COVER SHEET

1	6	3	6	7	1

SEC Registration Number

AYALALAND LOGISTICS HOLDINGS CORP.

(Company's Full Name)

3RD FLOOR GLORIETTA 5
AYALA CENTER MAKATI CITY

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

TRISTAN JOHN T. DE GUZMAN
(Contact Person)

8884-1106
(Company Telephone Number)

1	2		3	1

Month *Day*
(Fiscal Year)

SEC Form

1	7	-	A

(Form Type)

0	4		2	5

Month *Day*
(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 ID

Cashier

S T A M P S

Remarks: Please use BLACK ink for scanning purposes.

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-A, *AS AMENDED*

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

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

2. SEC Identification Number : **163671** 3. BIR Tax Identification No.: **000-804-342-000**

4. Exact name of registrant : **AYALALAND LOGISTICS HOLDINGS CORP.**

5. **Metro Manila, Philippines**
Province, Country or other jurisdiction of incorporation or organization

6. (SEC Use Only)
Industry Classification Code:

7. **3rd Floor Glorietta 5, Ayala Center, Makati City** **1224**
Address of principal office Postal Code

8. **(632) 8884-1106**
Registrant's telephone number, including area code

9. **N/A**
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
(As of March 31, 2025)

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
Common	**6,301,591,987 shares**
Consolidated Loans Payable	**P2.47 billion**

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

Yes [**X**] No [ ]

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

Name of Stock Exchange : **Philippine Stock Exchange**
Number and Class of Securities Listed : **4,902,401,923 Common Shares**
(as of March 31, 2025)

12. Check whether the registrant:

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 12 months (or for such shorter period that the registrant was required to file such reports);

Yes [**X**] No [ ]

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

Yes [**X**] No [ ]

13. Aggregate market value of the voting stock held by non-affiliates: **P2,549,926,967.69**
(as of March 31, 2025)

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

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 the court or the Commission.

Yes [ ] No [ ] **Not Applicable**

DOCUMENTS INCORPORATED BY REFERENCE

Briefly describe documents incorporated by reference and identify the part of the SEC Form 17-A into which the documents are incorporated:

Not Applicable

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PART I – BUSINESS AND GENERAL INFORMATION

Item 1. Business

a. Business Development

AyalaLand Logistics Holdings Corp. (Company/Issuer), a 70.90%-owned subsidiary of ALI, is an investment holding company and is focused on the development of world-class industrial parks, warehouses, cold storage facilities, and commercial centers through its subsidiaries. In 2022, the Company ventured into the establishment of data center facilities. The Company has the following operating subsidiaries:

(i) Laguna Technopark, Inc.
(ii) Unity Realty & Development Corporation
(iii) LCI Commercial Ventures, Inc.
(iv) ALogis Artico, Inc. (formerly Ecozone Power Management, Inc.)
(v) Orion Land, Inc.
(vi) Tutuban Properties, Inc.
(vii) Orion Property Development, Inc.
(viii) A-FLOW Land I Corp.

b. Business of Issuer

(i) <u>Principal Products and Services</u>

- *Laguna Technopark, Inc. (LTI)*

LTI is engaged in the business of real estate development. To date, LTI owns and operates industrial parks that cater to light and medium, non-polluting enterprises from both global and local markets, namely: Laguna Technopark, Cavite Technopark, Laguindingan Technopark, and Batangas Technopark.

LTI is likewise into the construction and operation of standard factory buildings or warehouses located in multiple sites in Laguna, Cavite, and Pampanga, spanning approximately 170,241 square meters (sqm.) of warehouse gross leasable area (GLA).

- *Unity Realty & Development Corporation (URDC)*

URDC is a real estate holding company which owns Pampanga Technopark located in Mabalacat City, Pampanga, with a total GLA of 270 hectares. URDC has a 7,740-sqm. warehouse and a cold storage facility (with 5,000 pallet position) within the property.

- *LCI Commercial Ventures, Inc. (LCVI)*

LCVI owns and operates warehouse facilities in a 14-hectare property in Calamba, Laguna. At present, warehouse GLA in the property is 98,173 sqm.

- *ALogis Artico, Inc. (AAI)*

AAI, a wholly-owned subsidiary of LTI, previously engaged in retail electricity supply (RES) until it shifted its focus to the industrial real estate business. It now manages cold storage facilities, operating under the ALogis Artico brand, with a total of 15,306 pallet positions with sites located in Biňan, Laguna, Mandaue, Cebu, and Sto. Tomas, Batangas. Moreover, AAI is also into the operations of a standard factory building located in Santo Tomas, Batangas with warehouse GLA of 64,340 sqm.

**The SEC approved the change in its corporate name to ALogis Artico, Inc. on January 30, 2024.*

- *Orion Land, Inc. (OLI)*

OLI is engaged in the business of property development and leasing. It owns South Park Center, a commercial complex consisting of a 5-storey mall and a 6-storey corporate office building located in Alabang, Muntinlupa.

- *Tutuban Properties, Inc. (TPI)*

TPI, a wholly-owned subsidiary of OLI, holds the lease and development rights of over a 20-hectare property in Divisoria. On the property sits the Tutuban Center, an integrated wholesale and retail complex, located in Tondo, Manila.

- *Orion Property Development, Inc. (OPDI)*

OPDI, a wholly-owned subsidiary of OLI, handles property development. Its present landholdings include properties in Batangas and Laguna.

- *A-FLOW Land I Corp.*

Incorporated in 2022, this is a 60%-owned company engaged in leasing. It currently owns a 5-hectare property in Mamplasan, Laguna.

- *FLT Prime Insurance Corporation (FPIC)*

FPIC, a 78.77%-owned subsidiary of ALLHC, was incorporated in 1977, and engaged in non-life insurance business. With the shift to real estate as the core business of ALLHC Group, FPIC requested the Insurance Commission (IC) for termination of its servicing license and the appointment of an overseer, which was approved by the IC on January 4, 2021. The IC issued a Directive dated May 11, 2021 which declared the insurance business of FPIC as officially withdrawn. FPIC has had no insurance operations since 2017.

Based on the Company's Consolidated Statement of Income (Loss) for the past year, the contributions of the above subsidiaries (on a per type of business basis) to the Company's consolidated Net Income are as follows:

Parent Company –	(32.93%)
Real estate and development-	144.25%
Retail Electricity Services-	(3.65%)
Cold storage services-	(8.23%)
Others –	0.56%

Total	100.00%

(ii) Percentage of Sales Contributed by Foreign Sales

The Company and its subsidiaries offer their products to the domestic and foreign market. In 2024, sales of industrial lots and lease of warehouses were mainly to the domestic market.

(iii) Distribution Methods

The Company's industrial real estate products are marketed to a range of individual and corporate property buyers and lessees.

The Company's industrial group has its own in-house sales team for its industrial and commercial lots for sale, and in-house leasing team for its dry warehouse and cold storage facilities for lease. The Company taps external brokers and agents to complement these sales and leasing teams.

(iv) New Products or Services

There were no new products introduced in 2024, although new storage facilities were opened.

(v) Competition

The Company competes with other investment holding companies in the Philippines in terms of investment prospects. The Company's core businesses continue to compete in their respective industries. Competition is kept mainly on a domestic level. The competition of the business units are as follows:

(a) OLI which operates mall and offices in South Park Center faces competition from other mall and office lessors;
(b) TPI which operates Tutuban Center in Manila competes with other malls and retailers, shops in Divisoria and Manila area;

(c) LTI and URDC compete with other industrial park developers and warehouse lessors;
(d) LCVI compete with other warehouse lessors;
(e) OPDI competes with other real estate developers; and
(f) AAI competes with cold storage facilities operators and lessors.

(vi) Purchases of Raw Materials and Supplies

The Company's supplies are purchased on a competitive basis from accredited local suppliers.

(vii) Customers

ALLHC has a broad market base for its products lines and is not dependent on a single customer group.

For malls leasing, customers include warehouses, retailers and mall shoppers. For office leasing, a number of locators occupy the available spaces to date. For industrial parks, standard factory buildings and cold storage facilities, customers are domestic and foreign locators. OPDI's customers are Filipino lot buyers.

(viii) Transactions with and/or Dependence on Related Parties

The Company has limited transactions and/or dependence on its shareholders and related parties in view of existing laws on disclosures and prior government approvals. Transactions with related parties are in the form of inter-company loans or advances, sale of properties, construction contracts, marketing, leasing, management and administrative service agreements in the ordinary course of business.

(ix) Franchise

The Company's products are not covered by any franchise.

(x) Government Approvals for Principal Services

AAI holds a license to operate as Retail Electricity Supplier until March 19, 2027 from the Energy Regulatory Commission. However, AAI has changed its primary purpose into ownership and management of cold storage and dry warehouse.

(xi) Effect of Existing or Probable Governmental Regulations

Government al regulations which affected or were expected to affect the operations or business of ALLHC and some of its subsidiaries are as follows:

(a) Government approval of any increase in the prices of electricity and water may have an adverse impact on the operations as it will directly increase utilities and overhead expenses.

(b) The Philippine Economic Zone Authority (PEZA) accreditation and Board of Investments tax incentives may attract potential locators in the industrial parks and standard factory buildings of the Group.

(xii) Research and Development Activities

The Company has no research and development activities.

(xiii) Cost and Effects of Compliance with Environment Laws

The Group ensures that the development of industrial parks, standard factory buildings and cold storage facilities comply with the requirements of the Department of Environment and Natural Resources and related agencies. As part of its sustainability efforts, the Group is gradually shifting to the use of renewal sources of energy for its operations in its malls and cold logistics facilities.

(xiv) Employees

As of December 31, 2024, the employees of ALLHC are as follows:

Executives*	-	-
Managers	-	23
Supervisors	-	6
Rank and File	-	36

Total		65

**The executives of ALLHC are employees of ALI*

The Company has no workers' union.

As of March 31, 2025, the total number of ALLHC employees is 68.

(xv) Risks

In 2024, the Company identified the following top three (3) risks: (1) project execution and delivery risk, (2) marginalization risk; and (3) government/political risk.

Project Execution and Timely Delivery Risk - Ensuring customer satisfaction while managing project delivery, costs and quality is a top priority for the Company. The Company is dedicated to maintaining the trust of its customers and meeting their expectations, as these are fundamental to brand's reputation and sustained growth. To mitigate this risk, the Company has assigned dedicated Construction Management Directors (CMD) for land development and industrial leasing businesses, implementing design-build strategies and pursuing partnering agreements, executing planned phasing of land development to ensure timely percentage of completion delivery, implements comprehensive project monitoring system and standardized facility operations and maintenance procedures.

Marginalization- An increasingly competitive market, with competition offering more flexible terms and innovative products pose a significant challenge to the Company's market share. As a counter-measure, the Company is exploring alternative designs in building facilities, offering build-to-suit (BTS) arrangements for customer-specific requirements, developing stronger brand identity for cold storage facilities through brand refresh campaign, extending promotional incentives to brokers and agents and competitive rental rates and rent-free period for leasing business, and revisiting alternative concepts for commercial centers.

Government and political risk- The Company must proactively monitor and engage with regulatory bodies regarding changing government policies and varying legal interpretations as these impact compliance and project delivery. To minimize potential disruptions, the Company continues to build relationships with regulators, officials of LGUs, Philippine National Railways and relevant government agencies, monitoring of changes in laws, policies and regulations and implementing early engagement and consultation with government agencies for pre-work activities.

For more information on the Company's risk management, please refer to the 2024 Integrated Report to be posted on the Company's website, www.ayalalandlogistics.com.

Item 2. Properties

The Company and certain subsidiaries hold office at a leased office space at the 3rd Floor Glorietta 5, Ayala Center, Makati City.

OLI's commercial buildings consist of a 5-storey shopping center and a 6-storey business process outsourcing office (South Park Center) are located along National Road, Alabang, Muntinlupa City.

TPI is the lessor of retail spaces in Tutuban Center which has a GLA of about 38,000 square meters, excluding leasehold spaces. Tutuban Center sits on about 8.5 hectares (has.) out of a 20-hectare property owned by the Philippine National Railways (PNR) being leased by TPI (includes land use and air rights) until September 4, 2039.

LTI holds office at the 2nd floor of its Administration Building 1 located at North Main Avenue, Laguna Technopark, Binan, Laguna. LTI has standard factory buildings (SFBs) for lease in Binan, Laguna; Naic, Cavite; and Porac, Pampanga. Its industrial park developments include the 166-hectare Cavite Technopark in Naic, Cavite and the 62-hectare Laguindingan Technopark in Habini Bay, Laguindingan, Misamis Oriental.

URDC owns Pampanga Technopark located in Mabalacat, Pampanga which covers 270 has. It has dry and cold storage facilities.

AAI has two cold storage facilities in Binan, Laguna, with lot areas of 11,800-sqm. and 7,527-sqm., one in Mandaue, Cebu located in a 2,800-sqm. lot., and another 6,244-sqm. facility in Sto. Tomas, Batangas.

LCVI's warehouses are located on its 14-hectare property in Calamba, Laguna.

OPDI owns (a) about 31 has. raw land in Kay-Anlog, Laguna; (b) ridge area near Homelands Subdivision, with an area of 21,148 sqm.; (c) a 31,087-sqm. industrial lot in Calamba, Laguna; and (d) a 23,301-sqm. industrial lot in Calamba, Laguna. Recently, it completed the sale of its real properties in Sto. Tomas, Batangas, with an area of 6,648 sqm., to a third party. TPI Holdings Corporation * owns a 1,095-sqm. lot in Sto. Tomas, Batangas.

A-FLOW Land I Corp. hold title to a 5-has. property in Mamplasan, Binan, Laguna, which is the site of its data center.

**The Securities and Exchange Commission has approved the shortening of its corporate term on 27 April 2023.*

Item 3. Legal Proceedings

a. *FLT Prime Insurance Corporation vs. Solid Guaranty, Inc.*
Civil Case No. 14-981 Makati RTC Branch 59
C.A. G.R. CV No. 110458
SC G.R. No. 248094
For: Recovery of Sum of Money and Damages

Status: Supreme Court (SC) reversed the Court of Appeals (CA) Decision; case remanded to the RTC for continuation of trial

In April 2014, FLT Prime (FLT) filed a complaint for recovery of sum of money and damages against its reinsurer, Solid Guaranty (SGI), in the amount of P10,721,938.50 representing SGI's 45% share in the final settlement amount paid by FPIC to its assured Top Forest Developers, Inc.

On July 26, 2017, the court granted FLT's Motion for Summary Judgment and ordered defendant to pay the amount of P10,721,938.50 with interest for the delay at the rate of 13.71% per annum commencing on January 7, 2021 until fully paid, attorney's fees in the amount of P500,000.00 and costs of suit.

Defendant filed a Motion for Reconsideration (MR) which was denied by the court. Defendant filed an appeal with the CA which affirmed the RTC Decision. Defendant filed a Petition for Review (PR) with the SC.

The SC, its Resolution dated November 11, 2021, granted the PR and reversed the CA Resolution. The SC ruled that summary judgment is not proper in this case where the reinsurer consistently disputed the data and records used for the valuation of the assured's claim and that the CA erred in sustaining the trial court's summary judgment that automatically applied the follow the fortunes clause. The SC ordered that the case be remanded to the RTC for continuation of trial. FLT's MR was denied by the SC. FLT has yet to set case for trial.

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

The following items will be submitted for approval of the stockholders:

a. Approval of the minutes of the 2024 annual stockholders' meeting held on April 25, 2024, covering the following matters presented for resolution of the stockholders, which were all duly approved by a majority of the stockholders present and represented in the meeting:
   (i) Approval of the minutes of the 2023 annual stockholders' meeting;
   (ii) Annual report for calendar year 2023 including the consolidated Audited Financial Statements for the calendar year December 31, 2023;
   (iii) Ratification of the acts of the Board of Directors and Officers during the preceding year;
   (iv) Election of incumbent directors, including the independent directors; and
   (v) Appointment of the Isla Lipana as the external auditor of the Corporation for the year 2024 and fixing of its remuneration.

The minutes of the 2024 Annual Stockholders' Meeting had been uploaded to the Company's website within five (5) business days from the date of the meeting and may be viewed through the following link:

https://www.ayalalandlogistics.com/wp-content/uploads/2024/05/ALLHC-Minutes-ASM-25Apr2024.pdf

In addition, the 2024 minutes contain the following information:

(i) A description of the voting and vote tabulation procedures used in the meeting;
(ii) A description of the opportunity given to stockholders or members to ask questions and a record of the questions asked and answers given;
(iii) The matters discussed and resolutions reached;
(iv) A record of the voting results for each agenda item;
(v) A list of the directors, officers and the percentage of outstanding and voting shares of stockholders who attended and participated in the meeting;
(vi) Information on the stockholders who participated in the meeting and their voting rights;
(vii) A description of the Company's performance including business strategy and other affairs as presented in the Annual Report of Officers; and
(ix) All other matters taken up related to good governance and the protection of minority stockholders.

b. Approval of the audited financial statements and supplementary schedules, including noting of annual report of management for the year ending December 31, 2024.

Except for the above matters taken up during the annual stockholders' meeting, there was no other matter submitted to a vote of the security holders of the Company during the period covered by this report.

PART II- OPERATIONAL AND FINANCIAL INFORMATION

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

Market Information

The Company's Common Shares are listed and principally traded in the PSE. The high and low sales prices* of the Company's securities for each quarter are indicated in the table below:

	High	Low
Calendar Year 2025		
1st Quarter (Jan.-Mar. 2025)	₱1.77	₱1.43
Calendar Year 2024		
1st Quarter (Jan.- Mar. 2024)	₱2.25	₱1.68
2nd Quarter (Apr.- June 2024)	2.15	1.72
3rd Quarter (Jul.- Sept. 2024)	2.12	1.73
4th Quarter (Oct.- Dec. 2024)	2.18	1.62
Calendar Year 2023		
1st Quarter (Jan.- Mar. 2023)	₱3.44	₱2.81
2nd Quarter (Apr.- June 2023)	2.97	2.45
3rd Quarter (Jul.- Sept. 2023)	3.04	1.44
4th Quarter (Oct.- Dec. 2023)	1.88	1.55

*provided by PSE Market Data Department

Stock price as of latest practicable trading date of April 11, 2025 is P1.45 per share

Holders

As of March 31, 2025, the Company has 734 stockholders. The following are the top 20 stockholders of the Company based on the records of the Company's Stock and Transfer Agent, Stock Transfer Service, Inc.:

	Name	Number of Shares	Percentage (%)
1	Ayala Land, Inc.	4,467,752,831	70.90
2	PCD Nominee Corporation (Filipino)	1,098,050,806	17.42
3	F. Yap Securities, Inc.	279,854,100	4.44
4	ESOWN Administrator 2019	103,098,980	1.64
5	PCD Nominee Corporation (non-Filipino)	93,613,717	1.49
6	Orion Land Inc.	49,444,216	0.78
7	YHS Holdings Corporation	22,900,000	0.36
8	Caridad Say	22,370,000	0.35

9	ESOWN Administrator 2018	19,967,400	0.32
10	SEC Account FAO: Various Customers of Guoco Securities (Philippines), Inc.	18,076,380	0.29
11	David C. Go	16,000,000	0.25
12	Victor Say	15,000,000	0.24
13	Vichelli Say	10,000,000	0.16
14	Coronet Property Holdings Corp.	6,000,000	0.10
15	Federal Homes, Inc.	5,492,000	0.09
16	PLLIM Investments, Inc.	4,600,000	0.07
17	Dao Heng Securities (Phils.), Inc.	4,015,000	0.06
18	Kristine Chai Gaisano	3,900,000	0.06
19	Felipe Yap	3,010,000	0.05
20	Double D Mdse. Corporation	2,527,000	0.04

Dividends

There were no dividend declarations for the years 2022 to 2024.

Dividend Policy

As provided in the By-laws, dividends shall be declared only from surplus profit and shall be payable at such times and in such amounts as the Board oof Directors may determine. The dividends shall be payable in cash or in shares of stock from the unissued stock of the Company, or both as the Board may determine. No dividend shall be declared that will impair the capital of the Company.

Cash dividends are subject to the approval of the Board of Directors but no stockholder approval is required. For stock dividends, approval of the Board and the stockholders holding two-thirds of the capital stock of the Company are required.

Recent Sales of Unregistered Securities

The Company has not sold any unregistered securities within the past three fiscal years.

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

Review of 2024 Consolidated Results of Operations versus 2023

For the year ended 31 December 2024, AyalaLand Logistics Holdings Corp. ("ALLHC" or the "Group") registered consolidated revenues of P5.2 billion versus P3.5 billion the year prior, or a 48% increase year-on-year. Net income increased by 10% to P700.8 million from P636.1 million in 2023. The improved performance reflects higher industrial lot sales and solid performance across warehouse, cold storage and commercial operations.

Earnings per share for the year ended 31 December 2024 was P0.11 which was P0.01 higher than P0.10 last year.

Business Segments

The breakdown of the revenues are as follows:

	Amount – P' million			
Segment	**2024**	**2023**	**2024 vs. 2023**	**Change**
Real estate sales	3,344.4	1,549.0	1,795.4	116%
Rental services	1,679.9	1,531.1	148.8	10%
Cold storage services	163.5	176.4	(12.9)	(7%)
Others	-	253.5	(253.5)	(100%)
Total	5,187.8	3,510.0	1,677.8	48%

Real estate sales. This segment pertains to sale of industrial lots. Industrial lot sales revenues stood at P3.3 billion, 116% higher compared to 2023's post of P1.5 billion.

Rental services. This segment covers operations of the following:

Commercial leasing. The combined revenues of Tutuban Center and South Park Center including recoveries amounted to P918.6 million which was 5% higher than P872.0 million revenues last year due to the improved mall occupancy in South Park Center and steady office leasing revenues. The Group ended with 96k square meters (sqm.) of gross leasable area (GLA).

Warehouse leasing. Revenues rose by 16% to P761.3 million in 2024 from P659.1 million with the contribution of additional gross leasable area from ALogis Naic BTS, Naic 2 and Calamba. Total warehouse GLA grew by 8% to 340k sqm in 2024 from 314k sqm in 2023.

Cold storage services. Cold storage revenues in 2024 posted P163.5 million which was 7% lower than the P176.4 million in 2023 due to lower occupancy and ramping up of new facilities. The Group ended the year with a total pallet position count of 20k with the addition of Sto.Tomas and Mabalacat.

Others. This consists of non-recurring revenues mainly from sale of non-core assets.

Expenses

Consolidated costs of real estate, cost of rental and cost of storage services amounted to P3.4 billion in 2024 compared to P2.3 billion in 2023, or 48% higher, due to increase in lot sales. Operating expenses of P310.5 million incurred in 2024 were 38% higher compared to P224.4 million in 2023.

Financial Condition

Total Assets of the Group stood at P30.7 billion as of 31 December 2024, 7% higher than P28.6 billion as of 31 December 2023, due to increase in installment receivables, inventory acquisitions and ongoing land development and construction projects.

Total Liabilities increased by 8% to P15.9 billion compared to P14.7 billion last year due to intercompany borrowings
and payables related to capital expenditures.

Total Equity registered at P14.9 billion was 7% higher than the equity of P13.9 billion last year mainly due to positive result during the year and change in accounting policy related to adoption of PFRS 15.

Financing Through Loans

As of 31 December 2024, the Group had outstanding loans from financial institution amounting to P2.4 billion.

Prospects for the future

The Group is committed to build a national footprint through key presence all over the country. As part of its short-term plans, the Group targets to continuously grow its warehouse leasable area, expand its cold storage business, and diversify its products.

Key Variable and Other Qualitative and Quantitative Factors

Ratio	Formula	31-Dec-2024	31-Dec-2023
Current Ratio	Current Assets / Current Liabilities	1.15: 1 11,320,682 / 9,846,345	1.14: 1 9,737,010 / 8,558,036
Debt to Equity Ratio	Total Liabilities / Equity	1.07: 1 15,854,863 / 14,884,433	1.06: 1 14,714,920 / 13,907,209
Net Debt to Equity Ratio	Net Liabilities / Equity	0.92: 1 13,624,071 / 14,884,433	0.90: 1 12,508,837 / 13,907,209
Capital Adequacy Ratio	Equity Total Assets	0.48 14,884,433 / 30,739,296	0.49 13,907,209 / 28,622,129
Book Value per Share	Equity Total # of Shares	2.36 14,884,433/ 6,301,592	2.21 13,907,209 / 6,301,592
Income per Share	Net Income Total # of Shares	0.11 700,756/ 6,252,148	0.10 636,107 / 6,252,148

Current ratio shows the Group's ability to meet its short-term financial obligation. As of 31 December 2024, the Group's current ratio is 1.15x compared to 1.14x as of 31 December 2023. The Group has sufficient current assets to support its current liabilities as of the period.

Debt to Equity ratio indicates the extent of the Group's debt which is covered by shareholders' fund. It reflects the relative position of the equity holders. The higher the ratio, the greater the risk being assumed by the creditors. A lower ratio generally indicates greater long-term financial safety. Debt-to-equity ratio slightly increased at 1.07:1.

Net Debt to Equity Ratio is a measure of the Group's financial leverage. It is calculated by dividing net liabilities over Equity. Net liabilities is the difference of Total Liabilities less deferred payables, lease liabilities and cash and cash equivalents. Net debt-to-equity ratio as of 31 December 2024 was 0.92 as compared to 0.90 in 31 December 2023 due to additional intercompany loans and increase in accounts payable.

Capital Adequacy Ratio is computed by dividing the Total Stockholders' Equity over Total Assets. It measures the financial strength of the Company. As of 31 December 2024, the Group's Capital Adequacy Ratio is at 0.48 compared to the same period last year of 0.49.

Book value per share measures the recoverable amount in the event of liquidation if assets are realized at book value. As of 31 December 2024, the Group's book value per share of P2.36 was higher than P2.21 as of 31 December 2023.

Income per share is calculated by dividing net income by the weighted average number of shares issued and outstanding. As of 31 December 2024, the Group's income per share was at par at P0.11 versus last year.

(i) Any known trends, demands, commitments, events or uncertainties that will have a material impact on issuer's liability.

There are no known trends or any known demands, commitments, events or uncertainties that will result in or that are reasonably likely to result in the Company and its subsidiaries' liquidity increasing or decreasing in any material way.

(ii) Events that will trigger direct or contingent financial obligation that is material to the Group, including any default or acceleration of an obligation.

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

(iii) Material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships with unconsolidated entities or other persons created during the reporting period.

There are no known off-balance sheet transactions, arrangements, obligations (including contingent obligations), during the period.

(iv) Any material commitments for capital expenditures, the general purpose of such commitments, and the expected sources of funds for such expenditures.

The total Group's total capital expenditures in 2024 amounted to P3.7 billion. 65% was spent for land acquisition and development of real estate projects and 35% was spent for commercial and leasing projects. This was financed through internally generated funds and intercompany borrowings.

(v) Any known trends, events or uncertainties that have had or that are reasonably expected to have a material favorable impact on net sales or revenues or income from continuing operations should be described.

The Group did not have any known trends, events or uncertainties that have had or that are reasonably expected to have a material favorable impact on net sales or revenues or income from continuing operations.

(vi) Any significant elements of income or loss that did not arise from the registrant's continuing operations.

The Group did not recognize income or loss during the period that did not arise from continuing operations.

(vii) Causes of Any Material Changes from Period to Period of FS which shall include vertical and horizontal analyses of any material item (5%).

a. Cash and cash equivalents stood at P242.7 million, 13% higher than the P214.7 million last year. Net increase in the account was mainly driven by cash from operations and financing activities.

b. Receivables, net - current increased by 113% to P2,989.1 million due to increase in installment receivables from lot sales.

c. Real estate held for sale and development increased by 13% to P5,705.9 million mainly due to land acquisition and development.

d. Amounts owed by related parties posted at P932.7 million or a 36% increase from P685.5 million due to additional lending of intercompany loans.

e. Other current assets decreased by 39% to P1,445.3 million due to collection of advances to suppliers and contractors.

f. Receivables - net of current portion decreased by 21% to P2,639.0 million due to collection of installment receivables from lot sales.

g. Financial assets at fair value through other comprehensive income amounted to P151.3 million is 19% higher from last year due to increase in fair value of equity securities.

h. Investments in joint venture amounted to P737.6 million is driven by additional investment in data center business.

i. Right of use assets, net decreased by 6% to P999.8 million compared to P1,066.0 million in 2023 due to amortization during the year.

j. Property and equipment – net increased from P1,234.4 million to P1,702.8 million, 38% higher due to additional expansion of leasing businesses.

k. Net pension assets decreased by 66% to P1.5 million due to increase in retirement benefit expense and actuarial losses.

l. Other non-current assets posted at P796.0 million is 430% higher from last year due to input VAT and creditable withholding taxes expected to be utilized beyond twelve months after the end of the reporting period.

m. Accounts payable and accrued expenses increased by 51% to P2,250.6 million from P1,493.0 million on account due to increase in payable to vendors.

n. Current portion of long-term debt from bank, which is expected to be settled within one year, amounted to P24.8 million or 18% lower than P21.1 million from last year.

o. Lease liabilities – current portion decreased by 77% to P36.0 million from P156.0 million mainly due to account reclassification.

p. Rental and other deposits - current portion registered at P404.7 million, 8% lower due to renewal of expiring contracts.

q. Amounts owed to related parties principally consisting of interest-bearing advances, increased by 11% to P7,124.9 million from P6,434.9 million as of 31 December 2023 to fund the capital expenditure requirements.

r. Income tax payable amounted to P5.4 million or 46% lower than P11.0 million, as of 31 December 2023 due to income tax holiday incentives.

s. Rental and other deposits - net of current portion registered at P461.3 million, 6% higher due to additional tenants and contracts renewal.

t. Installment payable – net of current portion decreased by 44% to P444.4 million from P788.4 million in 2023 due to settlement on installment payables.

u. Lease liabilities – net of current portion increased by 7% to P1,677.4 million from P1,569.0 million mainly due to account reclassification.

v. Deferred income tax liabilities, net increased to P274.7 million or 5% due to deferred lot sales.

w. Other non-current liabilities increased by 11% to P729.7 million due to additional retention payable related to capital expenditures during the year.

x. Retained Earnings increased by 23% to P5,126.8 million mainly due to positive result during the year and change in accounting policy related to adoption of PFRS 15.

(viii) Any seasonal aspects that had a material effect on the financial condition or results of operations.

There are no known seasonal aspects that had a material effect on the financial condition or results of operations.

Review of 2023 Consolidated Results of Operations versus 2022

For the year ended 31 December 2023, AyalaLand Logistics Holdings Corp. (“ALLHC” or the “Group”) registered consolidated revenues of P3.51 billion versus P4.21 billion the year prior, experiencing a 17% drop. Net income decreased by 37% to P636.1 million from P1.01 billion in 2022. The performance reflects lower booked industrial lot sales on account of ongoing development works for our industrial estates amidst improvements in warehouse, cold storage, and commercial leasing operations.

Earnings per share for the year ended 31 December 2023 was P0.10 which was 37% lower than P0.16 last year.

Business Segments

The breakdown of the revenues are as follows:

	Amount – P’ million			
Segment	**2023**	**2022**	**2023 vs. 2022**	**Change**
Real estate sales	1,763.2	2,354.3	(591.1)	(25%)
Rental and storage services	1,746.8	1,579.1	167.7	11%
Sale of electricity	–	274.7	(274.7)	(100%)
Total	3,510.0	4,208.1	(698.1)	(17%)

Real estate sales. This segment pertains to sale of industrial lots and non-core assets. Industrial lot sales revenues stood at P1.55 billion, 34% lower compared to 2022’s post of P2.35 billion. Sale of non-core assets amounted to P214.2 million in 2023.

Rental and storage services. This segment covers operations of the following:

Commercial leasing. The combined revenues of Tutuban Center and South Park Center amounted to P646.1 million which was 19% higher than P544.1 million revenues last year due to the improved mall occupancies and mall rentals, increased foot traffic, and steady office leasing revenues. Recoveries amounting to P225.9 million and P266.0 million were also recognized as part of revenues in 2023 and 2022, respectively. The Group ended with 95K square meters (sqm.) of gross leasable area (GLA).

Warehouse leasing. Revenues rose by 2% to P659.1 million in 2023 from P648.5 million with the contribution of additional gross leasable area from ALogis Naic. Total warehouse GLA grew by 2% to 314k sqm from 309k in 2022.

Cold storage. In 2021, the Group entered the cold storage market. Cold storage revenues in 2023 posted P176.4 million which was 46% higher than the P120.5 million in 2022 from the full year contribution of ALogis Artico Mandaue. The Group ended the year with a total pallet position count of 10,300.

Others. Revenues generated from land leased to the data center business and other services amounted to P39.3 million in 2023.

Sale of electricity. This pertains to retail electricity supply (RES) service to industrial park locators and external commercial customers. No revenues were recognized in 2023 given all RES contracts have been assigned to focus on real estate logistics business.

Expenses

Consolidated costs of real estate and services costs from rental and sale of electricity amounted to P2,324.0 million in 2023 compared to P2,643.7 million in 2022, or 12% lower, due to decrease in lot sales and discontinuation of RES service in 2023. Operating expenses of P224.4 million incurred in 2022 were 29% higher compared to P174.1 million in 2022.

Project and Capital Expenditures

The Group spent P3.9 billion in capital expenditures to support the completion of new projects and aggressive expansion, of which P2.2 billion was spent for land development, P1.2 billion for building improvements, and P0.5 billion for land acquisition.

Financial Condition

Total Assets of the Group stood at P28.62 billion as of 31 December 2023, 12% higher than 25.64 billion as of 31 December 2022, due to increase in installment receivables, land acquisitions and development, improvements in warehouse facilities, and additional investments in joint venture.

Total liabilities increased by 18% to P14.71 billion compared to P12.42 billion last year due to intercompany borrowings and payables related to capital expenditures.

Total Equity registered at P13.91 billion was 5% higher than the equity of P13.22 billion last year mainly due to the impact of net income during the year and an increase in non-controlling interest.

Financing Through Loans

As of 31 December 2023, the Group had outstanding loans from financial institution amounting to P2.47 billion.

Prospects for the future

The Group is committed to build a national footprint through key presence all over the country. As part of its short-term plans, the Group targets to continuously grow its warehouse leasable area, expand its cold storage business, and diversify its products.

Key Variable and Other Qualitative and Quantitative Factors

Ratio	Formula	31-Dec-2023	31-Dec-2022
Current Ratio	Current Assets / Current Liabilities	1.14: 1 9,737,010 / 8,558,036	1.33: 1 8,917,453 / 6,693,534
Debt to Equity Ratio	Total Liabilities / Equity	1.06: 1 14,714,920 / 13,907,209	0.94: 1 12,419,531 / 13,221,972
Net Debt to Equity Ratio	Net Liabilities / Equity	0.90: 1 12,508,837 / 13,907,209	0.75: 1 9,979,395 / 13,221,972
Capital Adequacy Ratio	Equity / Total Assets	0.49 13,907,209 / 28,622,129	0.52 13,221,972 / 25,641,503
Book Value per Share	Equity / Total # of Shares	2.21 13,907,209 / 6,301,592	2.10 13,221,972 / 6,301,592
Income per Share	Net Income / Total # of Shares	0.10 636,107 / 6,252,148	0.16 1,006,881 / 6,252,148

Current ratio shows the Group's ability to meet its short-term financial obligation. As of 31 December 2023, the Group has P1.14 worth of current assets for every peso of current liabilities compared to P1.33 as of 31 December 2022. The Group has sufficient current assets to support its current liabilities as of the period.

Debt to Equity ratio indicates the extent of the Group's debt which is covered by shareholders' fund. It reflects the relative position of the equity holders. The higher the ratio, the greater the risk being assumed by the creditors. A lower ratio generally indicates greater long-term financial safety. Compared to 31 December 2022, debt-to-equity ratio was higher due to additional borrowings incurred to acquire and develop land and warehouse facilities.

Net Debt to Equity Ratio is a measure of the Group's financial leverage. It is calculated by dividing net liabilities over Equity. Net liabilities is the difference of Total Liabilities less deferred payables, lease liabilities and cash and cash equivalents. Compared to 31 December 2022, net debt-to-equity ratio was higher at 0.90 due to additional intercompany loans and payables.

Capital Adequacy Ratio is computed by dividing the Total Stockholders' Equity over Total Assets. It measures the financial strength of the Company. As of 31 December 2023, the Group's Capital Adequacy Ratio was slightly lower at 0.49 compared to same period last year's 0.52.

Book value per share measures the recoverable amount in the event of liquidation if assets are realized at book value. As of 31 December 2023, the Group's book value per share of P2.21 was slightly higher than as of 31 December 2022.

Income per share is calculated by dividing net income by the weighted average number of shares issued and outstanding. As of 31 December 2023, the Group reported a P0.10 income per share which was 37% lower than last year.

(i) Any known trends, demands, commitments, events or uncertainties that will have a material impact on issuer's liability.

There are no known trends or any known demands, commitments, events or uncertainties that will result in or that are reasonably likely to result in the Company and its subsidiaries' liquidity increasing or decreasing in any material way.

(ii) Events that will trigger direct or contingent financial obligation that is material to the Group, including any default or acceleration of an obligation.

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

(iii) Material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships with unconsolidated entities or other persons created during the reporting period.

There are no known off-balance sheet transactions, arrangements, obligations (including contingent obligations), during the period.

(iv) Any material commitments for capital expenditures, the general purpose of such commitments, and the expected sources of funds for such expenditures.

For 2023, the Group's adjusted budgeted total capital expenditures was P5.0 billion for projects, and it spent P3.9 billion as of 31 December 2023 for land acquisition and development, investment in buildings and improvements. This was financed through internally generated funds and intercompany borrowings.

(v) Any known trends, events or uncertainties that have had or that are reasonably expected to have a material favorable impact on net sales or revenues or income from continuing operations should be described.

The Group did not have any known trends, events or uncertainties that have had or that are reasonably expected to have a material favorable impact on net sales or revenues or income from continuing operations.

(vi) Any significant elements of income or loss that did not arise from the registrant's continuing operations.

The Group did not recognize income or loss during the period that did not arise from continuing operations.

(vii) Causes of Any Material Changes from Period to Period of FS which shall include vertical and horizontal analyses of any material item (5%).

a. Cash and cash equivalents stood at P214.7 million, 52% lower than the P450.6 million last year. Net decrease in the account was mainly driven by payments related to capital expenditures.

b. Receivables - current decreased by 23% to P1,402.7 million resulting from collection of installment receivables from lot sales.

c. Real estate held for sale and development increased by 15% to P5,045.2 million mainly due to additional land development cost.

d. Amounts owed by related parties posted at P685.5 million or 34% increase from P509.8 million due to additional intercompany loans to fund capital expenditure requirements.

e. Other current assets increased by 36% to P2,384.0 million due to increase in the advances to suppliers and contractors, and input tax.

f. Receivables - net of current portion increased to P3,329.6 million or 52% higher due to installment receivables from lot sales.

g. Investments in joint venture amounted to P677.8 million given the Group's additional investment in its data center business.

h. Right of use asset decreased by 6% to P1,066.0 million in 2023 compared to P1,135.8 million in 2022 due to amortization during the year.

i. Property, plant and equipment – net increased from P1,090.0 million to P1,234.4 million, 13% higher due to the expansion.

j. Net pension assets decreased by 59% to P4.4 million due to increase in retirement benefit expense and actuarial losses.

k. Deferred income tax assets - net increased by 47% from P124.0 million to P182.7 million mainly due unamortized discount on long-term receivables.

l. Other non-current assets posted at P150.1 million, 14% lower due to refund of customer deposits.

m. Accounts payable & accrued expenses decreased by 23% to P1,493.0 million from P1,930.2 million on account due to settlement of installment payable and other liabilities.

n. Current portion of long term debt from bank, which is expected to be settled within one year, amounted to P21.1 million.

o. Current portion of rental and other deposits registered at P442.2 million, 9% lower due to end of lease contracts.

p. Current portion of lease liabilities decreased to P156.0 million from P597.7 million mainly due to account reclassification to non-current.

q. Current portion of deferred rent income decreased by 87% to P0.9 million due to realization to income.

r. Amounts owed to related parties principally consisting of interest-bearing advances and intercompany charges, increased by 75% to P6,434.9 million from P3,675.2 million as of 31 December 2022 to provide funding for capital expenditure requirements.

s. Income tax payable amounted to P10.1 million from income tax due in excess of applicable creditable withholding tax.

t. Rental and other deposits - net of current portion registered at P434.6 million, 46% higher due to additional tenants.

u. Nontrade payable - non-current decreased by 19% to P788.4 million from P977.3 million in 2022 due to settlement on installment payables from the acquisition of land and buildings.

v. Lease liabilities – net of current portion increased by 38% to P1,569.0 million from P1,134.8 million mainly due to account reclassification.

w. Deferred rent income – net of current portion decreased to P4.9 million from P6.1 million due to reclassification to current deferred rent income.

x. Deferred income tax liabilities – net increased by 7% from P244.2 million to P260.6 million due to deferred income from installment sales.

y. Other non-current liabilities increased by 9% to P655.3 million driven by increase in retention payable related to capital expenditures during the year.

z. Retained Earnings increased by 18% to P4,171.6 million mainly due to net income during the year.

aa. Non-controlling interest increased by 5% to P270.7 million from P258.9 million in 2022 due to the 40% equity interest of the Group's partner in the joint venture company.

(viii) Any seasonal aspects that had a material effect on the financial condition or results of operations.

There are no known seasonal aspects that had a material effect on the financial condition or results of operations.

Review of 2022 Consolidated Results of Operations versus 2021

For the year ended 31 December 2022, AyalaLand Logistics Holdings Corp. ("ALLHC" or the "Group") registered P4.21 billion in revenues while net income grew by 29% to P1.01 billion from P0.78 billion in 2021. The overall performance was driven by steady demand for industrial lots and improved performance of its leasing businesses.

Earnings per share for the year ended 31 December 2022 was P0.16 which was 29% higher than P0.12 last year.

Business Segments

The breakdown of the revenues are as follows:

	Amount – P' million			
Segment	**2022**	**2021**	**2022 vs. 2021**	**Change**
Real estate sales	2,354.3	2,052.9	301.4	15%
Rental and storage services	1,579.1	1,177.5	401.7	34%
Sale of electricity	274.7	1,066.2	(791.5)	(74%)
Total	4,208.1	4,296.6	(88.4)	(2%)

Real estate sales. This segment pertains to sale of industrial lots. Industrial lot sales revenues stood at P2.35 billion, 15% higher compared to 2021's post of P2.05 billion.

Rental and storage services. This segment covers operations of warehouse and commercial leasing.

Commercial leasing. The combined revenues of Tutuban Center and South Park Center amounted to P544.1 million which was 28% higher than P425.3 million revenues last year due to the normalized mall rentals, improved mobility, and steady office leasing revenues. Recoveries amounting to P266.0 million and P251.1 million were also recognized as part of revenues in 2022 and 2021, respectively. The Group ended with 94K square meters (sqm.) of gross leasable area (GLA).

Warehouse leasing. Revenues rose by 44% to P648.5 million in 2022 from P451.7 million with the contribution of additional gross leasable area and improved overall occupancy. Total warehouse GLA grew by 38% to 309k sqm from 224k in 2021.

Cold Storage. In 2021, the Group entered the cold storage market. Cold storage revenues in 2022 contributed P120.5 million which was 144% higher than the P49.4 million in 2021. The Group ended the year with a total pallet position count of 10,300.

Sale of electricity. This pertains to retail electricity supply (RES) service to industrial park locators and external commercial customers. Revenue from power was 74% down to P274.7 million due to gradual assignment of RES contracts to focus on real estate logistics business.

Expenses

Consolidated costs of real estate and services costs from rental and sale of electricity amounted to P2,643.7 million in 2022 compared to P3,151.7 million in 2021, or 16% lower, due to lower cost of purchased power service. Operating expenses of P174.1 million incurred in 2022 were 13% lower compared to P199.8 million in 2021.

Project and Capital Expenditures

The Group spent P3.68 billion in capital expenditures to support the completion of new projects and aggressive expansion, of which P947.3 million was spent for land development, P1,041.8 million for building improvements, and P1,691.3 million for land acquisition.

Financial Condition

Total Assets of the Group stood at P25.64 billion as of 31 December 2022, higher than P20.39 billion as of 31 December 2021 due to increase in installment receivables, land acquisitions and development, and investments in warehouse facilities.

Total liabilities increased to P12.42 billion compared to P8.42 billion last year due to additional borrowings and payables related to capital expenditures.

Total Equity registered at P13.22 billion was 10% higher than the equity of P11.97 billion last year mainly due to the impact of net income during the year and an increase in non-controlling interest.

Financing Through Loans

As of 31 December 2022, the Group had outstanding loans from financial institution amounting to P2.46 billion.

Prospects for the future

The Group is committed to build a national footprint through key presence all over the country. As part of its short- term plans, the Group targets to continuously grow its warehouse leasable area, expand its cold storage business, and diversify its products.

