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(Company's Full Name)

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

Brian N. Edang	3226-3552 ext 0088
Contact Person	Company Telephone Number

1 2	3 1	17-A	0 6	1 8
Month	*Day*	FORM TYPE	*Month*	*Day*
Calendar Year			Annual Meeting	

Secondary License Type, If Applicable

Dept. Requiring this Doc.

Amended Articles Number/Section

Total Amount of Borrowings

Total No. of Stockholders

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document I.D.

Cashier

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-A

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

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

2. SEC Identification Number **03145**

3. BIR Tax Identification No. **006-652-678-000**

4. Exact name of issuer as specified in its charter **VISTA LAND & LIFESCAPES, INC.**

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

6. [ ] (SEC Use Only) — Industry Classification Code:

7. **Lower Ground Floor, Building B, Evia Lifestyle Center, Vista City, Daanghari, Almanza II, Las Piñas City** — Address of principal office — **1740** — Postal Code

8. **(632) 3226-3552**
Issuer'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

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
Common stock (net of 416,128,700 treasury shares)	**12,698,007,676**
Preferred stock	
• **Series 2A**	**14,337,040**
• **Series 2B**	**15,662,960**
VLL Retail Bonds issued in 2017 (as of 03/31/2024)	**P5,000,000,000.00**
VLL Retail Bonds issued in 2018 (as of 03/31/2024)	**P10,000,000,000.00**
VLL Retail Bonds issued in 2019 (as of 03/31/2024)	**P10,000,000,000.00**
VLL Retail Bonds issued in 2023 (as of 03/31/2024)	**P6,000,000,000.00**

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

Yes [**X**] No [ ] d

Name of Stock Exchange: **Philippine Stock Exchange**
Class of securities listed: **Common Stocks, Preferred Stock Series 2**

12. Check whether the issuer:

    (a) has filed all reports required to be filed by Section 17 of the SRC and SRC Rule 17 thereunder, and Section 25 and 177 of the Revised Corporation Code of the Philippines, during the preceding twelve (12) months (or for such shorter period of the registrant was required to file such reports.)

    Yes [**x**] No [ ]

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

    Yes [**x**] No [ ]

13. State the aggregate market value of the voting stock held by non-affiliates of the registrant. The aggregate market value shall be computed by reference to the price at which the stock was sold, or the average bid and asked prices of such stock, as of a specified date within sixty (60) days prior to the date of filing. If a determination as to whether a particular person or entity is an affiliate cannot be made without involving unreasonable effort and expense, the aggregate market value of the common stock held by non-affiliates may be calculated on the basis of assumptions reasonable under the circumstances, provided the assumptions are set forth in this Form:

    ₱4.54 billion as of December 31, 2024

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

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

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

DOCUMENTS INCORPORATED BY REFERENCE

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

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

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PART I – BUSINESS

Item 1. Business

Overview

Vista Land & Lifescapes, Inc. (Vista Land) is one of the leading integrated property developers in the Philippines and the largest homebuilder in the country overall. The Company believes that it is one of the few leading integrated property developers in the Philippines that is focused on the mass market. For the years ended December 31, 2022, 2023 and 2024, the Company recorded consolidated revenues from real estate sales of ₱12,789.88 million, ₱15,228.48 million and ₱16,634.01 million, respectively. Vista Land provides a wide range of residential products to its customers across all income segments and has recently expanded into the retail mall and BPO segments via the acquisition of Vistamalls, Inc. Since it commenced operations in 1977, Vista Land has built over 500,000 homes. The Company has various horizontal and vertical projects in 147 cities and municipalities across 49 provinces in the country in various stages of development and level of sales. For its leasing portfolio, it has a company-wide occupancy of 87%.

Vista Land's primary business has historically been the development and sale of horizontal real estate projects, which comprise residential lots and units in the affordable, upper mid-cost and high-end housing segments. In addition, Vista Land develops and sells vertical residential projects, including low- to high-rise condominium developments. Approximately 52% of real estate revenues are house and lot sales while the remaining 48% are sales of condominium units as of December 31, 2024. For the same period, the Company believes that it has the largest market share in the "house and lot" segment among the top seven listed real estate developers. The Company harnesses over 40 years of professional expertise in residential real estate development and believes it has established a nationwide presence, superior brand recognition and proven track record in homebuilding. Its projects include master-planned developments and stand-alone residential subdivisions which offer lots, house and lots and condominium units to customers in the affordable, upper mid-cost and high-end market segments. The Company has developed numerous "themed" housing and land development projects inspired by Mediterranean, Swiss, Italian, American, Caribbean and American Southern architecture and design. The Company believes that strict attention to detail in the execution of these themed communities helps to distinguish it from other companies.

The Company currently owns 88.34% of the outstanding common capital stock of Vistamalls. Vistamalls is a major developer, owner and operator of retail malls that target mass market retail consumers in the Philippines and is widely recognized as an early mover in this market segment, focusing on establishing operating malls in densely populated areas underserved by similar retail malls and located in close proximity to transport hubs and key infrastructure. It also develops and operates BPO commercial centers.

The Company operates its residential and commercial property development business through six distinct business units. Camella Homes, Inc., Communities Philippines, Inc., Crown Asia Properties, Inc., Brittany Corporation, and Vista Residences, Inc. are focused on residential property development, while Vistamalls, Inc. is involved in commercial property development. Briefly, these business units may be distinguished as follows:

- ***Camella Homes, Inc. (Camella Homes).*** For over 40 years, Camella Homes has serviced the affordable housing segment (houses priced from ₱3.0 million to ₱12.0 million) in the Mega Manila area. It markets its houses primarily under the "Camella" brand. According to the 2024 Philippine Survey and Research Center ("PSRC") "MANA 2024" Study, Camella was acknowledged as the most preferred brand overall in the Philippine housing market, with a brand awareness rate of 88%. As of December 31, 2024, Camella Homes recorded ₱3,584.0 million in real estate revenues, representing 21.5% of the Company's total real estate revenues;

- ***Communities Philippines, Inc. (Communities Philippines).*** Communities Philippines and its subsidiaries offer residential properties outside the Mega Manila area under the "Camella" and "Crown Asia" brands. In the last five years, majority of Communities Philippines' new projects were launched under the "Camella" brand, the Company's affordable housing brand. The Company believes that Communities Philippines and its subsidiaries have the widest coverage of developments in the regions outside Mega Manila by any

homebuilder in the Philippines and utilizes mostly Camella Homes' expertise and designs to offer houses in areas outside of the Mega Manila area that it believes are on par, in terms of quality, with the developments in the Mega Manila area. As of December 31, 2024, Communities Philippines and its subsidiaries recorded ₱5,984.7 million in real estate revenues, representing 36.0% of the Company's total real estate revenues;

- ***Crown Asia Properties, Inc. (Crown Asia)***. Crown Asia caters to the upper mid-cost housing segment in Mega Manila, primarily offering houses priced between ₱6.0 million and ₱35.0 million. As of December 31, 2024, Crown Asia recorded ₱930.8 million in real estate revenues, representing 5.6% of the Company's total real estate revenues;

- ***Brittany Corporation (Brittany)*.** Brittany caters to the high-end market segment in Mega Manila, offering luxury houses in master-planned communities, priced at ₱10.0 million to ₱100.0 million. As of December 31, 2024, Brittany recorded ₱1,626.3 million in real estate revenues, representing 9.8% of the Company's total real estate revenues;

- ***Vista Residences, Inc. (Vista Residences).*** Vista Residences offers vertical residential projects in the Mega Manila area in the low to upper mid-cost segments. Vertical home projects generally involve longer project development periods as well as some facilities, amenities and other specifications not often found in horizontal homes. As of December 31, 2024, Vista Residences recorded ₱4,508.2 million in real estate revenues, representing 27.1% of the Company's total real estate revenues; and

- ***Vistamalls, Inc. (formerly, Starmalls, Inc.) (Vistamalls)*** Vistamalls is a major developer, owner and operator of retail malls that target mass market retail consumers in the Philippines and develops and operates BPO commercial centers.

- ***VLL International, Inc.*** VLL International, Inc. was incorporated in Cayman Islands. The functional currency of VLL International, Inc. is the US Dollar.

The Company has no sale or revenues and net income contributed by foreign sales for 2022, 2023, and 2024.

Recent Developments

In 2022, the Company launched Vista Estates. Vista Estates is Vista Land's collection of vast master planned communities offering unique, premium and sustainable lifescapes which provide its guests, residents, and investors with limitless growth opportunities. The development is comprised of business parks and IT zones, institutional complexes, such as learning institutions, places of worship, events venues, and healthcare centers, commercial and retail districts, leisure and wellness hubs, and horizontal and vertical residential enclaves. Vista Estates transcends the typical standards of a master planned megalopolis by building cities-within-cities that are inspiring in vision, compelling in creativity, and grand in diversity. As of December 31, 2024, the Company launched 30 Vista Estates.

As of December 31, 2024, the Company's developments could be found in 147 cities and municipalities in 49 provinces throughout the Philippines. Most of the Company's developments are outside major central business districts. For the year 2024, the Company launched 25 projects located throughout the Philippines. The Company also has an extensive nationwide land bank available for future development. As of December 31, 2024, the Company owned approximately 2,279.32 hectares of raw land ready for development, with an additional 411.2 hectares available for development under joint venture agreements.

Development of the business of the registrant and its key operating subsidiaries or affiliates

Vista Land was incorporated in the Republic of the Philippines on 28 February 2007 and is the holding company of a group of six directly-owned operating subsidiaries, five of which are engaged mainly in developing residential subdivisions and constructing housing and condominium units in the Philippines. The sixth subsidiary, Vistamalls, is engaged in the operation and development of commercial properties for lease.

On 29 March 2007, the Company entered into an exchange agreement with Fine, Polar Property Holdings Corp., Adelfa Properties, Inc., Althorp Holdings, Inc. and Cambridge Group, Inc. whereby those companies sold all of their shares in the Company's subsidiaries to the Company in exchange for 4,528,801,106 shares issued by the Company out of its capital stock. This resulted in the Company owning substantially all of the outstanding shares of its directly-owned subsidiaries including Brittany, Crown Asia Properties (North), Inc., Crown Asia Properties, Inc., Crown Communities Holdings, Inc., Crown Communities (Davao), Inc., Crown Communities (Iloilo), Inc., Crown Communities (Cebu), Inc. and Crown Communities (Pampanga), Inc.

On 25 April 2007, the Company entered into an agreement with Fine and Brittany whereby Fine subscribed to 3,020,149,650 shares of the Company, and Fine and Brittany transferred to the Company 3,020,149,650 common shares of Camella Homes. The Company subsequently acquired 1,858,241,046 shares of Camella Homes from shareholders other than Fine and Brittany through a tender offer whereby each share in Camella Homes was exchanged for one share in the Company. Following the share transfer from Fine and Brittany and tender offer, the Company owned 4,878,390,696 shares in Camella Homes representing 99.3% of the total outstanding capital stock of Camella Homes as of 15 June 2007.

On 24 May 2007, the PSE approved the listing by way of introduction of the entire outstanding capital stock of the Company, consisting of 6,388,042,152 common shares. The Company's common shares were listed on the Main Board of the PSE on 25 June 2007.

On 29 October 2009, the Company acquired Polar Mines Realty Ventures, Inc., and subsequently changed its name to Vista Residences, Inc., in order to strengthen Vista Land's presence in the vertical housing segment.

On 10 November 2015, the Company signed an agreement to acquire approximately 88.3% of the outstanding common capital stock of Vistamalls from Fine, Althorp Holdings, Inc., Manuela Corporation, Mr. Manuel B. Villar, Jr. and Mr. Manuel Paolo A. Villar.

On 22 December 2015, the Company acquired common shares representing approximately 79.4% of total the outstanding capital stock of Vistamalls from Fine, Althorp Holdings, Inc., Manuela Corporation, Mr. Manuel B. Villar, Jr. and Mr. Manuel Paolo A. Villar. Further, VLLI has a tender offer to acquire 989.73 million more shares from minority shareholders which started on January 4, 2016 and expired on February 15, 2016. After the tender offer, 6.97 million shares tendered or 0.08% of the total shares of Vistamalls.

After the aforementioned transactions, Vistamalls, Masterpiece and Manuela became subsidiaries of VLLI as at December 31, 2015.

As at February 24, 2016, VLLI completed its acquisition of the shares of Vistamalls representing 88.34% or 7.44 billion shares.

On October 4, 2024, the Company raised Php 3 billion from its follow on offering of Series 2 Preferred Shares listed at the PSE. The preferred shares were offered to the public from September 16 to 25, 2024. The initial dividend rates for the Series 2A Preferred Shares (VLL2A) and Series 2B Preferred Shares (VLL2B) are 7.9892% p.a and 8.4000% p.a, respectively.

Camella Homes – The operations of Camella Homes can be traced back to 1977 through its wholly owned subsidiary, Household Development Corporation ("HDC"). HDC is focused on the development of low-cost standardised housing targeted at homebuyers who rely on Government-assisted financing. At the time, HDC conducted its activities in southern and south-western Metro Manila as well as the surrounding areas, and its homes were marketed as "Camella Homes." In 1983, Camella Homes established a wholly owned subsidiary, Palmera Houses, Inc., to focus on real estate development activities in northern and eastern Metro Manila and the surrounding areas. In 1991, Camella Homes widened the scope of its activities to include the development of larger planned communities with the commencement of the first phase of Springville City in the province of Cavite, a development which now encompasses approximately 240 hectares. In 1993, Camella Homes expanded its operations to include socialised housing developments, marketing these homes under the "Carissa" brand name. Camella Homes was listed on the PSE in 1995 as "C&P Homes." On 30 October 2007, the SEC approved the merger between Palmera Homes, Inc., Eastridge Estates, Inc., Ridgewood Estates, Inc. and HDC, the latter being the surviving entity. All of these entities are within the group of Camella Homes.

Communities Philippines – Communities Philippines, Inc., Communities Iloilo, Inc., Communities Davao, Inc., Communities Cebu, Inc. and Communities Pampanga, Inc. (collectively referred to as "Communities Philippines") offer residential properties outside the Mega Manila area in the low-cost, and segments. Communities Philippines' regional development efforts started in Cebu, Cagayan de Oro and Pangasinan. In 1996, Communities Philippines extended its nationwide presence by making its initial investment in Northern Luzon. Since then, Communities Philippines has launched a number of projects in 47 provinces, covering most of the Philippines' main urban areas including the provinces of Pangasinan, Pampanga, Bulacan, Batangas, Iloilo, Cebu, Leyte, Misamis Oriental, Davao del Sur and General Santos.

Crown Asia – Crown Asia and Crown Asia Properties (North), Inc. were established to cater primarily to the upper mid-cost segment. Since 1996, Crown Asia Properties, Inc. and Crown Asia Properties (North), Inc. have launched a large proportion of their projects under the "Crown Asia" brand name. Among these developments are La Mediterranea in Dasmarinas, Cavite, Maia Alta in Antipolo City, La Brea in Fairview, Quezon City, Citta Italia in Imus, Cavite and Residenza in Bacoor, Cavite. On 13 August 2008, the SEC approved the merger between Symmetrical Ventures, Inc., Crown Asia Properties (North), Inc. and Crown Asia Properties, Inc., the latter being the surviving entity.

Brittany – Established in 1984, Brittany was initially engaged primarily in the land banking business through direct acquisitions and joint venture arrangements. Brittany's first development, the La Residencia de Bacoor, was launched in 1993. From 1995 to 2000, Brittany launched successive signature projects including Belle Reve in Laguna, Crosswinds in Tagaytay City, Promenade and Fontamara in Laguna and Island Park in Dasmarinas, Cavite. Brittany expanded its operations in the high-end market with the launch of La Posada at Brittany Bay in 2001 and Portofino Heights in 2002. In 2004, Brittany entered the condominium market with the launch of its first residential condominium project called "Marfori Tower" located at Sucat, Muntinlupa.

Vista Residences – The Company acquired 100% of the voting shares of Polar Mines Realty Ventures, Inc. from Polar Property Holdings, Corp. on 29 October 2009. On 4 December 2009, the Company's Board of Directors approved the change of the corporate name from "Polar Mines Realty Ventures, Inc." to "Vista Residences, Inc." and on 29 January 2010, the SEC approved the change of name. Vista Land had only begun developing vertical homes five years before the acquisition of Polar Mines Realty Ventures, Inc., which had a particular focus on the development and sales of residential high-rise condominium projects across the Philippines. The acquisition of Polar Mines Realty Ventures, Inc. was designed to increase Vista Land's presence in the vertical homes segment. The name change to Vista Residences, Inc. was designed to consolidate the development and sales of all of Vista Land's vertical and high-rise condominium projects under the brand name "Vista Residences", thus creating a uniform, clear and strong market identity for the Company's vertical development projects.

Vistamalls was incorporated in 1969 to engage in mineral exploration. In 2012, the SEC approved the change in name of Polar Property Holdings Corp. to Starmalls, Inc. and the corresponding change in its primary business — to engage in the investment, real estate and leasing business. In 2019, the SEC approved the change in name of Starmalls, Inc. to Vistamalls, Inc. Vistamalls' two subsidiaries, Masterpiece Asia Properties, Inc. and Manuela Corporation are both engaged in the operation and development of commercial properties for lease.

For the year 2022, the Company also launched a total of 26 residential projects with an estimated project value of about ₱40.4 million, consisting of 10 projects for the affordable segment housing segment, 1 condominium development, 2 middle income segment projects, 2 high-end income segment projects and 11 Vista Estates. All of the projects were launched in areas outside Metro Manila including Cavite, Batangas, Bulacan, Davao del Sur, Agusan del Norte, Iloilo and Zamboanga del Sur.

Moreover, for the year 2023, the Company also launched a total of 34 residential projects with an estimated project value of about ₱50.72 million, consisting of 14 projects for the affordable residential segment, 3 condominum development, 1 middle income segment, 2 highend segment projects and 14 Vista Estates. All the projects were launched in areas outside Metro Manila including Palawan, Camarines Sur, Ilocos Norte, Leyte and Nueva Ecija.

Land acquisition

The Company sources land for its projects either through direct purchase or through joint venture arrangements with land owners. As a matter of policy, the Company conducts due diligence before acquiring any property or entering into any joint venture. The evaluation process focuses on four major factors:

- legal documents (e.g. title) related to the property;
- property valuation;
- technical characteristics of the property (e.g. location of fault lines); and
- other factors impacting the suitability and feasibility of developing future projects.

Before the Company acquires land or enters into joint ventures to develop land, the Company conducts extensive checks on both the owner and the land itself, with a particular focus on the veracity of the title covering the land and whether it can be traced back to the original judicial decree granting title over the land. As and when needed, the Company also engages third parties, such as surveyors and engineers, to verify that the land it seeks to acquire is covered by the technical description of the title.

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

Before directly acquiring land or entering into a joint venture arrangement with a land owner, the Company also conducts engineering and environmental assessments in order to determine if the land is suitable for construction. The land must be topographically amenable to housing development.

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

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

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

Joint ventures

Historically, the Company has grown its land bank primarily through direct purchases. In the past several years, however, the Company has begun to enter into joint venture agreements with land owners for its residential development business. These joint venture arrangements offer certain advantages to the Company, particularly because the Company is not required to pay for the land in advance. The Company's interests in these joint ventures vary depending on the value of the land against the estimated development cost. The Company holds a majority interest under most of its existing joint venture arrangements.

