, or cash flows that is unusual because of their nature, size, or incidents.

None.

K. Nature and amount of changes in estimates of amounts reported in prior periods and their material effect in the current period.

In 2025, the Group reassessed the historical behavior of its customers and determined a new percentage of collection threshold in recognizing revenue from sale of memorial lots, results of which was reflected in the audited financial statements.

L. New financing through loans/ issuances, repurchases and repayments of debt and equity securities.

See notes to Financial Statements and Management Discussion and Analysis.

M. Material events subsequent to the end of interim period that have not been reflected in the financial statements for the interim period.

See notes to Financial Statements and Management Discussion and Analysis.

N. The effect of changes in the composition of the issuer during the interim period including business combinations, acquisition or disposal of subsidiaries and long term investments, restructurings, and discontinuing operations.

None.

O. Changes in contingent liabilities or contingent assets since the last annual statement of financial position date.

None.

P. Existence of material contingencies and other material events or transactions during the interim period.

None.

Q. Events that will trigger direct or contingent financial obligation that is material to the company, including any default or acceleration of an obligation.

None.

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

None.

S. Material commitment for capital expenditures, general purpose and expected sources of funds.

The movement of capital expenditures being contracted arose from the regular land development and construction requirements which are well within the regular cash flow budget coming from internally generated funds.

T. Known trends, events or uncertainties that have had or that are reasonably expected to have impact on sales/revenues/income from continuing operations.

As of September 30, 2025, no known trends, events, or uncertainties that are reasonably expected to have impact on sales/revenues/income from continuing operations except for those being disclosed in the 9-months of 2025 financial statements.

U. Significant elements of income or loss that did not arise from continuing operations.

None.

V. Causes for any material change/s from period to period in one or more line items of the financial statements.

None.

W. Seasonal aspects that had material effects on the financial condition or results of operations.

None.

X. Disclosures not made under SEC Form 17-C.

None.

SIGNATURE

Pursuant to the requirements of the Securities Regulation Code, the issuer has duly caused this report to be signed on behalf by the undersigned hereunto duly authorized.

VILLAR LAND HOLDINGS, CORP.
Issuer

By:



ESTRELLITA S. TAN
Chief Financial Officer/
Investor Relations Officer

Date: November 14, 2025

GOLDEN MV HOLDINGS

CERTIFICATION

Villar Land Holdings, Corp. (the "**Company**") hereby certifies that except for Ms. Camille A. Villar, Aty. Ana Marie V. Pagsibigan and Mr. Mark A. Villar, none of the directors and officers of the Company and none of the nominated directors named in the Information Statement for the Annual Meeting of its shareholders for the year 2025 works in the government as of the date hereof.

Ms. Villar is currently a duly elected Senator of the Philippines. She is not disqualified from being and does not require any consent or approval to serve as a director of the Company on account of her said position.

Atty. Pagsibigan is currently a duly elected Councilor of the Municipality of Bulakan, Bulacan. She is not disqualified from being and does not require any consent or approval to serve as a director of the Company on account of her said position.

Mr. Villar is currently a duly elected Senator of the Philippines. He is not disqualified from being and does not require any consent or approval to serve as a director of the Company on account of his said position.

Issued this 1st day of December 2025.

VILLAR LAND HOLDINGS, CORP.

By:

Kate D. Cator
Compliance Officer

CERTIFICATION OF INDEPENDENT DIRECTORS

I, **MARILOU O ADEA**, Filipino, of legal age and a resident of **44 Istanbul St., BF Homes, Paranaque City** after having been duly sworn to in accordance with law do hereby declare that:

1. I am a nominee for Independent Director of **Villar Land Holdings, Corp.**

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

Company/ Organization	Position/ Relationship	Period of Service
Malarayat Rural bank, Inc.	Director	1997 - present
FBO Management Network, Inc.	Consultant	2000 - present
VProperty Management, Inc.	Independent Director	2022 - present
Philtown Properties Inc.	Independent Director	2023 - present
Vista Malls, Inc.	Independent Director	2023 - present

3. I possess all the qualifications and none of the disqualifications to serve as an Independent Director of **Villar Land Holdings, Corp.**, as provided for in Section 38 of the Securities Regulation Code and its Implementing Rules and Regulations.

4. I shall faithfully and diligently comply with my duties and responsibilities as Independent Director under the Securities Regulation Code.

5. I shall inform the corporate secretary of **Villar Land Holdings, Corp.** of any changes in the abovementioned information within five days from its occurrence.

Signed this DEC 0 2 2025 day of _____ 2025.

MARILOU O. ADEA
Affiant

SUBSCRIBED AND SWORN to before me this DEC 0 2 2025 at MANDALUYONG CITY, affiant personally appeared before me and exhibited to me her _____ issued on _____ at _____.

Doc. No. 87;
Page No. 19;
Book No. XV;
Series of 2025.

ATTY. FERDINAND B. SABILLO
NOTARY PUBLIC
UNTIL DECEMBER 31, 2026
ROLL No. 53511
IBP Lifetime Member No. 018638
PTR No. 5700677 / 02 Jan. 2025 / Mandaluyong City
MCLE Compliance No. VIII-0040452 issued dated 20 August 2025
Notarial Commission Appointment No. 0314-25
Vista Corporate Center, Upper Ground Floor,
Worldwide Corporate Center, Shaw Blvd., Mandaluyong City

CERTIFICATION OF INDEPENDENT DIRECTORS

I, **MA. LUISA B. VILLACORTA**, Filipino, of legal age and a resident of **Unit 1817 Sunshine 100 City Plaza Condominium Tower 1 Pioneer St. cor. Sheridan St., Mandaluyong City**, after having been duly sworn to in accordance with law do hereby declare that:

1. I am a nominee Independent Director of **Villar Land Holdings, Corp.**

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

Company/ Organization	Position/ Relationship	Period of Service
Ulticon Builders, Inc.	Group Chief Financial Officer and Executive Vice President for Corporate Finance	2018 - Present
Philippine Institute of Certified Public Accountants Metro Manila Region	Board Adviser	2012 - Present
Philippine Institute of CPAs Eastern Metro Manila Chapter	Board Adviser	2002 - Present

3. I possess all the qualifications and none of the disqualifications to serve as an independent director of **Villar Land Holdings, Corp.**, as provided for in Section 38 of the Securities Regulation Code and its Implementing Rules and Regulations.

4. I shall faithfully and diligently comply with my duties and responsibilities as independent director under the Securities Regulation Code.

5. I shall inform the corporate secretary of **Villar Land Holdings, Corp.** of any changes in the abovementioned information within five days from its occurrence.

Signed this DEC 0 2 2025 day of _____ 2025.

M. Villacorta
MA. LUISA B. VILLACORTA
Affiant

SUBSCRIBED AND SWORN to before me this DEC 0 2 2025 at _____, affiant personally appeared before me and exhibited to me her _____ issued on _____ at _____.

ATTY. FERDINAND B. SABILLO
NOTARY PUBLIC
UNTIL DECEMBER 31, 2026
ROLL No. 53511
IBP Lifetime Member No. 018538
PTR No. 5700577 / 03 Jan. 2025 / Mandaluyong City
MCLE Compliance No. VIII-0040452 issued dated 20 August 2025
Notarial Commission Appointment No. 0314-25
Vista Corporate Center, Upper Ground Floor,
Worldwide Corporate Center, Shaw Blvd., Mandaluyong City

Doc. No. 84
Page No. 19
Book No. XN
Series of 2025