Key Variable and Other Qualitative and Quantitative Factors

Ratio	Formula	31-Dec-2022	31-Dec-2021
Current Ratio	Current Assets / Current Liabilities	1.33: 1 8,917,453 / 6,693,534	1.91: 1 6,944,971 / 3,636,640
Debt to Equity Ratio	Total Liabilities / Equity	0.94: 1 12,419,531 / 13,221,972	0.70: 1 8,417,691 / 11,967,645
Net Debt to Equity Ratio	Net Liabilities / Equity	0.75: 1 9,979,395 / 13,221,972	0.54: 1 6,457,949 / 11,967,645
Capital Adequacy Ratio	Equity / Total Assets	0.52 13,221,972 / 25,641,503	0.59 11,967,645 / 20,385,336
Book Value per Share	Equity / Total # of Shares	2.10 13,221,972 / 6,301,592	1.90 11,967,645 / 6,301,592
Income per Share	Net Income / Total # of Shares	0.16 1,006,881 / 6,252,148	0.12 779,966 / 6,252,148

Current ratio shows the Group's ability to meet its short-term financial obligation. As of 31 December 2022, the Group has P1.33 worth of current assets for every peso of current liabilities compared to P1.91 as of 31 December 2021. The Group has sufficient current assets to support its current liabilities as of the period.

Debt to Equity ratio indicates the extent of the Group's debt which is covered by shareholders' fund. It reflects the relative position of the equity holders. The higher the ratio, the greater the risk being assumed by the creditors. A lower ratio generally indicates greater long-term financial safety. Compared to 31 December 2021, debt-to-equity ratio was higher due to additional borrowings incurred to acquire and develop land and warehouse facilities.

Net Debt to Equity Ratio is a measure of the Group's financial leverage. It is calculated by dividing net liabilities over Equity. Net liabilities is the difference of Total Liabilities less deferred payables, lease liabilities and cash and cash equivalents.

Capital Adequacy Ratio is computed by dividing the Total Stockholders' Equity over Total Assets. It measures the financial strength of the Company. As of 31 December 2022, the Group's Capital Adequacy Ratio was slightly lower at 0.52 compared to same period last year's 0.59.

Book value per share measures the recoverable amount in the event of liquidation if assets are realized at book value. As of 31 December 2022, the Group's book value per share of P2.10 was slightly higher than as of 31 December 2021.

Income per share is calculated by dividing net income by the weighted average number of shares issued and outstanding. As of 31 December 2022, the Group reported a P0.16 income per share which was 29% higher than last year.

(i) Any known trends, demands, commitments, events or uncertainties that will have a material impact on issuer's liability.

There are no known trends or any known demands, commitments, events or uncertainties that will result in or that are reasonably likely to result in the Company and its subsidiaries' liquidity increasing or decreasing in any material way.

(ii) Events that will trigger direct or contingent financial obligation that is material to the Group, including any default or acceleration of an obligation.

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

(iii) Material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships with unconsolidated entities or other persons created during the reporting period.

There are no known off-balance sheet transactions, arrangements, obligations (including contingent obligations), during the period.

(iv) Any material commitments for capital expenditures, the general purpose of such commitments, and the expected sources of funds for such expenditures.

For 2022, the Group's budgeted total capital expenditures was P4.20 billion for projects, and it spent P3.68 billion as of 31 December 2022 for land acquisition and development, investment in buildings and improvements. This was financed through internally generated funds, bank loan and advances.

(v) Any known trends, events or uncertainties that have had or that are reasonably expected to have a material favorable impact on net sales or revenues or income from continuing operations should be described.

The Group did not have any known trends, events or uncertainties that have had or that are reasonably expected to have a material favorable impact on net sales or revenues or income from continuing operations.

(vi) Any significant elements of income or loss that did not arise from the registrant's continuing operations.

The Group did not recognize income or loss during the period that did not arise from continuing operations.

(vii) Causes of Any Material Changes from Period to Period of FS which shall include vertical and horizontal analyses of any material item (5%).

a. Cash and cash equivalents stood at P450.6 million, 455% higher than the P81.2 million as of 31 December 2021. Net increase in the account was mainly driven by the Group's new subsidiary.

b. Receivables - current increased by 57% to P1,810.9 million driven by installment receivables from lot sale

c. Real estate held for sale and development increased by 29% to P4,384.1 million mainly due to land acquisitions and expansion.

d. Amounts owed by related parties posted at P509.8 million or 59% decrease from P1,244.9 million due to principal and interest collections from intercompany loans granted to affiliates.

e. Other current assets increased by 66% to P1,757.4 million due to increase in the advances to suppliers and contractors.

f. Receivables - net of current portion increased to P2,193.0 million or 94% higher due to installment receivables from lot sales.

g. Financial Assets at fair value through other comprehensive income stood at P124.2 million, 14% lower than the P144.3 million as of 31 December 2021 due to sale and maturity of investments and unrealized loss recognized for the year.

h. Investments in joint venture amounted to P181.1 million given the Group's investment in its newly entered data center business.

i. Right of use asset decreased by 5% to P1,135.8 million in 2022 compared to P1,200.7 million in 2021 due to recognition of depreciation.

j. Investment properties increased by 20% to P11,691.5 million due to acquisition of land for lease and additional warehouse facilities.

k. Property and equipment – net increased from P723.4 million to P1,090.0 million, 51% higher due to additional purchase of cold storage facilities, treated as business combinations.

l. Net pension assets decreased by 9% to P10.7 million due to recognition of retirement benefit expense.

m. Deferred income tax assets - net increased by 78% from P69.8 million to P124.0 million mainly due additional income tax incurred and discounting of installment liabilities.

n. Other non-current assets posted at P173.6 million, 62% lower due to amortization of deferred input VAT on the acquisition of land and development costs.

o. Accounts payable & accrued expenses increased by 37% to P1,930.2 million from P1,411.2 million on account of additional liability incurred for the acquisition of cold storage facility and land development.

p. Current portion of rental and other deposits registered at P483.8 million, 31% higher due to new tenants.

q. Current portion of lease liabilities increased by 170% to P597.7 million from P221.1 million mainly due to interest accretion during the year.

r. Current portion of deferred rent income decreased by 37% to P6.7 million due to realization to income.

s. Amounts owed to related parties principally consisting of interest-bearing advances and intercompany charges, increased by 131% to P3,675.2 million from P1,594.4 million as of 31 December 2021 to provide funding for capital expenditures and investments.

t. Income tax payable amounted to nil due to enough creditable withholding tax to cover the liabilities.

u. Rental and other deposits - net of current portion registered at P298.3 million, 15% lower due to reclassification from current portion of rental and other deposits.

v. Nontrade payable - non-current increased by 275% to P977.3 million from P260.4 million in 2021 due to acquisition of land and buildings which are payable on installment.

w. Long-term debt increased by 25% to P2,463.2 million due to availment of additional bank loan.

x. Lease liabilities – net of current portion decreased by 27% from P1,549.5 million to P1,134.8 million mainly due to reclassification from non-current to current.

y. Retention payable – net of current portion increased by 61% to P120.4 million driven by the additional cold storage facility acquisition transaction.

z. Deferred rent income – net of current portion increased to P6.1 million from P4.9 due to reclassification to current deferred rent income.

aa. Deferred income tax liabilities – net increased by 164% from P92.4 million to P244.2 million due to the impact of adjustment on the recognition of PFRS 16.

bb. Loss on remeasurement of retirement benefits decreased by 11% to P46.0 million due to transfer of TPI employees to parent company.

cc. Retained Earnings increased by 40% to P3,539.3 million mainly due to net income during the year.

dd. Non-controlling interest increased by 1,195% to P258.9 million from P20.0 million in 2021 due to the 40% equity interest of the Group's partner in the new joint venture company.

(viii) Any seasonal aspects that had a material effect on the financial condition or results of operations.

There are no known seasonal aspects that had a material effect on the financial condition or results of operations.

Item 7. Financial Statements

The 2024 consolidated audited financial statements and schedules are filed with this report as indicated in the Index to Exhibits.

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

a. Pursuant to the General Requirements of SRC Rule 68, Par. 3 (Qualifications and Reports of Independent Auditors), and upon the recommendation of the Audit Committee (composed of Mr. Rex Maria A. Mendoza, Chairman, Ms. Cassandra Lianne S. Yap, and Ms. Jessie D. Cabaluna, members), the Company appointed Isla Lipana & Co. (Isla Lipana) as external auditor for CY 2024, with Mr. Zaldy D. Aguirre as the Partner-in-Charge.

b. Representatives of Isla Lipana as auditors for the most recently completed fiscal year, are expected to be present at the annual stockholders' meeting (ASM). They will have the opportunity to make a statement if they so desire, and are expected to be available to answer appropriate questions, if any, on the 2024 audited financial statements of the Company.

Upon recommendation of its Audit Committee, the Board will present for approval the appointment of Isla Lipana as external auditor for the ensuing fiscal year and its remuneration, at the ASM.

Changes and Disagreements with Accountants on Accounting and Financial Disclosures

The Company engaged the services of Isla Lipana as its independent auditor for the two most recent fiscal years. There has been no resignation or dismissal of the external auditor of the Company for the past two (2) fiscal years. There were no disagreements with external auditor on matters relating to accounting and financial disclosures for the same period.

External Audit Fees and Services

Audit and Audit-Related Fees

The Company paid its external auditor Isla Lipana for audit year 2024 and 2023 the following fees, inclusive of Value Added Tax:

Year	Audit and Audit Related Fees	Other Non-Audit Fees*
2024	Php3,139,360.00	Php63,840.00
2023	Php2,422,560.00	Php63,840.00

* Fees paid for validation of votes during the 2024 and 2023 ASMs to SyCip Gorres Velayo & Co.

There are no known assurance and related services rendered by the external auditor other than the services stated above for CY 2024 and 2023. The Audit Committee has a policy to review the audit and non-audit services rendered by the Independent Auditor to ensure that these do not impair the Independent Auditor's independence.

Tax Fees

No tax services were rendered by Isla Lipana or any other entity in 2024 and 2023.

Non-Audit Fees

The non-audit fees pertain to the services rendered by SyCip, Gorres, Velayo & Co. (SGV) for the validation of votes in relation to the Company's ASMs in 2024 and 2023. Isla Lipana did not render any non-audit services to the Company in 2024 and 2023.

PART III- CONTROL AND COMPENSATION INFORMATION

Item 9. Directors and Executive Officers of the Registrant

Directors and officers

The incumbent directors of the Company are as follows:

Anna Ma. Margarita B. Dy
Felipe U. Yap
Robert S. Lao
Jaime Alfonso E. Zobel de Ayala
Bernard Vincent O. Dy
Nathanael C. Go
Rex Maria A. Mendoza
Cassandra Lianne S. Yap
Jessie D. Cabaluna

All the directors were elected on April 25, 2024 during the annual stockholders' meeting of the Company.

The write-ups below include the nationality, age and positions held as of December 31, 2024 and in the past five (5) years of the incumbent directors and officers.

***Anna Ma. Margarita B. Dy**, Filipino, 55*
Chairman, Non-Executive Director since December 14, 2023

Ms. Dy is also the President and Chief Executive Officer and Director of Ayala Land, Inc. since October 1, 2023. She is a member of the Management Committee of ALI since August 2008. She was an Executive Vice President of ALI from January 1, 2023, to September 30, 2023, and was a Senior Vice President from January 1, 2015, until December 31, 2022. Prior to becoming President, she was the Head of the Residential Business Group of ALI in 2022 and Head of the Malls Group in 2023. Before that, she also headed the Ayala Land Estates Group. Her other significant positions are: Chairman of Amaia Southern Properties, Inc., Ayalaland Premier, Inc., Ayala Land International Sales, Inc., Avida Land Corp., Alveo Land Corp., Avencosouth Corp., Altaraza Development Corporation, Amaia Land, Inc., Amicassa Process Solutions, Inc., Ayala Property Management Corporation, Ayalaland-Tagle Properties, Inc., BGWest Properties, Inc., BGNorth Properties, Inc., Bellavita Land Corp., Cagayan de Oro Gateway Corp., Vesta Properties Holdings, Inc. Portico Land Corp. and Solinea, Inc.; Vice Chairman of Aurora Properties, Inc., CECI Realty, Inc., and Ayala Greenfield Development Corporation; President of AKL Properties, Inc.; President and Chief Executive Officer of Fort Bonifacio Development Corporation; and Director of Accendo Commercial Corp., ALI Eton Property Development Corporation, Berkshires Holdings, Inc., Bonifacio Land Corporation, Columbus Holdings, Inc., Emerging City Holdings, Inc., Nuevocentro, Inc., Serendra, Inc. and Alveo-Federal Land Communities Inc. She started her career in IBM, Bain and Benpres Holdings. She obtained an AB in Economics degree from Ateneo de Manila University, a Master of Science in Economics from London School of Economics and a Master in Business Administration from Harvard Business School.

Directorships in other publicly listed companies:
Ayala Land, Inc. and AREIT, Inc.

Felipe U. Yap, Filipino, 87
Vice-Chairman, Non-Executive Director since 1993

Mr. Yap has been Vice Chairman of the Company from February 24, 2016. He was Chairman of the Board of Directors of the Company from 2000 to February 2016 and Vice Chairman from 1993 to 2000. His other significant positions include: Chairman of the Board and Chief Executive Officer of publicly-listed companies Lepanto Consolidated Mining Company, Manila Mining Corporation, and Zeus Holdings, Inc.; Chairman of the Board and CEO of Far Southeast Gold Resources, Inc., Lepanto Investment and Development Corporation, Diamant Manufacturing and Trading Corporation, Diamond Drilling Corporation of the Philippines, and Shipside, Inc.; Kalayaan Copper-Gold Resources, Inc., and Yapster e-Conglomerate, Inc.; Director of Manila Peninsula Hotel, Inc., Philippine Associated Smelting & Refining Corp. (PASAR). He graduated with a degree in B.A. Philosophy from the University of San Carlos in Cebu. He has extensive experience in the mining industry. He served as Chairman of the PSE Board of Governors from 2000 to 2002.

Directorships in other publicly-listed companies:
Lepanto Consolidated Mining Company, Manila Mining Corporation, and Zeus Holdings, Inc.

Robert S. Lao, Filipino, 50
President and Chief Executive Officer since August 2, 2023

Mr. Lao has been Senior Vice President of ALI and a member of its Management Committee since April 19, 2017. He is also the Group Head of Strategic Growth and New Ventures, head of AyalaLand Logistics Holdings Corp., the Central Land Acquisition Unit, and Sustainability Group. He is concurrently the Chairman, President and Chief Executive Officer and Director of Southcrest Hotel Ventures, Inc. and Northgate Hotel Ventures, Inc.; Chairman, President and Director of Ayalaland Medical Facilities Leasing, Inc., Whiteknight Holdings Inc. and Bonifacio Global City Estate Association, Inc.; Chairman and Director of Sicogon Island Tourism and Estate Corp., Sicogon Island Tourism and Estate Corp., Bonifacio Estates Services Corporation, Glensworth Development, Inc., A-Flow Land I Corp.; Executive Vice President and Director of Berkshires Holdings, Inc., Bonifacio Land Corporation, Columbus Holdings, Inc.; Emerging City Holdings, Inc., Fort Bonifacio Development Corp.; Director and Treasurer of Bonifacio Art Foundation, Inc.; Director of A-Flow Properties I Corp., Aurora Properties Incorporated, Ceci Realty, Inc., Vesta Property Holdings, Inc., Accendo Commercial Corp., Alveo Land Corp., Ayala Greenfield Development Corporation, Ayala Property Management Corporation, Cagayan De Oro Gateway Corp., Orion Land, Inc., Solinea, Inc., FLT Prime Insurance Corporation, Serendra, Inc., Tutuban Properties, Inc., Ayalaland-Tagle Properties, Inc., BGWest Properties, Inc.; President and Director of ALI Eton Property Development Corp. Prior to joining Ayala Land, Inc., he served as a Senior Process Engineer of Fujitsu Computer Products Corporation of the Philippines (FCPP) and Lead Process Engineer of PT Quantum Electronics in Indonesia. He studied at the University of Santo Tomas and graduated cum laude with a degree in Bachelor of Science in Industrial Engineering in 1995. He completed his Masters in Business Management (MBM) degree in 2001 from the Asian Institute of Management (AIM) and attended the International Student Exchange Program of the University of Cologne in Germany.

Bernard Vincent O. Dy, Filipino, 61
Non-Executive Director since February 24, 2016

Mr. Dy was the Chairman of the Board of the Company from April 21, 2022 until December 14, 2023 and also from February 24, 2016 to April 12, 2018. He was the President and CEO of Ayala Land, Inc. (ALI) from April 2014 until September 30, 2023, a publicly-listed company, and was a member of the Ayala Group Management Committee since April 2014. Concurrently, he is the Chairman of Anvaya Cove Beach and Nature Club, Inc. and Anvaya Cove Golf and Sports Club, Inc.; President of Bonifacio Arts Foundation, Inc.; and Director of Berkshire Holdings, Inc., Columbus Holdings, Inc., Emerging City Holdings, Inc., Altaraza Development Corporation, Bonifacio Land Corporation, Ayala Greenfield Development Corporation, and Ayala Greenfield Golf & Leisure Club, Inc. and Junior Golf Foundation of the Philippines since 2010 and Vice Chairman since 2017. Mr. Dy earned a degree of BBA in Accountancy from the University of Notre Dame in 1985, an MBA in 1989, and Masters in International Relations in 1997 from the University of Chicago.

Jaime Alfonso E. Zobel de Ayala, Filipino, 34
Non-Executive Director since May 14, 2020

Mr. Zobel de Ayala is the Chief Executive Officer of ACMobility, a platform for mobility solutions including automotive distribution, dealership, aftersales services, and electric vehicle infrastructure. He is also a director of AC Industrials, Isuzu Philippines, BPI Capital Corporation, among others. He has been appointed as a member of the Inter-Agency Investment Promotion Coordination Committee (IIPCC), as the sole private sector representative of the National Capital Region of the Republic of the Philippines. Prior to his role in ACMobility, he was the Co- Head of the Strategic Development Group and Head of Business Development and Digital Ventures of Ayala Corporation. He graduated from Harvard University, Cambridge, Massachusetts, USA, with Primary Concentration in Government in 2013 and his Master's degree in Business Administration from Columbia Business School in New York in 2019.

Directorship in other publicly listed companies:
Globe Telecom, Inc. and ACEN CORPORATION

Nathanael C. Go, Filipino, 49
Non-Executive Director since January 13, 2017

Mr. Go is the President of Grenelle Central Corporation, Mighty and Strong (MAS) Food Corporation, United Harvest Corporation, and United Sustainment Solutions Corporation. Mr. Go graduated magna cum laude from Georgetown University with a BS degree in Foreign Service and completed his graduate studies in International Political Economy from the University of Warwick as a British Chevening scholar. Mr. Go worked in the Public Affairs practice of Burson Marstellar Beijing, and before that was a senior member of the Policy and Strategy Division of the National Security Council, Philippines.

Rex Maria A. Mendoza, Filipino, 62
Independent Director since February 26, 2016 and Lead Independent Director since July 18, 2017

Mr. Mendoza is the Independent Director of Ayala Land, Inc. (ALI) and National Reinsurance Corporation (NatRe), all listed companies in the Philippine Stock Exchange. He is the Chairman of Rampver Financials, one of the largest distributors of investment funds in the Philippines. He is an active entrepreneur with companies and endeavors in multiple industries. He is the Chairman of the Soldivo Funds and also a director of Esquire Financing, G-Xchange Inc. (GXI or Gcash), Seedbox Technologies, Seven Tall Trees Events Management (The Blue Leaf), The Cullinan Group, Mobile Group Inc. and many other leading companies in different fields. He is recognized as one of the best business, leadership, finance, marketing and sales speakers in the country. Mr. Mendoza is also a bestselling author (Trailblazing Success and Firing On All Cylinders), financial advisor and business mentor. He is a member of Bro. Bo Sanchez' Mastermind Group, and is cited by many as one of the best leadership, business strategy, investments, marketing and sales speakers in the country. He served as the President & CEO of Philam Life, one of the country's most trusted financial services conglomerates and was Chairman of its affiliates and subsidiaries. He was also Senior Adviser to the Chief Executive Officer of the AIA Group. Prior to this, he was previously Senior Vice President and Chief Marketing and Sales Officer of ALI. He was also Chairman of Ayala Land International Sales, Inc., President of Ayala Land Sales, Inc., and Avida Sales Corporation. He has a Master's Degree in Business Management with distinction from the Asian Institute of Management. He was one of the 10 Outstanding Graduates of his batch at the University of the Philippines where he obtained a BSBA degree with a double major in marketing and finance. He was awarded Most Distinguished Alumnus of the UP Cesar Virata School of Business. He is also a Fellow with Distinction at the Life Management Institute of Atlanta, Georgia, USA, a Registered Financial Planner (RFP) and a four-time member of the Million Dollar Round Table (MDRT). He was a professor of Marketing and Computational Finance at the De La Salle University Graduate School of Business. He taught strategic marketing, services marketing and services strategy. He has served as Chairman of the Marketing Department and was awarded as one of the University's most outstanding professors.

Directorships in other publicly-listed companies:
Independent Director of Ayala Land, Inc. and National Reinsurance Corporation

Cassandra Lianne S. Yap, *Filipino*, 35
Independent Director since April 13, 2020

Ms. Yap is the Vice President and Corporate Secretary of Zamcore Realty & Development Corp. She is also the President, Chief Operating Officer and Chief Executive Officer of Ferenzo Holdings & Development Corp. and the Executive Vice President of FelCris Hotels & Resorts Corp. She graduated in 2011 with a degree in Psychology from Kwantlen Polytechnic University in British Columbia.

Jessie D. Cabaluna, Filipino, 68
Independent Director since April 25, 2024

Ms. Cabaluna is also an independent director of Anvaya Cove Beach and Nature Club, Inc. and Alviera Country Club, Inc. She is the President and Managing Director of Stetchworth House, Inc. since 2017. She is presently an Independent Director for AllHome Corp. and AllDay Marts, Inc. She is a Certified Public Accountant and a member of the Philippine Institute of Certified Public Accountants. She is a former independent director of AREIT, Inc. and AREIT Fund Managers, Inc. She was the former Assurance Partner and Head of Market Circle – 1 Bacolod Branch of SyCip Gorres Velayo & Co. (SGV). She has accumulated over twenty years of experience as a partner in the accounting firm, SGV, where she was Partner-in-Charge of the Bacolod Branch. She holds a Bachelor of Science in Commerce (Major in Accounting) from the University of St. La Salle. She has also completed advanced management development programs conducted by the Asian Institute of Management and Harvard Business School.

Directorships in other publicly-listed companies:
Independent Director of AllHome Corp. and AllDay Marts, Inc.

The following served as director of the Company until April 25, 2024:

Renato O. Marzan, Filipino, 75, served as Independent Director of the Company from January 13, 2017 to April 25, 2024. He is the Chairman of the Board of Directors of UBS Securities Philippines, Inc. (USPI), a wholly-owned subsidiary of UBS AG. He has been an independent director of the USPI since May 2010. He is also a consultant and director in a number of private corporations. He was formerly connected with Ayala Corporation where he retired in 31 December 2008. At the time of his retirement, he was the General Counsel, Managing Director and the Group Head of the Corporate Governance and Legal Affairs Group of the corporation. In such capacity, he exercised direct supervision and oversight over the Legal Division, Office of the Corporate Secretary, the Compliance Unit and the Internal Audit of the corporation. He played an important role in the adoption and implementation of the principles and best practices of good corporate governance in the Ayala Group of Companies. During his career in Ayala, he also served as a director and corporate secretary of a number of companies within the Ayala Group. He graduated *magna* cum laude with a degree of Bachelor of Arts major in Philosophy in 1969, and cum laude with a degree of Bachelor of Laws in 1973, both from San Beda University. Prior to joining Ayala in 1978, he was in the active practice of law.

<u>Nominees to the Board of Directors for election at the 2025 stockholders' meeting</u>:

Except for Independent directors, Mr. Rex Maria A. Mendoza and Ms. Jessie D. Cabaluna, all the incumbent directors of the Company are being nominated to the Board of Directors. In their stead, Messrs. Emilio Lolito J. Tumbocon and Agustin R. Montilla IV are being nominated as Independent Directors.

Emilio Lolito J. Tumbocon, Filipino, 68, is presently a Commissioner of the Construction Industry Arbitration Commission; Director of Datem, Inc.; Chairman & President of the Makati Commercial Estate Association, Inc. (MACEA); Chairman & President of the Makati Parking Authority, Inc. (MAPA); Trustee of Project Management Institute, Philippines Chapter; and Chairman & President of Philippine Events, Exhibition & Convention Corporation (PEECC). He was the Group Head of Ayala Land, Inc. (ALI) Vismin Group, Human Resources & Public Affairs Group and Construction Management Group; and a member of the Management Committee of ALI until his retirement from ALI in December 2015. He was also the President of Makati Development Corporation and Ayala Property Management Corporation. He was a Senior Vice President of ALI and in the past has served as a board director of various ALI subsidiaries & affiliates. He graduated from the University of the Philippines with a Bachelor of Science degree in Civil Engineering, and has an MBA from the same university. He also took the Construction Executive Program at Stanford University, California, U.S.A., the Senior Business Executive Program at the University of Asia & the Pacific, and The Executive Program at the Darden Graduate School of Business Administration, University of Virginia, U.S.A. He is a certified Project Management Professional (PMP) of the Project Management Institute and a Fellow, Institute of Corporate Directors (FICD). He has 45 years of extensive experience in the project management, engineering & construction, and real estate industry.

Agustin R. Montilla IV, Filipino, 54, has served as an independent director of Anvaya Cove Golf and Sports Club, Inc. since September 25, 2021. He joined Romulo Mabanta Buenaventura Sayoc & de los Angeles as an Associate in 1996. At Romulo, he was a senior partner and served on its executive board from 2016 until 2025. Mr. Montilla led the firm's teams working for its clients on mergers, acquisitions, private equity and capital markets transactions. While at Romulo, he served as Director of Lex Mundi, one of the largest global networks of independent law firms from 2019 to 2023. He is currently a member of the Board of Trustees of the Beacon International School Foundation, Inc.; member of the Board of Trustees and Chairman of the Cancer Resource and Wellness (Carewell) Community Foundation, Inc.; He is President and shareholder of Dueno Alegre, Inc.; ETM Philippines Holdings, Inc.; serves as Director and Corporate Secretary of SAL Buendia Holding Corp., and as Corporate Secretary of The Asia Society Foundation Philippines, Montivar, Inc. and BF Jade E-Services Philippines, Inc. In education, he has taught Western Civilization to most of Xavier School's class of 1997; held the post of Lecturer in Law at Ateneo de Manila University School of Law from 1999 to 2004 from where he graduated with honors in April 1995. In May 2002, he earned his Legum Magister from Columbia Law School in New York.

Management/Key Executive Officers

Robert S. Lao	President and Chief Executive Officer
Augusto D. Bengzon	Treasurer
Patrick John C. Avila	Chief Operating Officer
Tristan John T. de Guzman	Chief Finance Officer, Compliance Officer, and Chief Risk Officer
Ma. Florence Therese dG. Martirez-Cruz	Corporate Secretary
Jeffrey R. Legaspi	Chief Audit Executive
Roscoe M. Pineda	Data Protection Officer

Officers:

Augusto D. Bengzon, Filipino, 61, is the Treasurer of AyalaLand Logistics Holdings Corp. since May 14, 2020. He was a Director of the Company from July 2017 to May 2020. He joined ALI in December 2004 and currently serves as its Senior Vice President, Chief Finance Officer and Treasurer. He is a Director of AREIT, Inc., a publicly-listed company under the Ayala Group. His other significant positions include: Chairman of AyalaLand Business Solutions, Inc. (formerly Aprisa Business Process Solutions Inc.) and FINEX Research and Development Foundation; Vice Chairman of FINEX Academy, Inc.; Director and Chief Finance Officer of Altaraza Development Corporation; Director and Treasurer of ALI Eton Property Development Corp., Alveo Land Corp., Aurora Properties Inc., AyalaLand Premier Inc., AyalaLand-Tagle Properties, Inc., Ceci Realty Inc., Philippine Integrated Energy Solutions Inc., Serendra Inc. and Vesta Property Holdings Inc.; Director of Alviera Country Club Inc., Amicassa Process Solutions, Inc., Anvaya Cove Golf and Sports Club, Inc., Financial Executives Institute of the Philippines, Makati Development Corp., and Station Square East Commercial Corp.; Comptroller of Nuevocentro, Inc.; Treasurer of AKL Properties, Inc., Alabang Commercial Corporation, Amaia Land Corp., Amaia Southern Properties, Inc., Avida Land Corp., Ayala Property Management Corporation, Bellavita Land Corp., BGWest Properties, Inc., Hero Foundation, Inc., The Suites at One Bonifacio High Street Condominium Corp. and Fe Del Mundo Medical Center Foundation, Inc.; Assistant Treasurer of Ayala Greenfield Development Corporation and Ayala Greenfield Golf & Leisure Club, Inc. and Trustee of Philippine National Police Foundation, Inc.. He received his Bachelor of Science degree in Business Management from the Ateneo de Manila University and is a graduate of the Philippine Trust Institute. He was granted the Andres K. Roxas scholarship at the Asian Institute of Management where he received his Masters in Business Management degree.

Patrick John C. Avila, Filipino, 44, has served as the Company's Chief Operating Officer since April 21, 2022. He is also the Chairman and President/CEO of Laguna Technopark, Inc., Orion Land, Inc. and Tutuban Properties, Inc.; Chairman and President of Unity Realty & Development Corporation, LCI Commercial Ventures, Inc., ALogis Artico, Inc., Orion Property Development, Inc., FLT Prime Insurance Corporation and Esta Galleria, Inc.; Director and President of A-FLOW Land I Corp. and Glensworth Development, Inc.; Director of A-FLOW Properties I Corp., Cavite Technopark Association, Inc., Laguindingan Technopark Association, Inc. and Pampanga Technopark Association, Inc. He joined Ayala Land, Inc. in August 2001 and was assigned to Alabang Town Center. In 2009, he moved to the Operations Group of Glorietta, and in 2013, to Laguna Technopark Inc. In 2018, he became the head of industrial parks and real estate logistics of ALLHC. He graduated cum laude from the University of the Philippines Manila with a degree in Bachelor of Arts in Social Science, major in Behavioral Studies in 2001. He finished his Master's degree in Public Management from the Ateneo School of Government in 2004. He also completed the Ayala Leadership Acceleration Program facilitated by Harvard Business Publishing in 2015.

Tristan John T. de Guzman, Filipino, 33, has served as the Chief Finance Officer, Compliance Officer and Chief Risk Officer of the Company since April 25, 2024. His other significant positions include: Director, Treasurer and Chief Finance Officer of Orion Property Development, Inc., A-FLOW Land I Corp. and Esta Galleria, Inc.; Director and Treasurer of Orion Land, Inc., Tutuban Properties, Inc., Laguna Technopark, Inc., Unity Realty & Development Corporation, LCI Commercial Ventures, Inc., ALogis Artico, Inc., A-FLOW Properties I Corp., and Glensworth Development, Inc. He joined Ayala Group in 2016 and served as Finance Manager for Business Development in AC Automotive Group for about two years, and then as Senior Manager for Corporate Finance and Finance Planning & Analysis at AC Industrials Group. Prior to Ayala, he worked at SyCip, Gorres, Velayo & Co. (2012-2015) and Shell Shared Services (Asia) B.V. (2015). He graduated cum laude from the University of Sto. Tomas with a degree in Bachelor of Science in Accountancy in 2012. He is a Certified Public Accountant and placed tenth in the CPA Licensure Examination in October 2012.

Ma. Florence Therese dG. Martirez-Cruz, Filipino, 39, has served as the Corporate Secretary of the Corporation since August 2, 2023. She is the Assistant Corporate Secretary of ALI since April 26, 2023. She also serves as the Assistant Corporate Secretary of AREIT, Inc. since November 14, 2022 and Chief Compliance Officer of AREIT, Inc. since April 26, 2023. She is the Corporate Secretary of AREIT Fund Managers, Inc., and concurrently the Head of Legal of AREIT, Inc. and Ayalaland Offices, Inc. She is also the Compliance Officer for Anti-Money Laundering of ALI, AREIT, and the Legal Group head for ALI's Leasing and Hospitality Group, and ALILegal's Banking, Finance, Securities, and Special Projects group. Prior to joining Ayalaland Offices, Inc. in 2021, she was a Senior Counsel and Counsel for AG Counselors Corporation, from 2019 to 2021, and 2016 to 2019, respectively. Prior to joining the Ayala Land Group, she worked as an Associate at Leynes Lozada-Marquez Law Offices and as a legal consultant in the Office of Senator Maria Lourdes Binay. She graduated from the University of the Philippines in 2007 with a Bachelor of Arts degree in Public Administration, and obtained her Juris Doctor in 2011 from the same University. She finished the Program on Negotiation and Leadership at Harvard Law School in 2019, the Certification Course for Compliance Officers by the Center for Global Best Practices in 2022, and was included in the Legal 500's GC Powerlist Philippines 2023.

Jeffrey R. Legaspi, Filipino, 37, has been the Chief Audit Executive of the Company since May 4, 2023. He also handles other Ayala Land, Inc. (ALI) Strategic Business Units specifically Ayala Land Estates, Inc., Ayala Property Management Corporation, and others. He also served as Deputy Chief Finance Officer of one of the Construction Divisions of Makati Development Corporation (MDC), a wholly-owned subsidiary of ALI. He was an Associate Internal Audit Manager at MDC prior to his reassignment to Finance. Before re-joining the ALI Group, he was the Senior Internal Audit Manager of Global-Estate Resorts, Inc. He holds a degree in Bachelor of Science in Accountancy from the Polytechnic University of the Philippines – Taguig Campus (PUP-Taguig), and is a Certified Public Accountant, and he obtained his Master's Degree in Business Administration, Major in Finance from De La Salle University Manila. He is an active member of the Institute of Internal Auditors - Philippines.

Roscoe M. Pineda, Filipino, 52, has served as the Data Protection Officer of the Company since January 1, 2024. He is a Vice President and the Information Technology Director of the Residential Business Group of Ayala Land, Inc. He assumed the Chief Information Officer (CIO) position for the ALI Group effective on October 1, 2023, and appointed as Data Protection Officer for the group on January 1, 2024. Mr. Pineda was the Service Center Lead for Technology and was also the Chief Operating Officer of ANZ Global Services and Operations in Manila. He was the Chief Shared Services Officer of the Asia Service Centre of Sun Life of Canada, and was a VP of CHARTIS Technology and Operations Management Corp. (AIG Shared Services) in various senior roles. He was a member of the Board of Trustees of the Global In-house Centers Council of the Philippines, a company delegate and representative of the IT & Business Process Association of the Philippines and Contact Center Association of the Philippines. He is a bona fide member of the PMI.org and currently a Certified Project Management Professional. Mr. Pineda has a Bachelor's Degree in Mathematics, Major in Computer Science from the University of Santo Tomas.

a) Attendance of Directors in Board meetings

The attendance of the directors at the meetings of the Board of Directors ("Board") held in 2024 is as follows:

Directors	**No. of Board Meetings Attended/Held** (in 2024 and during the incumbency of the director)	**Percent Present**
Anna Ma. Margarita B. Dy	6/6	100%
Felipe U. Yap	6/6	100%
Robert S. Lao	6/6	100%
Bernard Vincent O. Dy	5/6	83%
Jaime Alfonso E. Zobel de Ayala	6/6	100%
Nathanael C. Go	5/6	83%
Cassandra Lianne S. Yap	6/6	100%
Rex Maria A. Mendoza	5/6	83%
Jessie D. Cabaluna	4/5	80%
Renato O. Marzan*	1/1	100%

*served as director until April 25, 2024

b) Significant Employees

The Company considers all its employees to be significant partners and contributors to the business. There is no employee There is no employee who is expected to make individually on his own a significant contribution to the business of the Company.

c) Family Relationships

The independent director, Ms. Cassandra Lianne S. Yap, is the niece of a director, Mr. Felipe U. Yap. Ms. Yap is qualified to be an independent director under Sec. 1.9, Art. III of the Company's Manual on Corporate Governance, as revised on February 22, 2022 (the "Revised Corporate Governance Manual").

There are no other family relationships up to fourth civil degree, either by consanguinity or affinity, among the abovenamed directors and executive officers.

d) Involvement in certain legal proceedings

Except as disclosed herein or in the Information Statement of the Company's affiliates which are themselves public companies or as has been otherwise publicly disclosed, there are no material legal proceedings, bankruptcy petition, conviction by final judgment, order, judgment or decree or any violation of a securities or commodities law for the past five years to which the Company or any of its subsidiaries or affiliates or its directors or executive officers is a party or of which any of its material properties is subject, in any court or administrative agency.

The pending legal proceedings involving the Company's subsidiary is discussed in Item 3 above.

Item 10. Executive Compensation

A. General

Directors. Article III, Section 11 of the Company's Amended By-laws provides:

11. Compensation of Directors- Directors shall be entitled to receive from the Corporation, pursuant to a resolution of the Board of Directors, fees and other compensation for their services. In no case shall the total yearly compensation of Directors exceed ten percent (10%) of the net income before income tax of the Corporation during the preceding year.

The Personnel and Compensation Committee of the Board of Directors shall have the responsibility of recommending to the Board of Directors the fees and other compensation for directors. In discharging this duty, the committee shall be guided by the objective of ensuring that the level of compensation should fairly pay directors for the work required in a company of the Corporation's size and scope. No director shall be involved in deciding his own remuneration during his incumbent term.

No director has been contracted and compensated for services other than as director.

Officers. Article IV, Section 1 of the Company's Amended By-laws provides: :

1. Officers. xxx The Board of Directors shall fix the compensation of the officers of the Corporation.

Below is the summary of the aggregate compensation paid or accrued during the last two (2) years and ensuing fiscal year to the Company's Chief Executive Officer and four (4) other most highly compensated executive officers.

Summary Compensation Table
Annual Compensation

Name	Calendar Year	Salary (in ₱000s)	Bonus (in ₱000s)	Other Annual Compensation (in ₱000s)
Robert S. Lao (President/CEO)		-	-	-
Patrick Joh C. Avila (Chief Operating Officer)		-	-	-
Francis M. Montojo* (Chief Finance Officer/ Compliance Officer/ Chief Risk Officer)		-	-	-
Tristan John T. de Guzman** (Chief Finance Officer/ Compliance Officer/ Chief Risk Officer)		-	-	-

Gabriel Luis T. Sioson (Head, Industrial Parks and Real Estate Logistics)		-		
Marita C. Cabral (Head, Human Resources)		-	-	-
Jessica O. Santos *** (Head, Commercial Leasing)		-	-	-
CEO and four most highly compensated Executive Officers	2023 Actual 2024 Actual *2025 (projected)*	- - -	- - -	- - -
All other officers[1] and directors[2] as a group unnamed	2023 Actual 2024 Actual *2025 (projected)*	4,250.00 *3,750.00* *4,150.00*	- -	- -

* served from December 15, 2018 to April 25, 2024
** elected on April 25, 2024 vice Ms. Francis Montojo
***retired effective January 1, 2025

The above executive officers are employees of ALI assigned to the Company and their salaries and benefits are paid by ALI. Management fees paid by the Company to ALI cover part of the compensation of the executive officers of ALLHC (i.e., President/CEO, Chief Finance Officer, Chief Operating Officer, heads of Human Resources, and Commercial Leasing Group).

The total annual compensation of all directors and senior personnel from managers and up was paid in cash.

(a) **Compensation of Directors**

The directors receive per diems from the Corporation. Section 11 of Article III of the Amended By-Laws provides:

11. Compensation of Directors – Directors are entitled to receive form the Corporation, pursuant to a resolution of the Board of Directors, fees and other compensation for their services. In no case shall the total yearly compensation of Directors exceed ten percent (10%) of the net income before income tax of the Corporation during the preceding year.

The Personnel and Compensation Committee of the Board of Directors shall have the responsibility of recommending to the Board of Directors the fees and other compensation of directors. In discharging this duty, the committee shall be guided by the objective of ensuring that the level of compensation should fairly pay directors for work required in a company of the Corporation's size and scope. No director shall be involved in deciding his own remuneration during his incumbent term.

(i) Standard Arrangement

The Board of Directors are entitled to receive such compensation as fixed by the Board for services as director. The directors receive as compensation, per diems fixed by the Board of Directors, and approved by the stockholders.

The directors to receive the following per diems per meeting attended (as approved by the stockholders on 13 January 2017):

Board meeting fee	Php40,000.00
Committee meeting fee	Php30,000.00

In accordance with the requirement of Sections 29 and 49 of the Revised Corporation Code relating to an annual report of the total compensation of each director, below is a table showing the gross compensation (consisting of per diems) received by the executive, non-executive and independent directors in 2024.

[1] *Vice President and up; excludes managers.*
[2] *Compensation consists of per diems; excludes ESOWN Plan shares.*

Director	**Total Remuneration/ Per Diem**
Anna Ma. Margarita B. Dy[3]	Php350,000.00
Felipe U. Yap	350,000.00
Robert S. Lao[4]	390,000.00
Bernard Vincent O. Dy	240,000.00
Jaime Alfonso E. Zobel de Ayala[5]	320,000.00
Nathanael C. Go	240,000.00
Rex Maria A. Mendoza	670,000.00
Cassandra Lianne S. Yap	650,000.00
Jessie D. Cabaluna[6]	350,000.00
Renato O. Marzan[7]	190,000.00

(ii) Other Arrangement

None of the non-executive directors has been contracted and compensated by the Company for services other than those provided as a director. The Company has no arrangement with regard to the compensation of the non-executive directors other than that provided above.

One of the Company's non-executive directors availed of the stock grant in 2018 under the ESOWN Plan of the Company. The details of the ESOWN Plan are discussed in Item 10(c) – Warrants and Options Outstanding below.

(b) **Employment Contracts/Termination of Employment/Change-in Control Arrangements**

The present executive officers of the Company are regular employees of ALI and are covered by their respective engagement/employment contracts with ALI which provide for their functions corresponding to their position/rank.

There are no special terms or compensatory plans or arrangements relative to the resignation, termination of employment of such executive officers. No executive officer has been granted an ESOWN benefit by the Company.

The Company has no change-in-control arrangements with its executive officers.

(c) **Warrants and Options Outstanding**

In August 2015, the Board of Directors of the Company approved the Terms and Conditions of its ESOWN Plan covering 250 million common shares of the Company for its directors and employees as of 30 June 2015. The ESOWN Shares were issued in two (2) tranches.

Total number of shares subscribed under the ESOWN Plan are as follows: Tranche 1- 29,161,115 shares (excluding 144,485 shares returned to the Plan Pool); Tranche 2- First Availment- 26,629,700 shares; Tranche 2- Second Availment – 103,692,268 shares. Exercise price was P1.00 per share for Tranche 1, and P1.68 per share for Tranche 2. Except for Mr. Felipe U. Yap, no other incumbent director or executive officer of the Company was granted any ESOWN Plan shares.

There were no stock grants after 31 December 2018.

3 *Per diems were paid to ALI as her employer.*
4 *Per diems were paid to ALI as his employer.*
5 *Per diems were paid to AC as his employer.*
6 *Elected as director on April 25, 2024.*
7 *Served as director until April 25, 2024.*

Item 11. Security Ownership of Certain Beneficial Owners and Management

i. Security Ownership of Record and Beneficial Owners of more than 5% as of March 31, 2025:

Title of Class	Name, Address of Record Owner and Relationship with Issuer	Name of Beneficial Owner and Relationship with Record Owner	Citizenship	No. of Shares Held	Percent (of total outstanding shares)
Common	Ayala Land, Inc. (ALI)[8] 31F, Tower One and Exchange Plaza Ayala Triangle Ayala Ave., Makati City	Ayala Land, Inc.[9]	Filipino	4,467,752,831 (direct)	70.90%
Common	PCD Nominee Corporation (Filipino)[10] G/F MSE Bldg. Ayala Ave., Makati City	PCD participants acting for themselves or for their customers[11]	Filipino	1,098,050,806 (indirect)	17.42%

ii. Security Ownership of Directors and Management (Executive Officers) as of March 31, 2025:

Title of class of outstanding shares	Name of beneficial owner	Amount and nature of beneficial ownership	Citizenship	Percent of total outstanding shares
Directors				
Common	Anna Ma. Margarita B. Dy	1 (direct)	Filipino	0.00%
Common	Felipe U. Yap	3,010,000 (direct) 28,000,000[6] (indirect)	Filipino	0.49%
Common	Robert S. Lao	1 (direct)	Filipino	0.00%
Common	Bernard Vincent O. Dy	2 (direct)	Filipino	0.00%
Common	Jaime Alfonso E. Zobel de Ayala	1 (direct)	Filipino	0.00%
Common	Nathanael C. Go	1,025,000 (direct) 34,375,000 (indirect)	Filipino	0.56%
Common	Rex Maria A Mendoza	1 (direct)	Filipino	0.00%
Common	Jessie D. Cabaluna	1 (direct)	Filipino	0.00%
Common	Cassandra Lianne S. Yap	1,638,000 (indirect)	Filipino	0.03%
Officers				
Common	Robert S. Lao	see above	Filipino	0.00%
Common	Tristan John T. de Guzman	0	Filipino	0.00%
Common	Ma. Florence Therese dG. Martirez- Cruz	0	Filipino	0.00%
Common	Jeffrey R. Legaspi	0	Filipino	0.00%
Common	Patrick John C. Avila	110,000 (indirect)	Filipino	0.00%
Common	Augusto D. Bengzon	0	Filipino	0.00%
Common	Roscoe M. Pineda	0	Filipino	0.00%
All Directors and Officers as a group		**68,158,007**		**1.08%**

No director or member of the Company's management owns 2.0% or more of the outstanding capital stock of the Company.

iii. Voting Trust Holders of 5% or More

The Company knows of no persons holding more than 5% of common shares under a voting trust or similar agreement.