Historically, the Company has not experienced any material difficulties in identifying and engaging joint venture partners to supply land and currently does not expect to experience any such difficulties in the future. The Company believes that this is due to its track record of reliability and success, particularly in the suburban areas where many of the Company's projects have been located, thus giving its joint venture partners confidence in the future success

of their projects. Further, there is a prevalence of land owners in the Philippines who wish to develop their land but who may not have the financial resources and expertise to do so. The Company has also entered into joint venture agreements with commercial banks, such as Banco de Oro ("BDO"), Union Bank of the Philippines and a wholly-owned subsidiary of United Coconut Planters Bank ("UCPB") (now merged with Land Bank of the Philippines), to develop specific assets of the banks.

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

Sales and marketing costs are allocated to both the Company and the joint venture partner, with the joint venture agreement specifying a percentage of the contract price (typically 12.0% to 15.0%) for the lots allocated to the joint venture partner as the sales and marketing costs (including commissions to brokers) attributable to the sale of such lots. However, the Company is responsible for organizing and conducting actual sales and marketing activities.

The joint venture partner is also required to warrant his/her title over the land and, if necessary, to clear the land of tenants and informal occupants before the Company commences development work on the land. All costs relating to clearing the land of tenants and informal occupants are the responsibility of the joint venture partner, although the Company may provide cash advances to cover a portion of these costs, which will then be deducted from any sale proceeds attributable to the joint venture partner.

On November 27, 2020, the Company entered into a joint venture agreement with Mitsubishi Estate Co. Ltd. To develop Kizuna, a mixed-use, high-rise condominium project along Taft Avenue. It is strategically located close to various schools, hospitals, commercial centers, and public transportation. The condominium offers over 1,000 residential units in 32 floors and 7 floors of parking spaces. The expected completion of the projects is during the first half of 2026.

Project development

Residential Development Business

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

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

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

The site development process involves the planning of the potential project, including determination as to the suitable market segment, master planning, design of houses and landscape design. Development timetables vary from project to project, as each project differs in scale and design. Typically, site development after land acquisition takes at least one year, during which time the Company prepares both the master plan for the entire project (which can take several months and may be revised over the course of the project) and detailed plans for each project

phase (which can take up to two months), obtains the necessary government approvals and permits and conducts pre-marketing activities. Once the project has received a development permit from the relevant local government unit and a permit to sell from the HLURB, pre-sales of subdivision lots can begin (often on an initial phase of the project), as well as some initial development work on the project site. Future expansion of the project will depend on the level of sales. As one phase is sold, a new phase of the project will be open for sales and this process is repeated until project completion.

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

Projects within the affordable sector typically are developed to generate a mix of lot-only, house-and-lot, and condominium unit sales. Upper mid-cost and high-end projects normally generate a greater proportion of lot-only sales, because customers for these projects purchase the lot with a view to future development or with a preference to construct housing units of their own design and built to their specifications. The Company may also sell an initial phase of a project on a lot-only basis but later on develop additional phases with a view to generating house-and-lot sales.

For its residential units, the Company internally develops the construction designs. The Company's architects and engineers are trained to design structures to maximize efficiency and minimize production costs. The Company's current designs allow customers to upgrade finishing details on a customized basis after the housing units are delivered and future vertical expansion through the addition of a second storey. The Company will continue to invest in the development of design and planning construction to further reduce costs and continue to meet customer needs. As of 31 December 2024, the Company employed a total of 55 architects and 262 engineers, which includes those from Vistamalls.

Congruent with the over-all strategy of creating unique themed developments, the Company also develops and implements specific design parameters for houses to be built in its upper mid-cost and high-end subdivision projects. This helps the Company market each project based on a particular design aesthetic and its own unique characteristic and personality. The Company takes inspiration from well-established and unique architectural designs from the Mediterranean, the Swiss Alps, Italy, San Francisco, the Caribbean and the American South. In themed residential developments, the Company also requires that houses built by individual lot purchasers conform to the specific architectural theme.

The Company finances the development of projects through a combination of pre-sales and internally-generated funds, particularly for the construction of common areas and facilities during the early stages of a project. The Company also maintains some flexibility in timing the progress of its development projects to match the progress of pre-sales. Thus, the progress of a development is greatly influenced by the level of pre-sales. As one phase is sold, a new phase of the project will be opened for pre-sale and the process is repeated until project completion. From time to time, the Company sells receivables to help finance larger housing and land development projects.

Retail Mall Development and BPO Commercial Center Business

The Company, via the Vista Land Commercial Group including Vistamalls, has also achieved an early mover advantage, currently owning a portfolio of various retail malls and commercial strips and BPOs with a combined GFA of 1.6 million square meters as of December 31, 2024. For example, the Company, via Vistamalls, established Starmall EDSA Shaw in Mandaluyong City in 1988 before any other retail mall developer had entered the area, enabling it to establish its position as the dominant retail mall in the area. Since then, Mandaluyong City has seen the entry of several other retail mall operators.

Enjoying high footfall as well as a strong average occupancy rate, the Company's retail malls are strategically located in areas in close proximity to transport hubs and other key infrastructure in growth markets such as Las Piñas City, Mandaluyong City and the province of Bulacan. For example, the Company's mall in Mandaluyong City, Starmall Edsa-Shaw is directly connected to the Metro Rail Transit Line 3 ("MRT 3") Shaw station, a major railway station in Metro Manila. In addition, the same mall houses various transportation terminals which serve as nodes for people transiting within and between Metro Manila and nearby provinces.

The Company believes that its growth plans for this business, which will consist of new developments as well as asset enhancements to existing retail malls, will underpin the Company's position as the leader in the retail mall space in the Philippines.

Site development and construction

Residential Development Business

For its housing development activities, site development and construction work is contracted out to various qualified and accredited independent contractors. For larger projects, such as site development work, contracts are awarded on the basis of competitive bidding. For smaller-scale projects, such as the construction of certain structures within a project or of specific housing and condominium units, the Company will directly contract specific contractors based on its previous experience with such contractor for a specific type of project. In all cases, the Company's accreditation procedure takes into consideration each contractor's experience, financial capability, resources and track record of adhering to quality, cost and time of completion commitments. The Company maintains relationships with over 300 accredited independent contractors and deals with each of them on an arm's-length basis. The Company is not and does not expect to be dependent upon one or a limited number of suppliers or contractors.

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

- directly managing site development and construction activities;
- coordinating the activities of the Company's contractors and suppliers;
- overseeing quality and cost controls; and
- ensuring compliance with zoning and building codes and other regulatory requirements.

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

Housing unit construction will typically take three to 12 months to complete depending on the size. For vertical projects, midrise buildings take two to three years while high rise buildings take four to five years to complete.

Most construction materials are provided by the contractors themselves in accordance with the terms of their contracts. In certain cases, the Company guarantees payment to the Company-specified suppliers for purchases by contractors of construction materials. In these cases, the Company makes direct payments to such suppliers, with the amounts paid by the Company for construction materials deducted from payments to the contractors.

Progress payments are made to contractors during the term of the contract based on the accomplishment of predetermined project performance milestones. The Company usually retains 10.0% of each progress payment in the form of a guarantee bond or cash for up to one year from the date the contracted work is completed and accepted by the Company. The amounts retained are used to meet contingency costs, such as addressing claims from purchasers thereby limiting the financial burden on the Company.

As of December 31, 2024, the Company has ongoing construction works for more than 300 residential development projects in various stages of development and level of sales across the Philippine. The Company expects that the construction of vertical projects will be completed in 2025 onwards.

Retail Mall Development and BPO Commercial Center Business

Site development and construction work is contracted out to various qualified and accredited independent contractors. For larger projects, such as major repair or construction work, contracts are awarded on the basis of competitive bidding. For operational repairs and maintenance projects, contractors are hired without a competitive process based on previous experience with the contractor. In all cases, the accreditation procedure takes into consideration each contractor's experience, financial capability, resources and track record of adhering to quality, cost and time of completion commitments. Vistamalls maintains relationships with over 100 accredited independent contractors and deal with each of them on an arm's length basis.

Vistamalls' business and project development group is responsible for identifying sites for the construction of new retail malls, which in many cases are sites that are within the Group's properties. The business and project development group determines the viability of a potential plot of land for a new retail mall based on the demographics of the area, including the size of the population, its income levels, local government and local infrastructure and, in particular, accessibility to public transportation. Vistamalls also evaluates the presence of other retail commercial developments in the area. Once a suitable site is selected, the corporate planning group determines the absorbable size of the retail mall to be constructed and the GFA, which typically ranges from 20,000 to 70,000 square meters. The group then proceeds to secure all relevant government permits for the project, as well as all architectural and engineering schematics. The securing of permits and licenses and the completion of preliminary design works typically takes about two months. The construction of each retail mall is generally awarded on the basis of competitive bidding. The bid process and the preparation of detailed drawings and costings generally takes about three months. Vistamalls supervises the construction of each retail mall, which typically takes about six months to one year.

The Company plans to increase its GFA by 100,000 square meters annually.

Sales and Marketing

Residential Development Business

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

Local Marketing Network

The Company's local marketing and distribution network of independent contractors and agents for its housing development activities consists of approximately 3,000 teams, with a combined total of approximately 32,400 active agents. Of these marketing teams, 3,150 are accredited licensed realtors and 100 teams are direct marketing groups.

The Company believes that it offers its marketing teams competitive compensation terms. The Company's commission structure and incentive schemes vary relative to the network's affiliation and sales structure. The Company's exclusively contracted marketing teams are compensated through a monthly allowance and are provided administrative support by the Company, including office space and expense allowances.

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

International Marketing Network

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

This network consisted of 350 partners and 7,200 independent agents located in countries and regions with large OF populations, including the United States, as of 31 December 2024.

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

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

Awareness efforts are primarily conducted through periodic TV advertising on Philippine primetime television and sustained TV advertising on The Filipino Channel, as well as print advertising on national and geo-based publications. As added support, the Company through a special division called Prime Properties International has set up support marketing groups focused on and dedicated to servicing the international market.

Modes of Payments

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

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

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

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

Mortgage loans from private banks are available. These are offered to buyers who are perceived to be acceptable credit risks. To streamline the loan processing application, the Company has arrangements with several banks regarding the processing of applications with respect to the financing of unit purchases.

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

There are also instances where customers of the Company obtain financing from the Government. Government-subsidized loans under the government financial institution programs still continue to be the largest source of purchaser financing for the socialized market.

Mortgage loans

Mortgage loans from commercial banks are available to individuals who meet the credit risk criteria set by the relevant bank and those individuals who are able to comply with such bank's documentary requirements and credit investigation. To assist prospective buyers obtain mortgage financing from commercial banks, the Company has arrangements with several commercial banks, such as BDO, BPI Family Bank, Philippine Saving Bank, Unionbank of the Philippines, UCPB, RCBC Savings Bank, Security Bank, Bank of Commerce, Malayan Bank, China Bank Savings, China Trust Bank, PNB and Maybank. Further, the Company ensures that all of its units are properly and completely documented to adequately comply with the bank's requirements.

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

In-house financing

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

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

The Company typically finances 80% to 85% of the total purchase price of the property being sold. The loans are then repaid through equal monthly installments over periods ranging from five to 15 years. The interest rates charged by the Company for in-house financing typically range from 16% per annum to 19% per annum, depending on the term of the loan, with the financing agreement providing for an escalation of the interest rate in the event of a general rise in interest rates charged by the banks and other financial institutions.

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

Customer service and warranties

The Company believes it is important to ensure that quality service is afforded to homebuyers throughout and after the relevant sales period, including during house lay-out, construction, move-in and introduction to the homeowners' association. The Company mandates all its employees from all departments to be the customer ambassadors for homebuyers. This is to ensure that the customers can rely on any of the Company's employees should they have any questions or concerns.

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

Construction stage

At this stage, the production team takes over and starts the actual construction of the unit. At any time of the construction, the homebuyer can schedule a visit and inspection of his housing unit with the assistance of a technical staff who will be on hand to explain or answer any questions or requests.

Move-in and introduction to homeowners' association

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

Retail Mall Development and BPO Commercial Center Business

Leasing Policies

Retail Mall Development

The Company's leasing policy for tenant selection follows its target market strategy. The Vista Land Commercial Group mall leasing team is responsible for tenant selection. Tenants are evaluated in terms of their product offering, store concept, compliance with regulatory requirements and operational and financial capacity. All leases include arm's-length commercial terms, including those with the Company's affiliates. The high demand for tenancies within Vistamalls' retail malls means that it generally has a sufficient tenant pipeline to cover any vacancies that may arise in the retail malls.

Retail leases are generally granted for a term of two years with an average escalation of 5.0 to 10.0%, with the exception of some of the larger tenants, which are granted initial lease terms of three to five years with an escalation of 5.0% to 7.0%, renewable upon expiry for a similar period thereafter. Sixty days' notice is required of tenants for termination of their leases. The Group generally requires payment of four months' rent as a security deposit and two months' advance rental prior to the commencement of a lease. Upon renewal of a lease, the rental rates are adjusted to reflect the prevailing market rent.

BPO Commercial Centers

Tenant sourcing for WCC, Polar EDSA, BPO Las Piñas and Vista Hub BGC is conducted by the BPO division, augmented by reputable brokers, such as Colliers Philippines, Santos Knight Frank, Lee Chiu Property Consultant, Jones Lang Lasalle Leechiu, and CB Richard Ellis Philippines. Before the Company enters into lease contracts with BPO tenants, it seeks to understand their fit-out requirements for the rental space and evaluate the economics of such requirements. The Company directly engages in tenant sourcing for auxiliary food and beverage and service spaces and follows the evaluation process generally applied for retail mall tenants. Tenancies are generally granted for a term of one to three years, with the exception of larger tenants operating nationally, which are granted initial lease terms of two to ten years, renewable for a five-year term thereafter.

Management of the retail malls

The Company manages the development, leasing and marketing of its commercial properties internally, rather than outsourcing these functions. The malls are managed by a mall operations team consisting of the mall manager, building administrator and tenant relations officer. Operational services, including maintenance, security and janitorial services are outsourced to reputable third-party service providers and contracts with these providers are reviewed annually.

Bankruptcy, Receivership or Similar Proceeding

None for any of the subsidiaries and affiliates above.

Material Reclassification, Merger, Consolidation or Purchase or Sale of a Significant Amount of Assets (not ordinary) over the past three years

None.

Various diversification/new product lines introduced by the Company during the last three years

Vista Land is one of the largest integrated property developers in the Philippines and the leading homebuilder in the country overall. Vista Land provides a wide range of housing products to its customers across all income segments and has recently expanded into the mass market retail mall and BPO segments via the acquisition of Vistamalls, Inc.

Vistamalls is a major developer, owner and operator of retail malls that target mass market retail consumers in the Philippines and is an early mover in this market segment, focusing on locating in densely populated areas underserved by similar retail malls and located within close proximity to transport hubs and key infrastructure. It also develops and operates BPO commercial centers.

In 2022, the Company launched its masterplanned developments across growth centers in the country under Vista Estates. Vista Estates offers unique, premium, and sustainable lifescapes comprising business parks and IT zones; institutional complexes, such as learning institutions, places of worship, events venues, and healthcare centers, commercial and retail districts; leisure and wellness hubs; and horizontal and vertical residential enclaves. Each estate is uniquely themed - in consideration of the shape of the land's surface or its topography and in conjunction with the economic vision of the local government units (LGU) they are a part of.

Competition

Residential Development Business

The residential development market in the Philippines is intensely competitive. The Company has significant competitors for its residential housing and land development business. Compared to the commercial real estate and high-rise residential building markets, which require the resources to acquire land in expensive urban areas and the experience to manage these projects successfully, real property companies can more easily develop horizontal residential housing and land development projects in certain areas. Nevertheless, the Company's strong regulatory know-how, solid execution track record and nationwide footprint are difficult to replicate and effectively serve as a strong barrier against competition on a nationwide level. Because of the availability of joint venture arrangements with landowners and the ability to finance these projects through unit pre-sales, it is relatively easy for smaller players to enter into this business. There is, therefore, competition for land that is suitable for project development. There is also competition among various developers for residential real estate brokers.

Currently, the Company's competitors in its residential development business include companies such as Filinvest Land, Inc., Megaworld Corporation, Robinsons Land Corporation, Ayala Land, Inc,, and others. On the basis of publicly available information and its own market knowledge, the Company believes that it is the leading integrated property developer in the Philippines that is focused on the mass market. The Company's management also believes that the Company is able to offer competitive commissions and incentives for brokers and that the Company is able to compete on the basis of the pricing of its various products, which span all income segments, as well as brand recognition.

The Company also faces strong competition in the condominium market. The Company believes that its main competitors in these markets include companies such as Ayala Land, Inc., DMCI Development Homes, Inc., Megaworld Corporation, Robinsons Land Corporation, SM Prime Holdings, Inc., and others.

Retail Mall Development and BPO Commercial Center Business

Vistamalls' retail mall business competes with other retail malls in the geographic areas in which they operate. The other major retail mall operators in the Mega Manila area are Robinsons, SM Prime and Ayala Land. These national mall operators serve principally the "A", "B" and "upper C" segments of the population. In the mass market retail segment, where Vistamalls serves the "B", "Upper C", "Broad C" and "D" segments, Vistamalls' competitors consist principally of smaller mall operators such as the Ever Gotesco Group and City Malls. Vistamalls' believes that it is well positioned to face increased competition in the retail mall industry given its competitive advantages including, among other things, the location of its existing retail malls, the land bank of the Group, a successful tenant mix and selection criteria and synergies within the Group.

The Company is also in the mall business serving the "A", "B" and "upper C" segments of the population in locations where the catchment area are in those segments such as in Evia Lifestyle Center and Vistamall Sta. Rosa.

Supplier

The Group has a broad base of suppliers.

Customers

Vista Land has a broad market base including local and foreign individual and institutional clients. In addition, its Vista Land Commercial Group mass market retail mall and BPO platform dominantly focuses on a mass market consumer base.

Transactions with related parties

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

Government approvals/regulations

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

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

As of December 31, 2024, except for the pending tax reform program and proposed land conversion moratorium, the Company is not aware of any existing or probable governmental regulations that will have an effect on the Company's business operations.

In terms of amount spent for development activities (representing our capital expenditures) as a percentage of revenue from real estate sales 176% in 2022, 178.1% in 2023 and 173.9% in 2024.

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

Employees

The Company and its subsidiaries, had a total of 1,295 and 1,641 employees as of December 31, 2024 and 2023, respectively. This is broken down by function as follows:

Function	Number of employees	
	2024	2023
Administrative	225	366
Operations	573	744
Technical	497	531
Total	**1,295**	**1,641**

The Company recognizes that there may be a need to hire additional personnel to handle increase in the volume of business over the next twelve months. However, all such hiring decisions will be made taking into account the uncertainties surrounding the current market environment in addition to the long-term requirements of the business. As such, the Company does not anticipate a significant increase in the number of employees this year.

The Company has no collective bargaining agreements with its employees and none of the Company's employees belong to a union. The Company believes it has a good relationship with its employees and no key employees have left the Company during the past three years.

The Company provides employees with on-the-job-training and other development programs that assist them in effectively carrying out their jobs and that prepare them for career advancement in the Company.

The Company continuously strives to position itself as an employer of choice in the Philippine real estate industry. It offers what it believes to be competitive salary and benefits packages that allow it to compete in the job market for quality employees. The Company has no employee stock option plan.

Research and Development

While the Company engages in research and development activities focusing on the types of construction materials used for its housing and condominium units, construction methodology, value-engineering for its projects and quality assurance, as well as market studies on potential new retail malls and BPO commercial centers and gathering data on target retail customer base, the expenses incurred by the Company in connection with these activities for the last three fiscal years 2022 to 2024 are not material. The Company's research and development activities include organizing regular trips for its operations personnel, architects and engineers to various cities in America, Europe and Asia to enable them to become more attuned to high quality developments and latest trends from overseas.

Intellectual Property

The Company and its subsidiaries have a number of trademarks for its development projects as well as applications for the registration of various trademarks of its property developments pending with the Philippine Intellectual Property Office. These trademarks are important in the aggregate because name recognition and exclusivity of use are contributing factors to the success of the Company's and its subsidiaries' property developments. In the Philippines, certificates of registration of a trademark filed with the Philippine Intellectual Property Office prior to the effective date of the Philippine Intellectual Property Code in 1998 are generally effective for a period of 20 years from the date of the certificate, while those filed after the Philippine Intellectual Property Code became effective are generally effective for a shorter period of 10 years, unless terminated earlier.

The Company has also registered a number of the business names it uses for its property developments with the Department of Trade and Industry. Registering a business name with the Department of Trade and Industry precludes another entity engaged in the same or similar business from using the same business name as one that has been registered. A registration of a business name shall be effective for five years from the initial date of registration and must be renewed within the first six months following the expiration of the five-year period from the date of original registration. Pursuant to the Philippine Department of Trade and Industry Administrative Order No. 11 (Series of 2008), where the business name of a corporation appears in its articles of incorporation as the

corporate name, registration is no longer necessary. A corporation may also use a business name or style different from its corporate name provided such name or style appears in its articles of incorporation.

Trademark	Registrant	Registration Date	Renewal Date	Term	Principal Condition/s
VISTA LAND	Vista Land & Lifescapes, Inc.	09 June 2008	08 June 2018	10 Years	(1) Registrant must file a declaration of actual use within 1 year from the date of renewal and pay the required fee (2) Registrant must again file a declaration of actual use or non-use together with the evidence of use or reasons for non-use within 1 year from the 5th Anniversary of the date of renewal and pay the required fee
CROWN ASIA YOUR HOME OF CHOICE	Crown Asia Properties, Inc.	04 February 2008	04 February 2018	10 Years	
CAMELLA HOMES & COMMUNITIES	Camella Homes, Inc.	04 February 2008	04 February 2018	10 Years	
BRITTANY	Brittany Corporation	11 February 2008	11 February 2018	10 Years	
COMMUNITIES PHILIPPINES	Camella Homes, Inc.	03 March 2008	03 March 2018	10 Years	
Vistaland & Lifescapes	Vista Land & Lifescapes, Inc.	18 January 2018		10 Years	(1) Renewable upon payment of the prescribed fee and filing of request (2) Registrant must file a declaration of actual use within 3 years from the filing of the application and pay the required fee (3) Registrant must again file a declaration of actual use or non-use together with the evidence of use or reasons for non-use within 1 year from the 5th anniversary of registration and pay the required fee
VISTALAND HOMEBUILDER BOND	Vista Land & Lifescapes, Inc.	10 July 2020		10 Years	
STARMALL	Vistamalls, Inc.	16 August 2016		10 Years	
VISTA RESIDENCES	Vista Residences, Inc.	11 March 2016		10 Years	
STARMALL (Revised design)	Starmalls, Inc.	28 May 2015		10 Years	
MELLA	Vista Residences, Inc.	03 December 2016		10 Years	
VISTA CITY	Brittany Corporation	27 February 2020		10 Years	
Lessandra	Household Development Corporation	08 November 2020		10 Years	
Camella Condo Homes	Camella Homes, Inc.	07 June 2012		10 Years	

Insurance

The Company has insurance coverage that is required in the Philippines for real and personal property. Subject to the customary deductibles and exclusions, the Company's insurance policies include coverage for, among other things, buildings and improvements, machinery and equipment, furniture, fixtures and fittings against damage from fire and natural perils, machinery breakdown, third-party liability to the public and construction works. For its vertical

projects, the Company has also obtained insurance with various general contractors. The Company does not carry business interruption insurance.

Risks related to the Company's Business

Risks relating to competition

The Company faces significant competition in the Philippine residential and commercial property development market. In particular, the Company competes with other developers in locating and acquiring (either directly or through joint venture arrangements) parcels of land of suitable size in prime locations and at attractive prices. This is particularly true for land located in Mega Manila, as well as in other urbanized areas throughout the Philippines. The Company's continued growth also depends in large part on its ability either to acquire quality land at attractive prices or to enter into joint venture agreements with land-owning partners under terms that yield reasonable returns.

Based on the Company's current development plans, the Company believes that it has sufficient land reserves for property developments for the next several years. If the Philippine economy continues to grow and if demand for residential properties remains relatively strong, the Company expects that competition among developers for land reserves that are suitable for property development (whether through acquisitions or joint venture agreements) will intensify and that land acquisition costs, and its cost of sales, will increase as a result.

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

To mitigate this risk, Vista Land conducts regular market study and business intelligence updates in order to understand industry and market dynamics.

Risks relating to land acquisition and land bank management

The Company's future growth and development are heavily dependent on its ability to acquire or enter into agreements to develop additional tracts of land suitable for the Company's planned real estate projects. The Company faces strong competition from fellow developers for ideal parcels of land suitable for development. In addition, other factors make the task of acquisition difficult, including (a) ideal location; (b) suitable size; (c) economically acceptable price; and (d) legal and informal settler issues. In this area of the Company's operations, it faces greater difficulty in sourcing parcels of land located within Metro Manila and other urban areas throughout the Philippines.

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

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

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

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

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

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

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

The Philippines has adopted a system of land registration which is intended to conclusively confirm land ownership, and which is binding on all persons (including the Government); however, it is not uncommon for third parties to claim ownership of land which has already been registered and over which a title has been issued. There have also been cases where third parties have produced false or forged title certificates over land. From time to time the Company has had to defend itself against third parties who claim to be the rightful owners of land which has been either titled in the name of the persons selling the land to the Company or which has already been titled in the name of the Company.

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

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

Risk relating to joint venture agreements and transactions

The interests of joint venture partners for the Company's housing and land development projects may differ from the Company's and they may take actions that adversely affect the Company.

The Company has entered into joint venture agreements with landowners and, as part of its overall land acquisition strategy, intends to continue to do so. Under the terms of most of these joint venture agreements, the Company takes responsibility for project development and project sales, while its joint venture partner typically supplies the project land. A joint venture partner may have economic or business interests or goals inconsistent with or different

from those of the Company's. A joint venture partner may also take actions contrary to the Company's instructions or requests or in direct opposition to the Company's policies or objectives with respect to the real estate investments. A joint venture partner may not meet its obligations under the joint venture arrangement. Disputes between the Company and a joint venture partner could arise after significant capital investments in a project have been made, which could result in the loss of some or all of the Company's investment in the project. The Company's reliance on its joint venture arrangements could therefore have a material adverse effect on the Company's results of operations and financial condition.

To mitigate this risk, the Company as a standard policy to ensure that a binding agreement/contract with any joint-venture partner is made at the start of any partnership. Further, a constant open communication is maintained with all business partners.

Risk relating to property development and construction management

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

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

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

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

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

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

result thereof. Any of these factors could have a material adverse effect on the Company's business, financial condition and results of operations.

If any of the Company's projects experience construction or infrastructure failures, design flaws, significant project delays, quality control issues or otherwise, this could have a negative effect on the Company's reputation and make it more difficult to attract new customers to its new and existing housing and land development projects. Any negative effect on the Company's reputation or its brand could also affect the Company's ability to pre-sell its housing and land development projects. This would impair the Company's ability to reduce its capital investment requirements. The Company cannot provide any assurance that such events will not occur in a manner that would adversely affect its results of operations or financial condition.

As with most major property development companies, the Company manages these development and construction risks by ensuring that contractual arrangements with builders, engineers, suppliers and other contractors clearly specify costs, responsibilities and the appropriate benefits or penalties that may accrue to all parties in the event of favorable or adverse developments. The Company also maintains an experienced in-house team of engineers and technicians who are tasked to oversee and manage each project. As and when needed, the Company may also avail of the services of independent project managers and quantity surveyors to supplement its in-house project management capabilities.

Risks relating to specific target markets

Vista Land's sales to OFs and expatriate Filipinos comprise a significant portion of the Company's revenues. While the Company sees this segment as continuously growing, and providing it with buyers in the years to come, it is also prone to downturns, which can affect the Company's performance. These downturns may lead to (a) reduced deployment of new OFs; (b) reduced remittances from abroad; (c) a lower purchasing power of expatriate Filipinos than currently enjoyed; or (d) any combination or all of the above, and could adversely affect demand for Vista Land's projects from OFs and expatriate Filipinos. Such reduction in demand could have a material adverse effect on Vista Land's business, financial condition and results of operations.

To mitigate the possible impact of a sudden downturn in the OF market, it is Vista Land's business strategy to diversify its product offerings to serve as wide a market as possible. Any adverse developments in any one property sector may be offset or mitigated by more positive developments in other sectors. The Company also closely monitors the factors that may affect the OF market so that Vista Land can take the necessary corrective measures.

Risks relating to external marketing groups

The Company engages third-party brokers to market and sell its residential housing and land development projects domestically and internationally. It is a known practice in the Philippine real estate industry that these same brokers may also be promoters and sellers for other developers in the same markets in which the Company operates. More importantly, there can be no assurance that they will not favor the interests of their other clients over the interests of the Company in any lease or sale opportunities, or otherwise act in the Company's best interests.

The intense competition for the services of reputable and successful third-party brokers in the Philippines impels industry competitors to try to recruit brokers away from competing companies. The Company is not immune to such attempts. Competitors of the Company attempt to recruit brokers away from the Company from time to time. If a large number of these third-party brokers were to stop selling for the Company, this could disrupt the Company's business and negatively affect its financial condition, results of operations and prospects.

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

Risks relating to project and end-buyer financing

a) Fluctuations in interest rates, changes in Government borrowing patterns and Government regulations could have a material adverse effect on Vista Land's and its customers' ability to obtain financing.

Interest rates, and factors that affect interest rates, such as the Government's fiscal policy, could have a material adverse effect on Vista Land and on the demand for its products. For example:

- In connection with Vista Land's property development business, higher interest rates make it more expensive for Vista Land to borrow funds to finance ongoing projects or to obtain financing for new projects.

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

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

b) Vista Land is exposed to risks associated with its in-house financing activities, including the risk of customer default, and it may not be able to sustain its in-house financing program.

The Company offers in-house financing to customers, which may expose the Company to risks of customers missing on their payments and/or defaulting on their obligations that may lead to sales cancellations. The Company cannot adequately assure the resale of any property whose prior sale has been cancelled.

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

To mitigate these risks, the Company attempts to decrease the occurrence of financial defaults and sales cancellations due to the inability to pay by enforcing strict credit investigation policies and procedures. For ongoing in-house loans, the Company monitors each and every account to assist buyers and to provide immediate remedial measures in problem cases. The Company also spreads the financing risk by encouraging buyers to avail of commercial bank retail financing facilities.

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

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

Historically, the Company has not experienced a material number of cancellations to which the Maceda Law has applied; however, this is no assurance that such an event will not happen. An economic downturn, high interest rate episodes, and others could trigger such sales cancellations. Should this happen, the Company may not have enough funds on hand to pay the necessary cash refunds to buyers, or the Company may have to incur indebtedness in order to pay such cash refunds. As mentioned earlier, the Company cannot assure the

resale of a cancelled property, particularly during periods of economic slowdowns or downturns. Any of these events would adversely affect the Company's business, financial condition and results of operations.

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

There can be no assurance that the Company will not suffer from substantial sales cancellations and that such cancellations will not have a material adverse effect on its financial condition and results of operations.

To mitigate this risk, the Company has a structured and standardized credit approval process, which includes conducting background and credit checks on prospective buyers using national credit databases and, where feasible, conducting physical verification of claims regarding residences and properties owned. From time to time, the Company utilizes its receivables rediscounting lines with banks and other financial institutions and sells installment contract receivables. The Company ensures that all buyers are made aware of their responsibilities and obligations, and the resulting penalties for non-compliance. Each and every account is monitored to assist buyers and to provide immediate remedial measures in problem cases.

Risk relating to management of growth

a) The Company may not be able to successfully manage its growth.

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

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

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

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

Until recently, each of Vista Land's business units had operated as an independent company, with its own management and financial teams as well as its own information and technology (IT) systems. With the integration of the operations, records and database, Vista Land may experience delays in generating period-end financial information, particularly in situations where manually recorded financial information is required to be reconciled with information generated by the consolidated system. There can be no assurance that these constraints will not materially hinder the timeliness of such information in the future or affect Vista Land's ability

to generate and management's and investors' ability to receive promptly information regarding Vista Land's consolidated financial condition and results of operations.

To mitigate this risk, Vista Land conducts regular meetings and requires briefing from key departments.

Risks relating to natural catastrophes

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

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

Should an uninsured loss or a loss in excess of insured limits occur, the Company could lose all or a portion of the capital invested in a property, as well as the anticipated future turnover from such property, while remaining liable for any project construction costs or other financial obligations related to the property. Any material uninsured loss could adversely affect the Company's business, financial condition and results of operations.

Risks relating to over-reliance on some key Company personnel

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

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

The Company's ability to plan, design and execute current and future projects depends on its ability to attract, train, motivate and retain highly skilled personnel, particularly architects and engineers. However, this valuable human resource is also in demand not only by the Company's competitors, but also from companies outside the Philippines, particularly companies operating in the Middle East. It is important to point out that other development companies face the same risks.

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

To mitigate this risk, the Company provides its technical personnel with competitive compensation and incentive programs.

Risks relating to the Company's reputation

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

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

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

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

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

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

Working Capital

Vista Land finances its working capital requirements through a combination of internally-generated cash, pre-selling, joint ventures, borrowings and proceeds from sale of installment receivables.

Domestic and Export Sales

Amounts of revenue, profitability and identifiable assets attributable to domestic and foreign operations for 2024, 2023 and 2022 follow:

(in Php)	**2023**	**2023**	**2022**
Revenues			
Domestic	34,928,054,228	33,961,092,965	28,840,823,286
Foreign	–	–	–
Net operating Income			
Domestic	19,718,110,315	16,252,910,577	13,650,455,752
Foreign	–	–	–
Net income *(attributable to equity holders of VLL)*			
Domestic	7,653,265,137	8,656,053,138	6,119,908,897
Foreign	–	–	–
Total Assets			
Domestic	379,162,306,827	342,401,148,721	322,214,067,564
Foreign	–	–	–

Item 2. Properties

Details of the Company and its subsidiaries raw land inventory as of December 31, 2024 are set out in the table below:

Location	**Area (in has.)**
Mega Manila	815.1
Other parts of Luzon	903.2
Visayas	571.1
Mindanao	401.1
Total	**2,690.5**

Land includes Vistamalls 192.5 hectares of raw land as of December 31, 2024.

As of December 31, 2024, land and improvements are not used to secure the borrowing of the Group (see Note 20 of the 2024 Audited Financial Statements).

Properties for lease

The Company and its subsidiaries' properties for lease are mainly land and commercial centers. In the year 2024, 2023, and 2022, rental earned from investment properties amounted to ₱16.6 billion, ₱16.0 billion and ₱13.7 billion, respectively. Lease payments and terms vary depending on the type of property and tenant (see Note 14 of the 2024 Audited Financial Statements).

Item 3. Legal Proceedings

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

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

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

PART II – OPERATIONAL AND FINANCIAL INFORMATION

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

Market Information

Vista Land's common shares are listed with the Philippine Stock Exchange. The company was listed on June 25, 2007. Data on the quarterly stock price movement of Vista Land for the years 2025, 2024, 2023, and 2022:

	2025			2024			2023			2022		
Quarter	High	Low	Close	High	Low	Close	High	Low	Close	High	Low	Close
1st	1.70	1.48	1.70	1.81	1.57	1.59	2.01	1.62	1.71	3.53	2.57	2.61
2nd				1.62	1.46	1.48	1.78	1.65	1.70	2.84	1.92	1.98
3rd				1.61	1.42	1.6	1.70	1.56	1.64	2.26	1.60	1.60
4th				1.79	1.47	1.48	1.73	1.57	1.68	1.73	1.39	1.65

The market capitalization of VLL as of December 31, 2024 based on the closing price of ₱1.48/share on December 27, 2024, the last trading date for the fourth quarter of 2024, was approximately ₱18.79 billion.

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

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

Stockholders

Common

There are approximately 922 holders of common equity security of the Company as of December 31, 2024 (based on the number of accounts registered with the Stock Transfer Agent).

The following are the top 20 holders of the common securities of the Company:

	Name	No. of Shares	Percentage[1]
1	FINE PROPERTIES, INC.[2]	7,125,545,458	56.12%
2	PCD NOMINEE CORPORATION (FILIPINO)	2,204,838,477	17.36%
3	PCD NOMINEE CORPORATION (FOREIGN)	1,273,443,520	10.03%
4	ALTHORP HOLDINGS, INC[3]	1,235,292,469	9.73%
5	MANUELA CORPORATION [4]	752,208,215	5.92%
6	MANUEL B. VILLAR, JR. [4]	293,969,986	2.32%
7	MANUEL PAOLO A. VILLAR [5]	222,796,324	1.75%
8	JOHN T. LAO	2,853,000	0.02%
9	SULFICIO TAGUD JR. &/OR ESTER TAGUD	401,000	0.00%
10	CHRISTIAN A. AGUILAR	290,617	0.00%
11	ALBERTO S. FLORES	200,000	0.00%
12	BENJAMARIE THERESE N. SERRANO	200,000	0.00%
13	MARIBETH TOLENTINO	200,000	0.00%
14	CHERYL JOYCE YOUNG	200,000	0.00%
15	LUCIO W. YAN &/OR CLARA Y. YAN	150,000	0.00%
16	MAXIMO S. UY &/OR LIM HUE HUA	120,000	0.00%
17	LUCIO WONG YAN	100,000	0.00%

	Name	No. of Shares	Percentage[1]
18	ALBERTO MENDOZA &/OR OR JEANIE MENDOZA	94,635	0.00%
19	LUCIANO H. TAN	50,000	0.00%
20	ALEXANDER TANYA	40,000	0.00%
	TOTAL	**13,112,993,701**	**103.27%**
	OTHER STOCKHOLDERS	1,142,675	0.01%
	TREASURY SHARES	(416,128,700)	-3.28%
	TOTAL OUTSTANDING, ISSUED AND SUBSCRIBED	**12,698,007,676**	**100.00%**

[1]based on the total outstanding, issued and subscribed shares of 12,698,007,676 as of December 31, 2024
[2] Includes 1,338,599,797 lodged under PCD Nominee Corp. (Filipino)
[3]Includes 10,983,363 shares owned by ML&H Corporation which have been merged with Althorp Holdings, Inc. and 1,224,309,106 lodged under PCD Nominee Corp. (Filipino)
[4]Lodged under PCD Nominee Corp. (Filipino)
[5]Includes 222,596,324 lodged under PCD Nominee Corp. (Filipino)

Preferred Series 1

	Stockholder's Name	No. of Preferred Shares	Percentage (of Preferred Shares)
1	FINE PROPERTIES, INC.	3,300,000,000	100.00%
	Total outstanding, issued and subscribed	**3,300,000,000**	**100.00%**

Preferred Series 2A

	Stockholder's Name	No. of Preferred Shares	Percentage (of Preferred Shares)
1	PCD NOMINEE CORPORATION (FILIPINO)	14,258,730	99.45%
2	PCD NOMINEE CORPORATION (FOREIGN)	78,310	0.55%
	Total outstanding, issued and subscribed	**14,337,040**	**100.000%**

Preferred Series 2B

	Stockholder's Name	No. of Preferred Shares	Percentage (of Preferred Shares)
1	PCD NOMINEE CORPORATION (FILIPINO)	15,394,420	98.29%
2	PCD NOMINEE CORPORATION (FOREIGN)	268,540	1.71%
	Total outstanding, issued and subscribed	**15,662,960**	**100.000%**

Dividends

₱0.1120 per share Regular Cash Dividend
Declaration Date: November 14, 2024
Record date: November 28, 2024
Payment date: December 12, 2024

₱0.0620 per share Regular Cash Dividend
Declaration Date: September 30, 2023
Record date: October 16, 2023
Payment date: October 31, 2023

₱0.0292 per share Regular Cash Dividend
Declaration Date: September 30, 2022
Record date: October 14, 2022
Payment date: October 28, 2022

Dividend Policy

The Company's Board is authorized to declare dividends. A cash dividend declaration does not require any further approval from the Company's shareholders. A stock dividend declaration requires the further approval of shareholders representing not less than two-thirds of the Company's outstanding capital stock. Dividends may be declared only from unrestricted retained earnings.