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8 *Ayala Land, Inc. ("ALI") is the principal stockholder of the Company.*

9 *Under the By-Laws of ALI and the Revised Corporation Code, the ALI Board has the power to decide how ALI's shares are to be voted.*

10 *PCD is not related to the Company.*

11 *Each beneficial owner of shares through a PCD participant is the beneficial owner to the extent of the number of shares in his account with the PCD participant. The beneficial owner, with certification of ownership of shares from the PCD Participant, has the power to vote in absentia or through the Chairman of the meeting as proxy. There is no PCD participant who owns more than 5% of the shares of the Company.*

iv. Change in Control of Registrant

No change in control in the Company has occurred since the beginning of its last fiscal year.

Item 12. Certain relationships and related transactions

(i) The Company requires that material related party transactions (RPT) shall be reviewed by the Risk Management and Related Party Transactions Committee (the Committee) and endorsed to the BOD for approval. All RPTS and material RPTs shall approved by a two-thirds vote of the Board of Directors, with at least a majority of the independent directors voting to approve the same. In case the majority vote of the independent directors is not secured, the material RPT may be ratified by the stockholders representing two-thirds of the outstanding capital stock. Material RPTs are those RPTs, either individually or in aggregate, over a 12-month period with the same related party, amounting to ten percent (10%) or higher of the Company's consolidated total assets based on the latest audited financial statements.

The Group, in its regular conduct of business, has entered into transactions with associates, joint ventures and other related parties principally consisting of deposits/placements, advances, loans and reimbursement of expenses, purchase and sale of real estate properties, construction contracts, and development, management, marketing and administrative service agreements. Sales and purchases of goods and services as well as other income and expense to and from related parties are made at normal commercial prices and terms and at arm's length basis.

To date, there have been no complaints received by the Company regarding related-party transactions. None of the Company's directors has entered into self-dealing and related party transactions with or involving the Company in 2024.

For further information on the Group's related party transactions, see Note 15 of the Company's 2024 Audited Consolidated Financial Statements included in this Report. Except for those discussed in the said 2024 Audited Consolidated Financial Statements, no other transaction, other than as appropriately disclosed by the Company, was undertaken by the Group involving any director or executive officer, any nominee for election as director, any beneficial owner of more than 5% of the Company's outstanding shares (direct or indirect) or any member of his immediate family. The Company's employees are required to promptly disclose any business and family-related transactions with the Company to ensure that potential conflicts of interest are reviewed and disclosed as appropriate.

(2) Ownership Structure and Parent Company

As of March 31, 2025, ALI owns 70.90% of the outstanding shares of the Company.

PART IV- CORPORATE GOVERNANCE

Item 13. Corporate Governance

Compliance with Corporate Governance

The Board of Directors, officers and employees of the Company commit themselves to the principles and best practices embodied in its Manual on Corporate Governance (the "Manual"). The Manual was first submitted in 2017. It was revised several times; the most recent revision was in 2022.

As provided in the CG Manual, a review of the Company's vision and mission and core values is to be conducted every year. The Board sets the objectives of the company and ensures that the implementation of the strategies comply with good governance practices and that internal control mechanism and procedures are in place. The Board and its committees conduct an annual self-assessment through online questionnaires to evaluate and improve their performance. Every three (3) years, starting in 2019, an external facilitator conducts the assessment of the Board's performance as provided in the CG Manual. The Compliance Officer monitors, reviews and ensures compliance by the Company, its directors and officers with the relevant laws, the Code of Corporate Governance for Publicly-Listed Companies (the "Code") and governance issuances of regulatory agencies.

The company's website, www.ayalalandlogistics.com, is updated regularly and contains information on the Company's business and organization, policies, corporate governance reports and disclosures for the investors, stakeholders and public in general.

The Board and the committees meet such number of times as prescribed in the Board and committee charters. Materials for the meetings are sent at least five business days before the meeting. The non-executive directors meet at least twice a year without the presence of any executive director.

The Company complied with the provisions of the Code. There was no material deviation from the CG Manual except that which pertains to the retirement age of directors. As allowed in the CG Manual, the CGNC approved the nomination and election as director of Mr. Felipe U. Yap, upon consideration that his qualifications and experience will benefit the Company.

The Company will continue to align with any new updates to corporate governance policies within the Ayala Group, and new rules, regulations and directives from the SEC on corporate governance.

Integrated Annual Corporate Governance Report (I-ACGR)
In compliance with SEC MC No. 15, Series of 2017, the Company submitted its I-ACGR (for CY 2023) on May 30, 2024 and filed an Amended I-ACGR (completely signed by all signatories) on June 6, 2024.

PART V- EXHIBITS AND SCHEDULES

Item 14. Exhibits and Reports on SEC Form 17-C

A. Exhibits – See accompanying Index to Exhibits.

a. The 2024 Audited Consolidated Financial Statements are filed with this report.

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

b. Reports on SEC Form 17-C

The Reports on SEC Form 17-C (Current Reports) filed with the SEC/ PSE in 2024 are as follows:

Date Reported	Subject of Disclosure
February 8, 2024	Notice of holding virtual annual stockholders' meeting (ASM) in 2024
February 26, 2024	Detailed Notice and agenda of the ASM on April 25, 2024
April 25, 2024	Voting results of 2024 ASM
April 25, 2024	Results of the 2024 ASM and organizational meeting of the Board
August 1, 2024	Results of the Board meeting: 1. Appointment of chairpersons and members of the Audit Committee and Risk Management and Related Party Transactions Committee (RMRPTC) 2. Amendment of the RMRPTC Charter
October 4, 2024	Disclosure on the appointment of director Jaime Alfonso Zobel de Ayala as member, Private Sector representative from the National Capital Region, Inter-Agency Investment Promotion Coordination Committee of the Department of Trade and Industry
November 14, 2024	Results of the Board meeting: 1. Setting of the 2025 ASM on April 24, 2025 at 1 pm; record date on March 10, 2025; deadline for nomination of directors on March 7, 2025 and submission of proxies on April 11, 2025; 2. Delegation to the Chairman authority to approve the venue of, or manner of conducting the ASM, or the postponement of the ASM to another date and/or time or any other arrangement relating to said meeting.

The Company also filed the following reports:

Date Reported	Subject of Disclosure
January 24, 2024	Record of attendance of directors in Board meetings in 2023
February 29, 2024	Press release on ALLHC's 2023 fiscal year results
May 7, 2024	Press release on 1st quarter 2024 financial and operating results
July 17, 2024	Confirmation of the news article posted in Malaya (online edition) on July 17, 2024 entitled "ALLHC taps P10.8B loan"

July 26, 2024	Press release on first half of 2024 financial and operating results
November 4, 2024	Press release on first nine months of 2024 financial and operating results

B. Sustainability Report

A copy of ALLHC's 2024 Sustainability Report is attached to this report.

The Integrated Report will also be accessible through the link below on or before the Annual Stockholders' Meeting on April 24, 2025:
https://www.ayalalandlogistics.com/wp-content/uploads/2025/04/ALLHC-2024-Integrated-Report.pdf

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SIGNATURES

Pursuant to the requirements of Section 17 of the Code and Section 141 of the Corporation Code, this report to be signed on behalf of the issuer by the undersigned, thereunto duly authorized, in Makati City on April ____, 2025.

AYALALAND LOGISTICS HOLDINGS CORP.
Issuer
By:

ROBERT S. LAO
President/ Chief Executive Officer

AUGUSTO D. BENGZON
Treasurer

PATRICK JOHN C. AVILA
Chief Operating Officer

TRISTAN JOHN T. DE GUZMAN
Chief Finance Officer/Compliance Officer

MA. FLORENCE THERESE dG. MARTIREZ-CRUZ
Corporate Secretary

SUBSCRIBED AND SWORN to before me on APR 14 2025 at Makati City, affiants exhibited to me their passports as competent evidence of their identities, as follows:

Name	Competent Evidence of Identity	Date/Place Issued
Robert S. Lao		
Augusto D. Bengzon		
Patrick John C. Avila		
Tristan John T. de Guzman		
Ma. Florence Therese dG. Martirez-Cruz		

Doc. No. 165;
Page No. 34;
Book No. I;
Series of 2025.

Notarial DST pursuant to Sec. 61 of the TRAIN Act (Amending Sec. 188 of the NIRC) affixed on Notary Public's copy

JUDY ALICE U. REPOL-GUILLEMOT
NOTARY PUBLIC
ROLL NO.
MAKATI CITY, PHILIPPINES

JUDY ALICE U. REPOL-GUILLEMOT
Notary Public - Makati City

AYALALAND LOGISTICS HOLDINGS CORP.
INDEX TO EXHIBITS
Form 17 – A- Item 7

** These Exhibits are either not applicable to the Company or require no answer.*

Exhibit (18)

Subsidiaries of the Registrant

As of December 31, 2024, ALLHC has the following wholly-owned subsidiaries:

Name	Jurisdiction
Orion Land, Inc.	Philippines
Tutuban Properties, Inc.	Philippines
Orion Property Development, Inc.	Philippines
Orion Beverage, Inc.*	Philippines
LCI Commercial Ventures, Inc.	Philippines
Orion Solutions, Inc.*	Philippines
Orion Maxis Inc..*	Philippines
Unity Realty & Development Corporation	Philippines
Laguna Technopark, Inc.	Philippines
ALogis Artico, Inc. .	Philippines

**for dissolution*

AYALALAND LOGISTICS HOLDINGS CORP.
Index to Consolidated Financial Statements and Supplementary Schedules
Form 17-A, Item 7

2024 Consolidated Financial Statements

Statement of Management's Responsibility for Financial Statements Report of Independent Auditor

Consolidated Statements of Financial Position as of December 31, 2024 and December 31, 2023
Consolidated Statements of Income for the Years Ended December 31, 2024 and December 31, 2023
Consolidated Statements of Comprehensive Income as of December 31, 2024 and December 31, 2023
Consolidated Statements of Changes in Equity as at December 31, 2024 and December 31, 2023
Consolidated Statements of Cash Flows as of December 31, 2024 and December 31, 2023 and December 31, 2022
Notes to Consolidated Financial Statements

Index to Supplementary Schedules to 2024 Consolidated Financial Statements

Report of Independent Auditor on Components of Financial Soundness Indicators
Report of Independent Director on Supplementary Schedules

Annex A: Reconciliation of Retained Earnings Available for Dividend Declaration

Annex B: Map Showing the Relationships Between and Among the Company and its Ultimate Parent Company, Middle Parent, Subsidiaries or Co-subsidiaries, Associates, Wherever Located or Registered

Annex C: Supplementary Schedules Required by Annex 68-J
- (i) Schedule A. Financial Assets
- (ii) Schedule B. Amounts Receivable from Directors, Officers, Employees, Related Parties, and Principal Stockholders (Other than Related Parties)
- (iii) Schedule C. Amounts Receivable from Related Parties which are Eliminated During the Consolidation of Financial Statements
- (iv) Schedule D. Long-term Debt
- (v) Schedule E. Indebtedness to Related Parties
- (vi) Schedule F. Guarantees of Securities of Other Issuers
- (vii) Schedule G. Capital Stock

Annex D: Schedule of Financial Soundness Indicators

Annex E: Schedule of External Auditor Fee-Related information

AyalaLand
LOGISTICS HOLDINGS CORP.

February 14, 2025

STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The management of AyalaLand Logistics Holdings Corp. (the Company) is responsible for the preparation and fair presentation of the consolidated financial statements including the schedules attached therein 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

Isla Lipana & Co., the independent auditors appointed by the stockholders, has audited the consolidated financial statements of the Company and its subsidiaries in accordance with Philippine Standards of Auditing, and in its report to the stockholders, has expressed its opinion on the fairness of presentation upon completion of such audit.

ANNA MA. MARGARITA B. DY
Chairman, Board of Directors

ROBERT S. LAO
President & Chief Executive Officer

TRISTAN JOHN T. DE GUZMAN
Chief Finance Officer

SUBSCRIBED AND SWORN to before me this MAR 03 2025, at Makati City, affiants exhibited to me their passports as competent evidence of their identities, as follows:

Name	Passport No.	Date/Place of Issue
Anna Ma. Margarita B. Dy		
Robert S. Lao		
Tristan John T. de Guzman		

WITNESS MY HAND AND SEAL on the date and at the place first above written.

Doc. No. 105;
Page No. 22;
Book No. XVI;
Series of 2025.

ATTY. GERVACIO B. ORTIZ JR.
Notary Public City of Makati

COVER SHEET

1 6 3 6 7 1

AYALALAND LOGISTICS HOLDINGS CORP.

(Company's Full Name)

3RD FLOOR GLORIETTA 5

AYALA CENTER MAKATI CITY

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

TRISTAN JOHN T. DE GUZMAN
(Contact Person)

8884-1106
(Company Telephone Number)

1 2	3 1
Month	*Day*

(Fiscal Year)

SEC Form
AAFS
(Form Type)

0 4	2 5
Month	*Day*

(Annual Meeting)

(Firstary 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 ID

Cashier

STAMPS

Remarks: Please use BLACK ink for scanning purposes.

Independent Auditor's Report

To the Board of Directors and Stockholders of
AyalaLand Logistics Holdings Corp. and Subsidiaries
3rd Level, Glorietta 5, Ayala Center
Makati City, Philippines

Our Opinion

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of AyalaLand Logistics Holdings Corp. and its subsidiaries (together, the "Group") as at December 31, 2024 and 2023, and their consolidated financial performance and their consolidated cash flows for the years then ended, in accordance with Philippine Financial Reporting Standards (PFRS) Accounting Standards.

What we have audited

The consolidated financial statements of the Group comprise:

- the consolidated statements of financial position as at December 31, 2024 and 2023;
- the consolidated statements of comprehensive income for the years ended December 31, 2024 and 2023;
- the consolidated statements of changes in equity for the years ended December 31, 2024 and 2023;
- the consolidated statements of cash flows for the years ended December 31, 2024 and 2023; and
- the notes to consolidated financial statements, comprising material accounting policy and other information.

Basis for Opinion

We conducted our audits in accordance with Philippine Standards on Auditing (PSA). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the Code of Ethics for Professional Accountants in the Philippines (Code of Ethics), together with the ethical requirements that are relevant to our audit of the consolidated financial statements in the Philippines, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

Other Matter

The consolidated financial statements of the Group as at and for the year ended December 31, 2022 were audited by another firm of auditors whose report thereon dated February 28, 2023 expressed an unmodified opinion on those statements.

Our Audit Approach

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the consolidated financial statements. In particular, we considered where management made subjective judgments; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the Group operates.

Key Audit Matter

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.

The key audit matter identified in our audit pertains to the real estate revenue recognition based on percentage of completion (PoC) as a measure of progress.

Key Audit Matter	How our Audit Addressed the Key Audit Matter
Real estate revenue recognition based on PoC as a measure of progress Refer to Note 22 to the consolidated financial statements for the details of the Group’s revenue, Note 28 for the discussion on critical accounting estimates and assumptions, and Note 29 for the discussion on Group’s accounting policies. The revenue from sale of real estate for the year ended December 31, 2024 amounts to P3,344 million which accounts for approximately 64% of the consolidated total revenue. It is therefore material to the consolidated financial statements. Real estate revenue from contracts with customers is recognized over time using the output method in accordance with the guidance set in PFRS 15, Revenue from contracts with customers, and Philippine Interpretations Committee Questions and Answers (PIC Q&A) 2018-12. Under the output method, revenue is calculated with reference to the PoC of the project. In the case of the Group, PoC is determined based on the actual physical completion of the project. Hence, real estate revenue recognition requires significant management judgment and estimation.	We addressed the matter by understanding and evaluating the process employed by the Group in estimating the PoC of the real estate development projects. In particular, we performed a combination of controls and substantive testing procedures as follows: • Evaluated the design and tested the operating effectiveness of key controls on project budgeting, project costing and project milestone measurement activities. Further, we tested the reasonableness of key inputs and assumptions used in the project budgeting and project costing activities, through site visits and inspection of bill of quantity and other relevant supporting documents. • Agreed the milestone percentage per project by inspecting the underlying project accomplishment reports prepared by project engineers and as evaluated and approved by independent quantity surveyors. • Inspected supporting documents such as contractors' progress billing statements, supplier invoices, proof of delivery and other relevant supporting documents. • Checked mathematical accuracy of PoC applied to each project and individually sold units. Verified that the PoC is accurately used in the calculation of the real estate revenue.

Other Information

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

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when these 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 audit, or otherwise appears to be materially misstated.

When we read the other information identified above which have not yet been received, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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 PFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the ability of the Group 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 or to cease operations of the Group, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Zaldy D. Aguirre.

Isla Lipana & Co.

Zaldy D. Aguirre
Partner
CPA Cert No.
P.T.R. No. , issued on ,
TIN
BIR A.N. , issued on ; effective until .
BOA/PRC Reg. No. , effective until

Makati City
February 14, 2025

Statement Required by Rule 68,
Securities Regulation Code (SRC)

To the Board of Directors and Stockholders of
AyalaLand Logistics Holdings Corp.
3rd Level, Glorietta 5, Ayala Center
Makati City, Philippines

We have audited the consolidated financial statements of AyalaLand Logistics Holdings Corp. (the “Parent Company”) and its subsidiaries (together, the “Group”) as at December 31, 2024 and 2023 and for the years then ended, on which we have rendered the attached report dated February 14, 2025. The supplementary information shown in the Reconciliation of Parent Company’s Retained Earnings Available for Dividend Declaration, Map of Relationships of the Companies within the Group, and Schedules A, B, C, D, E, F, and G, as additional components required by the Revised SRC Rule 68, are presented for purposes of filing with the Securities and Exchange Commission and are not required parts of the basic consolidated financial statements. Such supplementary information is the responsibility of management and has been subjected to auditing procedures applied in the audit of the basic consolidated financial statements.

In our opinion, the supplementary information has been prepared in accordance with the Revised SRC Rule 68.

Isla Lipana & Co.

Zaldy D. Aguirre
Partner
CPA Cert No.
P.T.R. No. , issued on ,
TIN
BIR A.N. , issued on ; effective until .
BOA/PRC Reg. No. , effective until

Makati City
February 14, 2025

Isla Lipana & Co., 29th Floor, AIA Tower, 8767 Paseo de Roxas, 1226 Makati City, Philippines
T: +63 (2) 8845 2728, www.pwc.com/ph

Statement Required by Rule 68,
Securities Regulation Code (SRC)

To the Board of Directors and Stockholders of
AyalaLand Logistics Holdings Corp.
3rd Level, Glorietta 5, Ayala Center
Makati City, Philippines

We have audited in accordance with Philippine Standards on Auditing, the consolidated financial statements of AyalaLand Logistics Holdings Corp. (the “Parent Company”) and its subsidiaries (together, the “Group”) as at December 31, 2024 and 2023 and for the years then ended, and have issued our report thereon dated February 14, 2025. Our audits were made for the purpose of forming an opinion on the basic consolidated financial statements taken as a whole. The Supplementary Schedule on Financial Soundness Indicators, including their definitions, formulas, calculation, and their appropriateness or usefulness to the intended users, are the responsibility of the Group’s management. These financial soundness indicators are not measures of operating performance defined by PFRS Accounting Standards and may not be comparable to similarly titled measures presented by other companies. This schedule is presented for the purpose of complying with the Revised SRC Rule 68 issued by the Securities and Exchange Commission, and is not a required part of the basic consolidated financial statements prepared in accordance with PFRS Accounting Standards. The components of these financial soundness indicators have been traced to the Group’s consolidated financial statements as at December 31, 2024 and 2023 and for years then ended and no material exceptions were noted.

Isla Lipana & Co.

Zaldy D. Aguirre
Partner
CPA Cert No.
P.T.R. No. , issued on ,
TIN
BIR A.N , issued on ; effective until .
BOA/PRC Reg. No. , effective until

Makati City
February 14, 2025

AyalaLand Logistics Holdings Corp. and Subsidiaries

Consolidated Statements of Financial Position
As at December 31, 2024 and 2023
(All amounts in thousands of Philippine Peso)

	Notes	2024	2023
Assets			
Current assets			
Cash and cash equivalents	2	242,677	214,713
Receivables, net	3	2,989,124	1,402,707
Real estate held for development and sale, net	4	5,705,925	5,045,201
Amounts owed by related parties	15	932,702	685,542
Financial assets at fair value through profit or loss	6	4,906	4,798
Other current assets	7	1,445,348	2,384,049
Total current assets		11,320,682	9,737,010
Non-current assets			
Receivables, net of current portion	3	2,639,047	3,329,629
Financial assets at fair value through other comprehensive income	5	151,284	126,614
Investment in joint venture	8	737,607	677,773
Right-of-use of asset, net	24	999,762	1,066,049
Investment properties, net	9	12,208,487	12,113,423
Property and equipment, net	10	1,702,781	1,234,396
Net pension assets	20	1,519	4,433
Deferred tax assets, net	21	182,112	182,669
Other non-current assets	7	796,015	150,133
Total non-current assets		19,418,614	18,885,119
Total assets		30,739,296	28,622,129
Liabilities and Equity			
Current liabilities			
Accounts payable and accrued expenses	11	2,250,617	1,492,998
Amounts owed to related parties	15	7,124,850	6,434,862
Current portion of long-term debts	12	24,800	21,050
Income tax payable		5,390	10,059
Lease liabilities	24	36,014	155,981
Rental and other deposits	13	404,674	443,086
Total current liabilities		9,846,345	8,558,036
Non-current liabilities			
Installment payable, net of current portion	11	444,360	788,440
Long-term debts, net of current portion	12	2,421,089	2,444,014
Rental and other deposits, net of current portion	13	461,308	439,522
Lease liabilities, net of current portion	24	1,677,432	1,568,998
Deferred income tax liabilities, net	21	274,669	260,602
Other non-current liabilities	16	729,660	655,308
Total non-current liabilities		6,008,518	6,156,884
Total liabilities		15,854,863	14,714,920

AyalaLand Logistics Holdings Corp. and Subsidiaries

Consolidated Statements of Financial Position
As at December 31, 2024 and 2023
(All amounts in thousands of Philippine Peso)

(continued)

	Notes	2024	2023
Equity			
Equity attributable to equity holders of the Parent Company			
Capital stock	14	6,214,328	6,209,956
Additional paid-in capital	14	6,023,733	6,020,760
Shares held by a subsidiary	14	(144,377)	(144,377)
Equity reserves	26	(1,693,307)	(1,693,307)
Other comprehensive losses, net	14	(912,544)	(928,145)
Retained earnings		5,126,762	4,171,573
		14,614,595	13,636,460
Non-controlling interests		269,838	270,749
Total equity		14,884,433	13,907,209
Total liabilities and equity		30,739,296	28,622,129

The notes on pages 1 to 41 are integral part of these consolidated financial statements.

AyalaLand Logistics Holdings Corp. and Subsidiaries

Consolidated Statements of Comprehensive Income
For the years ended December 31, 2024 and 2023
(with comparative figures ended December 31, 2022)
(All amounts in thousands of Philippine Peso except for earnings per share figure)

	Notes	2024	2023	2022
Revenues				
Real estate sales	22	3,344,426	1,763,231	2,354,266
Rental services	9	1,334,310	1,252,297	1,071,145
Sale of storage services	22	163,474	169,490	115,527
Sale of electricity	22	-	-	274,675
Others	24	345,604	325,054	392,509
		5,187,814	3,510,072	4,208,122
Cost and expenses				
Cost of real estate sold	17	2,174,342	1,136,870	1,368,081
Cost of rental services	17	1,135,332	1,086,011	940,755
Cost of storage services	17	130,873	101,065	78,024
Cost of purchased electricity		-	-	256,794
Operating expenses	18	310,495	224,389	174,089
		3,751,042	2,548,335	2,817,743
Other charges, net				
Interest expense and bank charges, net	19	(569,006)	(307,406)	(218,296)
Provision for probable losses	25	(61,362)	-	(6,000)
Miscellaneous charges (income)	19	(19,678)	89,672	32,071
		(650,046)	(217,734)	(192,225)
Income before income tax		786,726	744,003	1,198,154
Income tax expense	21	(85,970)	(107,896)	(191,273)
Net income for the year		700,756	636,107	1,006,881
Attributable to:				
Equity holders of the Parent Company		700,909	625,222	1,006,579
Non-controlling interests		(153)	10,885	302
		700,756	636,107	1,006,881
Earnings per share				
Basic and diluted, for income for the year attributable to ordinary equity holders of the Parent Company	23	0.11	0.10	0.16

The notes on pages 1 to 41 are integral part of these consolidated financial statements.

AyalaLand Logistics Holdings Corp. and Subsidiaries

Consolidated Statements of Comprehensive Income
For the years ended December 31, 2024 and 2023
(with comparative figures ended December 31, 2022)
(All amounts in thousands of Philippine Peso)

	Notes	2024	2023	2022
Net income		700,756	636,107	1,006,881
Other comprehensive income (loss)				
Items that may not be reclassified to profit or loss in subsequent periods:				
Unrealized gain (loss) on equity financial assets at fair value through other comprehensive income	5	24,670	38,456	(9,670)
Gain on remeasurement of retirement benefits liability, net of tax	20	213	1,858	5,447
Total comprehensive income		725,639	676,421	1,002,658
Attributable to:				
Equity holders of the Parent Company		726,550	664,552	1,004,562
Non-controlling interests		(911)	11,869	(1,904)
		725,639	676,421	1,002,658

The notes on pages 1 to 41 are integral part of these consolidated financial statements.

AyalaLand Logistics Holdings Corp. and Subsidiaries

Consolidated Statements of Changes in Equity
For the years ended December 31, 2024 and 2023
(with comparative figures for the year ended December 31, 2022)
(All amounts in thousands of Philippine Peso)

		Attributable to equity holders of the Parent Company								
	Notes	**Capital stock (Note 14)**	**Additional paid-in capital (Note 14)**	**Shares held by a subsidiary (Note 14)**	**Equity reserves (Note 26)**	**Other comprehensive losses, net (Note 14)**	**Retained Earnings**	**Total**	**Non-controlling interests**	**Total equity**
Balances at January 1, 2022		6,195,318	6,015,733	(144,377)	(1,693,307)	(951,400)	2,525,714	11,947,681	19,964	11,967,645
Comprehensive income										
Net income for the year		-	-	-	-	-	1,006,579	1,006,579	302	1,006,881
Other comprehensive income for the year		-	-	-	-	(2,017)	-	(2,017)	(2,206)	(4,223)
Total comprehensive income for the year		-	-	-	-	(2,017)	1,006,579	1,004,562	(1,904)	1,002,658
Transactions with owners										
Proceeds from share subscriptions	14	6,459	4,390	-	-	-	-	10,849	-	10,849
Additions to non-controlling interests		-	-	-	-	-	-	-	240,820	240,820
Transfer of realized valuation increment		-	-	-	-	(7,029)	7,029	-	-	-
Total transactions with owners		6,459	4,390	-	-	(7,029)	7,029	10,849	240,820	251,669
Balances at December 31, 2022		6,201,777	6,020,123	(144,377)	(1,693,307)	(960,446)	3,539,322	12,963,092	258,880	13,221,972
Comprehensive income										
Net income for the year		-	-	-	-	-	625,222	625,222	10,885	636,107
Other comprehensive income for the year	5,20	-	-	-	-	39,330	-	39,330	984	40,314
Total comprehensive income for the year		-	-	-	-	39,330	625,222	664,552	11,869	676,421
Transactions with owners										
Proceeds from share subscriptions	14	8,179	637	-	-	-	-	8,816	-	8,816
Transfer of realized valuation increment		-	-	-	-	(7,029)	7,029	-	-	-
Total transactions with owners		8,179	637	-	-	(7,029)	7,029	8,816	-	8,816
Balances at December 31, 2023		6,209,956	6,020,760	(144,377)	(1,693,307)	(928,145)	4,171,573	13,636,460	270,749	13,907,209
Impact of adoption of PFRS 15 covered by PIC Q&A 2018-12-D		-	-	-	-	-	247,251	247,251	-	247,251
Balances at January 1, 2024, as restated		6,209,956	6,020,760	(144,377)	(1,693,307)	(928,145)	4,418,824	13,883,711	270,749	14,154,460
Comprehensive income										
Net income for the year		-	-	-	-	-	700,909	700,909	(153)	700,756
Other comprehensive income for the year	5,20	-	-	-	-	25,641	-	25,641	(758)	24,883
Total comprehensive income for the year		-	-	-	-	25,641	700,909	726,550	(911)	725,639
Transactions with owners										
Proceeds from share subscriptions	14	4,372	2,973	-	-	-	-	7,345	-	7,345
Transfer of realized valuation increment		-	-	-	-	(10,040)	7,029	(3,011)	-	(3,011)
Total transactions with owners		4,372	2,973	-	-	-	7,029	4,334	-	4,334
Balances at December 31, 2024		6,214,328	6,023,733	(144,377)	(1,693,307)	(912,544)	5,126,762	14,614,595	269,838	14,884,433

The notes on pages 1 to 41 are integral part of these consolidated financial statements.

AyalaLand Logistics Holdings Corp. and Subsidiaries

Consolidated Statements of Cash Flows
For the years ended December 31, 2024 and 2023
(with comparative figures for the year ended December 31, 2022)
(All amounts in thousands of Philippine Peso)

	Notes	2024	2023	2022
Cash flows from operating activities				
Income before income tax		786,726	744,003	1,198,154
Adjustments for:				
Depreciation and amortization	7,9,10,17,18	461,370	426,791	385,802
Interest expense and bank charges	19	615,603	492,093	307,193
Depreciation of right-of-use assets	17,24	66,287	69,771	64,883
Provision for probable losses	25	61,362	-	6,000
Provision for impairment losses on receivables	3	23,747	-	-
Equity in net loss of joint ventures	19	23,166	5,837	-
Unrealized (gain) loss on financial assets at FVPL	6	(108)	(182)	185
Interest income	19	(46,597)	(184,687)	(88,897)
Operating income before working capital changes		1,991,556	1,553,626	1,873,320
Increase (decrease) in:				
Receivables		(608,089)	(600,448)	(1,668,909)
Real estate held for sale and development		(660,724)	(661,059)	(986,125)
Other current assets		938,701	(626,668)	(695,978)
Pension assets		3,174	8,820	7,108
Other noncurrent assets		(645,886)	23,433	279,040
Decrease (increase) in:				
Accounts payable and accrued expenses		572,906	(153,845)	42,932
Amounts owed to related parties		(112,589)	236,952	368,546
Rental and other deposits		(10,837)	94,361	59,799
Other noncurrent liabilities		69,462	(6,981)	(2,766)
Net cash flows generated from (used in) operations		1,537,674	(131,809)	(723,033)
Interest received		54,325	3,791	3,664
Interest paid		(567,926)	(159,345)	(4,650)
Income tax paid		(144,167)	(140,079)	(122,910)
Net cash generated from (used) in operating activities		879,906	(427,442)	(846,929)
Cash flows from investing activities				
Additions to amounts owed by related parties		(729,469)	(2,132,987)	(181,162)
Deductions from amounts owed by related parties		321,057	2,009,514	948,532
Investment in joint venture	8	(83,000)	(502,465)	(181,145)
Acquisitions of:				
Investment in properties	9	(773,522)	(1,050,308)	(1,212,322)
Property and equipment	10	(499,181)	(416,567)	(394,842)
Proceeds from sale of equipment		-	56	-
Proceeds from sale and maturity of:				
Financial assets at FVOCI	5	-	36,000	9,500
Net cash used in investing activities		(1,764,115)	(2,056,757)	(1,011,439)

AyalaLand Logistics Holdings Corp. and Subsidiaries

Consolidated Statements of Cash Flows
For the years ended December 31, 2024 and 2023
(with comparative figures for the year ended December 31, 2022)
(All amounts in thousands of Philippine Peso)

(continued)

	Notes	2024	2023	2022
Cash flows from financing activities				
Proceeds from loan availment		-	-	496,250
Payments of loan		(21,050)	-	-
Proceeds from share subscriptions, net	14	7,345	8,816	10,849
Proceeds from amounts owed to related parties	15	5,770,866	9,373,141	1,760,835
Payment of amounts owed to related parties	15	(4,686,982)	(6,977,349)	(92,833)
Payment of principal portion of lease liabilities	24	(158,006)	(156,314)	(188,188)
Transaction with non-controlling interest	1	-	-	240,820
Net cash flows from financing activities		912,173	2,248,294	2,227,733
Net increase (decrease) in cash and cash equivalents		27,964	(235,905)	369,365
Cash and cash equivalents at beginning of year		214,713	450,618	81,253
Cash and cash equivalents at end of year	2	242,677	214,713	450,618

The notes on pages 1 to 41 are integral part of these consolidated financial statements.

AyalaLand Logistics Holdings Corp. and Subsidiaries

Notes to the Consolidated Financial Statements
As at and for the years ended December 31, 2024 and 2023
(with comparative figures for the year ended December 31, 2022)
(In the notes, all amounts are shown in Philippine Peso unless otherwise stated)

1 Corporate and Group information

1.1 Corporate information

AyalaLand Logistics Holdings Corp. (ALLHC; the "Parent Company") was incorporated and registered with the Philippine Securities and Exchange Commission (SEC) on May 19, 1989. The Parent Company's registered office address is 3rd Level Glorietta 5, Ayala Center, Makati City. The Parent Company is a subsidiary of Ayala Land, Inc. (ALI). ALI's parent company is Ayala Corporation (AC). AC is 47.57% owned by Mermac, Inc. and the rest by the public as at December 31, 2024. Both ALI and AC are publicly-listed companies incorporated in the Philippines. The Parent Company is listed in the Philippine Stock Exchange.

ALLHC and its subsidiaries, collectively referred to as "the Group", have principal business interests in holding companies, industrial lot development and sale, warehouse and commercial leasing, cold storage services, and retail electricity supply. In 2022, the Group ceased its retail electricity business.

1.2 Group Information

The consolidated financial statements include the accounts of the Parent Company and the following subsidiaries of the Group:

		Percentage of Ownership		
Subsidiaries	Nature of business	2024	2023	2022
Laguna Technopark, Inc. (LTI)	Real estate development and warehouse leasing	100%	100%	100%
ALogis Artico Inc. (AAI), *formerly Ecozone Power Management, Inc. (EPMI)*	Warehouse leasing and cold storage services	100%	100%	100%
Unity Realty & Development Corporation (URDC)	Real estate development	100%	100%	100%
Orion Land, Inc. (OLI)	Commercial leasing	100%	100%	100%
Tutuban Properties, Inc. (TPI)	Commercial leasing	100%	100%	100%
TPI Holdings Corporation (TPIHC)**	Investment holding company	100%	100%	100%
Orion Property Developments, Inc. (OPDI)	Real estate development	100%	100%	100%
Orion Beverage, Inc. (OBI)*	Manufacturing	100%	100%	100%
LCI Commercial Ventures, Inc. (LCVI)	Warehouse leasing	100%	100%	100%
Luck Hock Venture Holdings, Inc. (LHVHI)**	Other business activities	60%	60%	60%
Orion Maxis, Inc. (OMI)*	Marketing and administrative services	100%	100%	100%
Orion I Holdings Philippines, Inc. (OIHPI)**	Financial holding company	100%	100%	100%
FLT Prime Insurance Corporation (FPIC)*	Non-life insurance company	78.77%	78.77%	78.77%
A-FLOW Land I Corp (A-FLOW Land)	Real estate leasing	60.00%	60.00%	60.00%
Orion Solutions, Inc. (OSI)*	Management information technology consultancy services	100%	100%	100%

** Inactive companies approved by their respective BOD for liquidation*
***SEC approved shortening of corporate term*

All the entities in the Group are incorporated in the Philippines.

The voting rights held by the Parent Company in its investments in subsidiaries are in proportion to its ownership interest.

LTI
LTI was incorporated on November 15, 1990 and is based in Laguna. LTI develops industrial parks and leases ready-built factory units and sells industrial lots to local and company locators. In 2022, LTI acquired a property in Padre Garcia, Batangas for the development of the future Batangas Technopark. LTI is likewise into the construction and operation of standard factory buildings located in multiple sites in Laguna, Cavite, and Pampanga.

AAI
AAI, formerly EPMI, was incorporated on August 20, 2010, was engaged in retail electricity supply. In 2022, the Company gradually assigned its retail electricity business to focus on the industrial real estate business. On January 30, 2024, the SEC approved the Company's change of corporate name. The Company is registered with PEZA as an "ecozone facilities enterprise" at the Laguna Technopark Special Economic Zone in Biñan, Laguna and as a "domestic market enterprise" engaged in operation and maintenance of a warehouse building at Light Industry and Science Park III in Sto. Tomas, Batangas.

URDC
URDC was acquired from previous individual stockholders on July 19, 2019. URDC owns a property in Pampanga which is currently being developed to be Pampanga Technopark, a world-class industrial township, which caters to light and medium, non-polluting enterprises, from both global and local markets.

OLI
OLI operates a commercial building composed of a 5-storey shopping center and a 6-storey business processing outsourcing office with a gross leasable area of 60,000 square meters located along National Road, Alabang, Muntinlupa City.

TPI
TPI operates the Tutuban Center, a 20-hectare commercial complex located in Manila City. The Tutuban Center will be the location of the North-South Railway Project (NSRP) Transfer Station which will interconnect with the LRT 2 West Station.

OPDI
OPDI handles property development. Its present landholdings include properties in Batangas and Calamba.

LCVI
LCVI was a top manufacturer of ceramic floor and wall tiles in the Philippines and has a manufacturing plant in Laguna. In 2012, LCVI ceased its manufacturing operations and started renting out its warehouses in 2014.

A-FLOW Land
A-FLOW Land was incorporated and registered with the Philippine Securities and Exchange Commission (SEC) on August 12, 2022. On October 4, 2022, ALLHC entered into subscription agreement with Flow Luna | Property Pte. Ltd (FLOW) representing 60% interest in A-FLOW Land. A-FLOW Land's primary purpose is to engage in the land leasing business.

1.3 Approval of financial statements

The accompanying consolidated financial statements of the Group as at December 31, 2024 and 2023, and for each of the three years in the period ended December 31, 2024 were approved by the Parent Company's Board of Directors (BOD) in a meeting dated February 14, 2025.

2 Cash and cash equivalents

Details of the account are as follows:

	2024	2023
Cash on hand	407	307
Cash in bank	242,270	202,790
Cash equivalent	-	11,616
	242,677	214,713

Cash in banks earn interest at the respective bank deposit rates.

Cash equivalents pertain to short-term, highly liquid investments that are readily convertible to known amounts of cash with original maturities of three (3) months or less from date of acquisition and subject to an insignificant risk of changes in value. Interest rates in 2024 ranges from in 2024 - 4.50% to 5.25% (2023 - 3.50% to 4.75%).

Interest earned from cash and cash equivalents amounted to P0.80 million in 2024 (2023 - P1.46 million; 2022 - P0.85 million) (Note 19).

3 Receivables, net

Details of the account are as follows:

	2024	2023
Trade receivables		
Land sales	4,529,068	3,790,239
Receivables from tenants	848,707	734,055
Retail electricity	18,004	13,865
Non-trade receivables	505,029	468,067
	5,900,808	5,006,226
Less: allowance for expected credit losses	272,637	273,890
	5,628,171	4,732,336
Less: non-current portion	2,639,047	3,329,629
Receivables, current portion	2,989,124	1,402,707

Receivables from land sales represent amounts arising from sale of industrial lots, which are collectible in monthly installments within two to ten years from the date of sale.

Receivables from tenants represent the outstanding receivables arising from the lease of warehouse units, mall and office spaces and cold storage operations which are collectible within 30 days from billing date.

Non-trade receivables consist mainly of receivables from the government related to expropriation against certain properties of the Group, omnibus loan to a consolidator, a fully provided collateralized receivable from a third party after OLI's sale of its previously owned investment in equity securities and a fully provided insurance receivables from policyholders, insurance agents and reinsurance companies. These are noninterest-bearing and are due and demandable.

The movements of allowance for expected credit losses on receivables follow:

	Note	Trade receivables	Non-trade receivables	Total
At January 1, 2023		78,931	195,046	273,977
Write-off		(87)	-	(87)
At December 31, 2023		78,844	195,046	273,890
Provision for impairment losses	18	23,747	-	23,747
Write-off		(25,000)	-	(25,000)
At December 31, 2024		77,591	195,046	272,637

4 Real estate held for development and sale, net

Details of the account are as follows:

	2024	2023
Land	5,745,773	5,085,049
Less: allowance for inventory write-down	39,848	39,848
	5,705,925	5,045,201

Land consists of parcels of land located in Cavite, Misamis Oriental, Laguna, Batangas, Tarlac and Pampanga.

The composition of inventoriable costs as at December 31 follows:

	2024	2023
Land cost	5,420,363	4,610,981
Construction overhead and other related costs	325,410	474,068
	5,745,773	5,085,049

The roll forward analysis of real estate held for development and sale follows:

	Note	2024	2023
Balance at the beginning of the year		5,085,049	4,423,990
Acquisition		464,814	-
Development costs incurred		1,946,590	1,645,497
Cost of real estate (excluding commission)	17	(1,750,680)	(984,438)
		5,745,773	5,085,049
Less allowance for inventory write-down		39,848	39,848
		5,705,925	5,045,201

Sale of real estates recognized in 2024 amounted to P3,344.43 million (2023 - P1,763.23 million; 2022 - P2,354.27 million) (Note 22). Real estate inventories recognized as cost of real estate sales amounted to P1,750.68 million (2023 - P984.44 million; 2022 - P1,113.16 million) (Note 17).

There are no real estate inventories held as collateral as at December 31, 2024 and 2023.

5 Financial assets at FVOCI

Details of the account are as follows:

	Note	2024	2023
Equity securities	16	114,387	85,387
Debt securities		36,897	41,227
		151,284	126,614

Equity securities mainly pertain to quoted golf club shares and 19.65% equity interest in Cyber Bay Corporation.

The Group’s investment in Cyber Bay Corporation amounting to P458.07 is fully provided of the allowance. As at December 31, 2024 and 2023, the book value of Cyber Bay shares amounted to nil.

Debt instruments pertain to quoted government securities.

Movements of financial assets at FVOCI for the years ended December 31 follows:

	2024	2023
Beginning of year	126,614	124,158
Unrealized gain	24,670	38,456
Proceeds from maturity	-	(36,000)
End of year	151,284	126,614

Interest earned from financial assets at FVOCI amounted to P1.46 million in 2024 (2023 - P2.33 million; 2022 - P2.81 million) (Note 19).

6 Financial assets at FVPL

This account pertains to investments in redeemable preferred shares and Unit Investment Trust Fund (UITF) designated as financial assets at FVPL.

Movements of financial assets at FVPL for the years ended December 31 follows:

	2024	2023
Beginning of year	4,798	4,616
Unrealized gain	108	182
End of year	4,906	4,798

There were no dividend income earned from these shares in 2024, 2023 and 2022.

7 Other assets

Details of the account are as follows:

	2024			2023		
	Current	Non-current	Total	Current	Non-current	Total
Input VAT	824,450	452,452	1,276,902	1,123,039	98,766	1,221,805
Creditable withholding taxes	181,119	233,275	414,394	369,120	-	369,120
Advances to suppliers and contractors	345,452	-	345,452	794,631	-	794,631
Refundable deposits	6,135	108,651	114,786	6,220	46,536	52,756
Prepayments	91,811	-	91,811	94,707	-	94,707
Others	5,334	1,637	6,971	5,285	4,831	10,116
	1,454,301	796,015	2,250,316	2,393,002	150,133	2,543,135
Less allowance for impairment losses	8,953	-	8,953	8,953	-	8,953
	1,445,348	796,015	2,241,363	2,384,049	150,133	2,534,182

Input value added tax (VAT) pertains to VAT passed on from purchases of goods, services and capital goods which is available for application against output VAT.

Creditable withholding taxes (CWTs) are available for offset against income tax payable in the future periods.

Advances to suppliers and contractors pertain to advance payment to land owners for purchases of land and service contractors for construction services of the Group's real estate held for development and sale.

Refundable deposits pertain to deposits made to utility companies, other suppliers and various miscellaneous deposits.

Prepayments pertain to prepaid insurance, taxes and licenses and other prepaid expenses that are to be amortized over a period of one (1) year.

Others include software costs with depreciation expense recognized amounting to P0.03 million in 2024 (2023 - P0.02 million; 2022 - P0.05 million) (Note 18).

There were no provisions for impairment losses for the years ended December 31, 2024, 2023 and 2022 (Note 18).

8 Investments in joint venture

On October 4, 2022, ALLHC entered into Joint Venture agreement with Flow Luna I Property Pte. Ltd (FLOW) representing 50% interest in A-FLOW Properties I Corp (A-FLOW PropCo), a joint venture involved in the establishing, developing, operating, leasing, and owning digital, critical, and physical infrastructure of and for data center facilities and other digital transformative technologies, as well as to render and provide services ancillary to the foregoing.

ALLHC's capital commitments is to fund equity required for the joint venture pari passu and on a pro rata basis to their agreed ownership ratio and in accordance with the terms of the agreement, provided that if there are shareholders of the A-FLOW PropCo other than FLOW, ALLHC and where applicable, their respective affiliates, the shareholders will fund equity based on their prevailing ownership ration.

Investments in joint ventures are accounted under the equity method of accounting.

Movement in investment in joint venture follows:

	Note	2024	2023
Beginning of the year		677,773	181,145
Investment including transaction costs during the year		83,000	502,465
Share in net loss during the year	19	(23,166)	(5,837)
End of year		737,607	677,773

Set out below is the summarized financial information for A-FLOW PropCo as at and for the year ended December 31:

	2024	2023
Current assets	771,681	440,701
Non-current assets	2,329,639	280,008
Current liabilities	(226,901)	(3,698)
Non-current liabilities	(1,710,000)	-
Equity	1,164,419	717,011
Revenue during the year	210	145
Net loss during the year	(46,333)	(8,521)
Total comprehensive loss during the year	(46,333)	(8,521)

ALLHC did not receive any dividends from A-FLOW PropCo for the year ended December 31, 2024 and 2023.

ALLHC has not incurred any contingent liabilities as at December 31, 2024 and 2023 in relation to its interest in the joint ventures, nor do the joint ventures themselves have any contingent liabilities for which the ALLHC is contingently liable.

9 Investment properties

Details of the account are as follows:

December 31, 2024	Notes	Building and improvements	Land improvements	Construction in progress	Total
Cost					
Beginning of year		12,049,402	3,636,622	529,917	16,215,941
Additions during the year		116,046	107,207	302,334	525,587
Reclassifications during the year		156,219	-	(156,219)	-
End of year		12,321,667	3,743,829	676,032	16,741,528
Accumulated depreciation					
Beginning of year		4,069,857	32,661	-	4,102,518
Depreciation during the year	17,18	426,212	4,311	-	430,523
At end of year		4,496,069	36,972	-	4,533,041
Net book values		7,825,598	3,706,857	676,032	12,208,487

December 31, 2023	Notes	Building and improvements	Land improvements	Construction in progress	Total
Cost					
Beginning of year		11,580,904	3,289,458	540,874	15,411,236
Additions during the year		283,797	347,164	173,744	804,705
Reclassifications during the year		184,701	-	(184,701)	-
End of year		12,049,402	3,636,622	529,917	16,215,941
Accumulated depreciation					
Beginning of year		3,688,591	31,096	-	3,719,687
Depreciation during the year	17,18	381,266	1,565	-	382,831
At end of year		4,069,857	32,661	-	4,102,518
Net book values		7,979,545	3,603,961	529,917	12,113,423

Depreciation expenses of investment properties for the years ended December 31 were charged to the following accounts:

	Notes	2024	2023	2022
Cost of rental services	17	407,540	363,094	334,904
Operating expenses	18	22,983	19,737	19,653
		430,523	382,831	354,557

Fair Value of Investment Properties

The aggregate fair value of the Group’s investment properties amounted to P19,716.71 million as at December 31, 2024 (2023 - P19,570.60 million). The fair value of the Group’s investment properties is determined by independent professionally qualified appraisers, based on the latest valuation reports. Fair value was measured using income approach method with expected rental income and expenses as inputs (except URDC where sales comparison approach method has been used with comparable selling price as inputs). The fair value of the Group’s investment property falls under Level 3 of the fair value hierarchy.

Gross profit from rental of investment properties for the years ended December 31 follows:

	Note	2024	2023	2022
Revenue from rental services		1,334,310	1,252,297	1,071,145
Cost of rental services	17	(1,135,332)	(1,086,011)	(940,755)
		198,978	166,286	130,390

The Group has no restriction on the realizability of its investment properties and no obligation to either purchase, construct or develop or for repairs, maintenance and enhancements.

10 Property and equipment

Details of the account are as follows:

	Notes	Land	Building	Leasehold improvements	Machinery and Equipment	Transportation equipment	Furniture, fixtures and equipment	Construction in Progress	Total
2024									
Cost									
Beginning of year		356,433	719,317	5,537	61,210	34,282	75,899	164,696	1,417,374
Additions during the year		-	2,214	5,585	7,281	6,115	72,447	405,861	499,503
Disposals during the year		-	-	-	-	(322)	-	-	(322)
Reclassifications during the year		-	305,806	-	-	-	-	(305,806)	-
End of year		356,433	1,027,337	11,122	68,491	40,075	148,346	264,751	1,916,555
Accumulated depreciation and amortization									
Beginning of year		-	54,078	3,578	57,626	19,667	48,029	-	182,978
Depreciation and amortization during the year	17,18	-	20,246	1,171	1,682	5,070	2,675	-	30,844
Disposals during the year		-	-	-	-	(48)	-	-	(48)
End of year		-	74,324	4,749	59,308	24,689	50,704	-	213,774
Net book values		356,433	953,013	6,373	9,183	15,386	97,642	264,751	1,702,781

	Notes	Land	Building	Leasehold improvements	Machinery and Equipment	Transportation equipment	Furniture, fixtures and equipment	Construction in Progress	Total
2023									
Cost									
Beginning of year		354,633	690,166	10,066	61,081	30,284	59,612	23,313	1,229,155
Additions during the year		1,800	6,108	1,550	129	3,998	16,449	158,347	188,381
Disposals during the year		-	-	-	-	-	(162)	-	(162)
Reclassifications during the year		-	23,043	(6,079)	-	-	-	(16,964)	-
End of year		356,433	719,317	5,537	61,210	34,282	75,899	164,696	1,417,374
Accumulated depreciation and amortization									
Beginning of year		-	25,333	2,924	53,402	15,023	42,458	-	139,140
Depreciation and amortization during the year	17,18	-	28,745	654	4,224	4,644	5,677	-	43,944
Disposals during the year		-	-	-	-	-	(106)	-	(106)
End of year		-	54,078	3,578	57,626	19,667	48,029	-	182,978
Net book values		356,433	665,239	1,959	3,584	14,615	27,870	164,696	1,234,396

Depreciation and amortization expenses of property and equipment for the years ended December 31 were charged to the following accounts:

	Notes	2024	2023	2022
Cost of storage services	17	20,565	34,174	24,602
Operating expenses	18	10,279	9,770	6,591
		30,844	43,944	31,193

11 Accounts payable and accrued expenses; Installment payables

Details of the account are as follows:

	Note	2024	2023
Trade payables		1,314,386	834,992
Payable to government agencies		405,286	350,653
Current portion of installment payables		284,511	187,386
Provision	25	89,418	32,057
Accrued expenses		75,964	67,153
Others		81,052	20,757
		2,250,617	1,492,998

Trade payable and accrued expenses are recognized in the period in which the related money, goods or services are received or when a legally enforceable claim against the Group is established. These are noninterest-bearing and are normally settled on thirty (30) days' term. Accrued expenses are noninterest-bearing and are normally settled on sixty (60) days' term or due and demandable. These are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Installment payables

This account pertains to the unpaid portion of the purchased price of investment properties and property and equipment acquired on installment basis. Details as at December 31 follow:

	2024	2023
Current portion	284,511	187,386
Non-current portion	444,360	788,440
	728,871	975,826

Movements in the unamortized discount of the Group's long-term installment payable follows:

	Note	2024	2023
Beginning of year		57,663	95,633
Accretion for the year	19	(28,476)	(37,970)
End of year		29,187	57,663

12 Long-term debts

The Group availed the following unsecured long-term debts with local banks for working capital requirements:

Loan	Borrower	Date availed	2024	2023	Details
			Outstanding balance		
1	ALLHC	November 2021	1,277,100	1,290,000	- Matures in November 2031 - Interest rate per annum is at 6.56% and 3.27% as at December 31, 2024 and 2023, respectively.
2	LTI	November 2021	683,100	690,000	- Matures in November 2031 - Interest rate per annum is at 6.56% and 3.27% as at December 31, 2024 and 2023, respectively.
3	AAI	September 2022	372,068	373,000	- Matures in September 2032 - Interest rate per annum is at 6.66% and 6.80% as at December 31, 2024 and 2023, respectively.
4	AAI	September 2022	126,682	127,000	- Matures in November 2032 - Interest rate per annum is at 6.66% and 6.80% as at December 31, 2024 and 2023, respectively.
			2,458,950	2,480,000	
Less: Deferred transaction costs			(13,061)	(14,936)	
			2,445,889	2,465,064	

Movements in long-term debts for the years ended December 31 are as follows:

	Note	2024	2023
Beginning of year		2,465,064	2,463,160
Payments for the current year		(21,050)	-
Amortization of deferred transaction costs	19	1,875	1,904
End of year		2,445,889	2,465,064

Total interest expense arising from bank loans amounted to P161.55 million for 2024 (2023 - P99.73 million; 2022 - P64.70 million) (Note 19).

These loans require that the borrowers comply with certain covenants including, among others, a bank debt to tangible net worth ratio. As at December 31, 2024 and 2023, the Group has complied with the loan covenants.

13 Rental and other deposits

Details of the account are as follows:

	2024			2023		
	Current	Non-current	Total	Current	Non-current	Total
Security deposits	289,694	280,888	570,582	324,055	265,924	589,979
Rental deposits	68,468	169,838	238,306	70,377	163,024	233,401
Construction bond	34,048	538	34,586	29,337	5,684	35,021
Customer deposits	9,214	-	9,214	9,302	-	9,302
Others	3,250	10,044	13,294	10,015	4,890	14,905
	404,674	461,308	865,982	443,086	439,522	882,608

Tenants are required to post security deposits, which shall be refunded, without interest, within sixty (60) days after the expiration of the lease period, deducting the amount of damages to the leased premises, if any. Interest expense from accretion of security deposits amounted to P0.35 million for 2024 (2023 - P0.35 million; 2022 - P0.36 million) (Note 19).

Security deposits also include deposits that may be refunded or applied to any outstanding account of the customers at the end of the retail electricity supply term. The duration of these deposits ranges from three to six months.

Rental deposits are equivalent to tenant’s three month’s current rent and shall be increased annually or as is when the rental rate increases. These are paid upon signing of the contract of lease or possession of leased premises, whichever comes first and can be applied as payment for rent due for the last three months of the lease.

Construction bond is tenants’ payments as security for repairs or any damaged caused to the Group’s property arising out of or in connection to any loss, damage, or destruction to the leased premises as a result of the renovation or construction. The construction bond shall be equivalent to tenant’s one month’s minimum rent and can be applied as payment for outstanding accounts provided that they are in compliance with the construction guidelines and requirements imposed by the Group.

Customer deposits pertain to reservation deposits of the tenants which will form part of the payment of rent upon commencement of lease.

14 Equity

Capital stock and additional paid-in capital

Details of the Parent Company’s capital stock and additional paid-in capital follows:

	2024		2023	
	Number of shares	Amount	Number of shares	Amount
Authorized, P1 par value	7,500,000,000	7,500,000,000	7,500,000,000	7,500,000,000
Issued	6,158,660,192	6,158,660,192	6,158,660,192	6,158,660,192
Subscribed	142,931,795	142,931,795	142,931,795	142,931,795
Subscription receivable		(87,263,931)		(91,636,672)
Issued and outstanding	6,214,328,056	6,214,328,056	6,209,955,315	6,209,955,315
Additional paid-in capital		6,023,733,248		6,020,759,784

Capital stock and additional paid-in capital increased by P4.4 million and P3.0 million, net of stock transaction costs, respectively, following collection of subscription receivable (2023 - P8.17 million and P0.64 million), respectively.

The Parent Company’s track record of capital stock follows:

	Number of shares registered	Issue/offer price	Date of approval	Number of holders at year end
January 1, 2021	6,153,452,792			784
Add:				
Additional issuance	3,584,000	1.00/share	November 10, 2015	
Additional issuance	1,277,400	1.68/share	November 10, 2015	
Additional issuance	346,000	1.00/share	May 19, 1989	
December 31, 2021	6,158,660,192			740
December 31, 2022	6,158,660,192			727
December 31, 2023	6,158,660,192			734
December 31, 2024	6,158,660,192			735

Shares held by a subsidiary

In 2019, OLI subscribed to 49,444,216 shares of the Parent Company for a total consideration amounting to P144.38 million. As at December 31, 2024 and 2023, the listing of these shares is still pending with the Philippine Stock Exchange (PSE).

Other comprehensive losses, net

Details of the Parent Company's other comprehensive losses, net follows:

	Note	2024	2023
Revaluation increment	9	165,682	175,721
Unrealized loss on financial assets at FVOCI	5	(1,034,252)	(1,059,679)
Loss on measurement of retirement benefits	20	(43,974)	(44,187)
		(912,544)	(928,145)

(912,544)
Capital Management

The primary objective of the Group's capital management is to optimize the use and earnings potential of the Group's resources and considering changes in economic conditions and the risk characteristics of the Group's activities.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes as at December 31, 2024 and 2023.

As at December 31, 2024 and 2023, the Group considers its capital stock, additional paid in capital and retained earnings as its capital.

The Group is not subject to externally imposed capital requirements.

15 Related party transactions

Related party relationship exists when one party has the ability to control, directly or indirectly through one or more intermediaries, the other party or exercise significant influence over the other party in making financial and operating decisions. Such relationship also exists between and/or among entities, which are under common control with the reporting enterprises and its key management personnel, directors or its stockholders. In considering each related party relationship, attention is directed to the substance of the relationship, and not merely the legal form. The Group has an approval requirement and limits on the amount and extent on any related party transactions.

The Parent Company and its subsidiaries, in their normal course of business, have entered into transactions with related parties principally consisting of interest and noninterest-bearing advances with no fixed repayment terms and are due and demandable. These transactions are normally settled in cash. The assessment of impairment is undertaken at each financial year-end by examining the financial position of the related parties and the market in which the related parties operate. As at December 31, 2024 and 2023, the Group has not recognized any impairment on its amounts owed by related parties.

Amounts owed by related parties

	Transactions for the year		Due from		Terms and condition
	2024	2023	2024	2023	
Loans to related parties					These are unsecured, unguaranteed, interest bearing and collectible in cash within 12 months. Interest rate is at 5.60% to 5.95% per annum.
Immediate Parent Company	-	358,400	-	-	
Entities under common control	685,382	1,722,295	842,570	565,600	
	685,382	2,080,695	842,570	565,600	
Interest Income (Note 19)					Interest income is due and demandable and shall be collected based on interest rates agreed between parties.
Immediate Parent Company	1,531	1,863	582	243	
Entities under common control	42,556	50,429	43,615	53,399	
	44,087	52,292	44,197	53,642	
Service fees					The Group entered into various service agreement including management and supervision of planning, design, construction and commissioning of real estate projects. In consideration of these services, fees are negotiated and billed equivalent to agreed prices. These are unsecured, unguaranteed, noninterest bearing and collectible in on demand.
Immediate Parent Company	-	-	22,010	23,282	
Entities under common control	-	-	4,895	13,746	
Other Related Parties	-	-	2,509	6,036	
	-	-	29,414	43,064	
Leases					The Group entered into commercial space short-term lease agreements as lessor with its related parties. In consideration, lease fee are negotiated and billed equivalent to agreed prices. These are unsecured, unguaranteed, noninterest bearing and collectible in on demand.
Immediate Parent Company	-	-	16,521	20,795	
Other Related Parties	-	33,973	-	2,441	
	-	33,973	16,521	23,236	
	729,469	2,166,960	932,702	685,542	

Amounts owed to related parties

	Transactions for the year		Due to		Terms and condition
	2024	2023	2024	2023	
Loans from related parties					These are unsecured, unguaranteed, interest bearing and payable in cash within 12 months. Interest rate is at 5.60% to 6.60% per annum. These loans were obtained to fund the Company's working capital requirements and business operations.
Immediate Parent Company	741,890	143,670	658,054	-	
Entities under common control	4,752,468	9,026,827	4,684,746	4,535,425	
	5,494,358	9,170,497	5,342,800	4,535,425	
Interest expense (Note 19)					Interest expense is due and demandable and shall be payable based on interest rates agreed between parties
Immediate Parent Company	16,074	7,089	12,537	26,984	
Entities under common control	260,434	195,555	76,539	191,590	
	276,508	202,644	89,076	218,574	
	5,770,866	9,373,141	5,431,876	4,753,999	

	Transactions for the year		Due to		Terms and condition
	2024	2023	2024	2023	
Management fees and systems cost (Note 17 and 18)					The Group entered into system cost and management fee agreement with its related parties. In consideration of these services, fees are negotiated and billed equivalent to agreed prices. These are unsecured, unguaranteed, noninterest bearing and payable in on demand.
Immediate Parent Company	388,949	178,775	1,314,642	985,807	
Entities under common control	-	-	3,300	5,646	
	388,949	178,775	1,317,942	991,453	
Construction contracts					The Group has engaged the services of its related parties for the technical due diligence, land development and construction of facilities within its real estate properties. In consideration of these services, fees are negotiated and billed equivalent to agreed prices. These are unsecured, unguaranteed, noninterest bearing and payable in on demand.
Immediate Parent Company	-	-	-	17,892	
Entities under common control	161,843	5,483,170	221,959	464,840	
	161,843	5,483,170	221,959	482,732	
Service and other fees					The Group engaged its related parties for certain service agreements including legal and professional services. In consideration of these services, fees are negotiated and billed equivalent to agreed prices. These are unsecured, unguaranteed, noninterest bearing and collectible in on demand.
Entities under common control	3,152	-	3,534	1,509	
Purchase of real property					The Group acquired from its related parties, parcel of lots intended for industrial park development at agreed price. These are unsecured, unguaranteed, noninterest bearing and payable on demand.
Ultimate Parent Company	-	-	149,539	149,620	
Deposit for future stock subscription					This pertain to the amount of cash received from the non-controlling interest as deposit for future stock subscription of A-FLOW Land. The amount is recorded as liability as it does not satisfy the requirements for it to be recognized as equity.
Non-controlling interest	-	-	-	55,549	
	553,944	5,661,945	1,692,974	1,680,863	
	6,324,810	15,035,086	7,124,850	6,434,862	

Compensation of key management personnel

The key management personnel of the Group are employees of ALI. As such, the compensation of the said employees is paid by ALI, the necessary disclosures required by PAS 24, Related Party Disclosure are included in the financial statements of ALI. Compensation for said employees are billed to the Group and form part of systems cost. Systems cost billed to the Group in 2024 amounted to P49.47 million (2023 - P25.12 million; 2022 - P21.79 million) (Note 18).

16 Other non-current liabilities

Details of the account are as follows:

	2024	2023
Subscription payable	481,675	481,675
Retention payable	247,985	173,633
	729,660	655,308

As at December 31, 2024 and 2023, the Parent Company has outstanding subscription payable on common shares of Cyber Bay amounting to P481.68 million.

Retention payable pertains to an amount deducted from the contractors' progress billing which will be released after the expiration of the project's warranty period.

17 Cost of real estate sales, rental and storage services

Cost of real estate sales

The details of this account follow:

	Notes	2024	2023	2022
Cost of real estate	4	1,750,680	984,438	1,113,156
Management fee	15	294,050	102,442	178,542
Commission		129,612	49,990	76,383
		2,174,342	1,136,870	1,368,081

Cost of rental services

The details of this account follow:

	Notes	2024	2023	2022
Depreciation and amortization	7,9,10,24	454,346	438,717	402,016
Share in CUSA related expenses		329,091	324,552	253,607
Taxes and licenses		159,989	148,770	130,228
Repairs and maintenance		56,780	46,063	30,728
Management fees	15	45,430	51,217	71,936
Commissions		14,633	2,512	3,178
Insurance		10,730	5,136	4,010
Rental	24	9,575	9,404	7,618
Supplies		4,998	1,844	3,312
Professional fees		4,975	4,251	6,687
Others		44,785	53,545	27,435
		1,135,332	1,086,011	940,755

Cost of storage services

	Notes	2024	2023	2022
Share in CUSA related expenses		63,022	48,941	42,941
Depreciation and amortization	7,9,10,24	40,046	28,322	22,373
Taxes and licenses		6,498	7,103	2,065
Rental	24	5,573	3,314	878
Repairs and maintenance		5,271	4,861	5,134
Supplies		2,671	2,696	1,141
Insurance		1,443	689	1,078
Others		6,349	5,139	2,414
		130,873	101,065	78,024

18 Operating expenses

The details of this account follow:

	Notes	2024	2023	2022
Personnel expenses				
Compensation and employee benefits		99,373	79,215	61,403
Retirement expense	20	4,604	3,236	3,504
		103,977	82,451	64,907
Systems costs	15	49,469	25,116	21,786
Depreciation and amortization	7,9,10	33,265	29,523	26,296
Taxes and licenses		27,403	25,313	13,260
Professional and legal fees		24,298	29,074	19,158
Provision for impairment losses	3	23,747	-	-
Communication and transportation		11,990	7,826	7,365
Janitorial and security services		10,948	11,025	12,191
Supplies and repairs		8,427	4,498	3,741
Others		16,971	9,563	5,385
		310,495	224,389	174,089

19 Interest expense and bank charges, net; Miscellaneous (charges) income

Interest expense and bank charges, net

The details of this account follow:

	Notes	2024	2023	2022
Interest expense and bank charges				
Amounts owed to related parties	15	(276,508)	(202,644)	(44,197)
Bank loan	12	(161,550)	(99,727)	(64,704)
Interest expense on lease liabilities	24	(146,473)	(148,740)	(150,160)
Discount amortization on long term liabilities	11	(28,476)	(37,970)	(41,514)
Discount amortization on bank loan	12	(1,875)	(1,904)	(1,613)
Bank charges		(367)	(754)	(4,650)
Discount amortization on security deposits	13	(354)	(354)	(355)
		(615,603)	(492,093)	(307,193)
Interest income				
Amounts owed by related parties	15	44,087	52,292	32,226
Interest income on financial assets at FVOCI	5	1,458	2,335	2,812
Cash and cash equivalents	2	792	1,456	852
Retirement benefits liability, net	20	260	679	555
Accretion on long term receivables	3	-	127,925	52,452
		46,597	184,687	88,897
		(569,006)	(307,406)	(218,296)

Miscellaneous (charges) income

The details of this account follow:

	Note	2024	2023	2022
Equity in net loss of joint ventures	8	(23,166)	(5,837)	-
Reversal of excess accruals		-	68,052	-
Income from customer lounge		-	13,610	11,650
Recoveries and other miscellaneous income		3,488	13,847	20,421
		(19,678)	89,672	32,071

20 Retirement benefits liability

The Parent Company and LTI has a separate, funded, non-contributory retirement plan covering all its regular employees. The plan provides for retirement, separation, disability and death benefits to its members. The normal retirement benefit is based on a percentage of the employees' final monthly salary for every year of credited service. The latest independent actuarial valuation as at December 31, 2024 was determined using the projected unit credit method in accordance with PAS 19 (R).

The following tables summarize the funded status and amounts recognized in the consolidated statements of financial position, and the components of the net retirement benefit costs recognized in the consolidated statements of income for the retirement plan:

	2024	2023
Fair value of plan assets	22,059	20,686
Present value of retirement benefit obligation	(20,540)	(16,253)
Net pension asset	1,519	4,433

	Notes	2024	2023	2022
Current service cost	18	4,604	3,236	3,504
Interest income	19	(260)	(679)	(555)
		4,344	2,557	2,949

Changes in fair value of plan assets follows:

	2024	2023
Beginning of year	20,686	18,787
Interest income	1,772	1,427
Remeasurement loss	(560)	(238)
Contribution	1,217	1,663
Benefits paid by the plan assets	(1,056)	(953)
End of year	22,059	20,686

Changes in the retirement benefit obligation follows:

	2024	2023
Beginning of year	16,253	8,071
Current service cost	4,604	3,236
Interest cost	1,512	748
Benefits paid by the plan assets	(1,056)	(953)
Remeasurement (gain) loss	(773)	5,924
Benefits paid by the Group	-	(773)
End of year	20,540	16,253

The categories of plan assets as a percentage of fair value of the total plan assets follows:

	2024	2023
Cash	2.30%	28.55%
Debt securities	97.57%	71.44%
Others	0.13%	0.01%
	100.00%	100.00%

The plan assets are invested in different financial instruments and do not have any concentration risk. The asset allocation of the plan is set and reviewed from time to time by the Trustee taking into account the membership profile and the liquidity requirements of the plan. This also considers the expected benefit cash flows to be matched with asset durations. Debt securities include investments in government debt securities that are in the form of fixed rate treasury notes and retail treasury bonds issued by the Philippine government.

The Group does not expect to contribute to the retirement plan for the year 2025.

The principal assumptions used to determine pension for the Group are as follows:

	2024	2023	2022
Discount rates	5.18% to 7.18%	6.12% to 6.21%	7.12% to 7.29%
Salary increase rate	4.00% to 6.50%	5.00% to 6.50%	5.00% to 6.50%

The sensitivity analysis below has been determined based on reasonably possible changes of each significant assumption on the defined benefit obligation as at the end of the reporting period, assuming all other assumptions were held constant:

	Impact on retirement benefit obligation		
	Change in assumption	Increase in assumption	Decrease in assumption
December 31, 2024			
Discount rate	+/-1%	(19,062)	23,923
Future salary increases	+/-1%	23,999	(18,829)
December 31, 2023			
Discount rate	+/-1%	(22,967)	27,474
Future salary increases	+/-1%	27,520	(22,864)

It should be noted that the changes assumed to be reasonably possible at the valuation date are open to subjectivity, and do not consider more complex scenarios in which change other than those assumed may be deemed to be more reasonable.

The following table shows the maturity profile of the Group's defined benefit obligation based on undiscounted benefit payments:

	2024	2023
Less than 1 year	233	6,773
More than 1 year to 10 years	264,677	334,755
More than 10 years to 20 years	61,974	107,796
More than 20 years	97,243	6,773

The average duration of the defined benefit obligation is 15 to 24 years in 2024 and 2023.

21 Income tax

	2024	2023	2022
Current	101,034	132,255	101,237
Deferred	(15,064)	(24,359)	90,036
	85,970	107,896	191,273

Registration with the Philippine Economic Zone Authority (PEZA) and Board of Investments (BOI) Incentives

LTI is a PEZA registrant as a non-pioneer "ecozone developer/operator" of Laguna Technopark Special Economic Zone and Cavite Technopark Special Economic Zone. LTI pays income tax at the special tax rate of 5% on its gross income earned from sources with the PEZA economic zone in lieu of paying all national and local income taxes. Income generated from sources outside of the PEZA economic zone shall be subject to regular internal revenue taxes. LTI and URDC are BOI registrants in accordance with the existing Omnibus Investment Code. The projects located in Pampanga, Batangas and Laguindingan have been granted an Income Tax Holiday (ITH) for a period of four (4) to five (5) years from the date of commercial operations.

The reconciliation of the statutory income tax rates to the effective income tax rates follows:

	2024	2023	2022
At statutory tax rates	25%	25%	25%
Additions to (reductions in) income taxes resulting from:			
Movements in unrecognized deferred income tax assets	7.6	6.1	10.5
Income from registered activities subject to lower income tax	(24.1)	(19.2)	(19.5)
Non-deductible expenses	2.5	5.7	-
Other non-taxable income	(0.1)	(3.0)	-
At effective tax rates	10.9%	14.6%	16.0%

Deferred tax assets and deferred tax liabilities are offset on per entity level and the net amount is reported in consolidated statement of financial position as follows:

Deferred income tax liabilities, net

	2024	2023
Deferred income tax liabilities:		
Deferred profit on installment sales	157,064	139,197
Revaluation increment on property and equipment	73,573	70,561
Accrued rent income	29,882	27,763
Discount on purchase price payable	7,208	14,416
Undepreciated capitalized interest	4,893	6,466
Unrealized gain on valuation of FVOCI	2,049	2,199
	274,669	260,602

Deferred income tax assets, net

	2024	2023
Deferred income tax asset on:		
Lease liabilities	460,228	446,133
Allowance for impairment losses on receivables	10,571	10,571
NOLCO	37,591	37,531
Accrued expense	39,570	37,367
Remeasurement loss on retirement benefits liability	350	429
Unamortized discount on long term receivable	38,675	56,851
Others	3,069	17,156
	590,054	606,038
Deferred income tax liability on:		
Right-of-use asset	(264,079)	(280,651)
Recovery on insurance	(81,985)	(81,985)
Revaluation reserve on investment properties	(43,866)	(40,854)
Accrued rent income	(15,158)	(14,612)
Pension assets	(1,551)	(1,701)
Unrealized gain on foreign exchange	(891)	(886)
Others	(412)	(2,680)
	(407,942)	(423,369)
	182,112	182,669

Deferred income tax assets are recognized only to the extent that taxable income will be available against which the deferred income tax assets can be used. The Group reassesses the unrecognized deferred income tax assets on the following deductible temporary differences, NOLCO and MCIT and recognizes the previously unrecognized deferred income tax assets to the extent that it has become probable that future taxable income would allow the deferred income tax assets to be recovered.

Unrecognized deferred income tax assets are as follows:

	2024	2023
Allowance for impairment losses	75,310	54,033
NOLCO	72,484	37,064
MCIT	4,333	1,462

As at December 31, the details of the Group's NOLCO that can be claimed as deductions from future taxable income for the succeeding years are as follows:

Year incurred	Year of expiration	2024	2023
2020	2025	49,157	49,157
2021	2026	37,636	37,636
2022	2025	42,520	42,520
2023	2026	169,068	169,068
2024	2027	141,919	-
		440,300	298,381
Tax rate		25%	25%
		110,075	74,595
Recognized DTA on NOLCO		37,591	37,531
Unrecognized DTA on NOLCO		72,484	37,064

22 Segment information

The Group's operating businesses are recognized and managed according to the nature of the products or services offered, with each segment representing a strategic business unit that serves different markets. The BOD is the chief operating decision maker of the Group. Segment assets and liabilities reported are those assets and liabilities included in measures that are used by the BOD.

Segment revenue, expenses and performance include transfers between business segments. The transfers are accounted for at competitive market prices charged to unaffiliated customers for similar products. Such transfers are eliminated in consolidation.

Revenue from Contracts with Customers

The Group derives revenue from the transfer of goods and services over time.

Geographical Segments

The Group does not have geographical segments.

Business Segments

The Group's operating businesses are organized and managed separately according to the nature of services provided and the different markets served, with each segment representing a strategic business unit.

The industry segments where the Parent Company and its subsidiaries operate are as follows: (1) Holding Company; (2) Real estate and property development - commercial leasing and industrial lot sales and development; (3) Cold storage operations; (4) Retail electricity supply.

The amount of segment assets and liabilities are based on measurement principles that are similar with those used in measuring assets and liabilities in the consolidated statements of financial position which is in accordance with PFRS Accounting Standards.

Financial information about the operations of these business segments is summarized as follows:

	Holding company	Real Estate and Property Development*	Cold Storage Operations	Retail and Electricity Supply	Others	Subtotal	Elimination	Total
December 31, 2024								
Revenues	-	5,024,340	163,474	-	3,585	5,191,399	(3,585)	5,187,814
Cost and expenses	(20,490)	(3,531,300)	(173,471)	(18,553)	(11,132)	(3,754,946)	3,904	(3,751,042)
Other income (charges)	(210,252)	(402,158)	(39,689)	(9,810)	11,863	(650,046)	-	(650,046)
Profit (loss) before income tax	(230,742)	1,090,882	(49,686)	(28,363)	4,316	786,407	319	786,726
Income tax expense (benefit)	(15)	(80,395)	(8,013)	2,751	(298)	(85,970)	-	(85,970)
Net income	(230,757)	1,010,487	(57,699)	(25,612)	4,018	700,437	319	700,756
Segment assets	16,029,699	28,553,318	1,457,758	352,275	1,523,516	47,916,566	(17,177,270)	30,739,296
Segment liabilities	4,436,101	12,673,821	754,770	739,719	433,554	19,037,965	(3,183,102)	15,854,863
December 31, 2023								
Revenues	-	3,087,020	169,490	-	257,147	3,513,657	(3,585)	3,510,072
Cost and expenses	(25,856)	(2,247,159)	(105,159)	(6,893)	(162,049)	(2,547,116)	(1,219)	(2,548,335)
Other income (charges)	(84,632)	(123,390)	(17,624)	139	4,483	(221,024)	3,290	(217,734)
Profit (loss) before income tax	(110,488)	716,471	46,707	(6,754)	99,581	745,517	(1,514)	744,003
Income tax expense (benefit)	(15,864)	91,851	7,386	-	24,523	107,896	-	107,896
Net income	(94,624)	624,620	39,321	(6,754)	75,058	637,621	(1,514)	636,107
Segment assets	16,101,912	25,228,193	2,499,829	310,722	2,125,137	46,265,793	(17,643,664)	28,622,129
Segment liabilities	4,309,876	10,700,360	1,443,323	851,291	696,262	18,001,112	(3,286,192)	14,714,920
December 31, 2022								
Revenues	-	3,821,505	115,527	274,675	-	4,211,707	(3,585)	4,208,122
Cost and expenses	(9,152)	(2,461,151)	(84,024)	(260,455)	(1,742)	(2,816,524)	(1,219)	(2,817,743)
Other income (charges)	(36,345)	(149,660)	(4,604)	(8,672)	3,738	(195,543)	3,318	(192,225)
Profit (loss) before income tax	(45,497)	1,210,694	26,899	5,548	1,996	1,199,640	(1,486)	1,198,154
Income tax expense (benefit)	(40)	185,154	5,338	263	558	191,273	-	191,273
Net income	(45,457)	1,025,540	21,561	5,285	1,438	1,008,367	(1,486)	1,006,881
Segment assets	15,393,551	24,165,943	1,175,192	310,722	2,121,958	43,167,366	(17,525,863)	25,641,503
Segment liabilities	3,726,557	9,858,413	283,462	851,291	769,849	15,489,572	(3,070,041)	12,419,531

**includes lot sales and rental revenue amounting to P3,344.43 million and P1,334.31 million, respectively (2023 - P1,763.23 million and P1,252.30 million, respectively; 2022 - P2,354.27 million and P1,071.14 million, respectively)*

23 Earnings per share

The following table presents information necessary to calculate basic earnings per share:

	2024	2023	2022
Net income attributable to equity holders of the Parent	700,909	625,222	1,006,579
Weighted average number of shares	6,252,148	6,252,148	6,252,148
Basic/diluted earnings per share	0.11	0.10	0.16

Impact of ESOWN plan is not material to the calculation of earnings per share.

24 Leases

Group as Lessee

The Parent Company and its subsidiaries entered in the various long-term contracts for land used in its operations. Renewable lease contracts are subject to the mutual agreement of the parties and to compliance with the terms and conditions of the lease agreement.

TPI
In 1990, TPI, through a Deed of Assignment, entered into a lease contract for the Tutuban Terminal. The contract provided for a payment of a guaranteed minimum annual rental, 12% escalation rate every two (2) years, additional P10 million every two (2) years, plus 2% of gross revenues. The lease covers a period of twenty-five (25) years until 2014 and is automatically renewable for another twenty-five (25) years. In 2009, TPI renewed its lease contract for another twenty-five (25) years beginning September 5, 2014 until 2039.

LTI
In 2017, LTI entered into separate lease contract with ALI, Alveo Land, Corp. (Alveo) and Nuevocentro, Inc. (Nuevo) related parties, to lease parcels of land primarily for the construction, development and operation of Standard Factory Buildings (SFBs). The lease contract provided for a payment of a guaranteed minimum monthly rental with a 10% escalation rate every five (5) years. The lease contract with ALI and Alveo covers a period of twenty-five (25) years until December 31, 2041 and are renewable while the lease contract with Nuevo covers a period of thirty (30) years until October 31, 2047 and is renewable for another ten (10) years.

In 2019, LTI entered another lease contract with Nuevo still for the construction, development and operation of SFBs. The contract provided for a payment of a guaranteed minimum monthly rental with a 10% escalation rate every five (5) years. The lease covers a period of twenty-nine (29) years until October 31, 2047 and is renewable for another ten (10) years.

Parent Company
In 2020, the Parent Company entered into a Contract of Lease with ALI Commercial Center, Inc., a related party, to lease a building space located primarily for administrative use of the Parent Company. The contract provided for a payment of a guaranteed fixed monthly rental. The lease covers period covers from July 1, 2020 to December 31, 2023. The Parent Company extended the lease contract until 2025.

Set out below are the carrying amounts of right-of-use assets recognized and the movements as at and for the year December 31:

	Note	2024	2023
Beginning of year		1,066,049	1,135,820
Amortization expense	19	(66,287)	(69,771)
End of year		999,762	1,066,049

Set out below are the carrying amounts of lease liabilities and the movements as at and for the year December 31:

	2024	2023
Beginning of year	1,724,979	1,732,553
Accretion of interest	146,473	148,740
Payments	(158,006)	(156,314)
End of year	1,713,446	1,724,979
Less: Current portion	(36,014)	(155,981)
Non-current portion	1,677,432	1,568,998

As at December 31, the maturity analysis of undiscounted lease payments follows:

	2024	2023
Within one (1) year	347,859	178,823
More than one (1) year to five (5) years	909,207	909,207
More than five (5) years	2,004,989	2,176,448
	3,262,055	3,264,478

As at December 31, the following are the amounts recognized in profit or loss:

	Note	2024	2023	2022
Accretion of interest on lease liabilities	19	146,473	148,740	150,160
Amortization expense for right-of-use assets	17	66,287	69,771	64,883
Variable lease payments	18	5,148	12,718	8,496
		217,908	231,229	223,539

Group as a Lessor (Operating leases)

The Group has entered into commercial property leases on its buildings. These leases have remaining terms of one (1) year to less than five (5) years except for one (1) tenant with lease term of 15 years. Renewals are subject to the mutual consent of the lessor and the lessee.

The total other revenues of the Group for the year ended December 31, 2024 amounting to P345.60 million (2023 - P325.05 million; 2022 - P392.51 million) includes gross CUSA and air-conditioning charges amounting to P305.87 million (2023 - P292.95 million; 2022 - P334.46 million).

As at December 31, future minimum rentals receivable under non-cancellable operating leases of the Group follows (amounts in thousands):

	2024	2023
Less than one (1) year	1,285,364	709,827
One (1) year to five (5) years	3,589,572	3,686,481
More than five (5) years	2,190,647	4,069,220
	7,065,583	8,465,528

25 Provisions and contingencies

The Group, in the ordinary course of business, is involved in various legal proceedings and assessments that are either pending decision by the courts or under on-going discussions. Management and its legal counsels believe that the eventual outcome of these lawsuits or claims will not have a material effect on the consolidated financial statements. It is possible, however, that future results of operations could be materially affected by changes in the estimates or in the effectiveness of the strategies relating to these proceedings.

The roll forward of the provisions follows:

	Note	2024	2023
Beginning of year		32,057	35,057
Provisions during the year		61,362	-
Settlements during the year		(4,001)	(3,000)
End of year	11	89,418	32,057

The detailed information normally required under PAS 37, Provisions, Contingent Liabilities and Contingent Assets, is not disclosed as it may prejudice the outcome of the proceedings.

26 Share-based payments

In 2015, the Group introduced the ESOWN Plan (the Plan) wherein grantees (employees within ALLHC Group) may subscribe in whole or in part to the shares awarded to them based on a discounted market price, but in no case lower than the par value, that was determined at grant date. The grantees will pay for the shares subscribed through installments over a maximum period of ten (10) years.

There are no share-based compensation granted for the years ended December 31, 2024 and 2023.

27 Financial instruments

Fair Value Information

The following tables set forth the carrying values and estimated fair values of the Group's financial assets and liabilities recognized as at December 31:

	2024		2023	
	Carrying value	Fair value	Carrying value	Fair value
Financial assets at amortized costs				
Cash and cash equivalents	242,677	242,677	214,713	214,713
Receivables	5,628,171	5,628,171	4,732,336	4,732,336
Amounts owed by related parties	932,702	932,702	685,542	685,542
Refundable deposits	114,786	114,786	52,756	52,756
Financial assets at FVPL	4,906	4,906	4,798	4,798
Financial assets at FVOCI	151,284	151,284	126,614	126,614
	7,074,526	7,074,526	5,816,759	5,816,759
Financial liabilities				
Accounts payable and accrued expenses	2,200,273	2,200,273	1,898,728	1,898,728
Amounts owed to related parties	7,124,850	7,124,850	6,434,862	6,434,862
Long-term debts	2,445,889	2,445,889	2,465,064	2,465,064
Rental and other deposits	583,876	583,876	604,884	604,884
Lease liabilities	1,713,446	1,713,446	1,724,979	1,724,979
Subscription payable	481,675	481,675	481,675	481,675
	14,550,009	14,550,009	13,610,192	13,610,192

The following method and assumptions were used to estimate the fair value of each class of financial instruments for which it is practicable to estimate such values at December 31, 2024 and 2023 are set out below:

Cash and cash equivalents

The carrying amount of cash and cash equivalents approximates its fair values due to the short-term maturity of this financial instrument.

Receivables, Accounts payable and accrued expenses and Amounts owed to and by related Parties

The carrying amounts of the current portion of receivables, accounts payable and accrued expenses and amounts owed by related parties approximate their fair values due to their short-term nature.

The fair value of the non-current portion of land sales trade receivables is based on the discounted value of future cash flows using the applicable rates for similar type of instruments. The discount rates used range from 5.23% to 6.28%.

The fair value of the non-current portion of land sales trade receivables as at December 31, 2024 is based on the undiscounted value of future cash flows following the Group's adoption of PIC Q&A 2018-12 and the Group's assessment that the overall impact pertaining to significant financing component is not material to the consolidated financial statements of the Group (Note 29).

Accounts payable and accrued expenses exclude payable to government agencies and provisions which are not considered financial liabilities.

Refundable Deposits under Other non-current assets and Rental and Other Deposits

The carrying amounts of current portion of rental and other deposits approximates its fair value due to the short-term maturity of this financial instrument. The fair values of noncurrent security deposit recorded under 'Rental and other deposits" and refundable deposits recorded under 'Other noncurrent assets' are determined by discounting future cash flows using the applicable rates of similar types of instruments.

Long-term debts and lease liabilities

The fair values of long-term debts and lease liabilities are estimated using the discounted cash flow methodology using the Group's current incremental borrowing rates and current yield rates for similar borrowings with maturities consistent with those of the liabilities being valued. The discount rates used ranged from 1.02% to 5.09%.

Financial Assets at FVOCI

Except for Investment in Cyber Bay equity securities, equity financial assets that are listed are based on their quoted prices published in markets as at December 31, 2024 and 2023. Debt financial assets that are quoted are based on published market prices as at December 31, 2024 and 2023.

Financial Assets at FVPL

Listed equity securities designated as financial assets at FVPL are based on their quoted prices as at December 31, 2024 and 2023. The fair value of the UITF has been determined based on the net asset values as at reporting date, based on the nature and level of adjustments needed to be made to the NAV and the level of trading in the money market UITF.

Fair Value Hierarchy

Quoted FVOCI financial assets amounting to P151.28 million as at December 31, 2024 were classified under Level 1 (2023 - P126.61 million) (Note 5).

Quoted FVPL financial assets amounting to P4.91 million as at December 31, 2024 (2023 - P4.80 million) were classified under Level 1 (Note 6).

The fair value disclosure of receivables, long-term debt, rental and other deposits and refundable deposits as at December 31, 2024 and 2023, were classified under Level 3.

There have been no reclassifications from Level 1 to Level 2 categories in 2024 and 2023.

Financial Risk Management Objectives, Policies and Capital Management

The Group has various financial instruments such as cash and cash equivalents, receivables, amounts owed by/to related parties, financial assets at FVOCI, FVPL investments, deposits under other noncurrent assets, accounts payable and accrued expenses, rental and other deposits, long term debt and subscriptions payable.

The main purpose of these financial instruments is to raise funds and maintain continuity of funding and financial flexibility for the Group. The Group has other financial liabilities such as accounts payable and accrued expenses and rental and other deposits, which arise directly from its operations.

The main risks from the use of financial instruments are liquidity risk, credit risk and equity price risk.

The Group's BOD reviews and approves policies for managing these risks as summarized below.

Liquidity Risk
Liquidity risk arises when there is a shortage of funds and the Group as a consequence could not meet its maturing obligations.

In the management of liquidity, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows.

The tables below summarize the maturity profile of the Group's financial liabilities as at December 31, based on contractual undiscounted payments:

	On demand	Less than 3 months	3 to 6 months	6 to 12 months	Over 1 Year	Total
December 31, 2024						
Accounts payable and accrued expenses	1,314,386	-	157,016	284,511	444,360	2,200,273
Amounts owed to related parties	7,124,850	-	-	-	-	7,124,850
Long-term debts and interest payable	11,952	24,871	37,095	74,666	3,158,726	3,307,310
Rental and other deposits	-	-	-	292,944	290,932	583,876
Lease liabilities	-	86,945	86,945	176,969	2,914,196	3,265,055
Subscription payable	-	-	-	-	481,675	481,675
	8,451,188	111,816	281,056	829,090	7,289,889	16,963,039
December 31, 2023						
Accounts payable and accrued expenses	834,992	-	87,910	187,386	788,440	1,898,728
Amounts owed to related parties	6,434,862	-	-	-	-	6,434,862
Long-term debts and interest payable	10,243	36,199	36,185	74,263	3,333,159	3,490,049
Rental and other deposits	-	-	-	334,070	270,814	604,884
Lease liabilities	-	44,706	44,706	89,411	3,085,655	3,264,478
Subscription payable	-	-	-	-	481,675	481,675
	7,280,097	80,905	168,801	685,130	7,959,743	16,174,676

Equity Price Risk
The Group is exposed to equity securities price risk arising from the Group's financial asset measured at FVOCI in the consolidated statements of financial position. Components of equity would increase or decrease as a result of gains or losses on such equity securities classified as financial asset measured at FVOCI. Management, however, does not foresee exposure to price risk on its financial assets at FVOCI to be significant.

Credit Risk
Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions and other financial instruments.