In relation to foreign shareholders, dividends payable may not be remitted using foreign exchange sourced from the Philippine banking system unless the investment was first registered with the Bangko Sentral ng Pilipinas.

The Company is allowed under Philippine laws to declare property and stock dividends, subject to certain requirements.

Record Date

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

Dividends

The Company declares dividends to shareholders of record, which are paid from the Company's unrestricted retained earnings.

On September 28, 2018, the Board approved the amendment of the Company's Dividend Policy from an annual cash dividend payment ratio for its Shares of approximately 20% of its consolidated net income from the preceding fiscal year to a minimum of 20% of its consolidated net income from the preceding fiscal year, subject to the requirements of the applicable laws and regulations and the absence of circumstances which may restrict the payment of such dividends. Circumstances which could restrict the payment of cash dividends include, but are not limited to, when the Company undertakes major projects and developments requiring substantial cash expenditures or when it is restricted from paying cash dividends by its loan covenants. The Company's Board, may, at any time, modify such dividend payout ratio depending upon the results of operations and future projects and plans of the Company.

Recent Sale of Unregistered Securities

On January 30, 2024, the Company's wholly-owned subsidiary, VLL International, Inc. ("VLLI"), has executed a Subscription Agreement with DBS Bank Ltd., and The Hongkong and Shanghai Banking Corporation Ltd., as Managers, for the offer, sale and issuance of U.S.$300,000,000 8.875% Senior Guaranteed Notes due 2029 pursuant to the Issuer's U.S.$2,000,000,000 Medium Term Note ("MTN") Programme. On July 29, 2024, VLLI has completed the issuance of USD300 million 9.375 per cent senior guaranteed notes due 2029. These were issued under VLLI's USD2 billion MTN Programme. On August 6, 2024, VLLI has completed the issuance of USD50 million at 9.375 per cent senior guaranteed notes due 2029 (to be consolidated and form a single series with the USD300 million 9.375 per cent senior guaranteed notes due 2029 issued on 29 July 2024).

On April 4, 2023, the Parent Company (the Issuer) entered into a Corporate Notes Facility Agreement for the issuance of a long-term corporate notes consisting of Three-Year Corporate Notes due 2026 amounting to

₱6,000.00 million at a fixed rate of 7.61% per annum, payable on maturity date. On April 14, 2023, an additional issuance of Corporate Notes was made in the amount of ₱4,000.00 million due 2026, at a fixed interest of 7.63% per annum, payable on maturity date.

On December 28, 2022, the Company entered into a Corporate Notes Facility Agreement for the issuance of a long-term corporate notes consisting of Three-Year Corporate Note Facility due 2025 amounting of up to PHP 12.0 billion. The Group made an initial drawdown of PHP8.6 billion at a fixed rate of 7.9314% per annum. On January 31, 2023, an additional issuance of Corporate Notes was made in the amount of ₱2,900.00 million due 2025, at a fixed interest of 7.26% per annum, payable on maturity date.

On March 28, 2022, the Company has obtained a Five-Year Corporate Note Facility amounting to PHP 6.0 billion. The Group made an initial drawdown of PHP 4.0 billion at a fixed rate of 6.6416% per annum. On June 1, 2022, an additional issuance of Corporate Notes was made in the amount of PHP 2.0 billion due 2027, at a fixed interest of 6.6416% per annum.

The proceeds of the corporate notes facility were utilized to refinance existing or maturing obligations of the Group and for other general corporate purposes.

Stock Options

None.

Item 6. Management's Discussion and Analysis

REVIEW OF YEAR END 2024 VS YEAR END 2023

Revenues

Real Estate
The Company recorded revenue from real estate sales amounting to ₱16,634.0 million for the year ended December 31, 2024, an increase of 9.2% from ₱15,228.5 million last year. This was primarily attributable to the increase in the overall completion rate of sold inventories of its business units specifically in the affordable segment.

- Real estate revenue of Brittany increased by 67.1% to ₱1,626.3 million for 2024 from ₱973.1 million last year. This increase was principally attributable to the increase in the number of sold homes completed or under construction in the Mega Manila area in the high-end housing segment.

- Real estate revenue of Crown Asia increased by 65.8% to ₱930.8 million for 2024 from ₱561.5 million in 2023. This increase was principally attributable to the increase in the number of sold homes completed or under construction in the Mega Manila area in the upper middle-income housing segment during the year.

- Real estate revenue from Vista Residences increased by 43.2% to ₱4,508.2 million for 2024 from ₱3,147.4 million for 2023. This was principally attributable to the increase in number of sold condominium units completed or under construction during the period. Vista Residences is the business unit of Vista Land that develops and sells vertical projects across the Philippines.

- Real estate revenue of Communities Philippines decreased by 1.3% to ₱5,984.7 million for 2024 from ₱6,060.5 million for 2023. This decrease was principally attributable to the decrease in the number of sold homes completed or under construction outside the Mega Manila area in the low and affordable housing segment during the period.

- Real estate revenue of Camella decreased by 20.1% to ₱3,584.0 million for 2024 from ₱4,485.9 million for 2023. This decrease was principally attributable to the decrease in the number of sold homes completed or under construction in the Mega Manila area in the low and affordable housing segment during the period.

Rental income
Rental income increased by 2% from ₱16,021.4 million for the year ended December 31, 2024 to ₱16,330.2 million for the year ended December 31, 2024. The increase was primarily attributable to the increase in rates for the year.

Interest income from installment contract receivable and investments
Interest income increased by 12.4% from ₱1,808.6 million for the year ended 31 December 2023 to ₱2,033.0 million for the year ended 31 December 2024. The increase was primarily attributable to the higher interest received for the year from the investments at amortized costs at 46.1% increase to ₱1,756.3 million which was offset by the significant decrease in interest income from installment contracts receivable which posted a decrease of 54.4% to ₱276.7 million as majority of the Company's buyer is availing of mortgage financing.

Parking, hotel, mall administrative and processing fees and others
Income from parking, hotel, mall administrative and processing fees and others increased by 19.8% from ₱2,104.9 million for the year ended December 31, 2024 to ₱1,687.1 for the year ended December 31, 2024. The decrease was primarily attributable to the significant decrease in forfeitures for the year.

Costs and Expenses

Cost and expenses decreased by 14.1% to ₱15,209.9 million for the year ended December 31, 2024 from ₱17,708.2 million for the year ended December 31, 2024.

Cost of real estate sales decreased by 21.4% from ₱6,112.0 million for the year ended December 31, 2024 to ₱10,408.1 million for the year ended December 31, 202$ primarily due to the various cost saving initiatives as well as cleanup of remaining set up of estimated land development cost of completed projects.

- Operating expenses decreased by 10.2% from ₱11,596.2 million for the year ended December 31, 2024 to ₱10,408.1 million for the year ended December 31, 2024 primarily due to the following:

    - a decrease in provision for impairment losses on receivables from ₱848.0 million for the year ended December 31, 2024 to ₱298.7 million for the year ended December 31, 2024 due to lower provisioning for the year.

    - a decrease in occupancy costs from ₱1,116.5 million for the year ended 31 December 2023 to ₱805.2 million for the year ended 31 December 2024 due to the decreased in security and other occupancy related expenses of our malls.

    - a decrease in repairs and maintenance from ₱1,296.9 million for the year ended 31 December 2023 to ₱1,075.9 million for the year ended 31 December 2024 due to lower repairs and maintenance of various projects.

Gain from insurance proceeds
The Company recognized a gain from insurance proceed amounting to ₱1,841.2 million for the year ended 31 December 2023 and none for the year ended 31 December 2024.

Interest and other financing charges
Interest and other financing charges increased by 72.8% from ₱5,685.6 million for the year ended December 31, 2024 to ₱9,826.9 million for the year ended December 31, 2024. The increase was primarily attributable the lower capitalization rate for the year as the company fully adopted the new accounting standards for Borrowing costs.

Provision for Income Tax

Provision for income tax decreased by 31.3% from ₱3,318.6 million for the year ended December 31, 2024 to ₱2,279.0 million for the year ended December 31, 2024 primarily due to a lower taxable base for the year.

Net Income

As a result of the foregoing, the Company's core net income increased by 10.9% to ₱9,368.5 million for the year ended December 31, 2024 from ₱8,451.0 million (net of gain from insurance proceeds amounting to ₱1,841.2) for the year ended December 31, 2024.

For the year ended December 31, 2024, except as discussed in *Note 36 – Other Matters* of the 2024 Financial Statements on the impact of the COVID-19 pandemic, there were no other seasonal aspects that had a material effect on the financial condition or results of operations of the Company. Neither were there any trends, events or uncertainties that have had or that are reasonably expected to have a material impact on the net sales or revenues or income from continuing operations.

The Company is not aware of events that will cause a material change in the relationship between the costs and revenues.

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

FINANCIAL CONDITION

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

Total assets as of December 31, 2024 were ₱379,162.3 million compared to ₱342,401.2 million as of December 31, 2023, or a 10.7% increase. This was due to the following:

- Cash and cash equivalents including short term and long-term cash investments, and investments at amortized costs decreased by 8.6% from ₱49,908.9 million as of December 31, 2023 to ₱45,596.1 million as of December 31, 2024 due primarily to debt servicing for the year.

- Investments at fair value through other comprehensive income increased by 30.3% from ₱132.2 million as of December 31, 2023 to ₱172.2 million as of December 31, 2024 due to the increase in fair value for the year.

- Receivables increased by 45.5% from ₱83,403.1 million as of December 31, 2023 to ₱121,314.0 million as of December 31, 2024 due primarily to the full adoption of PFRS 15, higher recorded sales, increase in accrued rental income for the year.

- Real estate inventories including raw land for residential development and construction materials decreased by 10.6% from ₱63,771.2 million as of December 31, 2023 to ₱57,012.0 million as of December 31, 2024 due primarily increase in project launches and reversal of capitalized interest for the year.

- Project development costs increased by 49.8% from ₱1,396.3 million as of December 31, 2023 to ₱2,091.6 million as of December 31, 2024 due to increase in advances for project developments.

- Advances to a related parties decreased by 17.2% from ₱7,559.4 million as of December 31, 2023 to ₱6,256.9 million as of December 31, 2024 due to settlements for the year.

- Property and equipment decreased by 22.1% to ₱2,052.7 million as of December 31, 2024 from ₱2,636.2 million as of December 31, 2023 due to disposals and depreciation for the year.

- Investment properties increased by 8.1% to ₱134,752.5 million as of December 31, 2024 from ₱124,656.1 million as of December 31, 2023 due to capitalized interest for the year.

- Pension assets increased by 10.9% to ₱322.4 million as of December 31, 2024 from ₱290.8 million as of December 31, 2023 as a result of actuarial adjustment for the company's retirement program.

Total liabilities as of December 31, 2024 were ₱241,859.4 million compared to ₱209,539.6 million as of December 31, 2023, or a 15.4% increase. This was due to the following:

- Accounts and other payables increased by 53.3% to ₱31,444.9 million as of December 31, 2024 from ₱20,517.4 million as of December 31, 2023 due to increase in accounts payable to contractors and suppliers as construction activities increased during the year.

- Security deposits and unearned rental income decreased by 8.4% to ₱1,711.9 million as of December 31, 2024 from ₱2,013.0 million as of December 31, 2023 due [x].

- Income tax payable increased by 18.4% from ₱112.5 million as of December 31, 2023 to ₱133.2 million as of December 31, 2024 due to the current provision less cwt for the year.

- Dividend payable increased by 59.9% from ₱298.0 million as of December 31, 2023 to ₱476.5 as of December 31, 2024 due primarily to the declaration of dividends for the year.

- Bank loans including non-current portion increased by 4.6% from ₱53,183.0 million as of December 31, 2023 to ₱55,636.1 million as of December 31, 2024 due to proceeds for the year.

- Loans payable including non-current portion increased by 161.7% from ₱7,443.7 million as of December 31, 2023 to ₱19,482.7 million as of December 31, 2024 due to availment of Contract to sell financing during the year.

- Contract liabilities including non-current portion increased by 5.9% from ₱2,025.3 million as of December 31, 2023 to ₱2,144.8 million as of December 31, 2024 due to set up during the year.

- Deferred tax liabilities – net increased by 90.6% from ₱8,095.7 million as of December 31, 2023 to ₱15,428.1 million as of December 31, 2024 due to the additional deferred tax liabilities recognized for the year as part of the full adoption of PFRS 15.

- Other noncurrent liabilities increased by 16.9% from ₱2,156.4 million as of December 31, 2023 to ₱2,521.0 million as of December 31, 20233 due primarily to the increase in the [liabilities for purchased land and retention payable].

Total stockholder's equity increased by 2.4% from ₱132,862.3 million as of December 31, 2023 to ₱136,087.8 million as of December 31, 2024 due primarily to the issuance of preferred shares, net income recorded reduced by the retained earnings impact of the adoption of new accounting standards for the year ended December 31, 2024 and increase in non-controlling interest.

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

Key Performance Indicators	12/31/2024	12/31/2023
Current ratio [(a)]	1.81:1	1.85:1
Liability-to-equity ratio [(b)]	1.78:1	1.58:1
Interest expense/Income before Interest expense [(c)]	45.8%	29.5%
Return on assets [(d)]	2.5%	3.0%
Return on equity [(e)]	6.9%	7.7%

Notes:

a) Current Ratio: This ratio is obtained by dividing the Current Assets of the Company by its Current liabilities. This ratio is used as a test of the Company's liquidity.

b) Liability-to-equity ratio: This ratio is obtained by dividing the Company's Total Liabilities by its Total Equity. The ratio reveals the proportion of liability and equity a company is using to finance its business. It also measures a company's borrowing capacity.

c) Interest expense/Income before interest expense: This ratio is obtained by dividing interest expense for the period by its income before interest expense. This ratio shows whether a company is earning enough profits before interest to pay its interest cost comfortably

d) Return on assets: This ratio is obtained by dividing the Company's net income by its total assets. This measures the Company's earnings in relation to all of the resources it had at its disposal.

e) Return on equity: This ratio is obtained by dividing the Company's net income by its total equity. This measures the rate of return on the ownership interest of the Company's stockholders.

Because there are various calculation methods for the performance indicators above, the Company's presentation of such may not be comparable to similarly titled measures used by other companies.

Current ratio as of December 31, 2024 decreased from that of December 31, 2023 due primarily to the higher increase in current liabilities versus the increase in current assets.

Liability-to-equity ratio increased due to the increase in tota liablities.

Interest expense as a percentage of income before interest expense increased in the year ended December 31, 2024 compared to the ratio for the year ended December 31, 2023 due to the higher interest expense for the year.

Return on asset and return on equity decreased for the year ended December 31, 2024 compared to that on December 31, 2023 due to the higher increase in the total assets and equity for the year.

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

Cash and cash equivalents including short term and long-term cash investments, and investments at amortized costs decreased by 8.6% from ₱49,908.9 million as of December 31, 2023 to ₱45,596.1 million as of December 31, 2024 due primarily to debt servicing for the year.

Investments at fair value through other comprehensive income increased by 30.3% from ₱132.2 million as of December 31, 2023 to ₱172.2 million as of December 31, 2024 due to the increase in fair value for the year.

Receivables increased by 45.5% from ₱83,403.1 million as of December 31, 2023 to ₱121,314.0 million as of December 31, 2024 due primarily to the full adoption of PFRS 15, higher recorded sales, increase in accrued rental income for the year.

Real estate inventories including raw land for residential development and construction materials decreased by 10.6% from ₱63,771.2 million as of December 31, 2023 to ₱57,012.0 million as of December 31, 2024 due primarily increase in project launches and reversal of capitalized interest for the year.

Project development costs increased by 49.8% from ₱1,396.3 million as of December 31, 2023 to ₱2,091.6 million as of December 31, 2024 due to increase in advances for project developments.

Advances to a related parties decreased by 17.2% from ₱7,559.4 million as of December 31, 2023 to ₱6,256.9 million as of December 31, 2024 due to settlements for the year.

Property and equipment decreased by 22.1% to ₱2,052.7 million as of December 31, 2024 from ₱2,636.2 million as of December 31, 2023 due to disposals and depreciation for the year.

Investment properties increased by 8.1% to ₱134,752.5 million as of December 31, 2024 from ₱124,656.1 million as of December 31, 2023 due to capitalized interest for the year.

Pension assets increased by 10.9% to ₱322.4 million as of December 31, 2024 from ₱290.8 million as of December 31, 2023 as a result of actuarial adjustment for the company's retirement program.

Accounts and other payables increased by 53.3% to ₱31,444.9 million as of December 31, 2024 from ₱20,517.4 million as of December 31, 2023 due to increase in accounts payable to contractors and suppliers as construction activities increased during the year.

Security deposits and unearned rental income decreased by 8.4% to ₱1,711.9 million as of December 31, 2024 from ₱2,013.0 million as of December 31, 2023 due [x].

Income tax payable increased by 18.4% from ₱112.5 million as of December 31, 2023 to ₱133.2 million as of December 31, 2024 due to the current provision less cwt for the year.

Dividend payable increased by 59.9% from ₱298.0 million as of December 31, 2023 to ₱476.5 as of December 31, 2024 due primarily to the declaration of dividends for the year.

Bank loans including non-current portion increased by 4.6% from ₱53,183.0 million as of December 31, 2023 to ₱55,636.1 million as of December 31, 2024 due to proceeds for the year.

Loans payable including non-current portion increased by 161.7% from ₱7,443.7 million as of December 31, 2023 to ₱19,482.7 million as of December 31, 2024 due to availment of Contract to sell financing during the year.

Contract liabilities including non-current portion increased by 5.9% from ₱2,025.3 million as of December 31, 2023 to ₱2,144.8 million as of December 31, 2024 due to set up during the year.

Deferred tax liabilities – net increased by 90.6% from ₱8,095.7 million as of December 31, 2023 to ₱15,428.1 million as of December 31, 2024 due to the additional deferred tax liabilities recognized for the year as part of the full adoption of PFRS 15.

Other noncurrent liabilities increased by 16.9% from ₱2,156.4 million as of December 31, 2023 to ₱2,521.0 million as of December 31, 20233 due primarily to the increase in the liabilities for purchased land and retention payable.

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

The Company recorded revenue from real estate sales amounting to ₱16,634.0 million for the year ended December 31, 2024, an increase of 9.2% from ₱15,228.5 million last year. This was primarily attributable to the increase in the overall completion rate of sold inventories of its business units specifically in the affordable segment.