The Group's gross maximum exposure to credit risk as at December 31, is equal to the carrying values of its financial assets. The details follow:

	Gross maximum exposure
December 31, 2024	
Cash in banks and cash equivalents	242,270
Trade receivables	
Land sales	4,529,066
Receivables from tenants	848,707
Retail electricity	18,004
Non-trade receivables	505,029
Financial assets at FVOCI - quoted debt securities	36,897
	6,179,973
December 31, 2023	
Cash in banks and equivalents	214,416
Trade receivables	
Land sales	3,790,239
Receivables from tenants	734,055
Retail electricity	13,865
Non-trade receivables	468,067
Financial assets at FVOCI - quoted debt securities	41,227
	5,261,869

Cash in banks and cash equivalents
Cash in banks and cash equivalents are still subject to credit risk but impairment is deemed insignificant. Credit risk from balances with banks and financial institutions and related parties is managed by the Group's treasury department in accordance with the Group's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Group's Board of Directors on an annual basis and may be updated throughout the year subject to approval of the Group's Finance Committee. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments.

Trade receivables - real estate receivables
For real estate receivables, exposure to credit risk is not significant given that title of the real estate property is only transferred to the customer if the consideration had been fully paid. In case of default, after enforcement activities, the Group has the right to cancel the sale and enter into another contract to sell to another customer after certain proceedings (e.g. grace period, referral to legal, cancellation process, reimbursement of previous payments) had been completed. Applying the expected credit risk model did not result in the recognition of an impairment loss for real estate receivables in 2024 and 2023.

Trade receivables - receivable from tenants
Credit risk arising from receivables from tenants of leasing properties is primarily managed through a tenant selection process. Prospective tenants are evaluated on the basis of payment track record and other credit information. In accordance with the provisions of the lease contracts, the lessees are required to deposit with the Group security deposits and advance rentals which helps reduce the Group's credit risk exposure in case of defaults by the tenants. The security deposits are considered in the calculation of impairment as recoveries. For existing tenants, the Group has put in place a monitoring and follow-up system. These are aged and analyzed on a continuous basis to minimize credit risk associated with these receivables. Regular meetings with tenants are also undertaken for further assessment of paying capacity.

Set out below is the information about the credit risk exposure of the Group's trade receivables from tenants using a provision matrix excluding rental accruals:

	Current	More than 30 days	More than 60 days	More than 90 days	Total
2024					
Expected credit loss rate	1.01%	11.82%	10.19%	15.46%	9.14%
Total gross carrying amount	310,764	70,406	116,521	351,016	848,707
Expected credit losses	3,129	8,324	11,877	54,261	77,591
2023					
Expected credit loss rate	1.10%	10.95%	22.87%	12.88%	10.74%
Total gross carrying amount	161,899	63,654	46,004	462,498	734,055
Expected credit losses	1,774	6,969	10,522	59,579	78,844

Applying the expected credit risk model resulted in the recognition of an impairment loss for trade receivable from tenants amounting to P23.75 million in 2024. There were no impairment losses recognized in 2023. The Company written off P25.00 million of its trade debtor receivables during the year (Note 3).

Trade receivables - retail electricity
An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss pattern. The calculation reflects the probability-weighted outcome and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

Applying the expected credit risk model did not result in the recognition of an impairment loss for trade debtors retail electricity in 2024 and 2023.

Generally, "Trade receivables" under "Receivables" receivables are written-off if past due for more than one year and are not subject to enforcement activity.

Non-trade receivables
Credit risk exposure in respect of all other counterparties is managed by setting standard business terms that are required to be met by all counterparties. An impairment analysis is performed at each reporting date to consider when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full. These receivables are written off when there is no reasonable expectation of recovering the contractual cash flows. There were no impairment losses recognized in 2024 and 2023 applying the expected credit risk model. Total write offs amounted to nil in 2024 (2023 - P0.87 million) (Note 3).

Financial assets at FVOCI - quoted debt securities
The Group's debt instruments at fair value through OCI comprise solely of government securities. The Group considers a debt investment security to have low credit risk when its credit risk rating is equivalent to the globally understood definition of 'investment grade' and, therefore, are considered to be low credit risk investments. It is the Group's policy to measure expected credit losses (ECLs) on such instruments on a 12-month basis. Applying the expected credit risk model did not result in the recognition of an impairment loss in 2024 and 2023.

28 Significant Accounting Judgments, Estimates and Assumptions

The preparation of the consolidated financial statements in accordance with PFRS requires the Group to make judgments and estimates that affect the reported amounts of assets, liabilities, revenues and expenses and disclosures, at the end of the reporting period. Future events may occur which will cause the assumptions used in arriving at the estimates to change. The effects of any change in judgments and estimates are reflected in the consolidated financial statements as they become reasonably determinable.

Judgments, estimates and assumptions 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. However, actual outcome can differ from these estimates.

Judgments

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

Determining the lease term of contracts with renewal and termination options - Group as lessee

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The renewal periods for leases of land with longer non-cancellable periods (i.e., 10 to 15 years) are not included as part of the lease term since it is reasonably certain that the Group will exercise the option to renew or not exercise the option to terminate. Renewal or termination of lease is subject to mutual agreement with the lessors.

Classification of joint venture

The Group's investment in joint venture is structured in separate incorporated entity. The respective joint arrangement agreement requires unanimous consent from all parties to the agreement for the relevant activities identified. The Group and the party to the agreement only have the rights to the net assets of the joint venture through the terms of contractual arrangements.

Assessing operating lease commitments - Group as lessor

The Group has entered into commercial property leases on its investment properties portfolio. The Group has determined that it retains all the significant risks and rewards of ownership of these properties which are leased out under operating lease arrangements.

Distinction between investment properties and owner-occupied properties

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

Some properties comprise a portion that is held to earn rentals for capital appreciation and another portion that is held for administrative purposes. If these portions cannot be sold separately, the property is accounted for as investment property only if an insignificant portion is held for administrative purposes. Judgment is applied in determining whether ancillary services are so significant that a property does not qualify as investment property. The Group considers each property separately in making its judgment.

Assessing realizability of deferred income tax assets

The Group reviews the carrying amounts of deferred income tax assets at each end of the reporting period and reduces it to the extent that it is no longer probable that sufficient future taxable profits will be available to allow all or part of the deferred income tax assets to be utilized. Judgments and estimation are required to determine the amount of deferred income tax assets that can be recognized based upon the likely timing and level of future taxable income together with future tax planning strategies. However, there is no assurance that the Group will generate sufficient future taxable profits to allow all or part of its deferred income tax assets to be utilized.

The temporary differences, NOLCO and MCIT for which no deferred income tax assets were recognized, as the management has assessed that it is not probable that sufficient future taxable income will be available for which the benefit of the deferred income tax assets can be utilized, are disclosed in Note 21.

Estimates and assumptions

The key estimates and 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 financial year are discussed below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes in circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Leases - estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when they need to be adjusted to reflect the terms and conditions of the lease. The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates.

Provision for expected credit losses of trade and other receivables

The Group uses a provision matrix to calculate ECLs for trade receivables except for receivables from real estate. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns.

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information such as Gross Domestic Product growth rate and inflation rate. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

The Group uses vintage analysis approach to calculate ECLs for real estate receivable. The vintage analysis accounts for expected losses by calculating the cumulative loss rates of a given loan pool. It derives the probability of default from the historical data of a homogenous portfolio that share the same origination period. The information on the number of defaults during fixed time intervals of the accounts is utilized to create the PD model. It allows the evaluation of the loan activity from its origination period until the end of the contract period.

The assessment of the correlation between historical observed default rates, forecast economic conditions (gross domestic product and inflation rate) and ECLs is also significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information about the ECLs on the Group's trade receivables is disclosed in Notes 5 and 27.

Estimating useful lives of depreciable investment properties and property and equipment

The estimated useful lives used as bases for depreciating and amortizing the Group's investment properties and property and equipment were determined on the basis of management's assessment of the period within which the benefits of these asset items are expected to be realized taking into account actual historical information on the use of such assets as well as industry standards and averages applicable to the Group's assets. The Group estimates the useful lives of its investment properties and property and equipment based on the period over which the assets are expected to be available for use. The estimated useful lives of investment properties and property and equipment are reviewed, at least, annually and are updated if expectations differ from previous estimates due to physical wear and tear and technical or commercial obsolescence on the use of these assets. It is possible that future results of operations could be materially affected by changes in these estimates brought about by changes in the factors mentioned above.

A reduction in the estimated useful lives of these assets increases depreciation and amortization and decreases the carrying value of investment properties and property and equipment.

Information on the estimated useful life of investment properties and property and equipment is included in Note 29.9 and 29.10, respectively.

Determining retirement benefits liability

The cost of defined retirement obligation as well as the present value of the defined benefit obligation is determined using actuarial valuations. The actuarial valuation involves making various assumptions. These include the determination of the discount rates, future salary increases, mortality rates and future retirement increases. Due to the complexity of the valuation, the underlying assumptions and its long-term nature, defined benefit obligation are highly sensitive to changes in these assumptions. The assumptions are reviewed at each end of the reporting period.

In determining the appropriate discount rate, management considers the interest rates of government bonds that are denominated in the currency in which the benefits will be paid, with extrapolated maturities corresponding to the expected duration of the defined benefit obligation. Further details about the assumptions used are provided in Note 20.

Assessing and estimating contingencies and provisions

The Group is involved in certain disputes for which the Group has recognized provisions for probable expenses, which may be incurred, and disclosed relevant information about such contingencies.

29 Summary of material accounting policies

29.1 Basis of preparation

The consolidated financial statements have been prepared on a historical cost basis, except for the following:

- Debt and equity financial assets measured at fair value
- Certain financial instruments and lease liabilities carried at amortized cost
- Investments in joint ventures in which equity method of accounting is applied;
- Retirement benefit obligation measured at the present value of the defined benefit obligation net of the fair value of the plan assets.

The consolidated financial statements are presented in Philippine Peso, which is the Parent Company’s functional currency. All amounts are rounded off to the nearest thousand, except when otherwise indicated.

The consolidated financial statements provide comparative information in respect of the previous period.

29.2 Statement of Compliance

The consolidated financial statements of the Group have been prepared in accordance with Philippine Financial Reporting Standards (PFRS) Accounting Standards. PFRS Accounting Standards comprise the following authoritative literature:

- PFRS Accounting Standards;
- PAS Standards; and
- Interpretation of the Philippine Interpretations Committee (PIC), Standing Interpretations Committee (SIC) and International Financial Reporting Interpretatins Commmittee (IFRIC) which have been approved by the Financial and Sustainability Reporting Standards Council (FSRSC) and adopted by SEC.

29.3 Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Group as at December 31, 2024 and 2023 and for each of the three years in the period ended December 31, 2024.

Subsidiaries are consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date on which control is transferred out of the Group. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the group ceases control over a subsidiary.

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

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

Generally, there is a presumption that a majority of voting rights result in control.

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

a. the contractual arrangement with the other vote holders of the investee;
b. rights arising from other contractual arrangements; and
c. the Group’s voting rights and potential voting rights.

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

The financial statements of the subsidiaries are prepared for the same accounting period as the Parent Company using uniform accounting policies. All significant intercompany transactions and balances between and among the Group, including intercompany profits and unrealized profits, are eliminated in the consolidation.

Non-controlling interests represent the portion of profit or loss and net assets in the subsidiaries not held by the Group and are presented separately in the consolidated statement of income, consolidated statement of comprehensive income and within equity in the consolidated statement of financial position, separately from the equity holders of the parent.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity as “Equity reserve” and attributed to the owners of the Parent Company.

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

29.4 Changes in Accounting Policies and Disclosures

The accounting policies adopted are consistent with those of the previous financial year, except for the adoption of new standards effective as at January 1, 2024. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

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

PAS 1, Presentation of Financial Statements (Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants)

Amendments made to PAS 1 Presentation of Financial Statements in 2020 and 2022 clarified that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the entity's expectations or events after the reporting date (e.g. the receipt of a waiver or a breach of covenant).

The amendments require disclosures if an entity classifies a liability as non-current and that liability is subject to covenants that the entity must comply with within 12 months of the reporting date. The disclosures include:

• the carrying amount of the liability
• information about the covenants, and
• facts and circumstances, if any, that indicate that the entity may have difficulty complying with the covenants.

The amendments also clarify what PAS 1 means when it refers to the 'settlement' of a liability. Terms of a liability that could, at the option of the counterparty, result in its settlement by the transfer of the entity's own equity instrument can only be ignored for the purpose of classifying the liability as current or noncurrent if the entity classifies the option as an equity instrument. However, conversion options that are classified as a liability must be considered when determining the current/non-current classification of a convertible note.

The amendments has been applied retrospectively in accordance with the normal requirements in PAS 8 *'Accounting Policies, Changes in Accounting Estimates and Errors'.*

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

The amendments specify that, in measuring the lease liability subsequent to the sale and leaseback, the seller-lessee determines 'lease payments' and 'revised lease payments' in a way that does not result in the seller-lessee recognising any amount of the gain or loss that relates to the right-of-use that it retains. This could particularly impact sale and leaseback transactions where the lease payments include variable payments that do not depend on an index or a rate.

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

On February 14, 2018, the PIC issued PIC Q&A 2018-12 which provides guidance on some PFRS 15 implementation issues affecting the real estate industry. On October 25, 2018 and February 08, 2019, the Philippine Securities and Exchange Commission (SEC) issued SEC MC No. 14-2018 and SEC MC No. 3-2019, respectively, providing relief to the real estate industry by deferring the application of certain provisions of this PIC Q&A for a period of three years until December 31, 2020.

On December 15, 2020, the SEC issued SEC MC No. 34-2020 which further extended the deferral of certain provisions of the PIC Q&A until December 31, 2023. The PIC Q&A provisions covered by the SEC deferral that the Parent Company availed pertain to 'Assessing if the transaction price includes a significant financing component as discussed in PIC Q&A 2018-12-D (as amended by PIC Q&A 2020-04)' with allowed deferral period until December 31, 2023.

Effective January 1, 2024, the Group adopted the PIC Q&A No. 2018-12. The Group followed the allowed modified retrospective approach allowing it to adjust the beginning balance of equity in 2024. The adjustment on the 2024 beginning balance of Retained earnings is an increase of P247.25 million. The Group assessed that the overall impact of the adoption of the requirement of PIC Q&A No. 2018-12 pertaining to significant financing component is not material to the financial statements of the Group.

Future Changes in Accounting Policies

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

Amendments to the Classification and Measurement of Financial Instruments - Amendments to PFRS 9 and PFRS 7 (Effective beginning on or after January 1, 2026)

On May 30, 2024, the IASB issued targeted amendments to PFRS 9 and PFRS 7 to respond to recent questions arising in practice, and to include new requirements not only for financial institutions but also for corporate entities. These amendments:

- clarify the date of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;
- clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;
- add new disclosures for certain instruments with contractual terms that can change cashflows (such as some financial instruments with features linked to the achievement of environment, social and governance targets); and
- update the disclosures for equity instruments designated at fair value through other comprehensive income (FVOCI).

The adoption of the above amendments is not expected to have a material impact on the consolidated financial statements of the Group.

PFRS 18 Presentation and Disclosure in Financial Statements (Effective beginning on or after January 1, 2027)

PFRS 18 will replace PAS 1 Presentation of financial statements, introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. Even though PFRS 18 will not impact the recognition or measurement of items in the financial statements, its impacts on presentation and disclosure are expected to be pervasive, in particular those related to the statement of financial performance and providing management-defined performance measures within the financial statements.

Management is currently assessing the detailed implications of applying the new standard on the Group's consolidated financial statements. From the high-level preliminary assessment performed, the following potential impacts have been identified:

- Although the adoption of PFRS 18 will have no impact on the Group's net profit, the Group expects that grouping items of income and expenses in the statement of profit or loss into the new categories will impact how operating profit is calculated and reported. From the high-level impact assessment that the Group has performed, the following items might potentially impact operating profit:
- Foreign exchange differences currently aggregated in the line item 'other income and other gains/(losses) - net' in operating profit might need to be disaggregated, with some foreign exchange gains or losses presented below operating profit.

The line items presented on the primary financial statements might change as a result of the application of the concept of 'useful structured summary' and the enhanced principles on aggregation and disaggregation. In addition, since goodwill will be required to be separately presented in the statement of financial position, the Group will disaggregate goodwill and other intangible assets and present them separately in the statement of financial position.

The Group does not expect there to be a significant change in the information that is currently disclosed in the notes because the requirement to disclose material information remains unchanged; however, the way in which the information is grouped might change as a result of the aggregation/disaggregation principles. In addition, there will be significant new disclosures required for:

- management-defined performance measures;
- a break-down of the nature of expenses for line items presented by function in the operating category of the statement of profit or loss – this break-down is only required for certain nature expenses; and
- for the first annual period of application of PFRS 18, a reconciliation for each line item in the statement of profit or loss between the restated amounts presented by applying PFRS 18 and the amounts previously presented applying PAS 1.

From a cash flow statement perspective, there will be changes to how interest received and interest paid are presented. Interest paid will be presented as financing cash flows and interest received as investing cash flows, which is a change from current presentation as part of operating cash flows.

The Group will apply the new standard from its mandatory effective date of January 1, 2027.

Retrospective application is required, and so the comparative information for the financial year ending December 31, 2026 will be restated in accordance with PFRS 18.

29.5 Financial Instruments

Financial assets

The Company classifies its financial assets in the following categories: (a) financial assets at amortized cost, (b) fair value through profit or loss and (c) fair value through other comprehensive income (OCI). The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

The Company's financial assets at amortized cost category comprise of cash and cash equivalents (Note 2), receivables (Note 3) and amounts owned to related parties (Note 15) refundable deposits under other current assets (Note 7).

For financial asset at fair value through OCI, the Company had designated listed equity securities and quoted debt securities as not held for trading where management consider these investments to be strategic in nature (Note 5).

For financial asset at fair value through profit or loss (FVPL), the Company had designated equity investment as held for trading financial asset where management intended to hold them for the medium to long-term. The Company's financial asset at FVPL consist of investment in redeemable preferred shares and UITF (Note 6).

Impairment of financial assets

The Group recognizes an allowance for ECLs for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from other credit enhancements (e.g., lessee's deposit) that are integral to the contractual terms.

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

Vintage approach accounts for expected credit losses by calculating the cumulative loss rates of a given real estate receivable pool. It derives the probability of default from the historical data of a homogenous portfolio that share the same origination period. The information on the number of defaults during fixed time intervals of the accounts is utilized to create the probability of default model.

It allows the evaluation of the loan activity from its origination period until the end of the contract period. In addition to primary drivers like macroeconomic indicators of qualitative factors such as, but not limited to, forward-looking data on inflation rate was added to the expected loss calculation to reach a forecast supported by both quantitative and qualitative data points.

The probability of default is applied to the estimate of the loss arising on default which is based on the difference between the contractual cash flows due and those that the Group would expect to receive, including from the repossession of the subject real estate property, net of cash outflows. For purposes of calculating loss given default, accounts are segmented based on the type of facility. In calculating the recovery rates, the Group considered collections of cash and/or cash from resale of real estate properties after foreclosure, net of direct costs of obtaining and selling the real estate properties after the default event such as commission and refurbishment. As these are future cash flows, these are discounted back to the time of default using the appropriate effective interest rate, usually being the original effective interest rate (EIR) or an approximation thereof.

The Group considers a financial asset in default generally when contractual payments are 30 days past due for commercial leasing and 90 days past due for real estate and property development or when sales are cancelled supported by a notarized cancellation letter executed by the Group and customer. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group.

For other financial assets such as nontrade receivables, insurance receivables, amounts owed by related parties, refundable deposits and other receivables, ECLs are recognized in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12—months (a 12—month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For cash and cash equivalents and short-term investments, the Group applies the low credit risk simplification. The Group uses the ratings from Standard and Poor's (S&P), Moody's and Fitch to determine whether the debt instrument has significantly increased in credit risk (i.e., no longer low credit risk). The probability of default and loss given defaults are publicly available and are used by the Group to estimate ECLs. 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.

The Group's debt instruments at fair value through OCI comprise solely of government securities. The Group considers a debt investment security to have low credit risk when its credit risk rating is equivalent to the globally understood definition of 'investment grade'.

Financial liabilities

The Group classifies its financial liabilities in the following categories: (a) financial liabilities at fair value through profit or loss (FVPL); and (b) financial liabilities at amortized cost. Financial liabilities at fair value through profit or loss is composed of two sub-categories: financial liabilities classified as held for trading and financial liabilities designated by the Group as at fair value through profit or loss upon initial recognition.

Management determines the classification of its financial liabilities at initial recognition.

The Group has not designated any financial liability as at fair value through profit or loss.

The Group's financial liabilities at amortized cost consist of accounts payables and accrued expenses (Note 11), amounts owned to related parties (Note 15), long-term debt (Note 12), rental and other deposits (Note 13) and lease liabilities (Note 24).

29.6 Fair Value Measurement

The Group classifies its fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2); and

- inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

The appropriate level is determined on the basis of the lowest level input that is significant to the fair value measurement. The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting date. 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. The quoted market price used is the current bid price. These instruments are included in Level 1.

29.7 Real Estate Held for Development and Sale

Real estate held for development and sale is carried at the lower of cost and NRV. NRV is the selling price in the ordinary course of business, less the costs of completion, marketing and distribution. Cost includes acquisition cost of the land plus development and improvement costs.

29.8 Investments in Joint Ventures

Investments in joint ventures are accounted under the equity method of accounting.

Under the equity method, the investments in the investee companies are carried in the consolidated statement of financial position at cost plus pose-acquisition changes in the Group’s share in the net assets of the investee companies, less any impairments in values. The consolidated statement of income reflects the share of the results of the operations of the investee companies. The Group’s share of post-acquisition movements in the investee’s equity reserves is recognized directly in equity. Profits and losses resulting from transactions between the Group and the investee companies are eliminated to the extent of the interest in the investee companies and for unrealized losses to the extent that there is no evidence of impairment of the asset transferred. Dividends received are treated as a reduction of the carrying value of the investment.

29.9 Investment Properties

Investment properties are stated at cost less accumulated depreciation and any accumulated impairment losses. Land is stated at cost less any impairment in value. Depreciation and amortization of investment properties are computed using the straight-line method over the estimated useful lives of the investment properties as follows:

	Useful life in years
Land improvements	30
Buildings and improvements	7-40
Machineries and equipment	9-25

Leasehold improvements are amortized on a straight-line basis over the estimated useful lives or the term of the lease, whichever is shorter.

29.10 Property and Equipment

Property and equipment are carried at cost, less accumulated depreciation, amortization and any impairment in value. Depreciation and amortization of property and equipment are calculated on a straight-line basis over the estimated useful life of the property and equipment as follows:

	Useful life in years
Leasehold improvements	3-5
Buildings	30
Machinery and equipment	5-10
Transportation equipment	5
Furniture, fixtures and equipment	3-5

Leasehold improvements are amortized on a straight-line basis over three (3) to five (5) years or the term of the lease, whichever is shorter.

29.11 Combinations of Entities Under Common Control

Combinations of entities under common control are accounted for using the pooling of interest method. The pooling of interest method is generally considered to involve the following:

- The assets and liabilities of the combining entities are reflected in the consolidated financial statements at their carrying amounts as at date of acquisition. No adjustments are made to reflect fair values, or recognize any new assets or liabilities, at the date of the combination. The only adjustments that are made are those adjustments to harmonize accounting policies.
- No new goodwill is recognized as a result of the combination. The only goodwill that is recognized is any existing goodwill relating to either of the combining entities. Any difference between the consideration paid or transferred and the equity acquired is reflected within equity.

29.12 Revenue Recognition

Revenue from Contract with Customers

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has generally concluded that it is the principal in its revenue arrangements, except for the provisioning of water, electricity, air- conditioning and common use service area in its mall retail spaces, wherein it is acting as agent.

The disclosures of significant accounting judgements, estimates and assumptions relating to revenue from contracts with customers are provided in Note 28.

(i) Real estate sales

The Group derives its real estate revenue from sale of industrial lots. Revenue from sale of industrial lots are recognized over time during the development period (or percentage of completion) since based on the terms and conditions of its contract with the customers, the Group's performance does not create an asset with an alternative use and the Group has an enforceable right to payment for performance completed to date.

In measuring the progress of its performance obligation over time, the Group uses the output method. The Group recognizes revenue based on direct measurements of the value to customers of the goods or services transferred to date, relative to the remaining goods or services promised under the contract. Progress is measured using survey of performance completed to date.

This is based on the monthly project accomplishment report prepared by the third-party surveyor as approved by the construction manager which integrates the surveys of performance to date of the construction activities for both sub-contracted and those that are fulfilled by the developer itself.

Contract costs include all direct materials and labor costs and those indirect costs related to contract performance. Expected losses on contracts are recognized immediately when it is probable that the total contract costs will exceed total contract revenue. Changes in contract performance, contract conditions and estimated profitability are recognized in the year in which the changes are determined.

(ii) Rental and Rent Concessions

Rental income arising from operating leases on investment properties is accounted for on a straight- line basis over the lease terms.

Rental concessions are treated as reductions to the rental income granted to lessees and accounted for as variable rent.

(iii) Cold Storage Revenue

The Group recognizes revenue from cold storage services over time using the output method as the customer receives and consumes the benefit from the performance of the related storage service. As a practical expedient allowed under PFRS 15, the Group recognizes revenue in the amount to which the Group has a right to invoice since the Group bills a fixed and variable amount every month.

(iv) Sale of Electricity Revenue

The Group recognizes revenue from electricity services over time using the output method as the customer receives and consumes the benefit from the performance of the related utility service. As a practical expedient allowed under PFRS 15, the Group recognizes revenue in the amount to which the Group has a right to invoice since the Group bills a fixed amount for every kilowatt hour of electricity delivered. Electricity is billed every month according to the billing cycles of the customer.

(v) Interest Income

For all financial instruments measured at amortized cost and interest-bearing financial assets classified as financial assets at FVOCI and AFS financial assets, interest income is recorded using the EIR, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset.

(vi) Dividend Income

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

29.13 Income Tax

Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the reporting date. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulation is subject to interpretation and establishing provisions where appropriate on the basis of amounts to be paid to tax authorities.

Deferred tax

Deferred tax assets are recognized only if it us probable that future taxable amounts will be available to utilize those temporary differences and losses.

29.14 Retirement Benefits Costs

The Group has a funded, non-contributory defined benefit retirement plan.

The cost of providing benefits under the defined benefit plans is actuarially determined using the projected unit credit method. This method reflects service rendered by employees to the date of valuation and incorporates assumptions concerning the employees' projected salaries.

Defined benefit costs comprise the following:

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

Service costs which include current service costs, past service costs and gains or losses on non-routine settlements are recognized as retirement benefits costs under "Personnel expenses" in the consolidated statement of income. Past service costs are recognized when plan amendment or curtailment occurs. These amounts are calculated periodically by independent qualified actuaries.

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

Remeasurements comprising actuarial gains and losses and any change in the effect of the asset ceiling (excluding net interest on defined benefit liability) are recognized immediately in OCI in the period in which they arise. Remeasurements are not reclassified to profit or loss in subsequent periods.

Plan assets are assets that are held by a long-term employee benefit fund or qualifying insurance policies. Plan assets are not available to the creditors of the Group, nor can they be paid directly to the Group. Fair value of plan assets is based on market price information. When no market price is available, the fair value of plan assets is estimated by discounting expected future cash flows using a discount rate that reflects both the risk associated with the plan assets and the maturity or expected disposal date of those assets (or, if they have no maturity, the expected period until the settlement of the related obligations).

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

29.15 Leases (Group as a lessee)

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

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes. In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). The Company considers the factors below as the most relevant in assessing the options:

- If there are significant penalties to terminate (or not extend), the Company is typically reasonably certain to extend (or not terminate).
- If any leasehold improvements are expected to have a significant remaining value, the Company is typically reasonably certain to extend (or not terminate).
- Otherwise, the Company considers other factors including historical lease durations and the costs and business disruption required to replace the leased asset.

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

In calculating the present value of lease payments, the Group uses the Incremental Borrowing Rate (IBR) at the lease commencement date if the interest rate implicit in the lease is not readily determinable. To determine the incremental borrowing rate, the group:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third-party financing was received
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the Group, which does not have recent third-party financing, and
- makes adjustments specific to the lease, e.g., term, country, currency and security.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset’s useful life.

Payments associated with short-term leases and all leases of low-value assets are recognized on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less without a purchase option.

AyalaLand Logistics Holdings Corp.

Index to the Supplementary Schedules

Annex A: Reconciliation of Retained Earnings Available for Dividend Declaration

Annex B: Map Showing the Relationships Between and Among the Company and its Ultimate Parent Company, Middle Parent, Subsidiaries or Co-subsidiaries, Associates, Wherever Located or Registered

Annex C: Supplementary Schedules Required by Annex 68-J

- Schedule A. Financial Assets
- Schedule B. Amounts Receivable from Directors, Officers, Employees, Related Parties, and Principal Stockholders (Other than Related Parties)
- Schedule C. Amounts Receivable from Related Parties which are Eliminated During the Consolidation of Financial Statements
- Schedule D. Long-term Debt
- Schedule E. Indebtedness to Related Parties
- Schedule F. Guarantees of Securities of Other Issuers
- Schedule G. Capital Stock

Annex D: Schedule of External Auditor Fee- Related information

AyalaLand Logistics Holdings Corp.

Reconciliation of Retained Earnings Available for Dividend Declaration
For the year ended December 31, 2024

Unappropriated Retained Earnings, beginning of the year		828,318,279
Add: Category A: Items that are directly credited to Unappropriated retained earnings		
Reversal of Retained earnings appropriation/s	-	
Effect of restatements or prior-period adjustments	-	
Others	-	
		-
Less: Category B: Items that are directly debited to Unappropriated retained earnings		
Dividend declaration during the reporting period	-	
Retained earnings appropriated during the reporting period	-	
Effect of restatements or prior-period adjustments	-	
Others	-	-
-Unappropriated Retained Earnings, as adjusted		828,318,279
Add/Less: Net Income for the current year		118,587,789
Less: Category C.1: Unrealized income recognized in the profit or loss during the year/period (net of tax)		
Equity in net income of associate/joint venture, net of dividends declared	-	
Unrealized foreign exchange gain, except those attributable to cash and cash equivalents	-	
Unrealized fair value adjustment (mark-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	-	
Unrealized fair value gain of investment property	-	
Other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS	-	-
Add: Category C.2: Unrealized income recognized in the profit or loss in prior reporting periods but realized in the current reporting period (net of tax)		
Realized foreign exchange gain, except those attributable to cash and cash equivalents	-	
Realized fair value adjustment (mark-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	-	
Realized fair value gain of Investment property	-	
Other realized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS	-	-

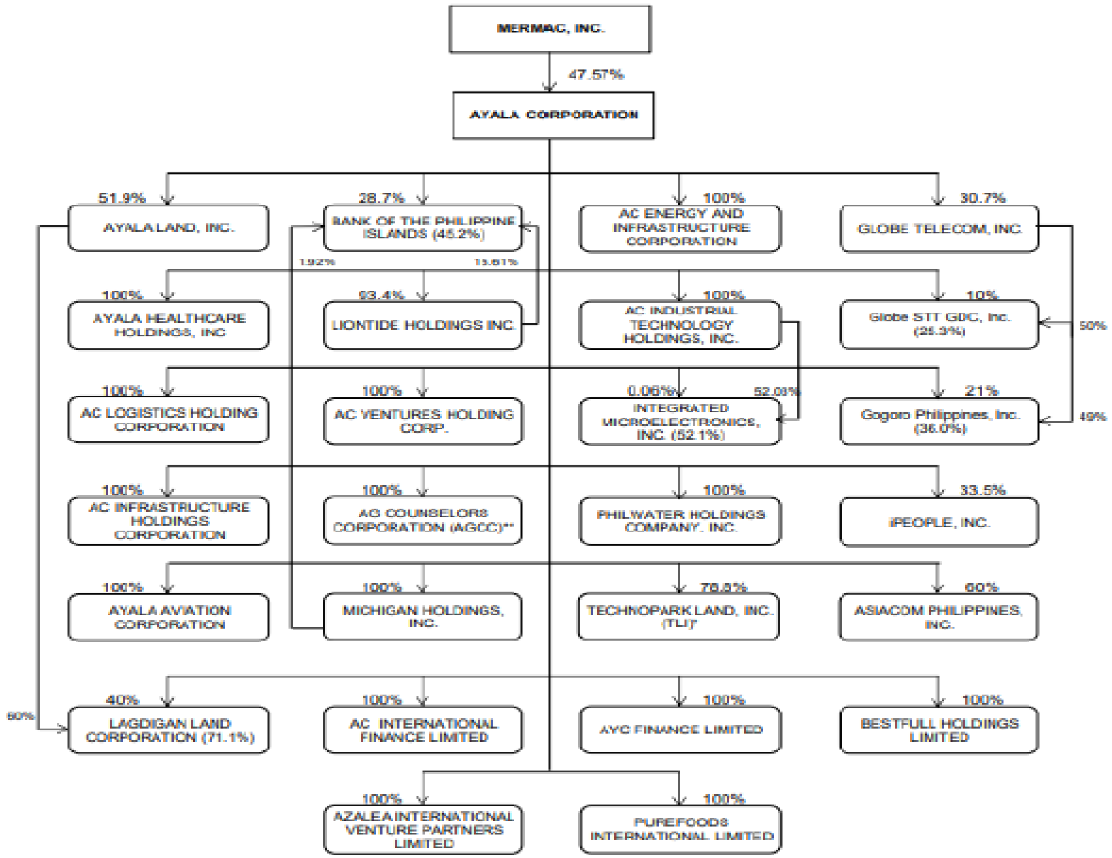
(continued)

AyalaLand Logistics Holdings Corp.

Reconciliation of Retained Earnings Available for Dividend Declaration *(continued)*
For the year ended December 31, 2024

Add: Category C.3: Unrealized income recognized in profit or loss in prior periods but reversed in the current reporting period (net of tax)		
Reversal of previously recorded foreign exchange gain, except those attributable to cash and cash equivalents	-	
Reversal of previously recorded fair value adjustment (mark-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	-	
Reversal of previously recorded fair value gain of investment property	-	
Reversal of other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS, previously recorded	-	-
Adjusted net income		946,906,068
Add: Category D: Non-actual losses recognized in profit or loss during the reporting period (net of tax)		
Depreciation on revaluation increment (after tax)	-	
Add/Less: Category E: Adjustments related to relief granted by the SEC and BSP		
Amortization of the effect of reporting relief	-	
Total amount of reporting relief granted during the year	-	
Others (describe nature)	-	-
Add/Less: Category F: Other items that should be excluded from the determination of the amount of available for dividends distribution		
Net movement of treasury shares (except for reacquisition of redeemable shares)	-	
Net movement of deferred tax asset not considered in the reconciling items under the previous categories	-	
Net movement in deferred tax asset and deferred tax liabilities related to same transaction, e.g., set up of right of use of asset and lease liability, set-up of asset and asset retirement obligation, and set-up of service concession asset and concession payable	-	
Adjustment due to deviation from PFRS/GAAP - gain (loss)	-	
Others	-	-
Total Retained Earnings, end of the year available for dividend declaration		946,906,068

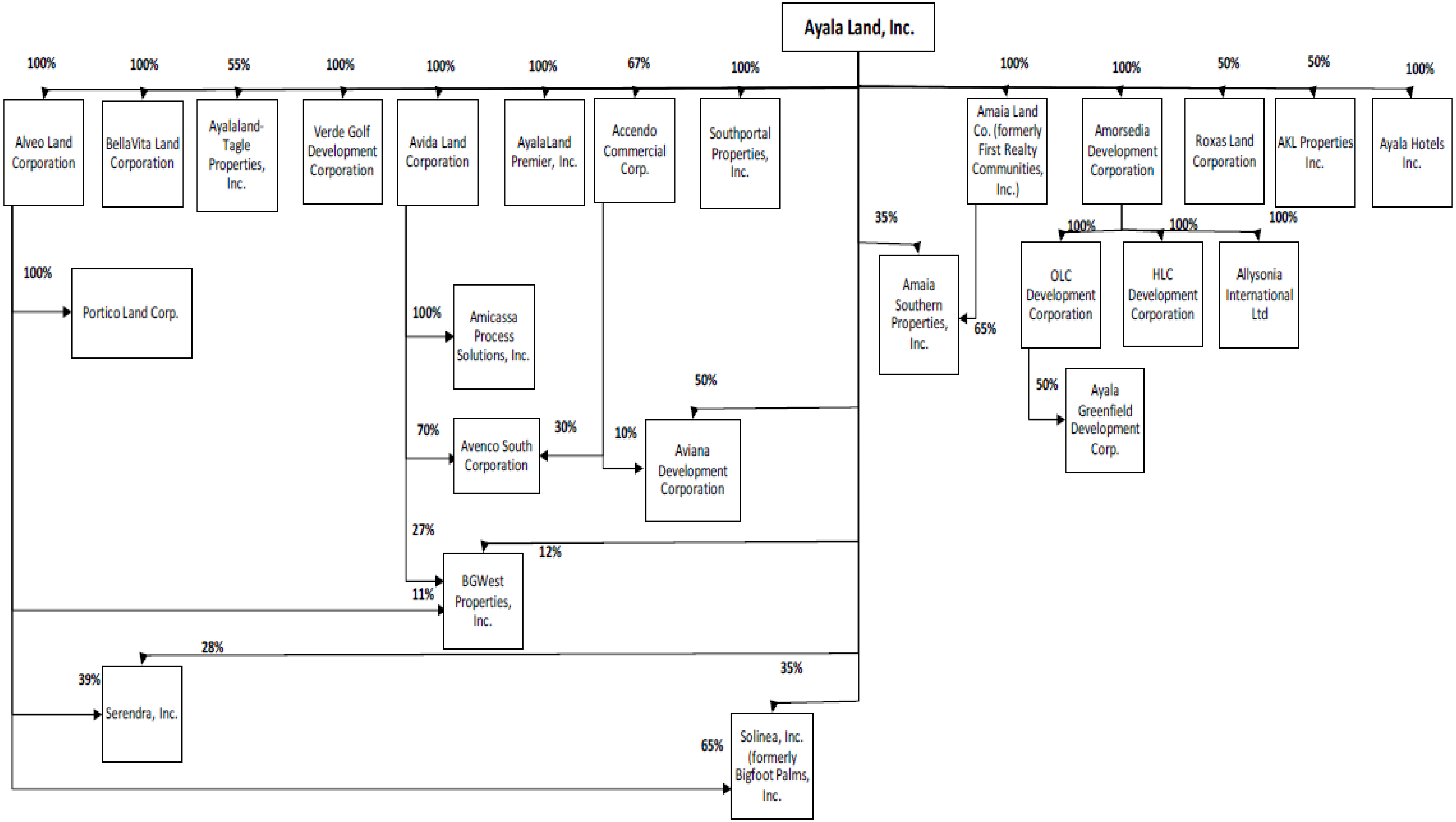
AYALALAND LOGISTICS HOLDINGS CORP. AND SUBSIDIARIES
Map Showing the Relationships Between and Among the Company and its Ultimate Parent Company, Middle Parent, Subsidiaries or Co-subsidiaries, Associates, Wherever Located or Registered



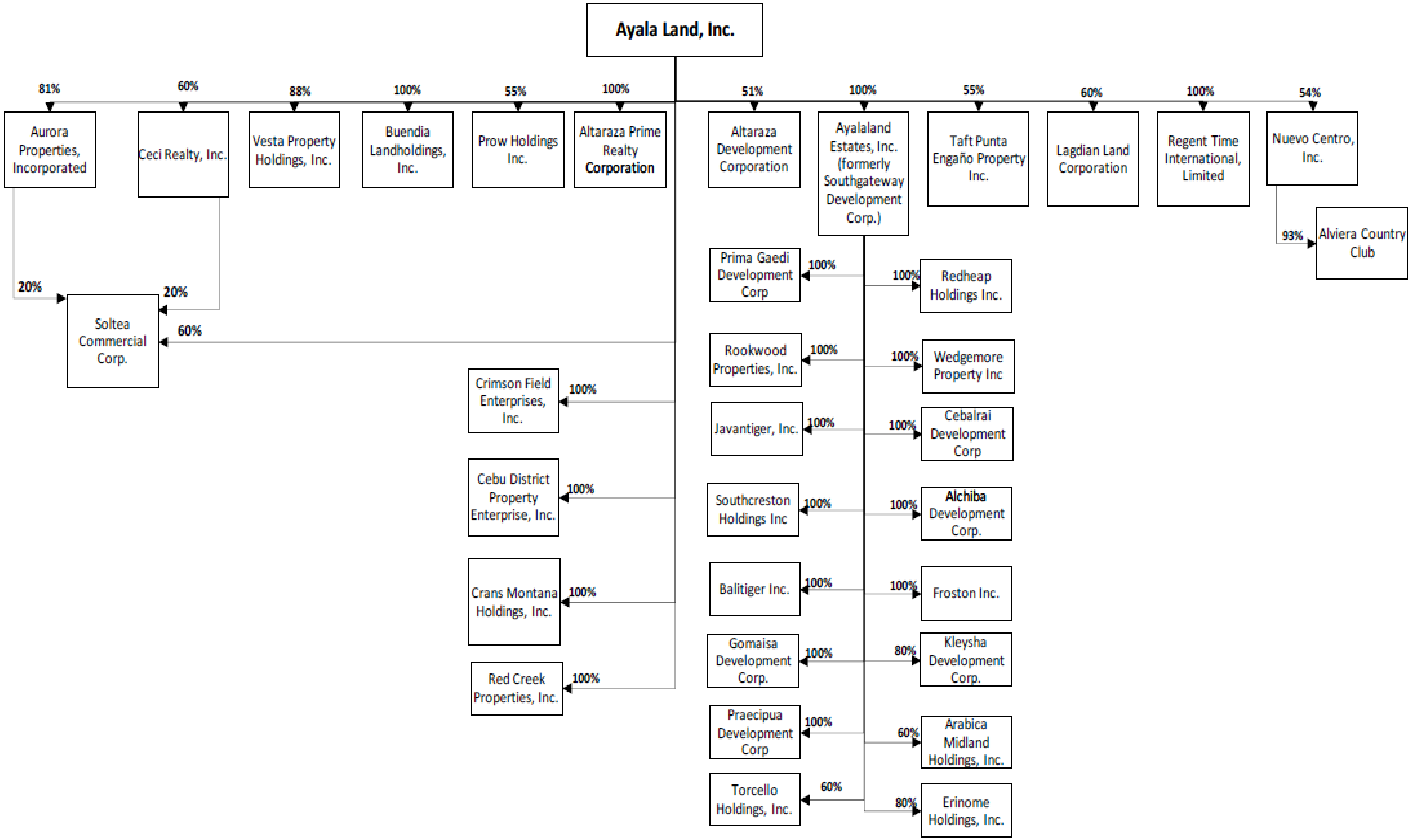
Legend:
% of ownership appearing outside the box - direct % of economic ownership
% of ownership appearing inside the box - effective % of economic ownership

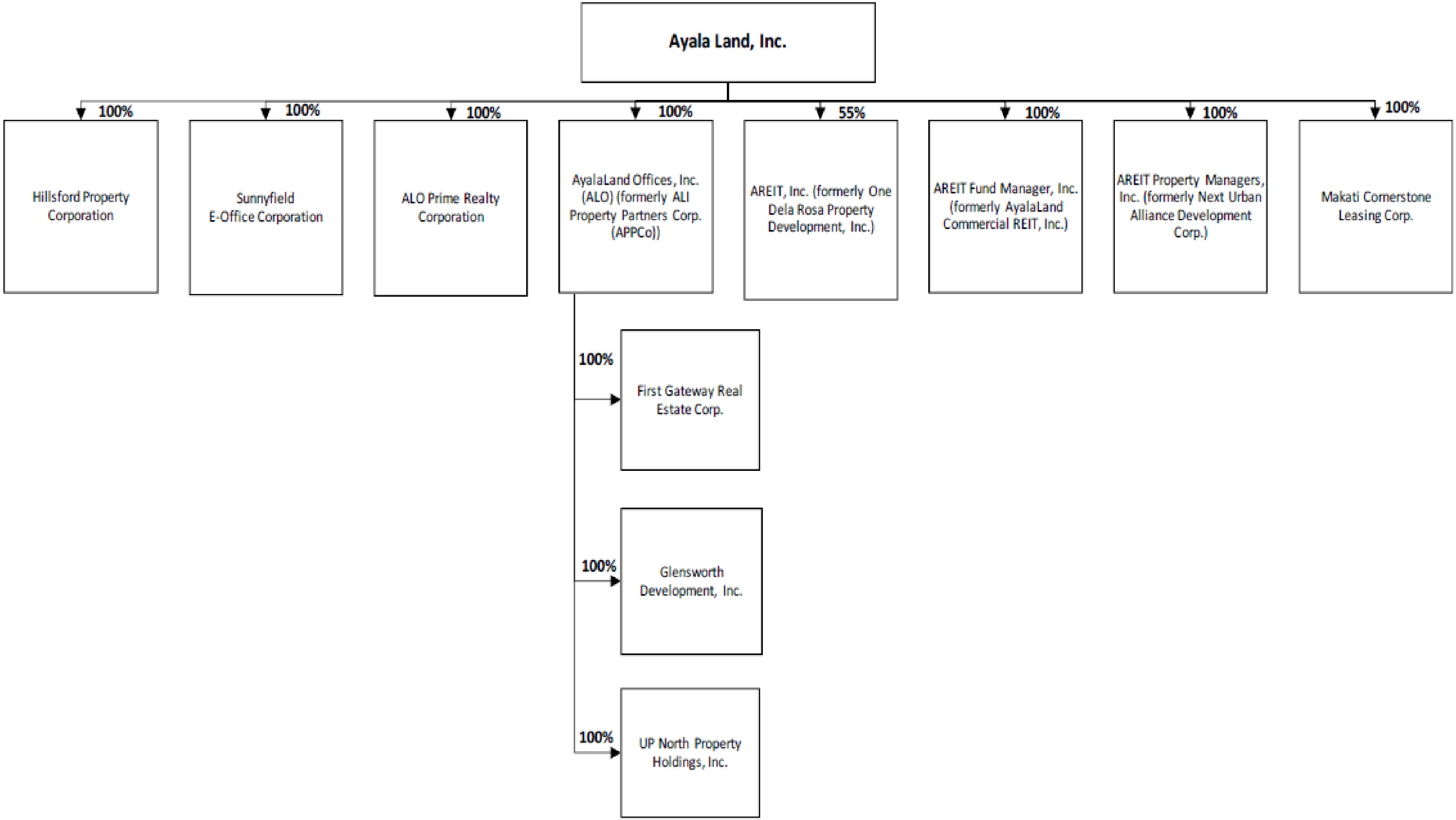
**On December 13, 2021, the BOD and stockholders of TLI approved the plan to shorten its corporate term to June 30, 2023. On December 23, 2021, the SEC approved the amendment of the Fourth Article of the Articles of Incorporation to shorten the corporate term to June 30, 2023. It is anticipated that it will not carry out any significant business operation or activity until approval of closure from other regulatory bodies.*

***On January 6, 2025, the SEC approved the amendment to AGCC's AOI including (1) the change of its corporate name to ACX Holdings Corporation, and (2) the change in its business from a business of advisory, consultancy assistance and other allied services, into a holding company with principal business interest in the consumer retail space.*



Ayala Land, Inc.
100%
Alveo Land Corporation
100%
BellaVita Land Corporation
55%
Ayalaland-Tagle Properties, Inc.
100%
Verde Golf Development Corporation
100%
Avida Land Corporation
100%
AyalaLand Premier, Inc.
67%
Accendo Commercial Corp.
100%
Southportal Properties, Inc.
100%
Amaia Land Co. (formerly First Realty Communities, Inc.)
100%
Amorsedia Development Corporation
50%
Roxas Land Corporation
50%
AKL Properties Inc.
100%
Ayala Hotels Inc.
100%
Portico Land Corp.
100%
Amicassa Process Solutions, Inc.
70%
30%
Avenco South Corporation
50%
10%
Aviana Development Corporation
35%
65%
Amaia Southern Properties, Inc.
100%
OLC Development Corporation
100%
HLC Development Corporation
100%
Allysonia International Ltd
50%
Ayala Greenfield Development Corp.
27%
12%
11%
BGWest Properties, Inc.
28%
39%
Serendra, Inc.
35%
65%
Solinea, Inc. (formerly Bigfoot Palms, Inc.