Rental income increased by 2% from ₱16,021.4 million for the year ended December 31, 2024 to ₱16,330.2 million for the year ended December 31, 2024. The increase was primarily attributable to the increase in rates for the year.

Interest income increased by 12.4% from ₱1,808.6 million for the year ended 31 December 2023 to ₱2,033.0 million for the year ended 31 December 2024. The increase was primarily attributable to the higher interest received for the year from the investments at amortized costs at 46.1% increase to ₱1,756.3 million which was offset by the significant decrease in interest income from installment contracts receivable which posted a decrease of 54.4% to ₱276.7 million as majority of the Company's buyer is availing of mortgage financing.

Income from parking, hotel, mall administrative and processing fees and others increased by 19.8% from ₱2,104.9 million for the year ended December 31, 2024 to ₱1,687.1 for the year ended December 31, 2024. The decrease was primarily attributable to the significant decrease in forfeitures for the year.

Cost of real estate sales decreased by 21.4% from ₱6,112.0 million for the year ended December 31, 2024 to ₱10,408.1 million for the year ended December 31, 202$ primarily due to the various cost saving initiatives as well as cleanup of remaining set up of estimated land development cost of completed projects.

Operating expenses decreased by 10.2% from ₱11,596.2 million for the year ended December 31, 2024 to ₱10,408.1 million for the year ended December 31, 2024 primarily due to the following: (a) a decrease in provision for impairment losses on receivables from ₱848.0 million for the year ended December 31, 2024 to ₱298.7 million for the year ended December 31, 2024 due to lower provisioning for the year, (b) a decrease in occupancy costs from ₱1,116.5 million for the year ended 31 December 2023 to ₱805.2 million for the year ended 31 December 2024 due to the decreased in security and other occupancy related expenses of our malls and (c) a decrease in repairs and maintenance from ₱1,296.9 million for the year ended 31 December 2023 to ₱1,075.9 million for the year ended 31 December 2024 due to lower repairs and maintenance of various projects.

The Company recognized a gain from insurance proceed amounting to ₱1,841.2 million for the year ended 31 December 2023 and none for the year ended 31 December 2024.

Interest and other financing charges increased by 72.8% from ₱5,685.6 million for the year ended December 31, 2024 to ₱9,826.9 million for the year ended December 31, 2024. The increase was primarily

attributable the lower capitalization rate for the year as the company fully adopted the new accounting standards for Borrowing costs.

Provision for income tax decreased by 31.3% from ₱3,318.6 million for the year ended December 31, 2024 to ₱2,279.0 million for the year ended December 31, 2024 primarily due to a lower taxable base for the year.

The Company's core net income increased by 10.9% to ₱9,368.5 million for the year ended December 31, 2024 from ₱8,451.0 million (net of gain from insurance proceeds amounting to ₱1,841.2) for the year ended December 31, 2024.

For the year ended December 31, 2024, except as discussed in Note 36 – Other Matters of the 2023 Financial Statements on the impact of the COVID-19 pandemic, there were no other seasonal aspects that had a material effect on the financial condition or results of operations of the Company. Neither were there any trends, events or uncertainties that have had or that are reasonably expected to have a material impact on the net sales or revenues or income from continuing operations.

The Company is not aware of events that will cause a material change in the relationship between the costs and revenues.

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

REVIEW OF YEAR END 2023 VS YEAR END 2022

Revenues

Real Estate

The Company recorded revenue from real estate sales amounting to ₱15,228.5 million for the year ended December 31, 2023, an increase of 19.1% from ₱12,789.9 million last year. This was primarily attributable to the increase in the overall completion rate of sold inventories of its business units specifically in the affordable segment.

- Real estate revenue of Camella increased by 58.2% to ₱4,485.9 million for 2023 from ₱2,836.0 million for 2022. This increase was principally attributable to the increase in the number of sold homes completed or under construction in the Mega Manila area in the low and affordable housing segment during the period.

- Real estate revenue from Vista Residences increased by 25.6% to ₱3,147.4 million for 2023 from ₱2,505.9 million for 2022. This was principally attributable to the increase in number of sold condominium units completed or under construction during the period. Vista Residences is the business unit of Vista Land that develops and sells vertical projects across the Philippines.

- Real estate revenue of Communities Philippines increased by 8.5% to ₱5,587.2 million for 2023 from ₱6,060.5 million for 2022. This increase was principally attributable to the increase in the number of sold homes completed or under construction outside the Mega Manila area in the low and affordable housing segment during the period.

- Real estate revenue of Crown Asia increased by 9.3% to ₱561.5 million for 2023 from ₱513.8 million in 2022. This increase was principally attributable to the increase in the number of sold homes completed or under construction in the Mega Manila area in the upper middle-income housing segment during the year.

- Real estate revenue of Brittany decreased by 27.8% to ₱973.1 million for 2023 from ₱1,347.0 million last year. This increase was principally attributable to the decrease in the number of sold homes completed or under construction in the Mega Manila area in the high-end housing segment.

Rental income
Rental income increased by 16.6% from ₱13,742.3 million for the year ended December 31, 2022 to ₱16,021.4 million for the year ended December 31, 2023. The increase was primarily attributable to the recovery of the malls, increase foot traffic and the contribution of newly opened commercial centers.

Interest income from installment contract receivable and investments
Interest income from installment contract receivable and investments increased by 7.5% from ₱1,682.5 million for the year ended December 31, 2022 to ₱1,808.6 million for the year ended December 31, 2023. The increased was primarily attributable to the increase in interest income from investments of 22.5% to ₱1,202.3 million offset by the decrease in interest income from installment contract receivables of 13.5% to ₱606.3 million for the year ended December 31, 2023 as more buyers are availing of bank financing.

Parking, hotel, mall administrative and processing fees and others
Income from parking, hotel, mall administrative and processing fees and others increased by 31.0% from ₱1,607.3 million for the year ended December 31, 2022 to ₱2,104.9 for the year ended December 31, 2023. The increase was primarily attributable to the increase mall related administrative and processing fees, parking, hotel operations as well as forfeitures.

Costs and Expenses

Cost and expenses increased by 16.6% to ₱17,708.2 million for the year ended December 31, 2023 from ₱15,190.4 million for the year ended December 31, 2022.

- Cost of real estate sales increased by 10.3% from ₱5,543.0 million for the year ended December 31, 2022 to ₱6,112.0 million for the year ended December 31, 2023 primarily due to the increase in the overall recorded sales of Vista Land's business units offset by cost savings from various cost saving initiatives implemented.

- Operating expenses increased by 20.2% from ₱9,647.4 million for the year ended December 31, 2022 to ₱11,596.2 million for the year ended December 31, 2021 primarily due to the following:

    - an increase in provision for impairment losses on receivables from ₱21.7 million for the year ended December 31, 2023 to ₱848.0 million for the year ended December 31, 2022 due to provisioning for the year. Allowance for impairment losses on receivables remained at 1.2% of the total receivables.

    - an increase in occupancy costs from ₱765.6 million for the year ended 31 December 2022 to ₱1,116.5 million for the year ended 31 December 2023 due to the increased in security and other occupancy related expenses of our malls.

    - an increase in depreciation and amortization from ₱2,638.8 million for the year ended 31 December 2022 to ₱2,889.0 million for the year ended 31 December 2023 due to the higher depreciation for the year.

Gain from insurance proceeds
The Company recognized a gain from insurance proceed amounting to ₱1,841.2 million for the year ended 31 December 2023.

Interest and other financing charges
Interest and other financing charges increased by 9.0% from ₱5,217.9 million for the year ended December 31, 2022 to ₱5,685.6 million for the year ended December 31, 2023. The increase was primarily attributable the lower capitalization rate for the year.

Provision for Income Tax

Provision for income tax increased by 64.2% from ₱2,021.1 million for the year ended December 31, 2022 to ₱3,318.6 million for the year ended December 31, 2023 primarily due to a higher taxable base for the year.

Net Income

As a result of the foregoing, the Company's net income increased by 39.2% to ₱10,292.2 million for the year ended December 31, 2023 from ₱7,392.6 million for the year ended December 31, 2022.

For the year ended December 31, 2023, except as discussed in *Note 36 – Other Matters* of the 2023 Financial Statements on the impact of the COVID-19 pandemic, there were no other seasonal aspects that had a material effect on the financial condition or results of operations of the Company. Neither were there any trends, events or uncertainties that have had or that are reasonably expected to have a material impact on the net sales or revenues or income from continuing operations.

The Company is not aware of events that will cause a material change in the relationship between the costs and revenues.

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

FINANCIAL CONDITION

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

Total assets as of December 31, 2023 were ₱342,401.2million compared to ₱322,214.2 million as of December 31, 2022, or a 6.3% increase. This was due to the following:

- Cash and cash equivalents including short term and long-term cash investments, and investments at amortized costs decreased by 11.6% from ₱56,617.0 million as of December 31, 2022 to ₱50,063.4 million as of December 31, 2023 due primarily to debt servicing for the year.

- Investments at fair value through other comprehensive income increased by 12.8% from ₱117.2 million as of December 31, 2022 to ₱132.2 million as of December 31, 2023 due to the increase in fair value.

- Receivables increased by 12.1% from ₱74,400.6 million as of December 31, 2022 to ₱83,403.1 million as of December 31, 2023 due primarily to the increase in accrued rental receivables.

- Real estate inventories including raw land for residential development and construction materials increased by 19.1% from ₱53,533.9 million as of December 31, 2022 to ₱63,771.2 million as of December 31, 2023 due to increase in project launches for the year.

- Project development costs increased by 10.0% from ₱1,269.2 million as of December 31, 2022 to ₱1,396.3 million as of December 31, 2023 due to increase in advances for project developments.

- Advances to a related parties increased by 7.3% from ₱7,042.3 million as of December 31, 2022 to ₱7,559.4 million as of December 31, 2023 due to advances for the year.

- Investment in joint venture increased by 6.7% to ₱499.4 million as of December 31, 2023 from ₱468.1 million as of December 31, 2022 due to share in equity earnings during the year.

- Property and equipment increased by 14.6% to ₱2,636.2 million as of December 31, 2023 from ₱2,301.1 million as of December 31, 2022 due to additions of buildings, equipment and other fixed assets during the year.

- Investment properties increased by 5.3% to ₱124,656.1 million as of December 31, 2023 from ₱118,343.6 million as of December 31, 2022 due to additions during the year.

- Pension assets decreased by 9.3% to ₱290.8 million as of December 31, 2023 from ₱320.7 million as of December 31, 2022 as a result of actuarial adjustment for the company's retirement program.

- Other assets, including cost to obtain increased by 4.7% to ₱7,894.6 million as of December 31, 2023 from ₱7,541.7 million as of December 31, 2022 due to increase in input vat and other prepaid expenses.

Total liabilities as of December 31, 2023 were ₱209,539.6 million compared to ₱198,564.0 million as of December 31, 2022, or a 5.5% increase. This was due to the following:

- Accounts and other payables increased by 29.1% to ₱20,517.4 million as of December 31, 2023 from ₱15,890.5 million as of December 31, 2022 due to increase in accounts payable to contractors and suppliers as construction activities increased during the year.

- Security deposits and unearned rental income increased by 8.4% to ₱2,013.0 million as of December 31, 2023 from ₱1,856.5million as of December 31, 2022 due to renewal of lease contract and new tenants of our commercial segment.

- Income tax payable decreased by 11.5% from ₱127.1 million as of December 31, 2022 to ₱112.5 million as of December 31, 2023 due a higher taxable base for the year.

- Dividend payable increased by 210.4% from ₱96.0 million as of December 31, 2022 to ₱298.0 as of December 31, 2023 due primarily to the declaration of dividends in October.

- Notes payable including non-current portion increased by 5.6% from ₱102,448.2 million as of December 31, 2022 to ₱108,148.7 million as of December 31, 2023 due to the issuance of corporate notes during the year..

- Loans payable including non-current portion increased by 39.5% from ₱5,334.7 million as of December 31, 2022 to ₱7,443.7million as of December 31, 2023 due to availment of Contract to sell financing during the year.

- Contract liabilities including non-current portion decreased by 5.5% from ₱2,143.6 million as of December 31, 2022 to ₱2,025.3 million as of December 31, 2023 due to settlements during the year.

- Deferred tax liabilities – net increased by 35.0% from ₱5,995.9 million as of December 31, 2022 to ₱8,095.7 million as of December 31, 2023 due to the additional deferred tax liabilities recognized for the year.

- Other noncurrent liabilities decreased by 32.2% from ₱3,179.0 million as of December 31, 2022 to ₱2,156.4 million as of December 31, 20223 due primarily to the decrease in the liabilities for purchased land and retention payable

Total stockholder's equity increased by 7.5% from ₱123,650.1 million as of December 31, 2022 to ₱132,862.3 million as of December 31, 2023 due to the net income recorded for the year ended December 31, 2023 and increase in non-controlling interest.

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

Key Performance Indicators	12/31/2023	12/31/2022
Current ratio [(a)]	1.85:1	2.89:1
Liability-to-equity ratio [(b)]	1.58:1	1.61:1
Interest expense/Income before Interest expense [(c)]	29.5%	35.7%
Return on assets [(d)]	3.0%	2.3%
Return on equity [(e)]	7.7%	6.0%

Notes:

a) Current Ratio: This ratio is obtained by dividing the Current Assets of the Company by its Current liabilities. This ratio is used as a test of the Company's liquidity.

b) Liability-to-equity ratio: This ratio is obtained by dividing the Company's Total Liabilities by its Total Equity. The ratio reveals the proportion of liability and equity a company is using to finance its business. It also measures a company's borrowing capacity.

c) Interest expense/Income before interest expense: This ratio is obtained by dividing interest expense for the period by its income before interest expense. This ratio shows whether a company is earning enough profits before interest to pay its interest cost comfortably

d) Return on assets: This ratio is obtained by dividing the Company's net income by its total assets. This measures the Company's earnings in relation to all of the resources it had at its disposal.

e) Return on equity: This ratio is obtained by dividing the Company's net income by its total equity. This measures the rate of return on the ownership interest of the Company's stockholders.

Because there are various calculation methods for the performance indicators above, the Company's presentation of such may not be comparable to similarly titled measures used by other companies.

Current ratio as of December 31, 2023 decreased from that of December 31, 2022 due primarily to the increase in current liabilities.

Liability-to-equity ratio decreased due to the increase in equity.

Interest expense as a percentage of income before interest expense decreased in the year ended December 31, 2023 compared to the ratio for the year ended December 31, 2022 due to the higher interest income for the year.

Return on asset and return on equity increased for the year ended December 31, 2023 compared to that on December 31, 2022 due to the higher net income recorded in the year 2023.

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

Cash and cash equivalents including short term and long-term cash investments, and investments at amortized costs decreased by 11.6% from ₱56,617.0 million as of December 31, 2022 to ₱50,063.4 million as of December 31, 2023 due primarily to debt servicing for the year.

Investments at fair value through other comprehensive income increased by 12.8% from ₱117.2 million as of December 31, 2022 to ₱132.2 million as of December 31, 2023 due to the increase in fair value.

Receivables increased by 12.1% from ₱74,400.6 million as of December 31, 2022 to ₱83,403.1 million as of December 31, 2023 due primarily to the increase in accrued rental receivables.

Real estate inventories including raw land for residential development and construction materials increased by 19.1% from ₱53,533.9 million as of December 31, 2022 to ₱63,771.2 million as of December 31, 2023 due to increase in project launches for the year.

Project development costs increased by 10.0% from ₱1,269.2 million as of December 31, 2022 to ₱1,396.3 million as of December 31, 2023 due to increase in advances for project developments.

Advances to a related parties increased by 7.3% from ₱7,042.3 million as of December 31, 2022 to ₱7,559.4 million as of December 31, 2023 due to advances for the year.

Investment in joint venture increased by 6.7% to ₱499.4 million as of December 31, 2023 from ₱468.1 million as of December 31, 2022 due to share in equity earnings during the year.

Property and equipment increased by 14.6% to ₱2,636.2 million as of December 31, 2023 from ₱2,301.1 million as of December 31, 2022 due to additions of buildings, equipment and other fixed assets during the year.

Investment properties increased by 5.3% to ₱124,656.1 million as of December 31, 2023 from ₱118,343.6 million as of December 31, 2022 due to additions during the year.

Pension assets decreased by 9.3% to ₱290.8 million as of December 31, 2023 from ₱320.7 million as of December 31, 2022 as a result of actuarial adjustment for the company's retirement program.

Accounts and other payables increased by 29.1% to ₱20,517.4 million as of December 31, 2023 from ₱15,890.5 million as of December 31, 2022 due to increase in accounts payable to contractors and suppliers as construction activities increased during the year.

Security deposits and unearned rental income increased by 8.4% to ₱2,013.0 million as of December 31, 2023 from ₱1,856.5million as of December 31, 2022 due to renewal of lease contract and new tenants of our commercial segment.

Income tax payable decreased by 11.5% from ₱127.1 million as of December 31, 2022 to ₱112.5 million as of December 31, 2023 due a higher taxable base for the year.

Dividend payable increased by 210.4% from ₱96.0 million as of December 31, 2022 to ₱298.0 as of December 31, 2023 due primarily to the declaration of dividends in October.

Notes payable including non-current portion increased by 5.6% from ₱102,448.2 million as of December 31, 2022 to ₱108,148.7 million as of December 31, 2023 due to the issuance of corporate notes during the year.

Loans payable including non-current portion increased by 39.5% from ₱5,334.7 million as of December 31, 2022 to ₱7,443.7million as of December 31, 2023 due to availment of Contract to sell financing during the year.

Contract liabilities including non-current portion decreased by 5.5% from ₱2,143.6 million as of December 31, 2022 to ₱2,025.3 million as of December 31, 2023 due to settlements during the year.

Deferred tax liabilities – net increased by 35.0% from ₱5,995.9 million as of December 31, 2022 to ₱8,095.7 million as of December 31, 2023 due to the additional deferred tax liabilities recognized for the year.

Other noncurrent liabilities decreased by 32.2% from ₱3,179.0 million as of December 31, 2022 to ₱2,156.4 million as of December 31, 20223 due primarily to the decrease in the liabilities for purchased land and retention payable

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

The Company recorded revenue from real estate sales amounting to ₱15,228.5 million for the year ended December 31, 2023, an increase of 19.1% from ₱12,789.9 million last year. This was primarily attributable to the increase in the overall completion rate of sold inventories of its business units specifically in the affordable segment.

Rental income increased by 16.6% from ₱13,742.3 million for the year ended December 31, 2022 to ₱16,021.4 million for the year ended December 31, 2023. The increase was primarily attributable to the recovery of the malls, increase foot traffic and the contribution of newly opened commercial centers.

Interest income from installment contract receivable and investments increased by 7.5% from ₱1,682.5 million for the year ended December 31, 2022 to ₱1,808.6 million for the year ended December 31, 2023. The increased was primarily attributable to the increase in interest income from investments of 22.5% to ₱1,202.3 million offset by the decrease in interest income from installment contract receivables of 13.5% to ₱606.3 million for the year ended December 31, 2023 as more buyers are availing of bank financing.

Income from parking, hotel, mall administrative and processing fees and others increased by 31.0% from ₱1,607.3 million for the year ended December 31, 2022 to ₱2,104.9 for the year ended December 31, 2023. The increase was primarily attributable to the increase mall related administrative and processing fees, parking, hotel operations as well as forfeitures.

Cost of real estate sales increased by 10.3% from ₱5,543.0 million for the year ended December 31, 2022 to ₱6,112.0 million for the year ended December 31, 2023 primarily due to the increase in the overall recorded sales of Vista Land's business units offset by cost savings from various cost saving initiatives implemented.

Operating expenses increased by 20.2% from ₱9,647.4 million for the year ended December 31, 2022 to ₱11,596.2 million for the year ended December 31, 2021 primarily due to (a) the increase in provision for impairment losses on receivables from ₱21.7 million for the year ended December 31, 2023 to ₱848.0 million for the year ended December 31, 2022 due to provisioning for the year. Allowance for impairment losses on receivables remained at 1.2% of the total receivables, (b) an increase in occupancy costs from ₱765.6 million for the year ended 31 December 2022 to ₱1,116.5 million for the year ended 31 December 2023 due to the increased in security and other occupancy related expenses of our malls and (c) an increase in depreciation and amortization from ₱2,638.8 million for the year ended 31 December 2022 to ₱2,889.0 million for the year ended 31 December 2023 due to the higher depreciation for the year.

The Company recognized a gain from insurance proceed amounting to ₱1,841.2 million for the year ended 31 December 2023.

Interest and other financing charges increased by 9.0% from ₱5,217.9 million for the year ended December 31, 2022 to ₱5,685.6 million for the year ended December 31, 2023. The increase was primarily attributable the lower capitalization rate for the year.

Provision for income tax increased by 64.2% from ₱2,021.1 million for the year ended December 31, 2022 to ₱3,318.6 million for the year ended December 31, 2023 primarily due to a higher taxable base for the year.

The Company's net income increased by 39.2% to ₱10,292.2 million for the year ended December 31, 2023 from ₱7,392.6 million for the year ended December 31, 2022.

For the year ended December 31, 2023, except as discussed in Note 36 – Other Matters of the 2023 Financial Statements on the impact of the COVID-19 pandemic, there were no other seasonal aspects that had a material effect on the financial condition or results of operations of the Company. Neither were there any trends, events or uncertainties that have had or that are reasonably expected to have a material impact on the net sales or revenues or income from continuing operations.

The Company is not aware of events that will cause a material change in the relationship between the costs and revenues.

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

REVIEW OF YEAR END 2022 VS YEAR END 2021

Revenues

Real Estate

The Company recorded revenue from real estate sales amounting to ₱12,789.9 million for the year ended December 31, 2022, a decrease of 26.5% from ₱17,397.9 million last year. This was primarily attributable to the decrease in the overall completion rate of sold inventories of its business units specifically in the affordable segment as a result various factors such as (a) the impact of the extended payment terms granted to buyers during the pandemic specifically in the affordable segment. (b) the implementation of the community quarantine that slowed down construction activities in certain areas (c) the rainy season in the 2nd half of the year. The Company uses the Percentage of Completion method of revenue recognition where revenue is recognized in reference to the stages of development of the properties:

- Real estate revenue of Brittany increased by 167.0% to ₱1,347.0 million for 2022 from ₱504.4 million last year. This increase was principally attributable to the increase in the number of sold homes completed or under construction in the Mega Manila area in the high-end housing segment.

- Real estate revenue of Crown Asia increased by 8.4% to ₱513.8 million for 2022 from ₱474.1 million in 2021. This increase was principally attributable to the increase in the number of sold homes completed or under construction in the Mega Manila area in the upper middle-income housing segment during the year.

- Real estate revenue from Vista Residences was flat at ₱2,505.9 million for 2022 from ₱2,512.1 million for 2021. This was principally attributable to the number of sold condominium units completed or under construction during the period. Vista Residences is the business unit of Vista Land that develops and sells vertical projects across the Philippines.

- Real estate revenue of Communities Philippines decreased by 16.7% to ₱5,587.2 million for 2022 from ₱6,709.9 million for 2021. This decrease was principally attributable to the decrease in the number of sold homes completed or under construction outside the Mega Manila area in the low and affordable housing segment during the period as a result of the various lockdown measures implemented in the provincial areas.

- Real estate revenue of Camella decreased by 60.6% to ₱2,836.0 million for 2022 from ₱7,197.5 million for 2021. This decrease was principally attributable to the decrease in the number of sold homes completed or under construction in the Mega Manila area in the low and affordable housing segment during the period.

Rental income

Rental income increased by 47.6% from ₱9,312.7 million for the year ended December 31, 2021 to ₱13,724.3 million for the year ended December 31, 2022. The increase was primarily attributable to the recovery of the malls, increase foot traffic and the contribution of newly opened commercial centers.

Interest income from installment contract receivable and investments

Interest income from installment contract receivable and investments decreased by 27.6% from ₱2,323.9 million for the year ended December 31, 2021 to ₱1,682.5 million for the year ended December 31, 2022. The decrease was primarily attributable to the decrease in both the interest income from investments of 36.7% to ₱981.2 million for the year ended December 31, 2022 due to settlement of dollar liabilities using our dollar investments and interest income from installment contract receivables of 9.4% to ₱701.3 million for the year ended December 31, 2022 as more buyers are availing of bank financing.

Parking, hotel, mall administrative and processing fees and others

Income from parking, hotel, mall administrative and processing fees and others decreased by 25.1% from ₱2,146.9 million for the year ended December 31, 2021 to ₱1,607.3 for the year ended December 31, 2022. The decrease was primarily attributable to the mall administrative and processing fees as well as loan processing fees from banks. Parking fees and hotel revenues posted increases for the year.

Costs and Expenses

Cost and expenses decreased by 15.3% to ₱15,190.4 million for the year ended December 31, 2022 from ₱17,941.2 million for the year ended December 31, 2021.

- Cost of real estate sales decreased by 35.0% from ₱8,533.4 million for the year ended December 31, 2021 to ₱5,543.0 million for the year ended December 31, 2022 primarily due to the decrease in the overall recorded sales of Vista Land's business units specifically the provincial projects. The decrease was also due to cost efficiencies realized during the year as the decline in costs was significantly higher than the decline in real estate revenues.

- Operating expenses decreased by 2.5% from ₱9,407.8 million for the year ended December 31, 2021 to ₱9,647.4 million for the year ended December 31, 2022 primarily due to the following:

    - a decrease in commission expenses from ₱829.7 million for the year ended December 31, 2021 to ₱606.1 million in the year ended December 31, 2022 due to decrease in real estate sales for the year and the shift to digital marketing.

    - a decrease in provision from impairment losses on receivables and investments from ₱443.3 million for the year ended December 31, 2021 to ₱21.7 million for the year ended December 31, 2022 due to the reduced probability of impairment for receivables and investments as situation are returning to normalcy.

Interest and other financing charges
Interest and other financing charges increased by 20.9% from ₱4,315.3 million for the year ended December 31, 2021 to ₱5,217.9 million for the year ended December 31, 2022. The decrease was primarily attributable decrease in interest bearing debt for the year and the lower capitalization rate for interest expense.

Provision for Income Tax

Provision for income tax increased by 3.2% from ₱1,957.6 million for the year ended December 31, 2021 to ₱2,021.1 million for the year ended December 31, 2022 primarily due to a higher taxable base for the year coming from the higher contribution of the commercial segment compared to prior year.

Net Income

As a result of the foregoing, the Company's net income increased by 6.1% to ₱7,392.7 million for the year ended December 31, 2022 from ₱6,967.2 million for the year ended December 31, 2021. Core net income on the other hand increased by 10% to ₱7,667.9 million excluding loss of fire recorded at ₱275.2 million net of tax.

For the year ended December 31, 2022, except as discussed in *Note 36 – Other Matters* of the 2022 Financial Statements on the impact of the COVID-19 pandemic, there were no other seasonal aspects that had a material effect on the financial condition or results of operations of the Company. Neither were there any trends, events or uncertainties that have had or that are reasonably expected to have a material impact on the net sales or revenues or income from continuing operations.

The Company is not aware of events that will cause a material change in the relationship between the costs and revenues.

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

FINANCIAL CONDITION

As of December 31, 2022 vs. December 31, 2021

Total assets as of December 31, 2022 were ₱322,492.1 million compared to ₱313,986.6 million as of December 31, 2021, or a 2.6% increase. This was due to the following:

- Cash and cash equivalents including short term and long-term cash investments, and investments at amortized costs decreased by 8.7% from ₱62,0101.1 million as of December 31, 2021 to ₱56,617.0 million as of December 31, 2022 due primarily to decrease in investments at amortized costs as this was used for payment of dollar bond that matured during the year.

- Investments at fair value through other comprehensive income decreased by 5.9% from ₱124.5 million as of December 31, 2021 to ₱117.2 million as of December 31, 2022 due to the disposal during the year.

- Real estate inventories including raw land for residential development and construction materials increased by 7.9% from ₱49,596.9 million as of December 31, 2021 to ₱53,533.9 million as of December 31, 2022 due to increase in project launches for the year.

- Advances to a related parties increased by 15.7% from ₱6,085.2 million as of December 31, 2021 to ₱7,042.3 million as of December 31, 2022 due to advances for the year.

- Pension assets increased by 13.3% to ₱320.7million as of December 31, 2022 from ₱283.0 million as of December 31, 2021 as a result of actuarial adjustment for the company's retirement program.

Total liabilities as of December 31, 2022 were ₱198,563.9 million compared to ₱201,459.7 million as of December 31, 2021, or a 1.4% decrease. This was due to the following:

- Security deposits and unearned rental income increased by 7.4% to ₱1,856.5 million as of December 31, 2022 from ₱1,729.3 million as of December 31, 2021 due to renewal of lease contract and new tenants of our commercial segment.

- Income tax payable increased by 155.8% from ₱49.7 million as of December 31, 2021 to ₱127.1 million as of December 31, 2022 due primarily to the higher taxable income for the year coming from the commercial segment.

- Dividend payable increased by 505.6% from ₱15.9 million as of December 31, 2021 to ₱96.0 as of December 31, 2022 due primarily to the remaining dividends for the year.

- Notes payable including non-current portion decreased by 5.1% from ₱107,930.2 million as of December 31, 2021 to ₱102,448.2 million as of December 31, 2022 due primarily to the settlement of USD370.5 million dollar bond in June offset by the corporate note issuance in December.

- Loans payable including non-current portion increased by 41.1% from ₱3,779.5 million as of December 31, 2021 to ₱5,334.6 million as of December 31, 2022 due to availment of Contract to sell financing during the year.

- Contract liabilities including non-current portion increased by 19.0% from ₱1,801.5 million as of December 31, 2021 to ₱2,143.6 million as of December 31, 2022 due to advance payments from buyers of residential properties under construction.

- Deferred tax liabilities – net increased by 21.5% from ₱4,934.3 million as of December 31, 2020 to ₱5,995.9 million as of December 31, 2022 due to the additional deferred tax liabilities recognized for the year.

- Other noncurrent liabilities decreased by 9.7% from ₱3,521.4 million as of December 31, 2021 to ₱3,179.0 million as of December 31, 2022 due primarily to the decrease in the liabilities for purchased land.

Total stockholder's equity increased by 9.9% from ₱112,526.9 million as of December 31, 2021 to ₱123,650.2 million as of December 31, 2022 due to the net income recorded for the year ended December 31, 2021 and increase in non-controlling interest coming from the proceeds from the offering of Vista REIT.

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

Key Performance Indicators	12/31/2022	12/31/2021
Current ratio [(a)]	2.89:1	2.48:1
Liability-to-equity ratio [(b)]	1.61:1	1.79:1
Interest expense/Income before Interest expense [(c)]	35.7%	32.6%
Return on assets [(d)]	2.3%	2.2%
Return on equity [(e)]	6.0%	6.2%

Notes:

a) Current Ratio: This ratio is obtained by dividing the Current Assets of the Company by its Current liabilities. This ratio is used as a test of the Company's liquidity.

b) Liability-to-equity ratio: This ratio is obtained by dividing the Company's Total Liabilities by its Total Equity. The ratio reveals the proportion of liability and equity a company is using to finance its business. It also measures a company's borrowing capacity.

c) Interest expense/Income before interest expense: This ratio is obtained by dividing interest expense for the period by its income before interest expense. This ratio shows whether a company is earning enough profits before interest to pay its interest cost comfortably

d) Return on assets: This ratio is obtained by dividing the Company's net income by its total assets. This measures the Company's earnings in relation to all of the resources it had at its disposal.

e) Return on equity: This ratio is obtained by dividing the Company's net income by its total equity. This measures the rate of return on the ownership interest of the Company's stockholders.

Because there are various calculation methods for the performance indicators above, the Company's presentation of such may not be comparable to similarly titled measures used by other companies.

Current ratio as of December 31, 2022 increased from that of December 31, 2021 due primarily to the increase in the current assets with the corresponding decrease in current liabilities.

Liability-to-equity ratio decreased due to the decrease in the interest bearing debt of the Group.

Interest expense as a percentage of income before interest expense increased in the year ended December 31, 2022 compared to the ratio for the year ended December 31, 2021 due to the higher interest expense for the year.

Return on asset slightly higher for the year ended December 31, 2022 compared to that on December 31, 2021.

Return on equity was flat for the year ended December 31, 2022 compared to that on December 31, 2021.

Material Changes to the Company's Balance Sheet as of December 31, 2022 compared to December 31, 2021 (increase/decrease of 5% or more)

Cash and cash equivalents including short term and long-term cash investments, and investments at amortized costs decreased by 8.7% from ₱62,0101.1 million as of December 31, 2021 to ₱56,617.0 million as of December 31, 2022 due primarily to decrease in investments at amortized costs as this was used for payment of dollar bond that matured during the year.

Investments at fair value through other comprehensive income decreased by 5.9% from ₱124.5 million as of December 31, 2021 to ₱117.2 million as of December 31, 2022 due to the disposal during the year.

Real estate inventories including raw land for residential development and construction materials increased by 7.9% from ₱49,596.9 million as of December 31, 2021 to ₱53,533.9 million as of December 31, 2022 due to increase in project launches for the year.

Advances to a related parties increased by 15.7% from ₱6,085.2 million as of December 31, 2021 to ₱7,042.3 million as of December 31, 2022 due to advances for the year.

Pension assets increased by 13.3% to ₱320.7million as of December 31, 2022 from ₱283.0 million as of December 31, 2021 as a result of actuarial adjustment for the company's retirement program.

Security deposits and unearned rental income increased by 7.4% to ₱1,856.5 million as of December 31, 2022 from ₱1,729.3 million as of December 31, 2021 due to renewal of lease contract and new tenants of our commercial segment.

Income tax payable increased by 155.8% from ₱49.7 million as of December 31, 2021 to ₱127.1 million as of December 31, 2022 due primarily to the higher taxable income for the year coming from the commercial segment.

Dividend payable increased by 505.6% from ₱15.9 million as of December 31, 2021 to ₱96.0 as of December 31, 2022 due primarily to the remaining dividends for the year.

Notes payable including non-current portion decreased by 5.1% from ₱107,930.2 million as of December 31, 2021 to ₱102,448.2 million as of December 31, 2022 due primarily to the settlement of USD370.5 million dollar bond in June offset by the corporate note issuance in December.

Loans payable including non-current portion increased by 41.1% from ₱3,779.5 million as of December 31, 2021 to ₱5,334.6 million as of December 31, 2022 due to availment of Contract to sell financing during the year.

Contract liabilities including non-current portion increased by 19.0% from ₱1,801.5 million as of December 31, 2021 to ₱2,143.6 million as of December 31, 2022 due to advance payments from buyers of residential properties under construction.

Deferred tax liabilities – net increased by 21.5% from ₱4,934.3 million as of December 31, 2020 to ₱5,995.9 million as of December 31, 2022 due to the additional deferred tax liabilities recognized for the year.

Other noncurrent liabilities decreased by 9.7% from ₱3,521.4 million as of December 31, 2021 to ₱3,179.0 million as of December 31, 2022 due primarily to the decrease in the liabilities for purchased land.

Material Changes to the Company's Statement of Income for the year ended December 31, 2022 compared to the year ended December 31, 2021 (increase/decrease of 5%or more)

The Company recorded revenue from real estate sales amounting to ₱12,789.9 million for the year ended December 31, 2022, a decrease of 26.5% from ₱17,397.9 million last year. This was primarily attributable to the decrease in the overall completion rate of sold inventories of its business units specifically in the affordable segment as a result various factors such as (a) the impact of the extended payment terms granted to buyers during the pandemic specifically in the affordable segment. (b) the implementation of the community quarantine that slowed down construction activities in certain areas (c) the rainy season in the 2nd half of the year. The Company uses the Percentage of Completion method of revenue recognition where revenue is recognized in reference to the stages of development of the properties.

Rental income increased by 47.6% from ₱9,312.7 million for the year ended December 31, 2021 to ₱13,724.3 million for the year ended December 31, 2022. The increase was primarily attributable to the recovery of the malls, increase foot traffic and the contribution of newly opened commercial centers.

Interest income from installment contract receivable and investments decreased by 27.6% from ₱2,323.9 million for the year ended December 31, 2021 to ₱1,682.5 million for the year ended December 31, 2022. The decrease was primarily attributable to the decrease in both the interest income from investments of 36.7% to ₱981.2 million for the year ended December 31, 2022 due to settlement of dollar liabilities using our dollar investments and interest income from installment contract receivables of 9.4% to ₱701.3 million for the year ended December 31, 2022 as more buyers are availing of bank financing.

Income from parking, hotel, mall administrative and processing fees and others decreased by 25.1% from ₱2,146.9 million for the year ended December 31, 2021 to ₱1,607.3 for the year ended December 31, 2022. The decrease was primarily attributable to the mall administrative and processing fees as well as loan processing fees from banks. Parking fees and hotel revenues posted increases for the year.

Cost of real estate sales decreased by 35.0% from ₱8,533.4 million for the year ended December 31, 2021 to ₱5,543.0 million for the year ended December 31, 2022 primarily due to the decrease in the overall recorded sales of Vista Land's business units specifically the provincial projects. The decrease was also due to cost efficiencies realized during the year as the decline in costs was significantly higher than the decline in real estate revenues.

Operating expenses decreased by 2.5% from ₱9,407.8 million for the year ended December 31, 2021 to ₱9,647.4 million for the year ended December 31, 2022 primarily due to the i) decrease in commission expenses from ₱829.7 million for the year ended December 31, 2021 to ₱606.1 million in the year ended December 31, 2022 due to decrease in real estate sales for the year and the shift to digital marketing and ii) a decrease in provision from impairment losses on receivables and investments from ₱443.3 million for the year ended December 31, 2021 to ₱21.7 million for the year ended December 31, 2022 due to the reduced probability of impairment for receivables and investments as situation are returning to normalcy.

Interest and other financing charges increased by 20.9% from ₱4,315.3 million for the year ended December 31, 2021 to ₱5,217.9 million for the year ended December 31, 2022. The decrease was primarily attributable decrease in interest bearing debt for the year and the lower capitalization rate for interest expense.

Provision for income tax increased by 3.2% from ₱1,957.6 million for the year ended December 31, 2021 to ₱2,021.1 million for the year ended December 31, 2022 primarily due to a higher taxable base for the year coming from the higher contribution of the commercial segment compared to prior year.

The Company's net income increased by 6.1% to ₱7,392.7 million for the year ended December 31, 2022 from ₱6,967.2 million for the year ended December 31, 2021. Core net income on the other hand increased by 10% to ₱7,667.9 million excluding loss of fire recorded at ₱275.2 million net of tax.

For the year ended December 31, 2022, except as discussed in *Note 36 – Other Matters* of the 2022 Financial Statements on the impact of the COVID-19 pandemic, there were no other seasonal aspects that had a material effect on the financial condition or results of operations of the Company. Neither were there any trends, events or uncertainties that have had or that are reasonably expected to have a material impact on the net sales or revenues or income from continuing operations.