Ayala Land, Inc.
81%
Aurora Properties, Incorporated
60%
Ceci Realty, Inc.
88%
Vesta Property Holdings, Inc.
100%
Buendia Landholdings, Inc.
55%
Prow Holdings Inc.
100%
Altaraza Prime Realty Corporation
51%
Altaraza Development Corporation
100%
Ayalaland Estates, Inc. (formerly Southgateway Development Corp.)
55%
Taft Punta Engaño Property Inc.
60%
Lagdian Land Corporation
100%
Regent Time International, Limited
54%
Nuevo Centro, Inc.
93%
Alviera Country Club
20%
20%
60%
Soltea Commercial Corp.
100%
Crimson Field Enterprises, Inc.
100%
Cebu District Property Enterprise, Inc.
100%
Crans Montana Holdings, Inc.
100%
Red Creek Properties, Inc.
100%
Prima Gaedi Development Corp
100%
Rookwood Properties, Inc.
100%
Javantiger, Inc.
100%
Southcreston Holdings Inc
100%
Balitiger Inc.
100%
Gomaisa Development Corp.
100%
Praecipua Development Corp
60%
Torcello Holdings, Inc.
100%
Redheap Holdings Inc.
100%
Wedgemore Property Inc
100%
Cebalrai Development Corp
100%
Alchiba Development Corp.
100%
Froston Inc.
80%
Kleysha Development Corp.
60%
Arabica Midland Holdings, Inc.
80%
Erinome Holdings, Inc.


Ayala Land, Inc.
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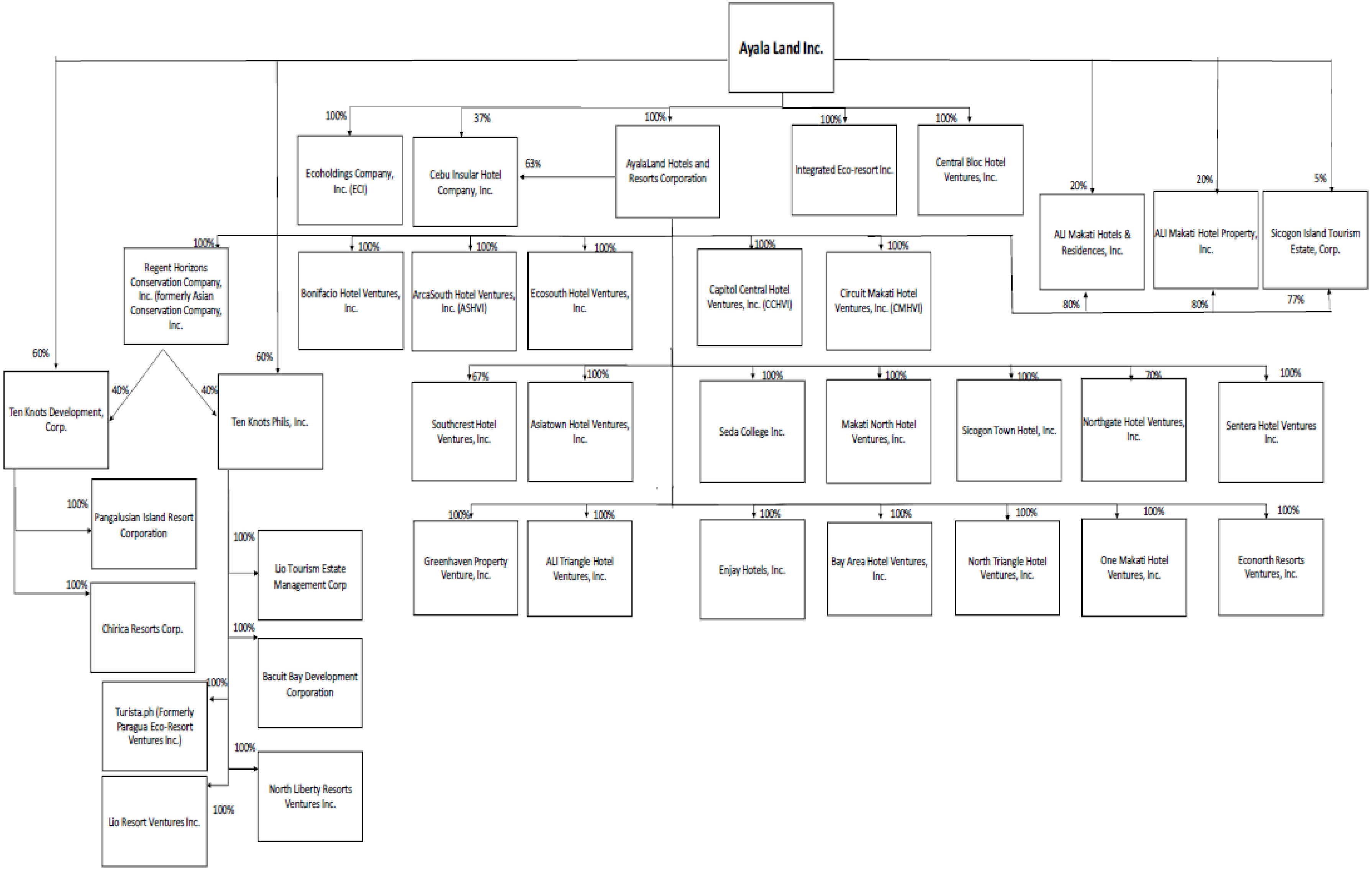
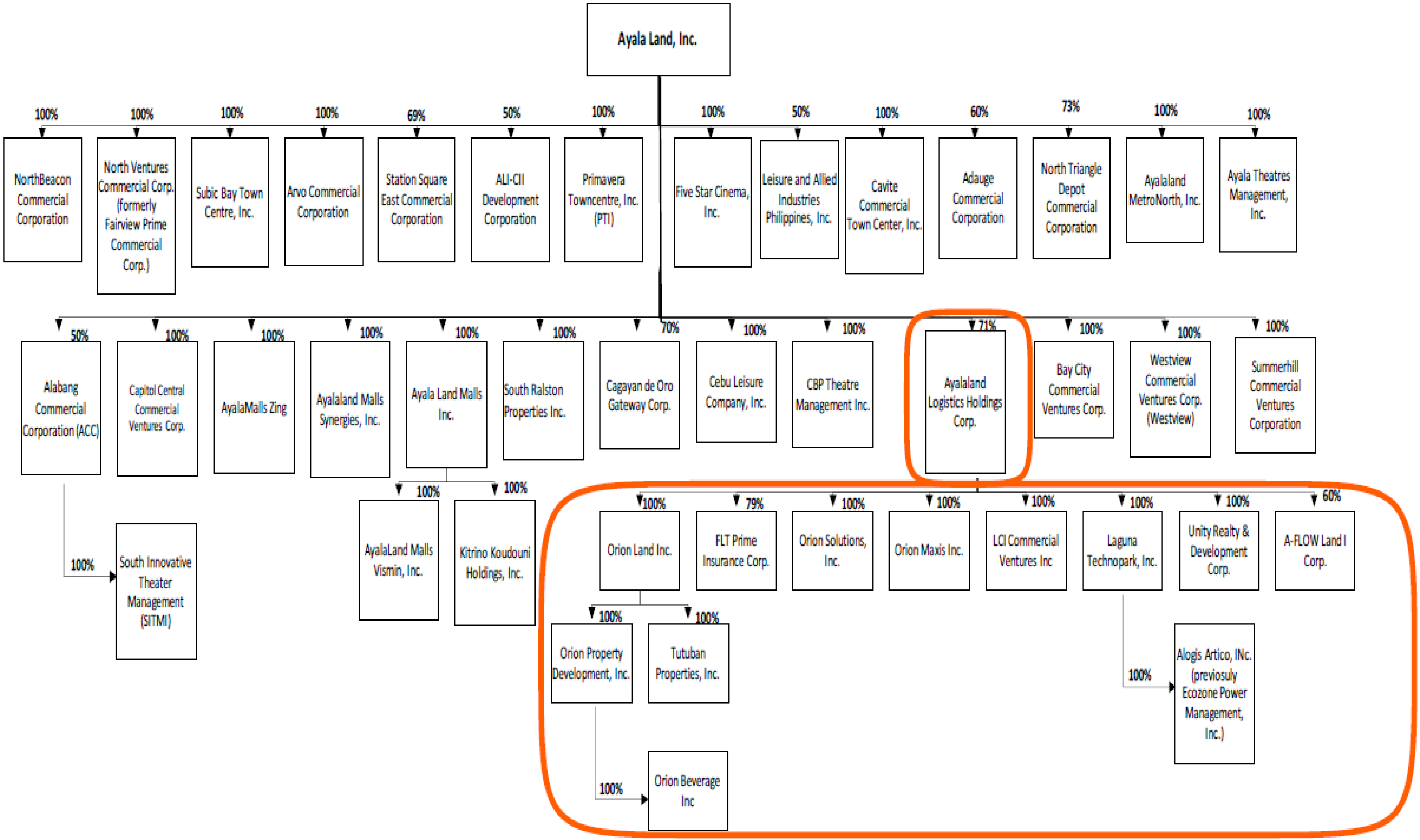
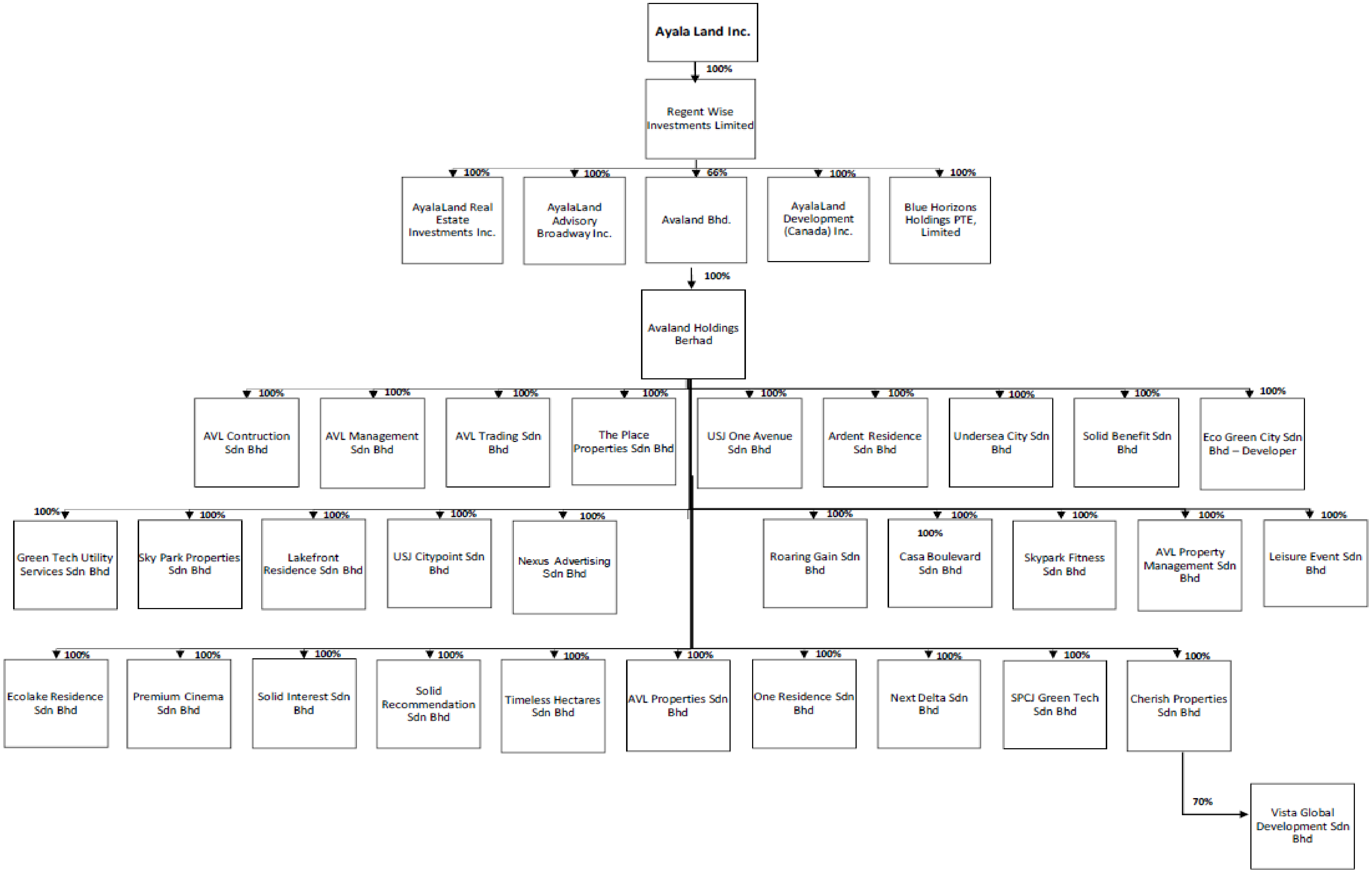
Hillsford Property Corporation
100%
Sunnyfield E-Office Corporation
100%
ALO Prime Realty Corporation
100%
AyalaLand Offices, Inc. (ALO) (formerly ALI Property Partners Corp. (APPCo))
55%
AREIT, Inc. (formerly One Dela Rosa Property Development, Inc.)
100%
AREIT Fund Manager, Inc. (formerly AyalaLand Commercial REIT, Inc.)
100%
AREIT Property Managers, Inc. (formerly Next Urban Alliance Development Corp.)
100%
Makati Cornerstone Leasing Corp.
100%
First Gateway Real Estate Corp.
100%
Glensworth Development, Inc.
100%
UP North Property Holdings, Inc.

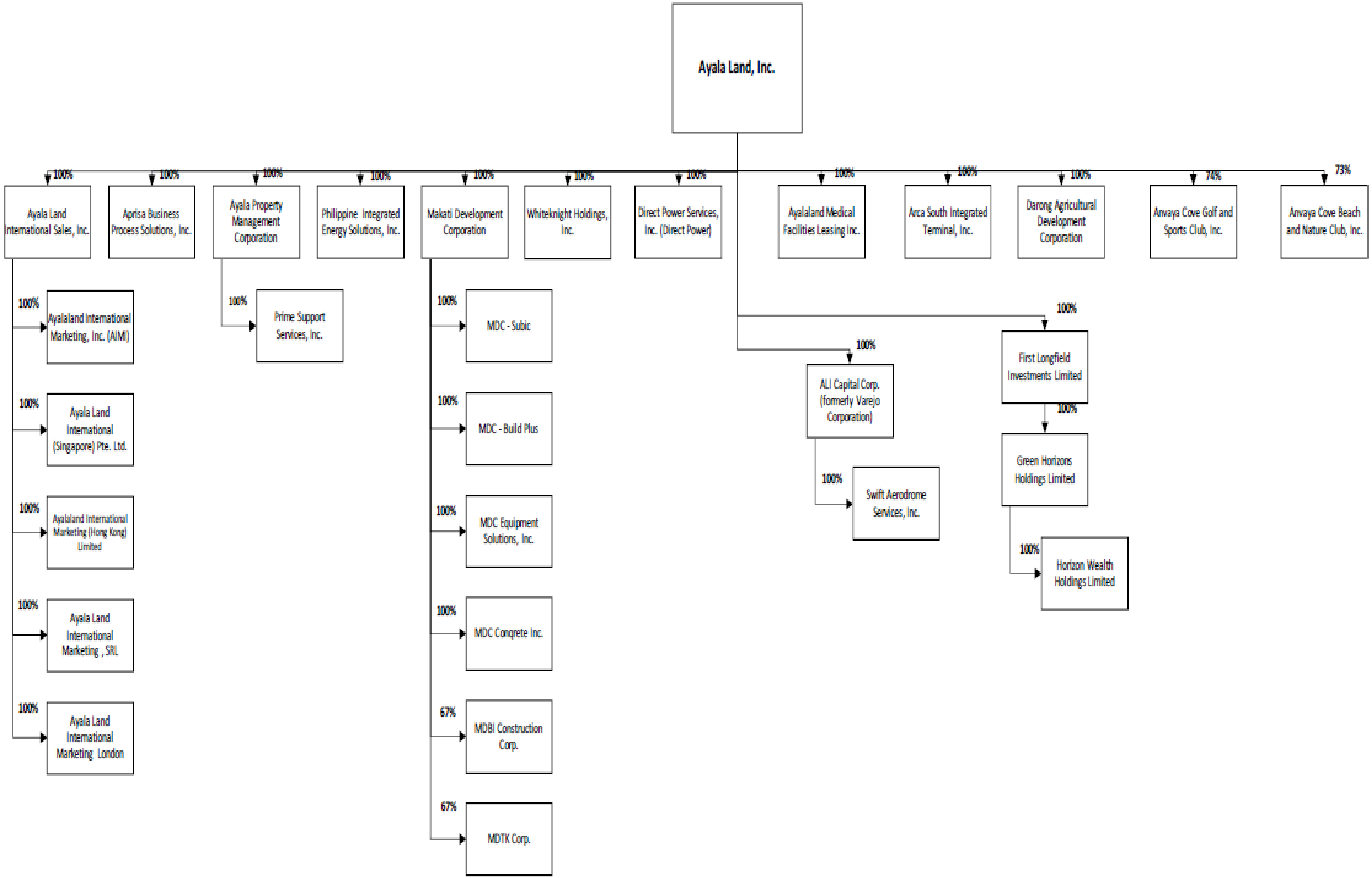


Ayala Land Inc.
Ecoholdings Company, Inc. (ECI)
Cebu Insular Hotel Company, Inc.
AyalaLand Hotels and Resorts Corporation
Integrated Eco-resort Inc.
Central Bloc Hotel Ventures, Inc.
ALI Makati Hotels & Residences, Inc.
ALI Makati Hotel Property, Inc.
Sicogon Island Tourism Estate, Corp.
Regent Horizons Conservation Company, Inc. (formerly Asian Conservation Company, Inc.
Bonifacio Hotel Ventures, Inc.
ArcaSouth Hotel Ventures, Inc. (ASHVI)
Ecosouth Hotel Ventures, Inc.
Capitol Central Hotel Ventures, Inc. (CCHVI)
Circuit Makati Hotel Ventures, Inc. (CMHVI)
Ten Knots Development, Corp.
Ten Knots Phils, Inc.
Southcrest Hotel Ventures, Inc.
Asiatown Hotel Ventures, Inc.
Seda College Inc.
Makati North Hotel Ventures, Inc.
Sicogon Town Hotel, Inc.
Northgate Hotel Ventures, Inc.
Sentera Hotel Ventures Inc.
Pangalusian Island Resort Corporation
Chirica Resorts Corp.
Lio Tourism Estate Management Corp
Bacuit Bay Development Corporation
Turista.ph (Formerly Paragua Eco-Resort Ventures Inc.)
Lio Resort Ventures Inc.
North Liberty Resorts Ventures Inc.
Greenhaven Property Venture, Inc.
ALI Triangle Hotel Ventures, Inc.
Enjay Hotels, Inc.
Bay Area Hotel Ventures, Inc.
North Triangle Hotel Ventures, Inc.
One Makati Hotel Ventures, Inc.
Econorth Resorts Ventures, Inc.
100%
37%
63%
20%
5%
80%
77%
60%
40%
67%
70%

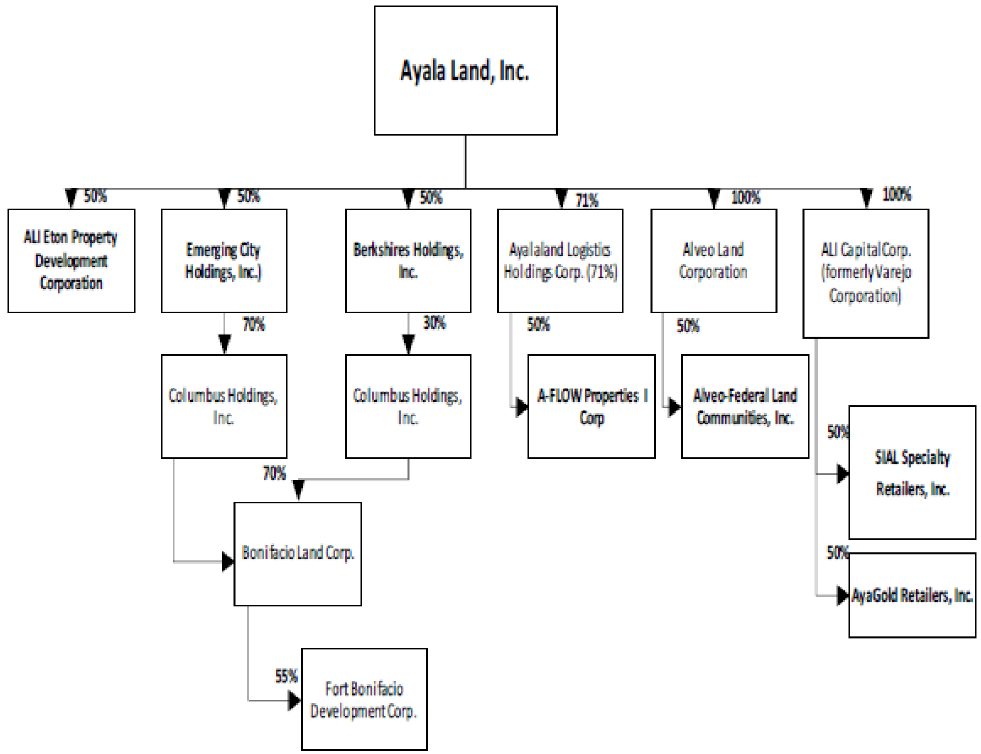


Ayala Land, Inc.
100%
NorthBeacon Commercial Corporation
100%
North Ventures Commercial Corp. (formerly Fairview Prime Commercial Corp.)
100%
Subic Bay Town Centre, Inc.
100%
Arvo Commercial Corporation
69%
Station Square East Commercial Corporation
50%
ALI-CII Development Corporation
100%
Primavera Towncentre, Inc. (PTI)
100%
Five Star Cinema, Inc.
50%
Leisure and Allied Industries Philippines, Inc.
100%
Cavite Commercial Town Center, Inc.
60%
Adauge Commercial Corporation
73%
North Triangle Depot Commercial Corporation
100%
Ayalaland MetroNorth, Inc.
100%
Ayala Theatres Management, Inc.
50%
Alabang Commercial Corporation (ACC)
100%
South Innovative Theater Management (SITMI)
100%
Capitol Central Commercial Ventures Corp.
100%
AyalaMalls Zing
100%
Ayalaland Malls Synergies, Inc.
100%
Ayala Land Malls Inc.
100%
AyalaLand Malls Vismin, Inc.
100%
Kitrino Koudouni Holdings, Inc.
100%
South Ralston Properties Inc.
70%
Cagayan de Oro Gateway Corp.
100%
Cebu Leisure Company, Inc.
100%
CBP Theatre Management Inc.
71%
Ayalaland Logistics Holdings Corp.
100%
Bay City Commercial Ventures Corp.
100%
Westview Commercial Ventures Corp. (Westview)
100%
Summerhill Commercial Ventures Corporation
100%
Orion Land Inc.
100%
Orion Property Development, Inc.
100%
Orion Beverage Inc
100%
Tutuban Properties, Inc.
79%
FLT Prime Insurance Corp.
100%
Orion Solutions, Inc.
100%
Orion Maxis Inc.
100%
LCI Commercial Ventures Inc
100%
Laguna Technopark, Inc.
100%
Alogis Artico, INc. (previosuly Ecozone Power Management, Inc.)
100%
Unity Realty & Development Corp.
60%
A-FLOW Land I Corp.

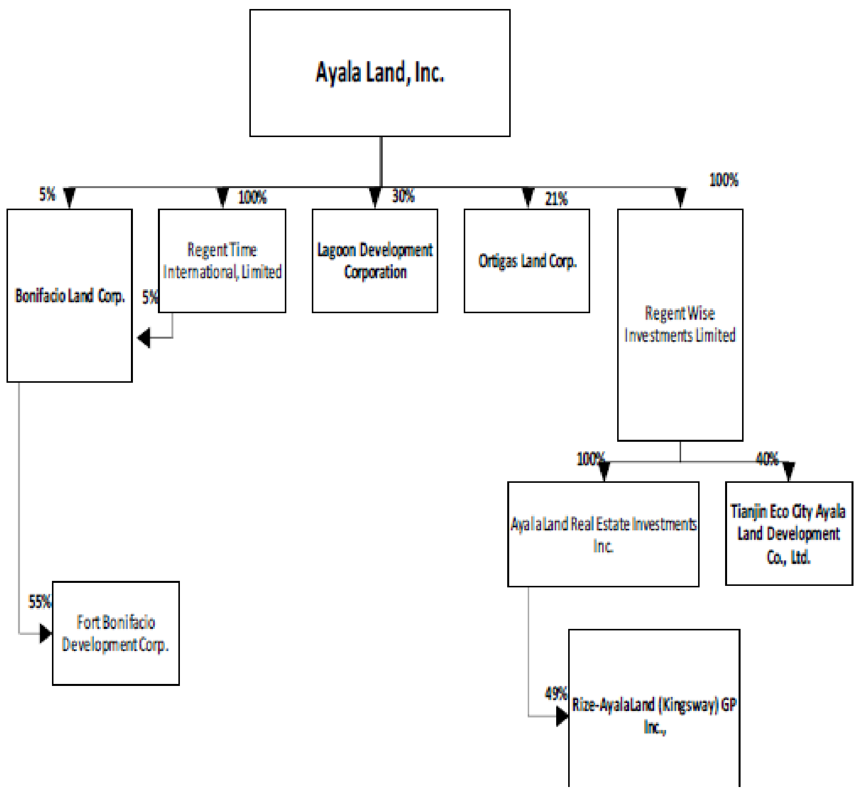

Ayala Land Inc.
100%
Regent Wise Investments Limited
100%
AyalaLand Real Estate Investments Inc.
100%
AyalaLand Advisory Broadway Inc.
66%
Avaland Bhd.
100%
AyalaLand Development (Canada) Inc.
100%
Blue Horizons Holdings PTE, Limited
100%
Avaland Holdings Berhad
100%
AVL Contruction Sdn Bhd
100%
AVL Management Sdn Bhd
100%
AVL Trading Sdn Bhd
100%
The Place Properties Sdn Bhd
100%
USJ One Avenue Sdn Bhd
100%
Ardent Residence Sdn Bhd
100%
Undersea City Sdn Bhd
100%
Solid Benefit Sdn Bhd
100%
Eco Green City Sdn Bhd – Developer
100%
Green Tech Utility Services Sdn Bhd
100%
Sky Park Properties Sdn Bhd
100%
Lakefront Residence Sdn Bhd
100%
USJ Citypoint Sdn Bhd
100%
Nexus Advertising Sdn Bhd
100%
Roaring Gain Sdn Bhd
100%
100%
Casa Boulevard Sdn Bhd
100%
Skypark Fitness Sdn Bhd
100%
AVL Property Management Sdn Bhd
100%
Leisure Event Sdn Bhd
100%
Ecolake Residence Sdn Bhd
100%
Premium Cinema Sdn Bhd
100%
Solid Interest Sdn Bhd
100%
Solid Recommendation Sdn Bhd
100%
Timeless Hectares Sdn Bhd
100%
AVL Properties Sdn Bhd
100%
One Residence Sdn Bhd
100%
Next Delta Sdn Bhd
100%
SPCJ Green Tech Sdn Bhd
100%
Cherish Properties Sdn Bhd
70%
Vista Global Development Sdn Bhd


Ayala Land, Inc.
100%
Ayala Land International Sales, Inc.
100%
Aprisa Business Process Solutions, Inc.
100%
Ayala Property Management Corporation
100%
Philippine Integrated Energy Solutions, Inc.
100%
Makati Development Corporation
100%
Whiteknight Holdings, Inc.
100%
Direct Power Services, Inc. (Direct Power)
100%
Ayalaland Medical Facilities Leasing Inc.
100%
Arca South Integrated Terminal, Inc.
100%
Darong Agricultural Development Corporation
74%
Anvaya Cove Golf and Sports Club, Inc.
73%
Anvaya Cove Beach and Nature Club, Inc.
100%
Ayalaland International Marketing, Inc. (AIMI)
100%
Ayala Land International (Singapore) Pte. Ltd.
100%
Ayalaland International Marketing (Hong Kong) Limited
100%
Ayala Land International Marketing , SRL
100%
Ayala Land International Marketing London
100%
Prime Support Services, Inc.
100%
MDC - Subic
100%
MDC - Build Plus
100%
MDC Equipment Solutions, Inc.
100%
MDC Conqrete Inc.
67%
MDBI Construction Corp.
67%
MDTK Corp.
100%
ALI Capital Corp. (formerly Varejo Corporation)
100%
Swift Aerodrome Services, Inc.
100%
First Longfield Investments Limited
100%
Green Horizons Holdings Limited
100%
Horizon Wealth Holdings Limited

Investments in Joint Ventures



Investments in Associates



Annex C

Supplementary Schedules required by Annex 68-J
AyalaLand Logistics Holdings Corp. and Subsidiaries

Schedule A - Financial Assets
As at December 31, 2024
Amounts In Thousands *(Except For Number Of Shares)*

Name of issuing entity and association of each issue	Number of shares or principal amount of bonds and notes	Amount shown in the statement of financial position	Income received and accrued
A. CASH IN BANK AND CASH EQUIVALENTS			
SAVINGS/CURRENT ACCOUNT (PESO)			
BDO Unibank, Inc.		8,536	7
Bank of the Philippine Islands		213,758	660
Metropolitan Bank and Trust Company		165	-
Rizal Commercial Banking Corp.		5,391	-
United Coconut Planters Bank		13,661	-
Sub-total		241,511	667
SAVINGS/CURRENT ACCOUNT (FCDU)			
Bank of the Philippine Islands		721	43
BDO Unibank, Inc.		51	82
		772	125
		242,283	792
B. SHORT TERM INVESTMENTS		**-**	**-**
C. INVESTMENT IN BONDS AND OTHER SECURITIES			
Available for sale investments:			
Listed equity securities			
Asia United Bank	50	2	-
Philippine Long Distance Telephone Company	500	90	-
Top Frontier Holdings, Inc.	4,200	536	-
Philippine Central Depository, Inc.	5,000	500	-
Sta. Elena Golf Club-A	3	74,000	-
Alviera Country Club (Class C)	1	950	-
Alabang Country Club	1	6,400	-
Zeus Holdings, Inc.	1,175,600	8,776	-
MERALCO	59,837	18,934	-
PLDT	419,688	4,199	-
	1,664,880	114,387	-
Quoted debt securities			
Ayala Corporation	5,000	4,155	-
FIRST METRO 20-17	-	14,858	1,072
Rizal Commercial Banking Corp .- RTB 10-60	-	3,492	297
SECURITY BANK 20-13	-	1,323	88
BDO Unibank, Inc. UITF	13,000,000	13,826	-
	13,005,000	37,654	1,457
TOTAL INVESTMENTS IN BONDS & OTHER SECURITIES	14,669,880	152,041	1,457

AyalaLand Logistics Holdings Corp. and Subsidiaries
Schedule B - Amounts Receivable from Directors, Officers, Employees, Related Parties, and Principal Stockholders (Other than Related Parties)
As at December 31, 2024
Amounts In Thousands

			Deductions				
Account Type	**Balance at Beginning period**	**Additions**	**Amounts Collected**	**Amounts Written off**	**Current**	**Not Current**	**Balance at End Period**
Advances to employees for company expenses	1,049	4,758	3,806	-	2,001	-	2,001
Salary loan	-	115	-	-	115	-	115
Car loan	2,071	914	1,507	-	181	1,298	1,479
Others	2,421	-	518	-	-	1,904	1,904
	5,541	5,787	5,831	-	2,297	3,202	5,499

AyalaLand Logistics Holdings Corp. and Subsidiaries
Schedule C - Amounts Receivable From Related Parties Which Are Eliminated During The Consolidation Of Financial Statements

As at December 31, 2024
Amounts In Thousands

Name and Designation of Debtor	Balance at Beginning period	Additions	Amounts Collected	Accounts Written off*	Current	Not Current	Balance at end period
Orion I Holdings Philippines, Inc./Subsidiary*	199,153	-	-	-	-	199,153	199,153
LCI Commercial Ventures, Inc./Subsidiary	867	-	(867)	-	-	-	0
FLT Prime Insurance Corporation/Subsidiary	288	-	(40)	-	248	-	248
Tutuban Properties, Inc./Subsidiary	16,337	92,256	(89,009)	-	19,584	-	19,584
Unity Realty & Development Corporation/Subsidiary	15,796	94,443	(93,824)	-	16,416	-	16,416
Orion Land Inc./Subsidiary	20,065	45,472	(38,336)	-	27,200	-	27,200
Laguna Technopark, Inc./Subsidiary	14,249	314,647	(286,791)	-	42,105	-	42,105
A Flow Land I Corp/Subsidiary	82,776	-	-	-	82,776	-	82,776
	349,531	546,818	(508,867)	-	188,329	199,153	387,482

** Shortening of its corporate term approved in June 2023.*

AyalaLand Logistics Holdings Corp. and Subsidiaries
Schedule D - Long-Term Debt

As at December 31, 2024
Amounts In Thousands

Title of Issue and type of obligation	Amount authorized by indenture	Amount shown under the caption "Current Portion of long-term debt" in related balance sheet	Amount shown under the caption "Long-Term Debt" in related balance sheet
Term Loan	2,480,000	24,800	2,421,089

AyalaLand Logistics Holdings Corp. and Subsidiaries
Schedule E - Indebtedness To Related Parties (Long Term Loans From Related Companies)

As at December 31, 2024
Amounts In Thousands

Name of Related Party	Balance at beginning of period	Balance at end of period
NOT APPLICABLE		

AyalaLand Logistics Holdings Corp. and Subsidiaries
Schedule F - Guarantees of Securities of Other Issuers
As at December 31, 2024
Amounts In Thousands

Name of issuing entity of securities guaranteed by the company for which this statement is filed	Title of issue of each class of securities guaranteed	Total amount guaranteed and outstanding	Amount owed by person for which statement is filed	Nature of guarantee
		NOT APPLICABLE		

AyalaLand Logistics Holdings Corp. and Subsidiaries
Schedule G - Capital Stock
As at December 31, 2024

Title of Issue	Number of Shares authorized	Number of shares issued and outstanding as shown under related balance sheet caption	Number of shares reserved for options, warrants, conversion and other rights	Number of shares held by related parties*	Number of shares held Directors, officers and employees*	Number of shares held by Others
COMMON SHARES	**7,500,000,000**					
ISSUED		6,158,660,192		4,467,752,834	73,034,557	
SUBSCRIBED		142,931,795		49,444,216		
		6,301,591,987		4,517,197,050	73,034,557	

AYALALAND LOGISTICS HOLDINGS CORP. AND SUBSIDIARIES
SCHEDULE OF FINANCIAL SOUNDNESS INDICATORS
December 31, 2024

Financial Ratios			
	Pursuant to SRC Rule 68, As Amended	(One Year) 31-Dec-24	(One Year) 31-Dec-23
	Formula		
Return on assets	Net Income / Average Assets	0.02	0.02
Return on equity	Net Income / Average Equity	0.05	0.05
Gross profit margin	Gross profit / Total Revenues	0.34	0.34
Net profit margin	Net income / Sales revenue	0.14	0.18
Cost to income ratio	Cost and expenses / Revenues	0.72	0.73
Current ratio	Current Assets / Current Liabilities	1.15	1.14
Quick ratio	Current Assets less Inventory less Prepayments / Current Liabilities	0.56	0.54
Solvency ratio	After tax net profit(loss) + Depreciation / Long Term Liabilities + Short Term Liabilities	0.09	0.07
Asset to equity ratio	Total Assets / Equity	2.07	2.06
Debt to equity ratio	Total Liability / Equity	1.07	1.06
Interest rate coverage ratio	EBITDA / Interest expense	3.91	3.15
Price/Earnings Ratio	Price Per Share / Earnings Per Common Share	15.16	17.40

AYALALAND LOGISTICS HOLDINGS CORP. AND SUBSIDIARIES
SCHEDULE OF EXTERNAL AUDITOR FEE-RELATED INFORMATION
December 31, 2024
All amounts in Philippine Peso

	2024	2023
Total audit fees (including VAT)	3,139,360	2,422,560
Total non-audit services fees	-	-
Total audit and non-audit fees	3,139,360	2,422,560

Note: This schedule shows the fees paid to the Company’s external auditor - Isla Lipana & Co.

AyalaLand LOGISTICS HOLDINGS CORP.

Sustainability Report 2024

ESG Approach

AyalaLand Logistics Holdings Corp. (ALLHC) is dedicated to transforming landscapes into sustainable and resilient business environments by embedding sustainability practices into all of its developments. This approach enables the company to generate long-term economic, environmental, and social value for stakeholders in the communities it serves.

Materiality Review and Sustainability Four Focus Areas

To monitor the economic, environmental, and social impacts of its developments, ALLHC adopts Ayala Land's ESG approach, integrating sustainability into operations across four key focus areas: site resilience, pedestrian mobility and transit connectivity, resource efficiency, and local economic development.

Site resilience aims to minimize communities' vulnerability to climate change and natural disasters, while pedestrian mobility and transit connectivity enhance urban mobility. Resource efficiency addresses the ongoing depletion of natural resources, and local economic development aseeks to reduce socio-economic inequalities.

Identified in Ayala Land's 2014 materiality assessment, these four focus areas remain relevant today. They drive sustainability throughout the Ayala Land Group, including ALLHC, serving as guides in project development and business operations while managing and mitigating possible risks.

Ayala Land's Four Focus Areas and the UN Sustainable Development Goals

With the establishment of the United Nations Sustainable Development Goals (SDGs) in 2015, Ayala Land aligned each focus area with the relevant SDGs.

Site Resilience – SDG 13, SDG 14, SDG 15
ALLHC acknowledges the potential risks posed by climate change, including extreme weather events and rising sea levels. To enhance site resilience and emergency preparedness, the company takes several measures such as conducting site evaluations and technical due diligence to assess geohazards. ALLHC also practices disaster-readiness exercises, incorporates spaces for refuge and rainwater absorption through open and green areas, and uses native trees in landscaping to support biodiversity.

Pedestrian Mobility and Transit Connectivity – SDG 3, SDG 9
ALLHC properties, designed as hubs for work and business, are strategically located near major roads and highways to ensure mobility and connectivity. In addition to motor vehicle access, commuters are offered alternative options, including connections to public transport routes and terminals, as well as pedestrian walkways.

Resource Efficiency – SDG 6, SDG 12
ALLHC is committed to supporting Ayala Land's goal of achieving carbon neutrality for all its properties by 2030, and the Ayala Group's net zero emissions target by 2050. ALLHC strictly monitors the responsible use of resources, such as energy and water, and ensures the proper handling of

waste in its properties. Conservation programs and management schemes are in place and undergo regular audits.

Local Economic Development – SDG 1, SDG 8, SDG 10
ALLHC's industrial and commercial properties generate employment and business opportunities. Through its properties, ALLHC helps spur economic activity, contributes to nation-building, and creates value for local communities.

Site Resilience	Mobility & Connectivity
21 detention ponds 327 hectares of green and open space 196 sqm vegetable garden and tree nursery 276 emergency response team drills and night drills 6,153 sqm space used as evacuation area	3 transport terminals 22 priority signages 1,668 sqm space for PUVs 1,760 sqm covered walkways 65 marked crosswalks 78 PWD ramps
Resource Efficiency	**Local Economic Development**
33,794,839 kWh energy consumed 468,058 cubic meters water consumed 421,249 kg waste generated	83 direct employees 29 hours average employee training 820 jobs generated (direct hires and service providers)

ALLHC's Material Topics

To measure and report the company's performance and impact on local and global development, ALLHC uses identified UN Sustainable Development Goals (SDGs) and topics from Global Reporting Initiative (GRI) and Sustainability Accounting Standards Board (SASB) that correspond to Ayala Land's four focus areas and other material topics.

	Sustainability Four Focus Areas				Other Material Topics	
	Site Resilience	**Pedestrian Mobility and Transit Connectivity**	**Resource Efficiency**	**Local Economic Development**	**Corporate Governance and Risk Management**	**Labor Practices and Decent Employment**
GRI	**303**: Water and Effluents **307**: Environmental Compliance	**203**: Indirect Economic Impacts **416**: Customer Health and Safety	**204**: Procurement Practices **302**: Energy **303**: Water and Effluents **305**: Emissions **306**: Waste **308**: Supplier Environmental Assessment	**202**: Market Presence **203**: Indirect Economic Impacts **401**: Employment **404**: Training and Education **413**: Local Communities	**201**: Economic Performance **205**: Anti-Corruption **206**: Anti-Competitive Behavior **418**: Customer Privacy	**402**: Labor Management Relations **403**: Occupational Health and Safety **405**: Diversity and Equal Opportunity **406**: Non-Discrimination **408**: Child Labor

						409: Forced Labor **412**: Human Rights Assessment
SASB	**IF-RE-450**: Climate Change Adaptation		**IF-RE-130**: Energy Management **IF-RE-140**: Water Management **IF-RE-410**: Management of Tenant Sustainability Impacts **IF-RE-450**: Climate Change Adaptation		**IF-RE-450**: Climate Change Adaptation	
UN SDGs	**13**: Climate Action **15**: Life on Land	**3**: Good Health and Well-Being **9**: Industry, Innovation, Infrastructure	**6**: Clean Water and Sanitation **12**: Responsible Consumption and Production	**1**: No Poverty **8**: Decent Work and Economic Growth **10**: Reduced Inequalities		**8**: Decent Work and Economic Growth

Stakeholder Engagement

At ALLHC, we believe that energizing business environments is a collaborative effort. We actively engage with our stakeholders through multiple channels, valuing their contributions and feedback to build strong relationships and generate sustainable, shared value.

Stakeholder	Issues and Concerns of Stakeholders	Engagement Means and Initiatives
Property Buyers and Tenants, Tenant Employees, and Shoppers	• Customer health, welfare, and safety • Customer service and experience • Delivery of quality products and services • Facilities management • Management of environmental and social impacts	• Customer satisfaction surveys • E-newsletters and e-brochures • ALLHC website and social media platforms
Brokers and Sellers	• Occupational health, welfare, and safety • Training and career development • Compensation and rewards • Labor practices and human rights	• Training sessions • General assemblies and briefings • Awards and recognition events
Employees and Workers	• Occupational health, welfare, and safety • Training and career development	• Access to healthcare services

	• Compensation and rewards • Labor practices and human rights	• Townhalls, monthly or quarterly updates • Organizational climate surveys • Grievance mechanisms and channels • Performance reviews • Training and learning sessions; blended learning modalities • Employee engagement activities
Business Partners, Suppliers, and Service Providers	• Compliance with all laws, regulations, codes, and standards • Productivity and timely delivery of products and services • Occupational and customer health, welfare, and safety • Labor practices and human rights • Procurement practices • Management of environmental and social impacts	• Training sessions • One-on-one meetings • Policies and memos • Vendor's Code of Ethics • Third-party vendor accreditation process • Business Integrity Program (BIP) channels
Creditors	• Financial and operating performance • Debt servicing capacity	• Financial sustainability and capital management strategies • Regular engagement with partner banks and investors
Shareholders and Analysts	• Financial and operating performance • Debt servicing capacity • Recovery and growth plans	• Financial sustainability, capital management strategies, and recovery and growth initiatives • Regular engagement with investors through one-on-one meetings and investor conferences • SEC and PSE filings and disclosures
Communities and NGOs	• Local economic development • Management of environmental and social impacts • Concerns of communities pertaining to development of projects	• Conferences and meetings • Community consultations • Partnerships in national and local projects, programs, and initiatives • Dialogues and meetings with leaders at the barangay, local government, and national agency levels
National and Local Government	• Compliance with all laws, regulations, codes, and standards • Economic development • Management of environmental and social impacts	• Conferences and meetings • Participation in government consultations

	• Concerns of communities pertaining to development of projects • Support to the government projects and activities	• Partnerships in local and national projects, programs, and initiatives • Dialogues and meetings with leaders at the barangay, local government, and national agency levels
Media	• Timely and accurate news • Transparency	• News releases • Through third-party consultants • Annual reports • ALLHC website and social media platforms

Environmental Stewardship

ALLHC aligns with Ayala Land's sustainability principles, focusing on enhancing the resilience of its properties and mitigating climate change risks. Through initiatives that prioritize site resilience and pedestrian mobility and transit connectivity, the company fosters the development of sustainable industrial and commercial properties. Its commitment to resource efficiency ensures the responsible use of resources, benefiting communities for the long term.

Site Resilience <GRI 304; SDG 11, 13, 15>

ALLHC conducts comprehensive technical due diligence before land acquisition to assess potential geohazards and climate change impacts. During the planning phase, green spaces for rainwater absorption are identified, integrated, and implemented during construction. To enhance both biodiversity and the landscape, the company incorporates native trees into its developments, particularly in emerging industrial estates.

Pedestrian Mobility and Transit Connectivity <GRI 203; SDG 3, 9, 11>

The pedestrian and commuter experience are key considerations for ALLHC when developing properties. Pedestrian walkways and sidewalks are available, and multiple transport modes such as jeepneys, taxis, UV express shuttles, point-to-point (P2P) buses, and commuter railway are accessible from ALLHC's sites for commuters.

Resource Efficiency

ALLHC implements measures to promote the efficient use of energy and water, along with proper waste management, across its properties to help reduce their carbon footprint.

Energy Management <GRI 302; SASB IF-RE-130, IF-RE-410; SDG 7, 12>

Total energy consumption from electricity and fuel increased by 13%, reaching 33.8 million kWh compared to the previous year, primarily due to higher occupancy and business activities. The higher fuel consumption was driven by the use of a mobile generator to provide electricity during power interruptions in ALogis Calamba.

To assess energy efficiency over time, electricity intensity in both common and tenant areas is measured in kWh consumption per sqm of occupied floor area or occupied pallet position. In 2024, electricity intensity in both common and tenant areas of commercial centers increased by 8% and 11%, respectively, primarily due to the rise in mall business activities. Tenant area intensities for warehouses and cold storage were 47.37 kWh/sqm and 502.10 kWh/pp, respectively. The intensity increase compared to the previous year was driven by a new warehouse facility and higher cold storage utilization.

Energy Consumption (kWh)	2021	2022	2023	2024
Within the Organization				
Electricity (Common Area)	6,994,408	9,168,540	9,484,150	10,730,565
Fuel	219,321	248,592	299,821	1,064,225

Outside the Organization Electricity (Leased Area)	14,844,693	20,624,340	20,002,587	22,000,049
Total	**22,058,532**	**30,041,472**	**29,786,558**	**33,794,839**

Electricity Intensity	**Unit**	**2021**	**2022**	**2023**	**2024**
Malls & Offices					
Whole Building	kWh/sqm GFA	111.18	134.90	125.88	138.31
Common Area	kWh/sqm GCA	70.45	92.94	87.53	94.75
Leased Area	kWh/sqm GLA	163.52	188.04	174.61	193.34
Warehouses					
Common Area	kWh/sqm GCA	-	-	36.18	47.37
Leased Area	kWh/sqm GLA	-	-	22.04	12.30
Cold Storage					
Leased Area	kWh/pp	-	-	404.41	502.10

Legend: GFA – Gross Floor Area; GCA – Gross Common Area; GLA – Gross Leasable Area

Notes: To take into account significant changes in the occupancy rate in light of the pandemic, intensity has been measured as kWh consumption per square meter (sqm) of relevant area or pallet position (pp) multiplied by occupancy rate. Monitoring of intensities for warehouses and cold storage commenced only in 2023. For warehouses and cold storage, intensity for leased areas covers only facilities where ALLHC has visibility on tenant consumption.

Water Management <GRI 303; SASB IF-RE-140, IF-RE-410; SDG 6,12 >

In 2024, increased business activities led to a 7% increase in total water consumption across properties. Consumption in common areas decreased by 4%, totaling 202,000 cubic meters, while water usage in leased areas increased by 17%, reaching 265,000 cubic meters.

In terms of water intensity, measured as cubic meters consumed per square meter of occupied floor area, the overall building intensity for commercial centers decreased by 3%. Tenant area intensities for warehouses and cold storage were 0.53 m^3/sqm and 1.19 m^3/pp, respectively. The reduction in warehouse water intensity was mainly due to the repair and maintenance of existing pipes, whereas the increase in cold storage intensity was due to higher occupancy.

Water Consumption (m^3)	**2021**	**2022**	**2023**	**2024**
Within the Organization (Common Area)	106,495	150,182	210,449	202,954
Outside the Organization (Leased Area)	137,192	225,027	226,637	265,104
Total	**243,687**	**375,209**	**437,086**	**468,058**

Water Intensity	Unit	2021	2022	2023	2024
Malls & Offices					
Whole Building	m^3/sqm GFA	1.20	1.62	1.62	1.58
Common Area	m^3/sqm GCA	1.13	1.62	1.66	1.54
Leased Area	m^3/sqm GLA	1.30	1.61	1.58	1.63
Warehouses					
Common Area	m^3/sqm GCA	-	-	1.72	1.71
Leased Area	m^3/sqm GLA	-	-	0.54	0.53
Cold Storage					
Leased Area	m^3/pp	-	-	0.79	1.19

Legend: GFA – Gross Floor Area; GCA – Gross Common Area; GLA – Gross Leasable Area
Notes: To take into account significant changes in the occupancy rate in light of the pandemic, intensity has been measured as cubic meter consumption per square meter (sqm) of relevant area or pallet position (pp) multiplied by occupancy rate. Monitoring of intensities for warehouses and cold storage commenced only in 2023. For warehouses and cold storage, intensity for leased areas covers only facilities where ALLHC has visibility on tenant consumption.

Carbon Neutrality

ALLHC supports Ayala Land's goal of achieving carbon neutrality across all its properties by 2030 and Ayala Corporation's target of reaching net zero by 2050. To meet the electricity needs of its properties, ALLHC prioritizes the transition of a greater share of its properties from non-renewable to renewable energy sources.

Renewable Energy

ALLHC's commercial properties source electricity from renewable energy, while industrial properties rely on both renewable and non-renewable sources. Following the shift of Artico Biñan 2 to renewable energy in June 2024, the share of non-renewable energy decreased to 6% compared to the previous year. Additionally, the use of a mobile generator to supply electricity during power interruptions in ALogis Calamba during the fourth quarter of 2024 led to a 3% increase in the share of fuel in the energy mix.

Energy Mix	2021	2022	2023	2024
Electricity (Renewable)	86%	81%	90%	90%
Electricity (Non-renewable)	13%	18%	9%	6%
Fuel	1%	1%	1%	4%

Emissions

Total net emissions reached 2,263 tCO_2e, reflecting a 10% increase compared to the previous year. The rise in Scope 1 emissions was primarily due to the significant use of stationary fuel at ALogis Calamba to address power interruptions. Scope 2 emissions decreased by 35% following the conversion of Artico Biñan 2 to renewable energy in mid-2024. Scope 3 emissions increased by 15% due to higher potable water consumption across the properties.

Net Emissions in t-CO2e	2021	2022	2023	2024
Scope 1	55	62	75	271
Scope 2	225	745	588	382
Scope 3	1,970	3,467	1,399	1,610
Total	**2,250**	**4,274**	**2,062**	**2,263**

Notes: Scope 2 emissions declared are market-based. For properties that shifted to purchasing electricity from renewable energy power plants, Scope 2 emissions were zeroed out from the date of shifting. Scope 3 emissions factored in are from tenants' electricity consumption only.

Circular Economy

Solid Waste

ALLHC has adopted a circular waste management model in alignment with Ayala Land's practices to minimize waste sent to landfills. The company segregates waste at the property level and regularly reviews its waste profile.

In 2024, total waste generated decreased by 4% to 421,000 kilograms compared to the previous year. A total of 172,000 kilograms of waste was diverted to recyclers, representing 41% of the total waste generated.

Additionally, ALLHC employees contributed 1,400 kilograms of clean and dry plastics collected from households. Of the total plastic waste collected, 49%, equivalent to 688 kg, was diverted to an Ayala Land sustainability partner which then recycles and reprocesses into additives for construction materials. Moreover, 2,180 kilograms of recyclables and 600 kilograms of e-waste were collected from the Tutuban and South Park Recyclable Fairs.

Furthermore, ALLHC's cold storage facilities diverted 50,076 kilograms of plastic from landfills by using 1,926 recycled plastic pallets.

Solid Waste Generation and Diversion	2021	2022	2023	2024
Total Waste Generation (kg)	**392,795**	**402,146**	**439,167**	**421,249**
Sent to Landfill				
Food	165,571 (42%)	134,535 (33%)	171,406 (39%)	159,862 (38%)
Residual	50,634 (13%)	98,265 (25%)	89,985 (20%)	88,930 (21%)
Diverted from Landfill				
Sent to Recyclers	176,590 (45%)	169,346 (42%)	177,776 (41%)	172,457 (41%)

Note: Locator tenants in our industrial properties are responsible for their own proper waste disposal. 2022 waste generated restated.

Social Engagement

To fulfill its mission of creating environments that energize and support businesses, ALLHC actively engages with its various stakeholders. The company plays a crucial key role in local economic growth by generating opportunities for employment, upskilling and reskilling its workforce, and focusing on the health and safety of its stakeholders.

Contribution to Local Economic Development <GRI 401, 402; SDG 1, 8, 10>

ALLHC provided jobs for 820 regular employees and support staff, continuing to generate employment through locator-companies in its industrial properties, as well as its mall and office locators.

Employment and Job Creation

As of the end of 2024, ALLHC group had a total headcount of 820 direct employees and support staff, comprising of 83 direct employees and 737 support staff for property management, including security, technical maintenance, and housekeeping.

Employment Summary	2021	2022	2023	2024
Direct Employees	53	63	71	83
Support Staff	566	606	642	737
Total	**619**	**669**	**713**	**820**

Employee Profile

ALLHC monitors the profile of its direct employees. As of the end of 2024, the total headcount was 83; with 53% female and 47% male. In terms of age distribution, 36% were below 30 years old; 64% were aged 30 and above.

Direct Employees by Gender	
Male	39
Female	44
Total	**83**

Headcount by Gender			
	Total	**Male**	**Female**
Corporate	11	2	9
Industrial Parks and Real Estate Logistics	48	26	22
Commercial Leasing	24	11	13
Total	**83**	**39**	**44**
Percentage	**100%**	**47%**	**53%**

Compliance with the Labor Code Notice Period Requirement

ALLHC adheres to the Labor Code of the Philippines regarding minimum notice periods for major operational changes and fully complies to all labor laws and local government regulations at each project site.

Health and Safety <GRI 403; SDG 8>

ALLHC prioritizes ensuring safe working conditions in its sites. Properties are managed by on-site property managers who conduct regular preventive maintenance checks and technical audits.

Emergency Preparedness

Each site has a comprehensive emergency preparedness and response planthat includes regular drills for emergencies like fires, earthquakes, and other identified situations. Any incidents are quickly investigated to determine root causes, and new measures are implemented to prevent recurrence. Issues are reported promptly to the relevant management level and documented for ongoing monitoring.

As of end-2024, no major incidents were recorded in ALLHC's properties. A total of 276 emergency response team drills were conducted across all managed properties.

Employee Wellness

Annual physical examinations were provided for employees, along with health insurance for both employees and their eligible family members.

Training and Development <GRI 404; SDG 1, 8>

ALLHC believes in providing its employees with professional growth opportunities for career and skills development. In 2024, ALLHC employees dedicated a total of 2,394 training hours to formal training, averaging 29 hours per employee. The average training hours for women was at 27, while for men, it was at 30.

Employees participated in training sessions covering a variety of topics, including professional effectiveness and leadership, digitalization and technology, marketing and communications, management, ethics, sustainability, corporate governance, and personal mental health and well-being. In addition to webinars and on-site training, employees were provided access to self-paced learning via online platforms such as LinkedIn Learning.

Employee Training Hours		
	Total	**Average**
Men	1,186	30
Women	1,208	27
Total	2,394	29

Stakeholder Relations

ALLHC is committed to addressing stakeholder issues and concerns through active engagement to find solutions.

Property Buyers and Tenants, and Shoppers

Recognizing that customers are fundamental to its success, ALLHC is committed to delivering quality and reliable products and services that meet customer expectations. The company fosters strong customer relationships through a dedicated focus on their needs and consistently strives to provide exceptional service.

The sales and leasing teams serve as the primary contact point for potential lot buyers, warehouse lessees, and mall and office tenants, addressing their inquiries directly. Following agreements, the operations and engineering teams manage turnovers and provide ongoing post-turnover support.

To ensure seamless operations, ALLHC fosters close collaboration with its tenants. Facilities engineers hold regular meetings with warehouse tenants to proactively address technical issues., while building engineers coordinate with mall and office tenants. Furthermore, operations teams conduct meetings with all tenants as needed to resolve operational concerns and discuss expansion plans, ensuring smooth businesses operations.

ALLHC prioritizes keeping its industrial lot buyers, warehouse lessees, and mall and office tenants well-informed about key property developments. The company distributes advisory notices, including memos, e-brochures, and e-newsletters. Broader news and announcements are shared with the public through its social media channels and corporate website.

Annual third-party customer satisfaction surveys are conducted. In 2024, Tutuban Center received a score of 99% from mallgoers, notable for its comfortable, air-conditioned, and secured premises. Among its merchants, Tutuban Center achieved an 84% rating. The positive aspects cited its helpful security, efficient housekeeping, and accessible management and administration staff.

Artico Cold Chain received a 91% score, with efficient loading/unloading checks, effective security management, and invoice accuracy being key highlights. ALogis received a score of 86%, with commendable attributes including thorough security procedures and invoices accuracy.

Employees and Workers <GRI 401, 407; SDG 8>
ALLHC is supported by a team of dedicated and hardworking professionals. The company prioritizes employee welfare by offering capacity-building programs, encouraging high performance, and ensuring their health, safety, and well-being at all times.

Open communication channels between management and employees are maintained through regular town halls, periodic updates, individual performance reviews, and ongoing discussions between managers and their team members. According to the company's latest biennial employee engagement survey (2023), ALLHC Group achieved a score of 82% with 100% direct employee participation, identifying collaboration, opportunities for personal and professional development and growth, mentorship, and team priority setting as among the company strengths.

Compensation and Rewards <GRI 401, SDG 8>
ALLHC provides compensation and benefits mandated by national labor laws and aligned with its performance incentive program. The company rejects any form of forced and compulsory labor.

All regular employees receive life insurance, health coverage for both in-patient and out-patient care, medical allowances, and retirement benefits. Additionally, ALLHC offers variable pay, including performance-based cash bonuses tied to individual key goals set at the start of the year.

Employee Leaves

The company implements government-mandated leaves on paternity, maternity, and solo parents, ensuring that all employees are entitled to parental leave.

Diversity and Equal Opportunity <GRI 401, 405; SDG 10>

ALLHC recognizes the importance of diversity and equal opportunity in the workplace, with women accounting for 53% of the company's employees.

Ethical Behavior <GRI 205, 402, 409; SDG 8>

In accordance with its Code of Ethics, ALLHC promotes strong accountability standards among its employees. The company treats its employees with the highest respect and professionalism, expecting them to uphold established conduct and integrity standards. ALLHC has a strict zero-tolerance policy towards corruption, fraud, bribery, or any unethical behavior.

Whistleblowing

ALLHC provides grievance mechanisms for customers, employees, and the public, including a customer service hotline, feedback form on the company website, email, and designated personnel handling such grievances.

According to the company's Whistleblowing Policy, anyone who suspects or becomes aware of any wrongdoing or misconduct involving ALLHC employees, business partners, suppliers, or service providers can report it to management through secure channels. In 2024, no major incidents of illegal or unethical behavior were reported.

SEC Memorandum Circular No. 2003-13 defines an incident or unethical behavior as significant if it reduces the company's consolidated total assets by at least 5%.

Non-Discrimination <GRI 406>

The company does not tolerate discrimination based on race, gender, age, and religious affiliation. Employees and stakeholders are encouraged to report any discriminatory practice to Human Resources. In 2024, there were no reports of any acts of discrimination.

Business Partners, Suppliers, and Service Providers <GRI 204, 205, 308>

ALLHC respects the rights of all its business partners, suppliers, and service providers, aiming to build long-term and mutually beneficial relationships based on fairness and ethical business practices.

The company provides vendors and partners with equal opportunities for fair competition, fostering high levels of productivity, efficiency, quality, and cost-competitiveness.

Suppliers across the Ayala Land Group, including ALLHC, are accredited upon meeting Ayala Land's standards, with a preference for those committed to environmental sustainability. Whenever possible, materials and supplies are sourced locally.

The ALLHC Internal Audit Department checks on business partners, suppliers, and service providers through vendor audits, as needed, in accordance with Ayala Land's Vendor's Code of Ethics. Accredited suppliers are required to follow the Vendor's Code of Ethics.

ALLHC does not tolerate any form of child labor or modern slavery. All vendors, suppliers, and service providers are thoroughly audited to ensure that they do not use underage or illegal workers. No part of our operations has been found to involve child labor, forced labor, or exploitation.

Creditors
ALLHC acknowledges the rights of creditors and is committed to honoring its contracted financial obligations and any financial covenant that they may contain. Creditors have access to readily available information about ALLHC for credit standing assessment. The company has not defaulted on any loan or payment to creditors.

Shareholders and Analysts
As a publicly listed company, ALLHC provides timely, accurate, and materially relevant financial and operational information to its shareholders, analysts, and the investing public. Management and key company representatives make themselves available for one-on-one investor meetings and conferences.

The company maintains open communication by providing the contact details of its Investor Relations Office to address information requests of the investing community.

ALLHC complies with all the disclosure and transparency rules of the Securities and Exchange Commission (SEC) and the Philippine Stock Exchange (PSE), ensuring that all relevant information is publicly available. The company is dedicating to protecting and promoting the rights and interests of all shareholders.

Communities and Non-Government Organizations
ALLHC aims to create a meaningful impact and shared value for the local communities in the regions where its developments are located.

In 2024, ALLHC engaged in multiple community initiatives, including aiding Missionaries of Charity in Tondo, Manila. Two carbon forest activities were conducted in the forests of San Jose Del Monte, Bulacan, and Alaminos, Laguna. Tutuban Center and South Park Center organized "Trash to Cash" recycling fairs, collecting e-waste and common recyclable materials for proper disposal. This initiative aimed to promote environmental awareness and encourage responsible waste management within the community.

ALLHC continues to support small and medium enterprises through its TutuBuy e-commerce site and Alagang AyalaLand Centers in its commercial centers.

National and Local Government

ALLHC actively ensures compliance with all applicable laws and regulations mandated by government institutions and regulatory bodies. The company collaborates with the both the local and national government to address social issues.

The company participates in local government initiatives, including local medical missions. In 2024, Tutuban Center continued to support local government healthcare units and agencies through initiatives such as "Alagang AyalaLand Healthy Generations," providing basic diagnostics and medical check-ups available to residents of Tondo, Manila.

Media

Through its corporate communications, ALLHC actively engages with the media through press releases, features, social events, and third-party consultants. The company ensures that media inquiries and concerns are promptly addressed via email, phone, in-person meetings, and other communication channels.

ALLHC strives to build transparent and trustworthy relationships with media representatives, guided by the company's commitment to good corporate governance and ethical standards.

From:	ALLHC Castro, Maida B.
To:	ALLHC Gargallano, Krislyn B.; ALLHC Abad, Janel B.
Cc:	ALI-ALLHC Deguzman, Tristan; ALI Montojo, Francis
Subject:	FW: Your BIR AFS eSubmission uploads were received
Date:	Saturday, 12 April 2025 8:24:21 pm

Hi **K** and **Janel**,

Forwarding BIR Acknowledgement Receipt of the eAFS submission.

Thanks,
Maida

From: eafs@bir.gov.ph <eafs@bir.gov.ph>
Sent: Saturday, 12 April 2025 7:16 pm
To: ALLHC Castro, Maida B. <castro.maida@ayalalandlogistics.com>
Cc: ALI Montojo, Francis <montojo.francis@ayalaland.com.ph>
Subject: Your BIR AFS eSubmission uploads were received

Hi AYALALAND LOGISTICS HOLDINGS CORP.,

Valid files

- EAFS000804342AFSTY122024.pdf
- EAFS000804342TCRTY122024-01.pdf
- EAFS000804342RPTTY122024.pdf
- EAFS000804342ITRTY122024.pdf

Invalid file

- <None>

Transaction Code: **AFS-0-MQWWYMPV0EE69BC9N4XM2SVM08F8E6BBD**
Submission Date/Time: **Apr 12, 2025 07:16 PM**
Company TIN: **000-804-342**

Please be reminded that you accepted the terms and conditions for the use of this portal and expressly agree, warrant and certify that:

- The submitted forms, documents and attachments are complete, truthful and correct based on the personal knowledge and the same are from authentic records;
- The submission is without prejudice to the right of the BIR to require additional

document, if any, for completion and verification purposes;

- The hard copies of the documents submitted through this facility shall be submitted when required by the BIR in the event of audit/investigation and/or for any other legal purpose.

This is a system-generated e-mail. Please do not reply.

AyalaLand
LOGISTICS HOLDINGS CORP.

February 14, 2025

STATEMENT OF MANAGEMENT'S RESPONSIBILITY
FOR FINANCIAL STATEMENTS

The management of AyalaLand Logistics Holdings, Corp. (the Company) is responsible for the preparation and fair presentation of the financial statements including the schedules attached therein for the years ended December 31, 2024 and 2023 and 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 but to do so.

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

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

Isla Lipana & Co., the independent auditors appointed by the stockholders, has audited the financial statements of the Company in accordance with Philippine Standards of Auditing, and in its report to the stockholders, has expressed its opinion on the fairness of presentation upon completion of such audit.

ANNA MA. MARGARITA B. DY
Chairman, Board of Directors

ROBERT S. LAO
President & Chief Executive Officer

TRISTAN JOHN T. DE GUZMAN
Chief Finance Officer

SUBSCRIBED AND SWORN to before me this APR 11 2025, at Makati City, affiants exhibited to me their passports as competent evidence of their identities, as follows:

Name	Passport No.	Date/Place of Issue
Anna Ma. Margarita B. Dy		
Robert S. Lao		
Tristan John D. de Guzman		

WITNESS MY HAND AND SEAL on the date and at the place first above written.

Doc. No. 178
Page No. 37
Book No. IX
Series of 2025.

Notarial DST pursuant to Sec. 61 of the TRAIN Act (amending Sec. 188 of the NIRC) affixed on Court's copy.

TRIXIE CARMELA J. GONZALES
NOTARY PUBLIC
ROLL NO.
MAKATI CITY, PHILIPPINES

TRIXIE CARMELA J. GONZALES
Notary Public - Makati City

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Independent Auditor's Report

To the Board of Directors and Stockholders of
AyalaLand Logistics Holdings Corp.
3rd Level, Glorietta 5, Ayala Center
Makati City, Philippines

Report on the Audits of the Separate Financial Statements

Our Opinion

In our opinion, the accompanying separate financial statements present fairly, in all material respects, the financial position of AyalaLand Logistics Holdings Corp. (the "Company") as at December 31, 2024 and 2023 and its financial performance and its cash flows for the years then ended in accordance with Philippine Financial Reporting Standards (PFRS) Accounting Standards.

What we have audited

The separate financial statements of the Company comprise:

- the statements of financial position as at December 31, 2024 and 2023;
- the statements of income for the years ended December 31, 2024 and 2023;
- the statements of comprehensive income for the years ended December 31, 2024 and 2023;
- the statements of changes in equity for the years ended December 31, 2024 and 2023;
- the statements of cash flows for the years ended December 31, 2024 and 2023; and
- the notes to separate financial statements, comprising material accounting policy and other information.

Basis for Opinion

We conducted our audits in accordance with Philippine Standards on Auditing (PSA).

Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audits of the Separate Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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 audit of the separate financial statements in the Philippines, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

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

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

In preparing the separate financial statements, management is responsible for assessing the ability of the Company 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 or to cease operations of the Company, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audits of the Separate Financial Statements

Our objectives are to obtain reasonable assurance about whether the separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 separate 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 separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast 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 auditor's report to the related disclosures in the separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the separate financial statements, including the disclosures, and whether the 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.

Independent Auditor's Report
To the Board of Directors and Stockholders of
AyalaLand Logistics Holdings Corp.
Page 4

Report on the Bureau of Internal Revenue (BIR) Requirement

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information required under BIR Revenue Regulations Nos. 15-2010 in Note 24 to the separate financial statements is presented for purposes of filing with the BIR and is not a required part of the basic financial statements. Such information is the responsibility of management of the Company. The information has been subjected to the auditing procedures applied in our audits of the basic financial statements. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Isla Lipana & Co.

Zaldy D. Aguirre
Partner
CPA Cert No.
P.T.R. No. , issued on ,
TIN
BIR A.N. , issued on ; effective until .
BOA/PRC Reg. No. , effective until

Makati City
February 14, 2025

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Statement Required by Section 8-A,
Revenue Regulations No. V-1

To the Board of Directors and Stockholders of
AyalaLand Logistics Holdings Corp.
3rd Level, Glorietta 5, Ayala Center
Makati City, Philippines

None of the partners of the firm have any financial interest in AyalaLand Logistics Holdings Corp. or any family relationships with its president, manager or officers.

The supplementary information on taxes and licenses for the year ended December 31, 2024 is presented in Note 24 to the financial statements.

Isla Lipana & Co.

Zaldy D. Aguirre
Partner
CPA Cert No.
P.T.R. No. , issued on ,
TIN
BIR A.N. , issued on ; effective until .
BOA/PRC Reg. No. , effective until

Makati City
February 14, 2025

Isla Lipana & Co., 29th Floor, AIA Tower, 8767 Paseo de Roxas, 1226 Makati City, Philippines
T: +63 (2) 8845 2728, www.pwc.com/ph

AyalaLand Logistics Holdings Corp.

Statements of Financial Position
As at December 31, 2024 and 2023
(All amounts in Philippine Peso)

	Notes	2024	2023
Assets			
Current assets			
Cash	2	12,371,798	3,803,561
Receivables, net	3	428,466	826,668
Financial assets at fair value through profit or loss	4	2,475,000	2,475,000
Amounts owed by related parties	12	751,142,103	567,556,852
Other current assets	6	113,900,320	99,140,275
Total current assets		880,317,687	673,802,356
Non-current assets			
Financial assets at fair value through other comprehensive income	5	24,000,000	15,000,000
Investments in subsidiaries and joint ventures	7	15,418,181,113	15,358,347,518
Property and equipment, net	8	4,860,856	3,757,965
Net pension assets	15	2,395,575	5,990,581
Deferred tax asset, net	16	35,081,723	33,933,116
Other non-current assets	6	9,688,499	6,488,225
Total non-current assets		15,494,207,766	15,423,517,405
Total assets		16,374,525,453	16,097,319,761
Liabilities and Equity			
Current liabilities			
Accounts payable and accrued expenses	9	68,304,126	44,855,179
Amounts owed to related parties	12	2,018,112,508	1,885,269,273
Current portion of long-term debt	10	12,900,000	12,900,000
Total current liabilities		2,099,316,634	1,943,024,452
Non-current liabilities			
Long-term debt, net of current portion	10	1,257,612,434	1,269,513,009
Other non-current liabilities	13	1,094,783,039	1,096,452,704
Total non-current liabilities		2,352,395,473	2,365,965,713
Total liabilities		4,451,712,107	4,308,990,165
Equity			
Capital stock	11	6,214,328,056	6,209,955,315
Additional paid-in capital	11	5,890,118,191	5,887,144,727
Equity reserves	19	33,278,045	33,278,045
Other comprehensive losses	11	(1,161,817,014)	(1,170,366,770)
Retained earnings		946,906,068	828,318,279
Total equity		11,922,813,346	11,788,329,596
Total liabilities and equity		16,374,525,453	16,097,319,761

The notes on pages 1 to 29 are integral part of these separate financial statements.

AyalaLand Logistics Holdings Corp.

Statements of Income
For the years ended December 31, 2024 and 2023
(All amounts in Philippine Peso)

	Notes	2024	2023
Income			
Dividend income	7	350,000,000	200,000,000
Recoveries	12	86,483,155	87,623,521
Interest income	2,6,15	531,383	826,708
Miscellaneous income		1,192,057	89,017
		438,206,595	288,539,246
Operating expenses			
Personnel costs	14	(71,256,226)	(50,123,346)
System costs	12	(31,624,496)	(14,597,249)
Taxes and licenses		(8,894,850)	(5,861,631)
Professional fees		(4,787,730)	(18,520,013)
Other operating expenses	14	(26,690,102)	(22,643,812)
		(143,253,404)	(111,746,051)
Income from operations		294,953,191	176,793,195
Other charges			
Interest expense	14	(152,452,951)	(81,529,484)
Equity in net loss of joint venture	7	(23,166,405)	(5,836,925)
Income before income tax		119,333,835	89,426,786
Income tax (expense) benefit	16	(746,046)	15,594,102
Net income for the year		118,587,789	105,020,888
Earnings per share	18	0.019	0.017

The notes on pages 1 to 29 are integral part of these separate financial statements.

AyalaLand Logistics Holdings Corp.

Statements of Comprehensive Income
For the years ended December 31, 2024 and 2023
(All amounts in Philippine Peso)

	Notes	2024	2023
Net income for the year		118,587,789	105,020,888
Other comprehensive income			
Items that may not be reclassified to profit or loss in subsequent years:			
Unrealized gain on equity financial assets at fair value through other comprehensive income	5	9,000,000	8,000,000
Loss on remeasurement of retirement benefits	15	(450,244)	(1,998,163)
		8,549,756	6,001,837
Total comprehensive income for the year		127,137,545	111,022,725

The notes on pages 1 to 29 are integral part of these separate financial statements.

AyalaLand Logistics Holdings Corp.

Statements of Changes in Equity
For the years ended December 31, 2024 and 2023
(All amounts in Philippine Peso)

	Capital stock (Note 11)	Additional paid-in capital (Note 11)	Equity reserves	Other comprehensive losses (Note 11)	Retained earnings	Total
Balances at January 1, 2023	6,201,776,483	5,881,572,097	33,278,045	(1,176,368,607)	723,297,391	11,663,555,409
Comprehensive income						
Net income for the year	-	-	-	-	105,020,888	105,020,888
Other comprehensive income for the year	-	-	-	6,001,837	-	6,001,837
Total comprehensive income for the year	-	-	-	6,001,837	105,020,888	111,022,725
Transaction with owners						
Proceeds from share subscriptions	8,178,832	5,572,630	-	-	-	13,751,462
Balances at December 31, 2023	6,209,955,315	5,887,144,727	33,278,045	(1,170,366,770)	828,318,279	11,788,329,596
Comprehensive income						
Net income for the year	-	-	-	-	118,587,789	118,587,789
Other comprehensive income for the year	-	-	-	8,549,756	-	8,549,756
Total comprehensive income for the year	-	-	-	8,549,756	118,587,789	127,137,545
Transaction with owners						
Proceeds from share subscriptions	4,372,741	2,973,464	-	-	-	7,346,205
Balances at December 31, 2024	6,214,328,056	5,890,118,191	33,278,045	(1,161,817,014)	946,906,068	11,922,813,346

The notes on pages 1 to 29 are integral part of these separate financial statements.

AyalaLand Logistics Holdings Corp.

Statements of Cash Flows
For the years ended December 31, 2024 and 2023
(All amounts in Philippine Peso)

	Notes	2024	2023
Cash flows from operating activities			
Income before income tax		119,333,835	89,426,786
Adjustments for:			
Depreciation and amortization	8,14	1,500,396	880,433
Amortization of right-of-use asset	17	-	1,832,263
Interest income	2,6,15	(531,383)	(826,708)
Interest expense	14	152,452,951	81,529,484
Equity in net loss of joint venture	7	23,166,405	5,836,925
Current service costs	15	3,361,303	2,217,081
Unrealized gain on financial assets at FVPL	4	-	(85,000)
Operating income before working capital changes		299,283,507	180,811,264
Receivables		489,844	(50,999)
Amounts owed by related parties		(150,000,000)	(200,000,000)
Other current assets		(14,760,045)	(19,278,436)
Accounts payable and accrued expenses		22,723,116	110,754
Other non-current liabilities		(1,669,665)	-
Net cash flows from (used in) operations		156,066,757	(38,407,417)
Interest received		2,082,241	88,000
Income tax paid		(1,744,572)	(885,626)
Net cash flows from (used in) operating activities		156,404,426	(39,205,043)
Cash flows from investing activities			
Additions of amounts owed to related parties	12	22,737,147	33,972,634
Collections of amounts owed by related parties		(58,331,521)	(32,596,632)
Additions to investment in joint ventures	7	(83,000,000)	(493,933,529)
Additions to other non-current assets		(3,200,272)	-
Acquisition of property and equipment	8	(2,876,881)	(4,602,549)
Net cash flows used in investing activities		(124,671,527)	(497,160,076)
Cash flows from financing activities			
Proceed from share subscription	11	7,346,205	13,751,462
Proceeds from notes receivable		-	173,934
Additions to amounts owed to related parties	12	1,134,246,700	1,515,175,000
Payments of:			
Amounts owed to related parties		(1,056,567,046)	(972,186,595)
Long term debt		(108,190,521)	(42,155,910)
Principal portion of lease liabilities	17	-	(1,907,100)
Net cash flows (used in) from financing activities		(23,164,662)	512,850,791
Net increase (decrease) in cash		8,568,237	(23,514,328)
Cash at beginning of the year		3,803,561	27,317,889
Cash at end of year		12,371,798	3,803,561

The notes on pages 1 to 29 are integral part of these separate financial statements.

AyalaLand Logistics Holdings Corp.

Notes to the Separate Financial Statements
As at and for the years ended December 31, 2024 and 2023
(In the notes, all amounts are in Philippine Peso unless otherwise stated)

1 Corporate information

AyalaLand Logistics Holdings Corp. (ALLHC; the "Company") was incorporated and registered with the Philippine Securities and Exchange Commission (SEC) on May 19, 1989. The Company's registered office address is 3rd Floor Glorietta 5, Ayala Center, Makati City. The Company is a subsidiary of Ayala Land, Inc. (ALI). ALI's parent company is Ayala Corporation (AC). AC is 47.57% owned by Mermac, Inc. and the rest by the public as at December 31, 2024. Both ALI and AC are publicly-listed companies incorporated in the Philippines. The Company is listed in the Philippine Stock Exchange.

The accompanying separate financial statements of the Company as at and for the years ended December 31, 2024 and 2023 were approved by the Company's Board of Directors (BOD) on February 14, 2025.

2 Cash

Cash as at December 31 consists of:

	2024	2023
Cash on hand	20,000	20,000
Cash in banks	12,351,798	3,783,561
	12,371,798	3,803,561

Cash in banks earn interest at the respective bank deposit rates.

Interest income earned from cash in bank for the year ended December 31, 2024 amounted to P73,118 (2023 - P42,504).

3 Receivables, net

Receivables, net as at December 31 consist of:

	2024	2023
Receivable from third party	23,610,224	23,610,224
Less: Allowance for expected credit losses	(23,610,224)	(23,610,224)
	-	-
Advances to officers and employees	155,623	95,738
Others	272,843	730,930
	428,466	826,668

Advances to officers and employees represent advances for travel and other expenses arising in the ordinary course of business. These are non-interest-bearing and are recoverable through expense liquidation within twelve (12) months from grant date.

Others mainly pertain to benefits advanced by the Company to its employees which are reimbursable from government agencies.

There was no provision for expected credit losses for the years ended December 31, 2024 and 2023.

4 Financial assets at FVPL

This account pertains to investments in redeemable preferred shares designated as financial assets at FVPL.

Movements of financial assets at FVPL for the years ended December 31 follows:

	2024	2023
Beginning of year	2,475,000	2,390,000
Unrealized gain	-	85,000
End of year	2,475,000	2,475,000

There was no dividend income earned from these shares amounted in 2024 and 2023.

5 Financial assets at FVOCI

Financial assets at FVOCI pertain to investments in equity securities which are not held for trading and which the Company has irrevocably designated at FVOCI, as the Company considers these investments to be strategic in nature.

These equity securities mainly pertain to quoted golf club shares and 19.65% equity interest in Cyber Bay Corporation.

The Company's investment in Cyber Bay Corporation amounting to P458.07 million is provided with full allowance. As at December 31, 2024 and 2023, the book value of Cyber Bay shares amounted to nil.

Movements of financial assets at FVOCI for the years ended December 31 follows:

	2024	2023
Beginning of year	15,000,000	7,000,000
Unrealized gain	9,000,000	8,000,000
End of year	24,000,000	15,000,000

6 Other assets

Other current assets

Other current assets as at December 31 consists of:

	2024	2023
Creditable withholding taxes (CWT)	77,720,532	66,348,773
Input VAT	35,629,722	32,794,134
Prepayments	766,700	214,002
	114,116,954	99,356,909
Less: Allowance for impairment losses	216,634	216,634
	113,900,320	99,140,275

Creditable withholding taxes (CWTs) are available for offset against income tax payable in the future periods.

Input value added tax (VAT) pertains to VAT passed on from purchases of goods or services which is available for application against output VAT.

Prepayments pertain to prepaid dues and software subscription licenses and other prepaid expenses that are to be amortized over a period of one (1) year.

There are no provisions for impairment losses for the years ended December 31, 2024 and 2023.

Other non-current assets

Other non-current assets as at December 31 consists of:

	2024	2023
Refundable deposits	1,713,861	1,183,006
Receivable from employees	1,297,494	1,552,315
Others	6,677,144	3,752,904
	9,688,499	6,488,225

Refundable deposits represent payments made by the Company mainly to utility companies in accordance to its utility service agreements which will be collected upon termination of underlying contract.

Receivable from employees pertains to payments made by the Company relating to employee car plans on behalf of the employees which will be recovered through salary deduction within three to five years. Interest income from employee loans amounted to P91,642 in 2024 (2023 - 45,496).

Others mainly pertain to prepaid project-related transaction costs which are expected to be amortized after 12 months.

7 Investments in subsidiaries and joint ventures

The details of investments in subsidiaries, accounted for at cost less impairment losses, and investments in joint venture, accounted for under equity method, as at December 31 are as follows:

	2024		2023	
	Ownership percentage	Amount	Ownership percentage	Amount
Subsidiaries:				
Orion Land, Inc. (OLI)	100.00%	7,530,680,000	100.00%	7,530,680,000
Laguna Technopark, Inc. (LTI)	100.00%	4,031,260,000	100.00%	4,031,260,000
Unity Realty Development Corp. (URDC)	100.00%	2,343,213,092	100.00%	2,343,213,092
A-Flow Land I Corp. (AFLOW Land)	60.00%	361,227,750	60.00%	361,227,750
Orion I Holdings Philippines, Inc. (OIHPI)**	100.00%	2,700,500,000	100.00%	2,700,500,000
FLT Prime Insurance Corporation (FPIC)*	78.77%	182,548,359	78.77%	182,548,359
Orion Solutions, Inc. (OSI)*	100.00%	50,464,890	100.00%	50,464,890
Stock options granted (Note 19)		15,393,668		15,393,668
		17,215,287,759		17,215,287,759
Less: allowance for impairment losses				
OIHPI**		(2,471,005,305)		(2,471,005,305)
FPIC*		(51,508,389)		(51,508,389)
OSI*		(12,200,000)		(12,200,000)
		(2,534,713,694)		(2,534,713,694)
		14,680,574,065		14,680,574,065
Joint venture:				
A-Flow Properties I Corp. (AFLOW PropCo)	50.00%		50.00%	
Beginning of year		677,773,453		181,145,369
Investment, net during the year		83,000,000		502,465,009
Equity in net loss during the year		(23,166,405)		(5,836,925)
End of year		737,607,048		677,773,453
		15,418,181,113		15,358,347,518

** Inactive companies approved by their respective BOD for liquidation*
***SEC approved shortening of corporate term*

All of the Company's subsidiaries and joint ventures are incorporated in the Philippines.
The voting rights held by the Company in its investments in subsidiaries are in proportion to its ownership interest.

Investments in subsidiaries

OLI
OLI operates a commercial building composed of a 5-storey shopping center and a 6-storey business processing outsourcing office with a gross leasable area of 60,000 square meters located along National Road, Alabang, Muntinlupa City.

LTI
LTI was incorporated on November 15, 1990 and is based in Laguna. LTI develops industrial parks and leases ready-built factory units and sells industrial lots to local and company locators.

LTI declared dividends in 2024 amounting to P350,000,000 which will be settled within 12 months (Note 12).

URDC
URDC was acquired from previous individual stockholders on July 19, 2019. URDC owns a property in Pampanga which is currently being developed to be Pampanga Technopark, a world-class industrial township, which caters to light and medium, non-polluting enterprises, from both global and local markets.

URDC declared dividends in 2023 amounting to P200,000,000 which was settled in 2024 (Note 12).

A-FLOW Land
A-FLOW Land was incorporated and registered with the Philippine Securities and Exchange Commission (SEC) on August 12, 2022. On October 4, 2023, ALLHC entered into subscription agreement with Flow Luna | Property Pte. Ltd (FLOW) representing 60% interest in A-FLOW Land. A-FLOW Land's primary purpose is to engage in the land leasing business.

Investments in joint venture

On October 4, 2022, ALLHC entered into Joint Venture agreement with Flow Luna I Property Pte. Ltd (FLOW) representing 50% interest in A-FLOW Properties I Corp (A-FLOW PropCo), a joint venture involved in the establishing, developing, operating, leasing, and owning digital, critical, and physical infrastructure of and for data center facilities and other digital transformative technologies, as well as to render and provide services ancillary to the foregoing. ALLHC's capital commitments is to fund equity required for the joint venture pari passu and on a pro rata basis to their agreed ownership ratio and in accordance with the terms of the agreement, provided that if there are shareholders of the A-FLOW PropCo other than FLOW, ALLHC and where applicable, their respective affiliates, the shareholders will fund equity based on their prevailing ownership ration.

Set out below is the summarized financial information for A-FLOW PropCo as at and for the year ended December 31:

	2024	2023
Current assets	771,681,397	440,700,827
Noncurrent assets	2,329,638,693	280,007,836
Current liabilities	(226,900,942)	(3,698,027)
Noncurrent liabilities	(1,710,000,000)	-
Equity	1,164,419,148	717,010,636
Revenue during the year	209,943	244,366
Net loss during the year	(46,332,810)	(11,673,850)
Total comprehensive loss during the year	(46,332,810)	(11,673,850)

The Company did not receive any dividends from A-FLOW PropCo for the year ended December 31, 2024 and 2023. The Company has not incurred any contingent liabilities as at December 31, 2024 and 2023 in relation to its interest in the joint ventures, nor do the joint ventures themselves have any contingent liabilities for which the Company is contingently liable.