The Company is not aware of events that will cause a material change in the relationship between the costs and revenues.

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

Factors which may have material impact in Company's operations

Economic factors
The economic situation in the Philippines significantly affects the performance of the Company's business. For the residential products, the Company is sensitive to changes in domestic interest and inflation rates. Higher interest rates tend to discourage potential buyers of residential units as mortgages become unaffordable to them. An inflationary environment will adversely affect the Company, as well as the real estate industry, by increases in costs such as land acquisition, labor and material. Although the Company may pass on the additional costs to buyers, there is no assurance that this will not significantly affect the Company's sales.

Competition
Please refer to the discussion on Competition found in Item 1 of this report.

Capital Expenditures

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

	Expenditure
	(in ₱ millions)
2022 (actual)	22,516.3
2023 (actual)	27,115.1
2024 (actual)	28,932.9

The Company has historically sourced funding for capital expenditures through internally-generated funds and long-term borrowings.

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

	For the years ended December 31,		
	2022	**2023**	**2024**
		(in ₱ millions)	
Land acquisition/Advances to joint venture partners	1,353.8	683.8	594.0
Land development	5,539.3	7,197.4	8,021.5
Construction	15,623.3	19,234.0	20,317.4
Total	**22,516.3**	**27,115.1**	**28,932.9**

Item 7. Financial Statements

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

Item 8. Information on Independent Accountant and Other Related Matters

Independent Public Accountants

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

SGV & Co. has acted as the Company's external auditors since 2008 and as Camella Homes, Inc.'s external auditors since 1994. Michael Sabado is the current audit partner for the Company and the other subsidiaries. Mr. Sabado replaced Ms. Cyril Valencia, the previous audit partner signing for the reporting periods for the years 2017 to 2023. The Company has not had any disagreements on accounting and financial disclosures with its current external auditors for the same periods or any subsequent interim period. SGV & Co. has neither shareholdings in

the Company nor any right, whether legally enforceable or not, to nominate persons or to subscribe for the securities in the Company. SGV & Co. will not receive any direct or indirect interest in the Company or in any securities thereof (including options, warrants or rights thereto) pursuant to or in connection with the Offer. The foregoing is in accordance with the Code of Ethics for Professional Accountants in the Philippines set by the Board of Accountancy and approved by the Professional Regulation Commission.

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

External Audit Fees and Services

The following table sets out the aggregate fees billed for each of the last two years for professional services rendered by SGV & Co.

	2023	2024
	(In ₱ Thousands)	
Audit and Audit-Related Fees:		
Fees for services that are normally provided by the external auditor in connection with statutory and regulatory filings or engagements	₱ 37,744	₱ 40,783
All other fees	–	–
Total	**₱ 37,744**	**₱ 40,783**

SGV & Co. does not have any direct or indirect interest in the Company

Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

Changes in Accounting Policies
Refer to Note 3 - Changes in Accounting Policies discussion on the Consolidated Financial Statements as of and for the years ended December 31, 2022, 2023 and 2024 included in this report.

PART III – CONTROL AND COMPENSATION INFORMATION

Item 9. Directors and Executive Officers of the Issuer

Board of Directors and Executive Officers

The overall management and supervision of the Company is undertaken by the Board. The Company's executive officers and management team cooperate with its Board by preparing appropriate information and documents concerning the Company's business operations, financial condition and results of operations for its review. Currently, the Board consists of seven members, of which two are independent directors.

All of the directors were elected at the Company's annual stockholders meeting on June 18, 2024 and will hold office until their successors have been duly elected and qualified.

The table below sets forth the members of the Company's Board as of December 31, 2024.

Name	Age	Position	Citizenship
Manuel B. Villar, Jr.	75	Chairman of the Board	Filipino
Manuel Paolo A. Villar	48	Vice Chairman of the Board, President and Chief Executive Officer (CEO)	Filipino
Camille A. Villar	39	Director, Managing Director of Vista Land Commercial Division	Filipino
Cynthia J. Javarez	61	Director, Treasurer and Chief Risk Officer (CRO)	Filipino
Frances Rosalie T. Coloma	62	Director	Filipino
Justina F. Callangan	72	Independent Director	Filipino
Cherrylyn P. Caoile	50	Independent Director	Filipino

The table below sets forth Vista Land's executive officers in addition to its executive directors listed above as of December 31, 2024.

Name	Age	Position	Citizenship
Jerylle Luz C. Quismundo	61	Chief Operating Officer	Filipino
Brian N. Edang	46	Chief Financial Officer and Head Investor Relations	Filipino
Gemma M. Santos	62	Corporate Secretary	Filipino
Ma. Nalen SJ Rosero	53	Chief Legal Counsel, Chief Information Officer and Compliance Officer	Filipino
Lorelyn D. Mercado	55	Controller	Filipino
Leamor S. Harlea	49	Chief Audit Executive	Filipino

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

Manuel B. Villar, Jr., *Chairman*, 75, Mr. Villar was Senator of the Philippines from 2001 to June 2013. He served as Senate President from 2006 to 2008. He also served as a Congressman from 1992 to 2001 and as Speaker of the House of Representatives from 1998 to 2000. A Certified Public Accountant, Mr. Villar graduated from the University of the Philippines in 1970 with the degree of Bachelor of Science in Business Administration and in 1973 with the degree of Master's in Business Administration. He founded Camella Homes in the early 1970s and successfully managed said company over the years, to become the largest homebuilder in the Philippines now known as the Vista Land Group. Mr. Villar is also the Chairman of the Board of Vistamalls, Inc. (formerly Starmalls, Inc.), AllHome Corp., AllValue Holdings Corp., AllDay Marts, Inc. and Villar Land Holdings Corp. (formerly Golden MV Holdings, Inc.).He is a member of the following organizations: Makati Business Club, Manila Golf Club, Management Association of the Philippines, Financial Executive Institute of the Philippines (FINEX), Philippine Institute of Certified Public Accountants, and the Villar Social Institute for Poverty Alleviation and Governance (SIPAG).

Manuel Paolo A. Villar, *Vice Chairmain of the Board and President & CEO*, 48, Mr. Villar graduated from the Wharton School of the University of Pennsylvania, Philadelphia, USA with a Bachelor of Science in Economics and Bachelor of Applied Science in 1999. He was an Analyst for McKinsey &Co. in the United States from 1999 to 2001. He joined the Vista Land Group in 2001 as Head of Corporate Planning then became the Chief Financial Officer of

the Company in 2008. He was elected President and Chief Executive Officer of the Company in July 2011 and President of Vistamalls, Inc. (formerly Starmalls, Inc.) in June 2019. In addition, he is the CEO and Chairman of St. Augustine Gold and Copper Limited and Chairman of TVI Resources Development Philippines, Inc., Camella Homes, Inc., Communities Philippines, Inc., Crown Asia Properties, Inc., Brittany Corporation, Vista Residences, Inc., VistaREIT, Inc., and Powersource Phils Development Corp. Mr. Villar is also the majority shareholder of Prime Asset Ventures, Inc., and director of Fine Properties, Inc, AllHome Corp. and AllDay Marts, Inc.

Camille A. Villar, *Managing Director, Vista Land Commercial Division*, 39, Ms. Villar graduated from Ateneo de Manila University with a degree in Bachelor of Science in Management. She took Management in Business Administration, Global Executive MBA Program in Instituto de Estudios Superiores de la Eprese (IESE) Business School, Barcelona, Spain. She joined the Corporate Communications Group of Brittany in 2007 until she assumed the position of Managing Director of Vista Land Commercial. She is a Director of Vistamalls, Inc. (formerly Starmalls, Inc.) and Villar Land Holdings Corp. (formerly Golden MV Holdings, Inc.). She is also the Concurrent President of All Value Holdings Corp., the Vice Chairman of AllHome Corp. and a director of AllDay Marts, Inc. Ms. Villar is currently a Congresswoman, representing Las Pinas City.

Cynthia J. Javarez, *Director, Treasurer and CRO*, 61, Ms. Javarez graduated from the University of the East with a degree in Bachelor of Science in Business Administration major in Accounting. She is a Certified Public Accountant. She completed a Management Development Program at the Asian Institute of Management in 2006. Ms. Javarez was previously the Chief Financial Officer of Polar Property Holdings Corp. until 2011 and the Tax & Audit Head in the MB Villar Group of Companies until 2007. She was the Controller and Chief Financial Officer of Vista Land since 2013 until she became Chief Operating Officer from November 2018 to June 2022. She was the President of Camella Homes, Inc., Communities Philippines, Inc., Crown Asia Properties, Inc., Brittany Corporation and Vista Residences, Inc. until 2021. She is currently the Chairperson of the Board of Prime Asset Ventures, Inc. and is the President of Fine Properties, Inc.

Frances Rosalie T. Coloma, *Director*, 62, Ms. graduated cum laude from the University of the Philippines with a degree of Bachelor of Science in Business Administration and Accountancy. She is a Certified Public Accountant. She is a Director of Vista Land and Lifescapes, Inc., and Golden Bria Holdings, Inc., Ms. Coloma was the Chief Financial Officer and Chief Information Officer of Villar Land Holdings Corp. (formerly Golden MV Holdings, Inc.) from 2016 to 2019. She was also the Chief Financial Officer of Starmalls, Inc. from 2012 to 2016. Prior to becoming the Chief Operating Officer of AllHome Corp., she served as the President and Chief Executive Officer of AllDay Marts Inc.

Justina F. Callangan, *Independent Director*, 72, Atty. Callangan graduated cum laude from the University of the East with the degree of Bachelor of Arts in Political Science in 1973, and from San Sebastian College with the degree of Bachelor of Laws in 1980. She was a Political Science Instructor of the University of the East from 1974 to 1981 and became an Assistant Professor in Taxation and Business Laws from 1981 until her retirement from the university in 1995. Atty. Callangan started her career in the Securities and Exchange Commission as Analyst II in 1982 and held various positions with the Commission until she became Director of the Corporation Finance Department (now the Corporate Governance and Finance Department) from February 2001 to October 2017. She was also an Assistant Vice President of the Legal Department of the Urban Bank from November 1995 to November 2000. From November 2018 to December 2019, Atty. Callangan served as consultant in the Listings Department of the Philippine Stock Exchange. She was elected in August 2020 as Director representing the Public Sector in the Securities Investors Protection Fund, Inc. Currently, she is an Independent Director of ORIX Metro Leasing and Finance Corporation, Panasonic Manufacturing Philippines Corp. and AIB Money Market Fund, a SEC-registered mutual fund. She is also a consultant to ASA Philippines Foundation, Inc. and to Divina Law Office since 2018. Atty. Callangan is a Mandatory Continuing Legal Education (MCLE) Lecturer on various SEC matters in both the UP-Law Center Institute for the Administration of Justice and Center for Global Best Practices.

Cherrylyn P. Caoile, *Independent Director*, 50, Atty. Caoile obtained her Bachelor of Science in Legal Management from the De La Salle University and earned the degree of Juris Doctor in Ateneo de Manila School of Law. She worked in Picazo Buyco Tan Fider & Santos in 1998, where she became a partner in 2009 until 2019. She served as an Assistant Professor in Commercial Law Department for De La Salle University – College of Business & Economics from 2003 to 2005. Ms. Caoile was recently the legal consultant of House of Representatives, Committee on Economic Affairs. She is currently the Chairman of the Board of Taipan Security Services, Inc. and

currently the Independent Director of Vista Land & Lifescapes, Inc., Vistamalls, Inc., and VProperty, Inc. She was formerly the Director of MJC Investment Corporation, Narra Wellness Resorts, Inc., and PALI Investments, Inc. She was appointed as the Corporate Secretary of MetroPac Water Investments, Inc. and was formerly the Assistant Corporate Secretary of Smart Communications, Inc., Paymaya Philippines, Inc, and MPCALA Holdings, Inc. Atty. Caoile possesses all the qualifications and none of the disqualifications of an Independent Director under SRC Rule 38 since election as such.

Jerylle Luz C. Quismundo, *Chief Operating Officer*, 61, Ms. Quismundo graduated cum laude with a degree in Bachelor of Science in Business Economics from the University of the Philippines Diliman in 1983. She finished her Master in Business Administration from the same university in 1989. She has held various positions under the M.B. Villar Group of Companies since1989 and is the incumbent President of various Vista Land and Lifescapes, Inc. subsidiaries including Brittany Corporation, Camella Homes, Inc. Vista Residences, Inc., and Crown Asia Properties, Inc.

Brian N. Edang, *Chief Financial Officer and Head, Investor Relations (IR)*, 46, Mr. Edang is a Certified Public Accountant. He graduated cum laude with a Bachelor of Science in Accountancy from the University of St. La Salle - Bacolod. He is currently the Treasurer and Director of the following companies: Vista Residences, Inc., Brittany Corporation, Crown Asia Properties, Inc., Communities Philippines, Inc., and Camella Homes, Inc. Prior to joining the group, he was with SGV & Co. (EY Philippines) as an external auditor from 1999 to 2004. He is the Head Investor Relations of Vista Land from 2007 up to present and the Chief Financial Officer of the Company since November 2018. Mr. Edang is a member of the Philippine Institute of Certified Public Accountants (PICPA) and the Financial Executives Institute of the Philippines (FINEX). He is also currently serving as a director of VistaREIT, Inc.

Gemma M. Santos, *Corporate Secretary*, 62, Atty. Santos graduated cum laude with the degree of Bachelor of Arts, Major in History from the University of the Philippines in 1981, and with the degree of Bachelor of Laws also from the University of the Philippines in 1985. She is Of Counsel of Picazo Buyco Tan Fider & Santos Law Offices. She is also the Corporate Secretary of Villar Land Holdings Corp. (formerly Golden MV Holdings, Inc.) and VistaREIT, Inc. and a director of Philippine Associated Smelting and Refining Corporation (PASAR), Fine Properties, Inc., and Bulakan Water Co., Inc., and Chairman of the Board of the Bulacan Water District.

Ma. Nalen SJ Rosero, *Chief Legal Counsel, Chief Information Officer and Compliance Officer*, 53. Atty. Rosero graduated Salutatorian from the San Beda College of Law in 1997. She was an Associate of the Litigation Group of the ACCRA Law Offices from 1997 to 2000. She is currently the Chief Legal Counsel, Chief Information Officer, and Chief Compliance Officer of Vista Land & Lifescapes, Inc. She is also the Corporate Secretary and Director of the following companies: Household Development Corporation, Brittany Corporation, Crown Asia Properties, Vista Residences, Inc., Communities Philippines, Inc., Camella Homes, Inc., Mandalay Resources, Inc., Prima Casa Land & Houses, Inc., Vista Leisure Club, Inc., and Brittany Estates Corporation. She is also currently serving as the Chief Compliance Officer and Assistant Corporate Secretary of VistaREIT, Inc. She is also the Corporate Secretary of Vistamalls, Inc. (formerly Starmalls, Inc.).

Lorelyn D. Mercardo, *Controller*, 55, Ms. Mercado graduated from the University of Batangas with a degree in Bachelor of Science in Business Administration-Accounting. She took Master in Business Administration at the De La Salle University. She used to be the Chief Accountant of Vista Residences, Inc. and Adelfa Properties, Inc., She is currently the Chief Accountant of Vista Land &Lifescapes, Inc. and its subsidiaries, and a Director in Vista Residences, Inc., Brittany Corporation, Crown Asia Properties, Inc., and Camella Homes, Inc.

Leamor S. Harlea, *Chief Audit Executive*, 49, Ms. Harlea is a Certified Public Accountant. She holds a Bachelor of Science in Accountancy from Philippine Christian University-Manila. She is currently serving as the Chief Audit Executive at Vista Land & Lifescapes, Inc. Ms. Harlea is also a member of the Philippine Institute of Public Accountants (PICPA),

Family relationships

The Chairman of the Board, Mr. Manuel B. Villar, Jr., is the father of Mr. Manuel Paolo A. Villar, who is the President and Chief Executive Officer of the Company and Ms. Camille A. Villar who is a director and the Managing Director of Vista Land Commercial.

Involvement in Certain Legal Proceedings of Directors and Executive Officers

To the best knowledge of the Company, during the past five (5) years up to the date of this report, none of the above-named directors or executive officers has been subject to the following:

- Any bankruptcy petition filed by or against any business of which such person was a general partner or executive officer either at the time of the bankruptcy or within two years prior to that time;
- Any conviction by final judgment, including the nature of the offense, in a criminal proceeding, domestic or foreign, or being subject to a pending criminal proceeding, domestic or foreign, excluding traffic violations and other minor offenses;
- Any order, judgment or decree, not subsequently reversed, suspended or vacated, of any court of competent jurisdiction, domestic or foreign, permanently or temporarily enjoining, barring, suspending or otherwise limiting his or her involvement in any type of business, securities, commodities, or banking activities; or
- Found by a domestic or foreign court of competent jurisdiction (in a civil action), the SEC or comparable foreign body, or a domestic or foreign exchange or other organized trading market or self-regulatory organization, to have violated a securities or commodities law or regulation.

Item 10. Executive Compensation

Executive Compensation

The Company paid compensation to its directors and executive officers. However, other executive officers of the Registrant are currently receiving and will continue to receive fixed salaries on a monthly basis from the respective subsidiaries or businesses of the Registrant that they manage.

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

Names	Position	Year	Salary	Bonus	Others
Manuel Paolo A. Villar	President & CEO				
Jerylle Luz C. Quismundo	COO				
Brian N. Edang	CFO & Head IR				
Ma. Nalen S.J. Rosero	Chief Legal Counsel/ CIO				
Lorelyn D. Mercado	Controller				
Aggregate executive compensation for above named officers		Actual 2023 Actual 2024 Projected 2025	₱57.9M ₱60.5M ₱61.4M	₱8.9M ₱9.2M ₱9.3M	None None None
Aggregate executive compensation of all other officers and directors, unnamed		Actual 2023 Actual 2024 Projected 2025	₱161.6M ₱157.0M ₱168.8M	₱24.9M ₱13.1M ₱24.9M	None None None

Standard arrangements

Other than payment of reasonable per diem of ₱125,000 per non-executive director for every meeting, there are no standard arrangements pursuant to which Directors of the Company are compensated, or are to be compensated, directly or indirectly by the Company's subsidiaries, for any services provided as a Director for 2022, 2023 and 2024.

Other arrangements

There are no other arrangements pursuant to which any director of the Company was compensated, or is to be compensated, directly or indirectly by the Company's subsidiaries, during 2022, 2023 or 2024 for any service provided as a director.

Employment contract between the company and executive officers

There are no special employment contracts between Vista Land and the named executive officers.