8 Property and equipment

Property and equipment as at December 31 consist of:

	Furniture, fixtures and office equipment	Leasehold improvements	Transportation equipment	Total
2024				
Cost				
Beginning of year	6,320,519	2,201,307	2,709,375	11,231,201
Additions during the year	726,881	-	2,150,000	2,876,881
Disposals during the year	-	-	(321,875)	(321,875)
End of year	7,047,400	2,201,307	4,537,500	13,786,207
Accumulated depreciation and amortization				
Beginning of year	5,076,312	2,143,820	253,104	7,473,236
Depreciation and amortization during the year (Note 14)	589,315	57,487	853,594	1,500,396
Disposals during the year	-	-	(48,281)	(48,281)
End of year	5,665,627	2,201,307	1,058,417	8,925,351
Net book values	1,381,773	-	3,479,083	4,860,856

	Furniture, fixtures and office equipment	Leasehold improvements	Transportation equipment	Total
2023				
Cost				
Beginning of year	6,226,932	2,201,307	-	8,428,239
Additions during the year	198,943	-	2,709,375	2,908,318
Disposals during the year	(105,356)	-	-	(105,356)
End of year	6,320,519	2,201,307	2,709,375	11,231,201
Accumulated depreciation and amortization				
Beginning of year	4,624,099	2,042,042	-	6,666,141
Depreciation and amortization during the year (Note 14)	525,551	101,778	253,104	880,433
Disposals during the year	(73,338)	-	-	(73,338)
End of year	5,076,312	2,143,820	253,104	7,473,236
Net book values	1,244,207	57,487	2,456,271	3,757,965

9 Accounts payable and accrued expenses

Accounts payable and accrued expenses as at December 31 consists of:

	2024	2023
Accounts payable	52,438,437	37,021,189
Accrued expenses and others		
Interest	8,033,239	7,650,704
Salaries and benefits	7,832,450	183,286
	68,304,126	44,855,179

Accounts payable and accrued expenses are recognized in the period in which the related money, goods or services are received or when a legally enforceable claim against the Company is established. These are non-interest bearing and are normally settled on thirty (30) days' term. Accrued payables are non-interest bearing and are normally settled on sixty (60) days' term or due and demandable. These are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

10 Long-term debt

In 2021, the Company availed a loan from a local bank for working capital requirements amounting to P1,290,000,000 with a term of 10 years maturing in November 2031. Interest rate per annum is at 6.56% and 3.27% as at December 31, 2024 and 2023, respectively.

Movements in long term debt for the years ended December 31 are as follows:

	2024	2023
Beginning of year	1,282,413,009	1,281,418,599
Amortization of deferred transaction costs	999,425	994,410
Payments during the year	(12,900,000)	-
End of year	1,270,512,434	1,282,413,009
Current portion of long-term debt	12,900,000	12,900,000
Non-current portion of long-term debt	1,257,612,434	1,269,513,009

Interest expense arising from long-term debt amounted to P95,329,016 for the year ended December 31, 2024 (2023 - P45,995,257) (Note 14).

The loan require that the Company comply with certain covenants including, among others, a bank debt to tangible net worth ratio. As of December 31, 2024 and 2023, the Company has complied with these loan covenants.

11 Equity

Capital stock and additional paid-in capital

Details of the Company's capital stock and additional paid-in capital follows:

	2024		2023	
	Number of shares	Amount	Number of shares	Amount
Authorized, P1 par value	7,500,000,000	7,500,000,000	7,500,000,000	7,500,000,000
Issued	6,158,660,192	6,158,660,192	6,158,660,192	6,158,660,192
Subscribed	142,931,795	142,931,795	142,931,795	142,931,795
Subscription receivable		(87,263,931)		(91,636,672)
Issued and outstanding	6,301,591,987	6,214,328,056	6,301,591,987	6,209,955,315
Additional paid-in capital		5,890,118,191		5,887,144,727

Capital stock and additional paid-in capital increased by P4,372,741 and P2,973,464, respectively (2023 - P8,178,832 and P5,572,630, respectively), net of stock transaction costs, following collection of subscription receivable.

Other comprehensive loss, net

Details of the Company's other comprehensive loss, net follows:

	Note	2024	2023
Unrealized loss on financial assets at FVOCI	5	1,117,164,639	1,126,164,639
Loss on measurement of retirement benefits	15	44,652,375	44,202,131
		1,161,817,014	1,170,366,770

Capital Management

The primary objective of the Company's capital management is to optimize the use and earnings potential of the Company's resources and considering changes in economic conditions and the risk characteristics of the Company's activities.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares No changes were made in the objectives, policies or processes as at December 31, 2024 and 2023.

As at December 31, 2024 and 2023, the Company considers its capital stock, additional paid in capital and retained earnings as its capital.

The Company is not subject to externally imposed capital requirements.

12 Related party transactions

Related party relationship exists when one party has the ability to control, directly or indirectly through one or more intermediaries, the other party or exercise significant influence over the other party in making financial and operating decisions. Such relationship also exists between and/or among entities, which are under common control with the reporting enterprises and its key management personnel, directors or its stockholders. In considering each related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

Except as otherwise indicated, the outstanding accounts with related parties shall be settled in cash and made at terms and prices agreed upon by the parties. There have been no guarantees provided or received for any related party receivables or payables and are generally unsecured.

In the ordinary course of business, the Company has transactions with related parties.

Amounts owed by related parties

	Transactions for the year		Balance as at December 31 Due from		
	2024	**2023**	**2024**	**2023**	
Recoveries (Note 14)					Recoveries represents share in expenses incurred by the Company charged to its subsidiaries. These are unsecured, unguaranteed, non-interest bearing and collectible on demand.
Subsidiaries	86,483,155	87,623,521	82,596,905	67,601,814	
Advances to subsidiaries					Advances are for the subsidiaries' working capital requirements. These are unsecured, unguaranteed, non-interest bearing and payable in cash within 30 days.
Subsidiaries	22,737,147	33,972,634	298,784,901	281,929,115	
Dividends receivable (Note 7)					
Subsidiary	350,000,000	200,000,000	350,000,000	200,000,000	See Note 7.
Reimbursements of expenses					These are operating expenses settled by the Company on behalf of its related parties. These are collected in cash and based on credit term of 30 days, unsecured, unguaranteed and non-interest bearing.
Parent	1,314	46,291	9,923,767	9,922,453	
Entities under common control	1,723,730	14,839	3,727,200	2,003,470	
Other related parties	9,330	6,100,000	6,109,330	6,100,000	
	1,734,374	6,161,130	19,760,297	18,025,923	
	460,954,676	327,757,285	751,142,103	567,556,852	

Amounts owed to related parties

	Transactions for the year		Balance as at December 31 Due to		
	2024	**2023**	**2024**	**2023**	
Loans from related parties					These are unsecured, unguaranteed, interest bearing and payable in cash within 12 months. Interest rate is at 5.60% to 6.60% per annum. These loans were obtained to fund the Company's working capital requirements and business operations. Interest expense is due and demandable and shall be payable based on interest rates agreed between parties.
Parent	-	10,000,000	-	-	
Entities under common control	919,546,000	1,038,075,000	899,346,000	764,900,000	
Subsidiary	214,700,700	467,100,000	214,700,000	165,700,000	
	1,134,246,700	1,515,175,000	1,114,046,000	930,600,000	
Interest expense (Note 14)					
Parent	6,663,834	2,615,886	17,297,458	21,769,280	
Entities under common control	38,835,801	22,039,543	1,757,158	76,248,883	
Subsidiary	10,624,875	9,851,596	9,868,354	13,249,771	
	56,124,510	34,507,025	28,922,970	111,267,934	
	1,190,371,210	1,549,682,025	1,142,968,970	1,041,867,934	

			Balance as at December 31		
	Transactions for the year		Due to		
	2024	**2023**	**2024**	**2023**	
Systems cost					
Parent	31,624,496	14,597,249	143,622,241	129,279,230	The Company entered into system cost agreement with its related parties. In consideration of these services, fees are negotiated and billed equivalent to agreed prices. These are unsecured, unguaranteed, non-interest bearing and payable on demand.
Entities under common control	-	-	-	2,252,853	
	31,624,496	14,597,249	143,622,241	131,532,083	
Construction contracts and service fees					The Company has engaged the services of its related parties for the technical due diligence, land development and construction of facilities within its real estate properties, postal, communication and leased line services. In consideration, fees are negotiated and billed equivalent to agreed prices. These are unsecured, unguaranteed, non-interest bearing and payable on demand.
Entities under common control	2,888,721	1,440,239	18,833,400	3,221,703	
Subsidiary	-	68,619	-	5,588,437	
Other Related Parties	1,754,219	1,968,276	-	133,430	
	4,642,940	3,477,134	18,833,400	8,943,570	
Leases					
Entities under common control	1,635,654	1,267,139	-	899,062	The Company entered into a Contract of Lease with a related party for a building space located primarily for administrative use. The contract provided for a payment of a guaranteed fixed monthly rental. The lease covers period covers from July 1, 2020 to December 31, 2023. The contract was extended in 2024 for one year and again in 2025 for another year. Management consider the extension as a short-term lease.
Advances					
Entities under common control	-	-	270,200	1,000,000	Advances from related parties for the Company's working capital requirements. These are unsecured, unguaranteed, non-interest bearing and payable in cash within 30 days at gross amount.
Subsidiary	2,326,682	9,470,324	712,417,697	701,026,624	
	2,326,682	9,470,324	712,687,897	702,026,624	
	40,229,772	28,811,846	875,143,538	843,401,339	
	1,230,600,982	1,578,493,871	2,018,112,508	1,885,269,273	

Compensation of key management personnel

The key management personnel of the Company are employees of ALI. As such, the compensation of the said employees is paid by ALI, the necessary disclosures required by PAS 24, elated Party Disclosure are included in the financial statements of ALI. Compensation for said employees are billed to the Company and form part of systems cost. The Company also incurred director's fee amounting to P3,780,000 (2023 - P4,160,000) for the year ended December 31, 2024 (Note 14).

13 Other non-current liabilities

Details of the account are as follows:

	2024	2023
Subscription payable	1,094,732,918	1,094,732,918
Others	50,121	1,719,786
	1,094,783,039	1,096,452,704

As at December 31, 2024 and 2023, the Company has outstanding subscription payable on common shares of Cyber Bay and OLI amounting to P481.68 million.

14 Personnel costs; Other operating expenses; Finance costs

Personnel costs

Personnel costs for the year ended December 31 consists of:

	Notes	2024	2023
Salaries and wages		59,746,519	41,200,823
Retirement benefits costs	15	3,361,303	2,217,081
Other employee benefits		8,148,404	6,705,442
		71,256,226	50,123,346

Other operating expenses

Other operating expenses for the year ended December 31 consists of:

	Notes	2024	2023
Director's fee	12	3,780,000	4,160,000
Contracted services		3,571,143	4,718,387
Membership, fees and dues		3,500,541	505,049
Communication, light and water		2,894,646	2,686,355
Rent		2,583,036	743,550
Repairs and maintenance		2,196,521	775,122
Depreciation and amortization	8	1,500,396	880,433
Travel and transportation		932,870	1,751,843
Miscellaneous expenses		5,730,949	6,423,073
		26,690,102	22,643,812

Interest expense

Interest expense for the year ended December 31 consists of:

	Notes	2024	2023
Interest expenses from bank loan	10	(95,329,016)	(45,995,257)
Interest expenses from amounts owed to related parties	12	(56,124,510)	(34,507,025)
Discount amortization on bank loan	10	(999,425)	(994,410)
Interest expense on lease liabilities	17	-	(32,792)
		(152,452,951)	(81,529,484)

15 Retirement benefits liability

The Company has a funded, non-contributory retirement plan covering all its regular qualified employees. The plan provides for retirement, separation, disability and death benefits to its members. The normal retirement benefit is based on a percentage of the employees' final monthly salary for every year of credited service. The latest independent actuarial valuation of the plan was as at December 31, 2024 using the projected unit credit method in accordance with PAS 19 Revised.

The following tables summarize the funded status and amounts recognized in the Company's statements of financial position, and the components of the retirement benefit expense recognized in the Company's statements of income for the retirement plan:

	2024	2023
Fair value of plan assets	23,213,714	22,008,010
Present value of obligation (PVO)	(20,818,139)	(16,017,429)
Net pension asset	2,395,575	5,990,581

	Note	2024	2023
Current service cost	14	3,361,303	2,217,081
Interest income, net		(366,623)	(738,708)
		2,994,680	1,478,373

Changes in fair value of plan assets follows:

	2024	2023
Beginning of year	22,008,010	20,197,759
Interest income	1,340,769	1,466,672
Remeasurement (loss) gain	(135,065)	343,579
End of year	23,213,714	22,008,010

Changes in the retirement benefit obligation follows:

	2024	2023
Beginning of year	16,017,429	10,064,588
Current service cost	3,361,303	2,217,081
Interest cost	974,146	727,964
Remeasurement loss	465,261	3,007,796
End of year	20,818,139	16,017,429

The categories of plan assets as a percentage of fair value of the total plan assets follows:

	2024	2023
Fixed income	97.70%	99.54%
Cash	2.30%	0.46%
	100.00%	100.00%

The plan assets are invested in different financial instruments and do not have any concentration risk. The asset allocation of the plan is set and reviewed from time to time by the Trustee taking into account the membership profile and the liquidity requirements of the plan. This also considers the expected benefit cash flows to be matched with asset durations.

Debt securities include investments in government debt securities that are in the form of fixed rate treasury notes and retail treasury bonds issued by the Philippine government. As at December 31, 2024 and 2023, the plan assets do not include any equity instruments nor any property occupied, or other assets of the Company's related parties.

The Company does not expect to contribute to the retirement plan for the year 2024.

The principal assumptions used in determining retirement benefits costs and retirement benefits liability for the defined benefit plan are shown below:

	2024	2023
Discount rate	6.18%	6.12%
Salary increase rate	5.00%	5.00%

The sensitivity analysis below has been determined based on reasonably possible changes of each significant assumption on the defined benefit obligation as of the end of the reporting period, assuming if all other assumptions were held constant:

	Impact on retirement benefit obligation		
	Change in assumption	Increase in assumption	Decrease in assumption
December 31, 2024			
Discount rate	+/-1%	18,597,038	23,011,220
Future salary increase rate	+/-1%	23,128,229	18,824,866
December 31, 2023			
Discount rate	+/-1%	(14,503,771)	17,806,249
Future salary increase rate	+/-1%	17,896,100	(14,401,607)

It should be noted that the changes assumed to be reasonably possible at the valuation date are open to subjectivity, and do not consider more complex scenarios in which change other than those assumed may be deemed to be more reasonable.

The following table shows the maturity profile of the Company's defined benefit obligation based on undiscounted benefit payments:

	2024	2023
Less than 1 year	233,539	200,038
More than 1 year to 5 years	8,244,377	6,773,026
More than 5 years to 10 years	15,822,703	13,747,713
More than 10 years to 15 years	21,438,894	17,346,399
More than 15 years to 20 years	40,535,102	35,161,873
More than 20 years	97,242,939	72,434,491

The average duration of the defined benefit obligation is 15 years in 2024 and 2023.

16 Income tax

The details of income tax expense (benefit) follow:

	2024	2023
Current	1,744,572	885,626
Deferred	(998,526)	(16,479,728)
	746,046	(15,594,102)

The current income tax expense in 2024 and 2023 pertains to MCIT.

The reconciliation of (benefit from) provision for income tax computed at the statutory tax rate to the provision for income tax as shown in the Company's statements of income follows:

	2024	2023
Taxable income at statutory income tax rates	29,833,459	22,356,696
(Reductions in) additions to income tax resulting from:		
Movement on unrecognized deferred tax assets	58,637,973	12,033,306
Unamortized discount on long term debt	(249,856)	(248,603)
Non-deductible expenses	28,126	266,624
Interest income subject to final tax	(3,656)	(2,125)
Non-taxable dividend income	(87,500,000)	(50,000,000)
	746,046	(15,594,102)

Deferred tax assets and deferred tax liabilities are offset and the component of net deferred income tax assets reported in the statement of financial position as follows:

	2024	2023
Deferred income tax assets on:		
NOLCO	37,530,968	37,530,968
Deferred income tax liabilities on:		
Discount on long term debt	(1,646,891)	(1,896,747)
Pension asset	(802,354)	(1,701,105)
	35,081,723	33,933,116

The Company did not recognize deferred income tax assets on the following temporary differences, NOLCO and MCIT because management believes that it may not be probable that sufficient future taxable income will be available to allow part of the deferred income tax assets to be utilized.

	2024	2023
Allowance for impairment losses on:		
Investments in subsidiaries and an associate	2,534,713,694	2,534,713,694
Receivables	23,610,224	23,610,224
Prepayments and other current assets	192,820	192,820
NOLCO	314,524,003	86,891,903
MCIT	3,526,852	2,405,681
Loss on financial assets at FVPL	162,500	162,500

As at December 31, 2024 and 2023, the Company's NOLCO which can be claimed as deduction from the regular taxable income for the next three to five consecutive taxable years, as follows:

Year incurred	Year of expiration	2024	2023
2020	2025	48,037,215	48,037,215
2021	2026	38,598,484	38,598,484
2022	2025	42,182,178	42,182,178
2023	2026	108,197,896	108,197,896
2024	2027	227,632,100	-
		464,647,873	237,015,773
Tax rate		25%	25%
		116,161,968	59,253,943
Recognized DTA on NOLCO		37,530,968	37,530,968
Unrecognized DTA on NOLCO		78,631,000	21,722,975

As at December 31, 2024 and 2023, the Company has MCIT that can be used against payment of regular income tax as follows:

Year incurred	Year of expiration	2024	2023
2021	2023	608,777	608,777
2022	2025	919,779	919,779
2023	2026	877,125	877,125
2024	2027	1,729,948	1,729,948
		4,135,629	4,135,629
Expired		(608,777)	-
		3,526,852	4,135,629

17 Lease commitments

In 2020, the Company entered into a Contract of Lease with ALI Commercial Center, Inc., a related party, to lease a building space located primarily for administrative use of the Company. The contract provided for a payment of a guaranteed fixed monthly rental. The lease covers period covers from July 1, 2020 to December 31, 2023.

Set out below are the carrying amounts of right-of-use assets recognized and the movements as at and for the year ended December 31, 2023:

Cost	
Beginning and end of year	6,260,230
Accumulated depreciation and amortization	
Beginning of year	4,427,967
Depreciation (Note 14)	1,832,263
End of year	6,260,230
Net book value	-

Set out below are the carrying amounts of lease liabilities and the movements as at and for the year ended December 31, 2023:

Beginning of year	1,874,308
Accretion of interest	32,792
Payments	(1,907,100)
End of year	-

The following are the amounts recognized in profit or loss for the year ended December 31, 2023:

Depreciation expense for right-of-use assets	1,832,263
Interest expense on lease liabilities	32,792
Variable lease payments	234,990
	2,100,045

18 Earnings per share

Earnings per share are computed by dividing the net income for the year by the weighted average number of issued and outstanding shares of common stock during the year.

	2024	2023
Net income	118,587,789	105,020,888
Weighted average number of issued and outstanding shares of common stock	6,252,147,771	6,252,147,771
Earnings per share	0.019	0.017

Impact of ESOWN plan is not material to the calculation of earnings per share.

19 Share-based payments

In 2015, the Company introduced the ESOWN Plan (the Plan) wherein grantees (employees within ALLHC Group) may subscribe in whole or in part to the shares awarded to them based on a discounted market price, but in no case lower than the par value, that was determined at grant date. The grantees will pay for the shares subscribed through installments over a maximum period of ten (10) years. There are no share-based compensation granted for the years ended December 31, 2024 and 2023.

21 Summary of significant accounting judgments, estimates and assumptions

The preparation of the Company's financial statements in accordance with PFRS Accounting Standards requires the Company to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and disclosures of contingent assets and contingent liabilities, at the end of the reporting period. Future events may occur which will cause the assumptions used in arriving at the estimates to change. The effects of any change in judgments and estimates are reflected in the Company financial statements as they become reasonably determinable.

Judgments, estimates and assumptions 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. However, actual outcome can differ from these estimates.

21.1 Judgments

In the process of applying the Company's accounting policies, management has made the following judgments, apart from those involving estimations, which have the most significant effect on the amounts recognized in the financial statements:

Classification of joint venture

The Company's investment in joint venture is structured in separate incorporated entity. The respective joint arrangement agreement requires unanimous consent from all parties to the agreement for the relevant activities identified. The Company and the party to the agreement only have the rights to the net assets of the joint venture through the terms of contractual arrangements.

21.2 Estimates and assumptions

The key estimates and 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 financial year are discussed below. The Company based its assumptions and estimates on parameters available when the company financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes in circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Provision for expected credit losses (ECLs) of receivables and amounts owed by related parties

For dividend receivable amounts owed by related parties, ECLs are recognized in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next l2-m0nths (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

There was no provision for expected credit losses on receivables and amounts owned by related parties for the years ended December 31, 2024 and 2023.

Estimating allowances for impairment losses on investments in subsidiaries

The Company reviews investments in subsidiaries for impairment. This includes considering certain indicators of impairment such as the following:

- Significant or prolonged decline in the fair value of the asset;
- Increase in market interest rates or other market rates of return on investments which are likely to affect the discount rate used in calculating the asset's value in use and decrease the asset's recoverable amount materially;
- Significant changes with an adverse effect that have taken place in the technological market, economic or legal environment; and
- Significant changes in the manner of use of the acquired assets or the strategy for overall business.

An impairment loss shall be recognized if, and only if, the recoverable amount of an asset is less than its carrying amount. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

Estimating the recoverable value of investment in subsidiaries and an associate entails the determination of future cash flows expected to be generated from the continued use and ultimate disposition of such assets requiring the Company to make estimates and assumptions that can materially affect its company financial statements. Future events could cause the Company to conclude that the investments are impaired. Any resulting impairment loss could have a material adverse impact on the company statement of financial position and company statement of income.

There was no provision for impairment losses on investment in subsidiaries and an associate recognized for the years ended December 31, 2024 and 2023.

Estimating useful lives of property and equipment

The estimated useful lives used as bases for depreciating and amortizing the Company's property and equipment were determined on the basis of management's assessment of the period within which the benefits of these asset items are expected to be realized taking into account actual historical information on the use of such assets as well as industry standards and averages applicable to the Company's assets. The Company estimates the useful lives of its property and equipment based on the period over which the assets are expected to be available for use. The estimated useful lives of property and equipment are reviewed, at least, annually and are updated if expectations differ from previous estimates due to physical wear and tear and technical or commercial obsolescence on the use of these assets.
It is possible that future results of operations could be materially affected by changes in these estimates brought about by changes in the factors mentioned above. A reduction in the estimated useful lives of these assets increases depreciation and amortization and decreases the carrying value of property and equipment.

Determining retirement benefits liability

The cost of defined retirement obligation as well as the present value of the defined benefit obligation is determined using actuarial valuations. The actuarial valuation involves making various assumptions. These include the determination of the discount rates, future salary increases, mortality rates and future retirement increases. Due to the complexity of the valuation, the underlying assumptions and its long-term nature, defined benefit obligation are highly sensitive to changes in these assumptions. These assumptions are reviewed at each end of the reporting period.

In determining the appropriate discount rate, management considers the interest rates of government bonds that are denominated in the currency in which the benefits will be paid, with extrapolated maturities corresponding to the expected duration of the defined benefit obligation.

Further details about the assumptions used are provided in Note 15.

Assessing realizability of deferred income tax assets

The Company reviews the carrying amounts of deferred income tax assets at each end of the reporting period and reduces deferred income tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax assets to be utilized. Judgments and estimation are required to determine the amount of deferred income tax assets that can be recognized based upon the likely timing and level of future taxable income together with future tax planning strategies. However, there is no assurance that the Company will generate sufficient taxable profit to allow all or part of its deferred income tax assets to be utilized.

Temporary differences, NOLCO and MCIT for which no deferred income tax assets were recognized (as the management has assessed that it is not probable that sufficient taxable income will be available for which the benefit of the deferred income tax assets can be utilized) are disclosed in Note 16.

22 Financial instruments

22.1 Fair value information

The following method and assumptions were used to estimate the fair value of each class of financial instruments for which it is practicable to estimate such values as at December 31 are set out below:

	2024		2023	
	Carrying value	Fair value	Carrying value	Fair value
Financial assets at amortized costs				
Cash	12,371,798	12,371,798	3,803,561	3,803,561
Receivables	428,466	428,466	826,668	826,668
Amounts owed by related parties	751,142,103	751,142,103	567,556,852	567,556,852
Refundable deposits	1,713,861	1,713,861	1,183,006	1,183,006
Financial assets at FVPL	2,475,000	2,475,000	2,475,000	2,475,000
Financial assets at FVOCI	24,000,000	24,000,000	15,000,000	15,000,000
	792,131,228	792,131,228	590,845,087	590,845,087
Financial liabilities				
Accounts payable and accrued expenses	68,304,126	68,304,126	44,855,179	44,855,179
Amounts owed to related parties	2,018,112,509	2,018,112,509	1,885,269,273	1,885,269,273
Long-term debt	1,257,612,434	1,257,612,434	1,269,513,009	1,269,513,009
Subscription payable	1,094,732,918	1,094,732,918	1,094,732,918	1,094,732,918
	4,438,761,987	4,438,761,987	4,294,370,379	4,294,370,379

Cash

The carrying amount of cash approximates its fair values due to the short-term maturity of this financial instrument.

Receivables, Accounts payable and accrued expenses and Amounts owed to and by related Parties

The carrying amounts of the current portion of receivables, accounts payable and accrued expenses and amounts owed by related parties approximate their fair values due to their short-term nature.

Refundable Deposits

The fair values of noncurrent refundable deposits are determined by discounting future cash flows using the applicable rates of similar types of instruments.

Financial assets at FVPL

Listed equity securities designated as financial assets at FVPL are based on their quoted prices as at December 31, 2024 and 2023. The fair value of the UITF has been determined based on the net asset values as of reporting date.

Financial assets at FVOCI

Equity financial assets that are listed are based on their quoted prices published in markets as at December 31, 2024 and 2023.

Long-term debt

The fair values of long-term debt are estimated using the discounted cash flow methodology using the Company's current incremental borrowing rates and current yield rates for similar borrowings with maturities consistent with those of the liabilities being valued. The discount rates used for 2024 ranged from 6.56% to 6.64% (2023 - 5.12% to 6.12%).

Subscriptions payable

The carrying amounts of these financial instruments are all subject to normal credit terms which approximate their fair values.

22.2 Fair value hierarchy

The Company uses the following hierarchy for determining and disclosing the fair value of the financial instruments by valuation technique:

Listed FVOCI financial assets amounting to P24.00 million (2023 - P15.00 million) as at December 31, 2024 is classified under Level 1.

FVPL amounting to nil in 2024 (2023 - P2.48 million) as at December 31, 2024 is classified under Level 2.

There have been no reclassifications from Level 1 to Level 2 categories in 2024 and 2023.

22.3 Financial risk management objectives and policies and capital management

The Company has various financial instruments such as cash and cash equivalents, receivables, amounts owed by/to related parties, financial assets at FVPL, financial assets at FVOCI, deposits (included under "Other noncurrent assets") and accounts payable and accrued expenses, and subscription payable. The main purpose of these financial instruments is to raise funds and maintain continuity of funding and financial flexibility for the Company. The Company has other financial liabilities such as accounts payable and accrued expenses which arise directly from its operations.

The main risks from the use of financial instruments are liquidity risk, credit risk and equity price risk. The Company's BOD reviews and approves policies for managing these risks as summarized below.

a. *Liquidity risk*

Liquidity risk arises when there is a shortage of funds and the Company as a consequence could not meet its maturing obligations.

In the management of liquidity, the Company monitors and maintains a level of cash and cash equivalents deemed adequate to finance the Company's operations and mitigate the effects of fluctuations in cash flows.

The tables below summarize the maturity profile of the Company's financial assets and financial liabilities, and lease liability as at December 31 based on contractual undiscounted payments:

2024	On demand	Less than 3 months	3 to 12 months	1 to 5 years	Total
Financial assets at amortized costs					
Cash in bank	12,327,133	-	-	-	12,327,133
Receivables	428,466	-	-	-	428,466
Amounts owed by related parties	751,142,103	-	-	-	751,142,103
Refundable deposits	-	-	-	1,713,861	1,713,861
	763,897,702	-	-	1,713,861	765,611,563
Liabilities:					
Accounts payable and accrued expenses	68,304,126	-	-	-	68,304,126
Amounts owed to related parties	2,018,112,508	-	-	-	2,018,112,508
Subscription payable	-	-	-	1,094,732,918	1,094,732,918
Long term debt and interest payable	7,115,154	16,747,619	72,413,089	1,739,441,430	1,835,717,292
	2,093,531,788	16,747,619	72,413,089	2,834,174,348	5,016,866,844
Financial assets at amortized costs					
Cash in bank	3,783,561	-	-	-	3,783,561
Receivables	826,668	-	-	-	826,668
Amounts owed by related parties	567,556,852	-	-	-	567,556,852
Refundable deposits	-	-	-	1,183,006	1,183,006
	572,167,081	-	-	1,183,006	573,350,087
Liabilities:					
Accounts payable and accrued expenses	44,855,178	-	-	-	44,855,178
Amounts owed to related parties	1,885,269,273	-	-	-	1,885,269,273
Subscription payable	-	-	-	1,094,732,918	1,094,732,918
Long term debt and interest payable	7,881,695	24,302,689	24,249,366	1,884,518,574	1,940,952,324
	1,938,006,146	24,302,689	24,249,366	2,979,251,492	4,965,809,693

a. *Credit risk*

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions and other financial instruments.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets.

The credit quality per class of financial assets is as follows:

Cash and cash equivalents, classified as high grade amounted to P12.33 million (2023 - P3.80 million) as a December 31, 2024.

Receivables, classified as high grade amounted to P0.43 million (2023 - P0.83 million) as at December 31, 2024. The Company classified P23.61 million as impaired as of December 31, 2024 and 2023.

Amounts owed by related parties, classified as high grade amounted to P751.14 million (2023 - P567.56 million) as at December 31, 2024.

Deposits, classified as high grade amounted to P1.71 million as at December 31, 2024 and 2023.

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for customer with similar loss patterns. Generally, receivables are written off if past due for more than one year and are not subject to enforcement activity.

The tables below show the aging analyses of past due but not impaired receivables per class that the Company held as of December 31. A financial asset is past due when a counterparty has failed to make payment when contractually due.

	2024						
		Past due but not impaired					
	Neither past due nor impaired	Less than 30 days	31 to 60 days	61 to 90 days	More than 90 days	Impaired	Total
Loans and receivable:							
Cash in bank	12,327,133	-	-	-	-	-	12,327,133
Receivables	428,466	-	-	-	-	23,610,224	24,038,690
Amounts owed by related parties	751,142,103	-	-	-	-	-	751,142,103
Refundable deposits	1,713,861	-	-	-	-	-	1,713,861
	765,611,563	-	-	-	-	23,610,224	789,221,787

	2023						
		Past due but not impaired					
	Neither past due nor impaired	Less than 30 days	31 to 60 days	61 to 90 days	More than 90 days	Impaired	Total
Loans and receivable:							
Cash	3,783,561	-	-	-	-	-	3,783,561
Receivables	826,668	-	-	-	-	23,610,224	24,436,892
Amounts owed by related parties	567,556,852	-	-	-	-	-	567,556,852
Refundable deposits	1,183,006	-	-	-	-	-	1,183,006
	573,350,087	-	-	-	-	23,610,224	596,960,311

The credit quality of the financial assets was determined as follows:

Cash and cash equivalents, financial assets at FVPL, financial assets at FVOCI - based on the nature of the counterparty.

Receivables - high grade pertains to receivables with no default in payment; medium grade pertains to receivables with up to 3 defaults in payment; and low grade pertains to receivables with more than 3 defaults in payment;

The non-listed financial assets at FVOCI are unrated.

c. *Equity price risk*

Equity price risk is the risk that the fair values of equities decrease as the result of change in the levels of equity indices and the values of individual stock. The equity price risk exposure arises from the Company's investment in stocks. The equity investments of the Company are categorized as financial assets held at FVOCI.

The basic sensitivity analysis assumes that the stock's standard deviation on its historical yield for the past one year provides the basis for reasonably possible change in prices of the stock investments. The Company measures the sensitivity of its financial assets held at FVOCI by using PSE index fluctuations and its effect to respective share prices.

Management, however, does not foresee exposure to price risk on its financial assets at FVOCI to be significant.

23 Summary of material accounting policies

The material accounting policies that have been used in the preparation of the Company separate financial statements are summarized below. These policies have been consistently applied to all the years presented, unless otherwise stated.

23.1 Basis of preparation

The separate financial statements have been prepared primarily for tax filing purposes, on a historical cost basis, except for equity financial assets measured at fair value and retirement benefit obligation measured at the present value of the defined benefit obligation net of the fair value of the plan assets.

Further, the separate financial statements accounted for its investments in subsidiaries at cost less impairment losses while its investment in joint venture using equity method in accordance with PAS 27.

The separate financial statements are presented in Philippine Peso, which is the Company functional currency. All amounts are rounded to the nearest Peso, unless otherwise indicated.

The separate financial statements provide comparative information in respect of the previous period.

Statement of compliance

The separate financial statements of the Company have been prepared in accordance with Philippine Financial Reporting Standards (PFRS) Accounting Standards. PFRS Accounting Standards comprise the following authoritative literature:

- PFRS Accounting Standards;
- PAS Standards; and
- Interpretation of the Philippine Interpretations Committee (PIC), Standing Interpretations Committee (SIC) and International Financial Reporting Interpretations Committee (IFRIC) which have been approved by the Financial and Sustainability Reporting Standards Council (FSRSC) and adopted by SEC.

The Company also prepares and issues consolidated financial statements for the same period as the company financial statements presented in compliance with PFRS Accounting Standards and these are available for public use at the Company's registered address as stated in Note 1.

23.2 Changes in accounting policies and disclosures

The accounting policies adopted are consistent with those of the previous financial year, except for the adoption of new standards effective as at January 1, 2024. The Company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

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

PAS 1, Presentation of Financial Statements (Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants)

Amendments made to PAS 1 Presentation of Financial Statements in 2020 and 2022 clarified that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the entity's expectations or events after the reporting date (e.g. the receipt of a waiver or a breach of covenant).

The amendments require disclosures if an entity classifies a liability as non-current and that liability is subject to covenants that the entity must comply with within 12 months of the reporting date. The disclosures include:

• the carrying amount of the liability
• information about the covenants, and
• facts and circumstances, if any, that indicate that the entity may have difficulty complying with the covenants.

The amendments also clarify what PAS 1 means when it refers to the 'settlement' of a liability. Terms of a liability that could, at the option of the counterparty, result in its settlement by the transfer of the entity's own equity instrument can only be ignored for the purpose of classifying the liability as current or noncurrent if the entity classifies the option as an equity instrument. However, conversion options that are classified as a liability must be considered when determining the current/non-current classification of a convertible note.

The amendments has been applied retrospectively in accordance with the normal requirements in PAS 8 *'Accounting Policies, Changes in Accounting Estimates and Errors'.*

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

The amendments specify that, in measuring the lease liability subsequent to the sale and leaseback, the seller-lessee determines 'lease payments' and 'revised lease payments' in a way that does not result in the seller-lessee recognizing any amount of the gain or loss that relates to the right-of-use that it retains. This could particularly impact sale and leaseback transactions where the lease payments include variable payments that do not depend on an index or a rate.

Future Changes in Accounting Policies

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

Amendments to the Classification and Measurement of Financial Instruments - Amendments to PFRS 9 and PFRS 7 (Effective beginning on or after January 1, 2026)

On May 30, 2024, the IASB issued targeted amendments to PFRS 9 and PFRS 7 to respond to recent questions arising in practice, and to include new requirements not only for financial institutions but also for corporate entities. These amendments:

- clarify the date of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;
- clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;
- add new disclosures for certain instruments with contractual terms that can change cashflows (such as some financial instruments with features linked to the achievement of environment, social and governance targets); and
- update the disclosures for equity instruments designated at fair value through other comprehensive income (FVOCI).

The adoption of the above amendments is not expected to have a material impact on the separate financial statements of the Company.

PFRS 18 Presentation and Disclosure in Financial Statements (Effective beginning on or after January 1, 2027)

PFRS 18 will replace PAS 1 Presentation of financial statements, introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. Even though PFRS 18 will not impact the recognition or measurement of items in the financial statements, its impacts on presentation and disclosure are expected to be pervasive, in particular those related to the statement of financial performance and providing management-defined performance measures within the financial statements.

Management is currently assessing the detailed implications of applying the new standard on the Company's separate financial statements. From the high-level preliminary assessment performed, the following potential impacts have been identified:

- Although the adoption of PFRS 18 will have no impact on the Company's net profit, the Company expects that grouping items of income and expenses in the statement of profit or loss into the new categories will impact how operating profit is calculated and reported. From the high-level impact assessment that the Company has performed, the following items might potentially impact operating profit:
- Foreign exchange differences currently aggregated in the line item 'other income and other gains/(losses) - net' in operating profit might need to be disaggregated, with some foreign exchange gains or losses presented below operating profit.

The line items presented on the primary financial statements might change as a result of the application of the concept of 'useful structured summary' and the enhanced principles on aggregation and disaggregation. In addition, since goodwill will be required to be separately presented in the statement of financial position, the Company will disaggregate goodwill and other intangible assets and present them separately in the statement of financial position.

The Company does not expect there to be a significant change in the information that is currently disclosed in the notes because the requirement to disclose material information remains unchanged; however, the way in which the information is grouped might change as a result of the aggregation/disaggregation principles. In addition, there will be significant new disclosures required for:

- management-defined performance measures;
- a break-down of the nature of expenses for line items presented by function in the operating category of the statement of profit or loss – this break-down is only required for certain nature expenses; and
- for the first annual period of application of PFRS 18, a reconciliation for each line item in the statement of profit or loss between the restated amounts presented by applying PFRS 18 and the amounts previously presented applying PAS 1.

From a cash flow statement perspective, there will be changes to how interest received and interest paid are presented. Interest paid will be presented as financing cash flows and interest received as investing cash flows, which is a change from current presentation as part of operating cash flows.

The Company will apply the new standard from its mandatory effective date of January 1, 2027.

Retrospective application is required, and so the comparative information for the financial year ending December 31, 2026 will be restated in accordance with PFRS 18.

23.3 Financial instruments

Financial assets

The Company classifies its financial assets in the following categories: (a) financial assets at amortized cost, (b) fair value through profit or loss and (c) fair value through other comprehensive income (OCI). The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

The Company's financial assets at amortized cost category comprise of cash (Note 2), receivables (Note 3), amounts owned to related parties (Note 12) and refundable deposits under other current assets (Note 6).

For financial asset at fair value through OCI, the Company had designated listed equity securities as not held for trading where management consider these investments to be strategic in nature.

For financial asset at fair value through profit or loss (FVPL), the Company had designated equity investment as held for trading financial asset where management intended to hold them for the medium to long-term. The Company's financial asset at FVPL consist of investment in redeemable preferred shares (Note 4).

Impairment of financial assets

The Company recognizes an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate.

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

The probability of default is applied to the estimate of the loss arising on default which is based on the difference between the contractual cash flows due and those that the Company would expect to receive. As these are future cash flows, these are discounted back to the time of default using the appropriate effective interest rate, usually being the original effective interest rate (EIR) or an approximation thereof.

The Company considers a financial asset in default generally when contractual payments are 30 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company.

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

Financial liabilities

The Company classifies its financial liabilities in the following categories: (a) financial liabilities at fair value through profit or loss (FVPL); and (b) financial liabilities at amortized cost. Financial liabilities at fair value through profit or loss is composed of two sub-categories: financial liabilities classified as held for trading and financial liabilities designated by the Company as at fair value through profit or loss upon initial recognition.

Management determines the classification of its financial liabilities at initial recognition.

The Company has not designated any financial liability as at fair value through profit or loss.

The Company's financial liabilities at amortized cost consist of accounts payables and accrued expenses (Note 9), amounts owned to related parties (Note 12), and long-term debt (Notes 10)

23.4 Fair Value Measurement

The Company classifies its fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2); and
- inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

The appropriate level is determined on the basis of the lowest level input that is significant to the fair value measurement.

The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting date. 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. The quoted market price used is the current bid price. These instruments are included in Level 1.

23.5 Investments in joint ventures

Investments in joint ventures are accounted under the equity method of accounting.

Under the equity method, the investments in the investee companies are carried in the statement of financial position at cost plus pose-acquisition changes in the Company's share in the net assets of the investee companies, less any impairments in values. The statement of income reflects the share of the results of the operations of the investee companies. The Company's share of post-acquisition movements in the investee's equity reserves is recognized directly in equity. Profits and losses resulting from transactions between the Company and the investee companies are eliminated to the extent of the interest in the investee companies and for unrealized losses to the extent that there is no evidence of impairment of the asset transferred. Dividends received are treated as a reduction of the carrying value of the investment.

23.6 Property and equipment

Property and equipment are carried at cost, net of accumulated depreciation and amortization and any impairment in value.

Depreciation and amortization are calculated on a straight-line basis over the estimated useful lives of the property and equipment as follows:

	Useful life in years
Furniture, fixtures and office equipment	2-5
Leasehold improvements	3-5
Transportation equipment	3-5

Leasehold improvements are amortized on a straight-line basis over their estimated useful lives or the term of the lease, whichever is shorter.

23.7 Income recognition

The specific recognition criteria described below must be met before income is recognized:

Recoveries

Recoveries represents share in expenses incurred by the Company charges to subsidiaries and is recognized when earned.

Dividend income

Dividend income is recognized when the Company's right to receive the payment is established.

Interest income

For all financial instruments measured at amortized cost, interest income or expense is recorded using the EIR, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset.

23.8 Retirement benefit costs

The Company has a non-contributory defined benefit retirement plan.

The cost of providing benefits under the defined benefit plans is actuarially determined using the projected unit credit method. This method reflects service rendered by employees to the date of valuation and incorporates assumptions concerning the employees' projected salaries.

Defined benefit costs comprise the following:

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

Service costs which include current service costs, past service costs and gains or losses on non-routine settlements are recognized as "Retirement benefits costs" under personnel costs in the company statement of income. Past service costs are recognized when plan amendment or curtailment occurs. These amounts are calculated periodically by independent qualified actuaries.

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

Remeasurements comprising actuarial gains and losses, return on plan assets and any change in the effect of the asset ceiling (excluding net interest on defined benefit liability) are recognized immediately in OCI in the period in which they arise. Remeasurements are not reclassified to the company statement of income in subsequent periods.

Plan assets are assets that are held by a long-term employee benefit fund or qualifying insurance policies. Plan assets are not available to the creditors of the Company, nor can they be paid directly to the Company. Fair value of plan assets is based on market price information. When no market price is available, the fair value of plan assets is estimated by discounting expected future cash flows using a discount rate that reflects both the risk associated with the plan assets and the maturity or expected disposal date of those assets (or, if they have no maturity, the expected period until the settlement of the related obligations). If the fair value of the plan assets is higher than the present value of the defined benefit obligation, the measurement of the resulting defined benefit asset is limited to the present value of economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.

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

23.9 Leases (Company as a lessee)

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

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes. In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). The Company considers the factors below as the most relevant in assessing the options:

- If there are significant penalties to terminate (or not extend), the Company is typically reasonably certain to extend (or not terminate).
- If any leasehold improvements are expected to have a significant remaining value, the Company is typically reasonably certain to extend (or not terminate).
- Otherwise, the Company considers other factors including historical lease durations and the costs and business disruption required to replace the leased asset.

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

In calculating the present value of lease payments, the Company uses the Incremental Borrowing Rate (IBR) at the lease commencement date if the interest rate implicit in the lease is not readily determinable. To determine the incremental borrowing rate, the Company:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third-party financing was received
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the Company, which does not have recent third-party financing, and
- makes adjustments specific to the lease, e.g., term, country, currency and security.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases and all leases of low-value assets are recognized on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less without a purchase option.

23.10 Income tax

Current income tax

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

Current income tax relating to items recognized directly in equity is recognized in equity and not in profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred income tax

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

24 Supplementary information required by the Bureau of Internal Revenue (BIR)

The following information is presented for purposes of filing with the Bureau of Internal Revenue (BIR) and is not a required part of the basic financial statements. Full amounts presented below are in Philippine Peso.

(i) Output VAT

Output VAT declared by the Company for the year ended December 31, 2024 and the revenues upon which the same was based consist of:

	Net sales/receipts	Output VAT
Taxable income		
Sale of services	114,752,802	13,770,336

The Company's sales of services are based on actual collections received, hence, may not be the same as the amounts accrued in the company statement of income.

(ii) Input VAT

Movements in input VAT paid for by the Company for the year ended December 31, 2024 are shown below:

Input VAT, December 31, 2023	32,794,134
Current year's domestic purchases and payments for:	
Goods other than for resale or manufacture	13,532
Capital goods not subject to amortization	40,047
Services	11,086,443
	43,934,156
Less: Output VAT applied	(13,770,336)
	30,163,820
Input VAT deferred	5,397,791
Total input VAT, December 31, 2024	35,561,611

(iii) Importation

The Company does not have any purchases of imported goods subject to custom duties and tariff fees for year ended December 31, 2024.

(iv) *Excise tax*

The Company is not engaged in the manufacture or production of certain specified goods or articles subject to excise tax for domestic sale or consumption or for any disposition.

(v) *Documentary stamp tax*

The Company paid documentary stamp taxes amounting to P6,710,229 for the year ended December 31, 2024.

(vi) *Other local and national taxes*

The Company's local and national taxes in 2024 consist of:

Listing fee	867,725
Business permit	628,688
Annual registration fee	500
CTC	100,897
Others	580,147
	2,177,957

(vii) *Withholding taxes*

Withholding taxes paid and accrued and/or withheld by the Company in 2024 consists of:

Expanded withholding taxes	12,777,250
Withholding taxes on compensation and benefits	6,885,793
	19,663,043

(viii) *Tax assessments*

The Company has not received any assessment notices for the year ended December 31, 2024.

(ix) *Tax cases*

The Company does not have any outstanding tax cases under preliminary investigation, litigation and/or prosecution in courts or bodies outside of the BIR as at and for the year ended December 31, 2024.