Warrants and options held by the executive officers and directors

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

Significant employee

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

Item 11. Security Ownership of Certain Beneficial Owners and Management

Security Ownership of Record and Beneficial Owners

Security ownership of certain record and beneficial owners of more than 5.0% of our voting securities as of December 31, 2024 are shown below:

Title of Class of Securities	Name/Address of Record Owners and Relationship with Us	Name of Beneficial Owner /Relationship with Record Owner	Citizenship	No. of shares held	% of Ownership
Common	Fine Properties, Inc LGF, Bldg B, Evia Lifestyle Center, Daang Hari, Almanza Dos, Las Piñas City Shareholder	Fine Properties, Inc./ Record Owner is also beneficial Owner[2]	Filipino	5,786,945,661	36.173%
Common	PCD Nominee Corporation 6764 Ayala Avenue, Legazpi Village, Makati City Shareholder	Fine Properties, Inc./ Record Owner is not the beneficial Owner[2]	Filipino	1,338,599,797	8.367%
Preferred	Fine Properties, Inc LGF, Bldg B, Evia Lifestyle Center, Daang Hari, Almanza Dos,Las Piñas City Shareholder	Fine Properties, Inc./ Record Owner is also beneficial Owner[2]	Filipino	3,300,000,000	20.628%
Common	PCD Nominee Corporation 6764 Ayala Avenue, Legazpi Village, Makati City Shareholder	Record Owner is not the beneficial Owner[4]	Filipino	2,204,838,477	13.782%

Title of Class of Securities	Name/Address of Record Owners and Relationship with Us	Name of Beneficial Owner /Relationship with Record Owner	Citizenship	No. of shares held	% of Ownership
Common	PCD Nominee Corporation 6764 Ayala Avenue, Legazpi Village, Makati City Shareholder	Record Owner is not the beneficial Owner[4]	Non-Filipino	1,273,443,520	7.960%
Common	Althorp Holdings, Inc. 3L Starmall Las Pinas, CV Starr Ave.,Pamplona, Las Pinas City Shareholder	Fine Properties, Inc./Record Owner is not the beneficial Owner[3]	Filipino	1,235,292,469	7.722%

[1] Based on the total issued and outstanding capital stocks as of December 31, 2024 of 15,998,007,676 shares (common and preferred series 1).
[2] Mr. Manuel B. Villar, Jr. and his spouse are the controlling shareholders of Fine Properties, Inc. The right to vote the shares held by Fine Properties, Inc. has in the past been, and in this annual meeting is expected to be, exercised by either Mr. Villar or Ms. Cynthia J. Javarez.
[3] Fine Properties Inc. is the controlling shareholder of Althorp Holdings, Inc. Mr. Manuel B. Villar, Jr. and his spouse are the controlling shareholders of Fine Properties, Inc. The right to vote the shares held by Fine Properties, Inc. has in the past been, and in this annual meeting is expected to be, exercised by either Mr. Villar or Ms. Cynthia J. Javarez.
[4] PCD Nominee Corporation is the registered owner of shares beneficially owned by participants in the Philippine Depository & Trust Corporation, a private company organized to implement an automated book entry system of handling securities transactions in the Philippines (PCD). Under the PCD procedures, when an issuer of a PCD-eligible issue will hold a stockholders' meeting, the PCD shall execute a pro-forma proxy in favor of its participants for the total number of shares in their respective principal securities account as well as for the total number of shares in their client securities account. For the shares held in the principal securities account, the participant concerned is appointed as proxy with full voting rights and powers as registered owner of such shares. For the shares held in the client securities account, the participant concerned is appointed as proxy, with the obligation to constitute a sub-proxy in favor of its clients with full voting and other rights for the number of shares beneficially owned by such clients. Except as indicated above, as of Record Date, the Company is not aware of any investor beneficially owning shares lodged with the PCD which comprise more than five percent (5%) of the Company's total outstanding capital stock.

Security Ownership of Management

Security ownership of certain management as of December 31, 2024:

Title of Class	Name of beneficial owner	Amount of beneficial ownership	Nature	Citizenship	Percent of Class[1]
Common	Manuel B. Villar, Jr.	293,969,986	Indirect[2]	Filipino	1.838%
		9,113,046,142	Indirect[3]	Filipino	56.964%
Preferred	Manuel B. Villar, Jr.	3,300,000,000	Indirect[4]	Filipino	20.628%
Common	Manuel Paolo A. Villar	200,000	Direct	Filipino	0.001%
		222,596,324	Indirect[2]	Filipino	1.391%
Common	Camille A. Villar	1,000	Direct	Filipino	0.000%
Common	Cynthia J. Javarez	160	Direct	Filipino	0.000%
Common	Frances Rosalie T. Coloma	4,815	Direct	Filipino	0.000%
Common	Justina F. Callangan	75	Direct	Filipino	0.000%

Title of Class	Name of beneficial owner	Amount of beneficial ownership	Nature	Citizenship	Percent of Class[1]
Common	Cherrylyn P. Caoile	1,000	Indirect[2]	Filipino	0.000%
Common	Jerylle Luz C. Quismundo	3,865	Direct	Filipino	0.000%
Common	Brian N. Edang	-	N/A	Filipino	0.000%
Common	Gemma M. Santos	1,000	Direct	Filipino	0.000%
Common	Ma. Nalen SJ. Rosero	-	N/A	Filipino	0.000%
Common	Lorelyn D. Mercado	100	Direct	Filipino	0.000%
Common	Leamor S. Harlea	-	N/A	Filipino	0.000%
TOTAL		**12,929,824,467**			**80.821%**

[1]*Based on the total outstanding, issued and subscribed shares of 15,998,007,676 (common and preferred series 1) as of December 31, 2024.*

[2]*Shares lodged under PCD Nominee Corporation (Filipino)*

[3] *Includes 7,125,545,458 shares held thru Fine Properties, Inc., 1,235,292,469 shares held thru Althorp Holdings, Inc. and 752,208,215 shares held thru Manuela Corp.*

[4] *Shares held thru Fine Properties, Inc.*

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

Voting Trust Holders of 5.0% or More

As of December 31, 2024, there were no persons holding more than 5.0% of a class of shares under a voting trust or similar agreement.

Changes In Control

The Company is not aware of any voting trust agreements or any other similar agreements which may result in a change in control of the Company. No change in control of the Company has occurred since the beginning of its last fiscal year.

Item 12. Certain Relationships and Related Transactions

As of December 31, 2024, the Villar Family Companies held 75.84% of the total issued and outstanding common share capital of the Company and 80.67% of the total issued and outstanding common and preferred share capital of the Company.

The Company and its subsidiaries, in their ordinary course of business, engage in transactions with the Villar Family Companies and their respective subsidiaries. The Company's policy with respect to related-party transactions is to ensure that these transactions are entered into on terms at least comparable to those available from unrelated third parties.

The Company's most significant related party transactions primarily involve Camella Homes. Camella Homes, from time to time, extends advances to the Villar Family Companies to finance the latter's accumulation of raw land intended for eventual development by Camella Homes' operating subsidiaries. Pending completion of the documentation of these acquisitions and transfer of legal title to the appropriate operating subsidiaries of Camella Homes, these advances are temporarily booked by Camella Homes as receivables from affiliates.

For further information on the Company's related party transactions, see Note 29 to the Company's consolidated financial statements as of and for the years ended December 31, 2022, 2023 and 2024 included in this report.

PART IV – CORPORATE GOVERNANCE

Item 13. Annual Corporate Governance Report (ACGR)

Annual Corporate Governance Report will be filed separately.

PART V – SUSTAINABILITY REPORT

Item 14. Sustainability Report

Attached as Annex A.

PART VI – EXHIBITS AND SCHEDULES

Item 15. Exhibits and Reports on SEC Form 17-C

Exhibits

See accompanying Index to Financial Statements and Supplementary Schedules.

The following exhibit is incorporated by reference in this report:

Consolidated Financial Statements of the Company as of and for the year ended December 31, 2024.

The other exhibits, as indicated in the Index to Financial Statements and Supplementary Schedules are either not applicable to the Company or require no answer.

Reports on SEC Form 17-C

The following current reports have been reported by Vista Land during the year 2024 through official disclosure letters dated:

January 26, 2024
Announcement of Mandate

April 11, 2024
Approval on the release of audited financial statements for the year ended 2023

April 16, 2024
Press release on the results of FY 2023 Audited Financial Statements

April 22, 2024
Calling of Annual Stockholders' Meeting

May 7, 2024
Approval on the application with SEC for registration and offer and sale in the Philippines of up to 50 million Series 2 Preferred Shares

May 20, 2024
Approval on the release of the unaudited Q1 2024 Unaudited Financial Statements
Press release on the results of Q1 2024 Unaudited Financial Statements

May 24, 2024
Appointment for the position of Chief Audit Executive
Clarification of News Report

June 6, 2024
Appointment of Joint Issue Managers, Joint Lead Underwriters and Joint Bookrunners

July 3, 2024
Clarification of News Report

July 9, 2024
Enabling Resolutions for the Preferred Shares

July 22, 2024
Potential Issuance of Dollar Denominated Fixed Rate Notes by a Subsidiary

July 29, 2024
Issuance of Dollar Denominated Fixed Rate Notes by a Subsidiary

August 6, 2024
Issuance of Dollar Denominated Fixed Rate Notes by a Subsidiary

August 13, 2024
Approval on the release of the 1H 2024 Unaudited Financial Statements
SEC Approval on the Registration statement for the up to Php5 billion preferred shares offering
Clarification of News Report

August 15, 2024
Press release on the results of 1H 2024 Unaudited Financial Statements

September 6, 2024
Setting of Dividend Rates

October 4, 2024
Listing of Series 2 Preferred Shares at the Philippine Stock Exchange

November 14, 2024
Approval on the release of the 9M 2024 Unaudited Financial Statements
Declaration of Common Cash Dividends

November 15, 2024
Press release on the results of 9M 2024 Unaudited Financial Statements

Reports on SEC Form 17-C, as amended (during the last 6 months)

None.

SIGNATURES

Pursuant to the requirements of Section 17 of the Code and Section 141 of the Corporation Code, this report is signed on behalf of the issuer by the undersigned, thereunto duly authorized, in MANDALUYONG CITY on MAY 15 2025.

By:

MANUEL PAOLO A. VILLAR
President and Chief Executive Officer

GEMMA M. SANTOS
Corporate Secretary

BRIAN N. EDANG
Chief Financial Officer

LORELYN D. MERCADO
Controller

SUBSCRIBED AND SWORN to before me this MAY 15 2025 at MANDALUYONG CITY, affiants exhibiting to me their respective Passports, to wit:

Name	Passport No.	Date & Place of Issue
Manuel Paolo A. Villar		DFA Manila
Brian N. Edang		DFA NCR East
Gemma M. Santos		DFA Malolos
Lorelyn D. Mercado		DFA NCR South

Doc. No. 290
Page No. 59
Book No. V
Series of 2025.

ATTY. FERDINAND B. SABILLO
NOTARY PUBLIC
UNTIL DECEMBER 31, 2026
ROLL No. 53511
IBP Lifetime Member No. 018538
PTR No. 5705677 / 03 Jan. 2025 / Mandaluyong City
MCLE Compliance No. VIII-0018734 issued dated 25 May 2022
Notarial Commission Appointment No. 0314-25
Vista Corporate Center, Upper Ground Floor,
Worldwide Corporate Center, Shaw Blvd., Mandaluyong City

P5B Retail Bonds (2017)
Schedule and Use of Proceeds
As of Dec2024

	PER PROSPECTUS	ACTUAL
Estimated proceeds from the sale of the Bonds	5,000,000,000.00	**5,000,000,000.00**
Less: Estimated expenses		
Arranger's Fee	25,000,000.00	25,589,000.00
Documentary Stamp Tax	25,000,000.00	25,000,000.00
SEC Registration Fee and Legal Research Fee	1,830,625.00	1,830,625.00
Publication Fee	150,000.00	329,961.60
Rating Agency Fee	3,360,000.00	3,250,000.00
Legal Fees (excluding OPE)	8,100,000.00	8,205,554.50
Listing Fee	300,000.00	300,000.00
Marketing and Signing Ceremony Expenses	300,000.00	419,409.14
Bond-related Expenses	3,942,000.00	3,950,000.00
	67,982,625.00	68,874,550.24
Net proceeds to Vista Land & Lifescapes, Inc.	**4,932,017,375.00**	**4,931,125,449.76**
Partial principal payment		3,000,000,000.00
Amortization of Bond Issue Cost		60,502,296.15
As of Dec 31, 2024		**1,991,627,745.91**

Vista Land sold P5 billion of the Bonds. After issue-related expenses, actual net collection amounted to P4.931 billion.

P10B Retail Bonds (2018)
Schedule and Use of Proceeds
As of Dec2024

	PER PROSPECTUS	ACTUAL
Estimated proceeds from the sale of the Bonds	10,000,000,000.00	**10,000,000,000.00**
Less: Estimated expenses		
Arranger's Fee	50,000,000.00	50,000,000.00
Documentary Stamp Tax	75,000,000.00	75,000,000.00
SEC Registration Fee and Legal Research Fee	3,093,125.00	3,093,125.00
Publication Fee	150,000.00	526,730.40
Rating Agency Fee	3,360,000.00	3,500,000.00
Legal Fees (excluding OPE)	8,100,000.00	1,862,093.96
Listing Fee	200,000.00	-
Marketing and Signing Ceremony Expenses	-	223,034.00
Bond-related Expenses	100,000.00	1,650,000.00
	140,003,125.00	135,854,983.36
Net proceeds to Vista Land & Lifescapes, Inc.	**9,859,996,875.00**	**9,864,145,016.64**
Partial principal payment		**6,500,000,000.00**
Amortization of Bond Issue Cost		127,713,957.75
As of Dec 31, 2024		**3,491,858,974.39**

Vista Land sold P10 billion of the Bonds. After issue-related expenses, actual net collection amounted to P9.860 billion.

P10B Retail Bonds (2019)
Schedule and Use of Proceeds
As of Dec2024

	PER PROSPECTUS	ACTUAL
Estimated proceeds from the sale of the Bonds	10,000,000,000.00	**10,000,000,000.00**
Less: Estimated expenses		
Arranger's Fee	50,000,000.00	73,684,210.53
Documentary Stamp Tax	75,000,000.00	75,000,000.00
SEC Registration Fee and Legal Research Fee	2,761,718.75	2,525,150.00
Publication Fee	150,000.00	556,604.50
Rating Agency Fee	3,360,000.00	5,821,428.57
Legal Fees (excluding OPE)	8,100,000.00	7,219,151.86
Listing Fee	200,000.00	-
Marketing and Signing Ceremony Expenses	-	219,054.54
Bond-related Expenses	300,000.00	10,100.00
	139,871,718.75	165,035,700.00
Net proceeds to Vista Land & Lifescapes, Inc.	**9,860,128,281.25**	**9,834,964,300.00**
Amortization of Bond Issue Cost		155,412,523.84
As of Dec 31, 2024		**9,990,376,823.84**

Vista Land sold P10 billion of the Bonds. After issue-related expenses, actual net collection amounted to P9.860 billion.

P6B Retail Bonds (2023)
Schedule and Use of Proceeds
As of Dec2024

	PER PROSPECTUS	ACTUAL
Estimated proceeds from the sale of the Bonds	6,000,000,000.00	**6,000,000,000.00**
Less: Estimated expenses		
Arranger's Fee/Underwriting Fees	42,000,000.00	47,075,271.38
Issue Management fee	-	22,207,130.73
Documentary Stamp Tax	45,000,000.00	45,000,000.00
SEC Registration Fee and Legal Research Fee	3,093,125.00	3,093,125.00
Publication Fee	166,768.00	148,900.00
Rating Agency Fee	5,360,000.00	4,785,714.28
Legal Fees (excluding OPE)	8,988,000.00	15,773,520.00
Listing Fee	200,000.00	-
Marketing and Signing Ceremony Expenses	300,000.00	391,754.72
Registry and Paying Agency account opening fee	100,000.00	-
Bond-related Expenses	-	1,909,280.36
	105,207,893.00	140,384,696.47
Net proceeds to Vista Land & Lifescapes, Inc.	**5,894,792,107.00**	**5,859,615,303.53**
Amortization of Bond Issue Cost		70,738,854.51
As of Dec 31, 2024		**5,930,354,158.04**

2024 PART V — SUSTAINABILITY REPORT

VISTA LAND & LIFESCAPES, INC.

Annex A: Reporting Template

CONTEXTUAL INFORMATION

Name of Organization	Vista Land & Lifescapes, Inc. (PSE: VLL)
Location of Headquarters	LGF, Building B Evia Lifestyle Center, Vista City, Daanghari, Almanza II, Las Piñas City
Location of Operations	Philippines
Report Boundary: Legal entities (e.g., subsidiaries) included in this report*	This Annex reports on the following projects and operations of VLL: ● Brittany Corporation ● Camella Homes, Inc. ● Communities Philippines, Inc. ● Crown Asia Properties, Inc. ● Vista Residences, Inc. Vistamalls, Inc., a subsidiary of VLL, publishes its sustainability report separately.
Business Model, including Primary Activities, Brands, Products, and Services	Vista Land & Lifescapes, Inc. (also referred to as "the Company") is one of the leading integrated property developers in the Philippines and the largest homebuilder in the country. The Company is present in 147 cities and municipalities in 49 provinces across the country. It operates its residential property development and commercial property development businesses through six distinct business units: Camella Homes, Communities Philippines, Crown Asia, Brittany, Vista Residences, and Vistamalls.
Reporting Period	January 1, 2024 – December 31, 2024
Highest Ranking Person responsible for this report	**Brian N. Edang** Chief Financial Officer, Head of Investor Relations

MATERIALITY PROCESS

Guided by the GRI Reporting Standards and the Sustainability Accounting Standards Board (SASB), Vista Land, together with the rest of the Villar Group of Companies, conducted a structured materiality assessment to determine the issues that are deemed significant by its stakeholders. The process of the assessment are as follows:

1. **Pre-identification of topics:** Various references, including sector-specific publications from GRI and SASB standards for real estate, as well as industry peer disclosures, were reviewed. The list was streamlined by consolidating general topics from previous reports and incorporating additional topics to ensure comprehensive coverage of the Organization's economic, environmental, social, and governance (EESG) aspects.

2. **Materiality assessment:** After a thorough review of the topics that were deemed material to the business operations and stakeholders, an online form was provided to key internal stakeholders. Stakeholders were asked to rank each topic from one (1) to five (5), 1 being the least critical to the operations, while 5 being the most critical.

3. **Validation of results:** After the survey proper, the Company, together with its sustainability partner, collated and analyzed all the responses from its stakeholders. This process helped identify topics deemed critical based on stakeholder concerns, industry relevance, and alignment with global sustainability standards. The Company then conducted further validation through internal discussions with key decision-makers and benchmarking against industry best practices to ensure that the identified topics accurately reflect both organizational priorities and stakeholder expectations.

The table below shows the topics identified as material to the Company based on their rankings.

1	Customer Satisfaction
2	Ethical Business Practices
3	Economic Performance
4	Human Rights
5	Occupational Health and Safety
6	Regulatory Compliance
7	Training and Development
8	Data Protection and Cybersecurity
9	Well being
10	Innovation
11	Community
12	Governance
13	Land Use
14	Landscape Impacts
15	Procurement Practices
16	Responsible Supply Chain
17	Green Buildings
18	Energy
19	Local Employment
20	Tax

Table 1. Vista Land 2024 Material Topics[1]

Consistent with the survey results from past years, Vista Land continues to prioritize **Customer Satisfaction** as the top material topic for 2024. As the largest homebuilder in the Philippines, the Company continues its commitment to be a reliable source of high-quality products and services that meets the evolving needs of Filipino homeowners and builders, thereby strengthening brand reputation and customer loyalty.

On the other hand, **Ethical Business Practices** remain a core focus, reflecting Vista Land's commitment to transparency, integrity, and responsible governance. Upholding high ethical standards in its operations, the Company ensures compliance with regulations, fair business dealings, and anti-corruption measures,

1 Topics with similar rankings indicate similar weighted averages.

fostering stakeholder trust and mitigating reputational risks. On the other hand, the Company is also cognizant that a strong **Economic Performance** is essential to sustaining Vista Land's growth and long-term value creation. Hence, the Company likewise prioritizes financial stability, cost efficiency, and strategic investments to navigate market fluctuations while maintaining operational excellence. This ensures continued business expansion and a positive economic impact for employees, investors, and the broader community.

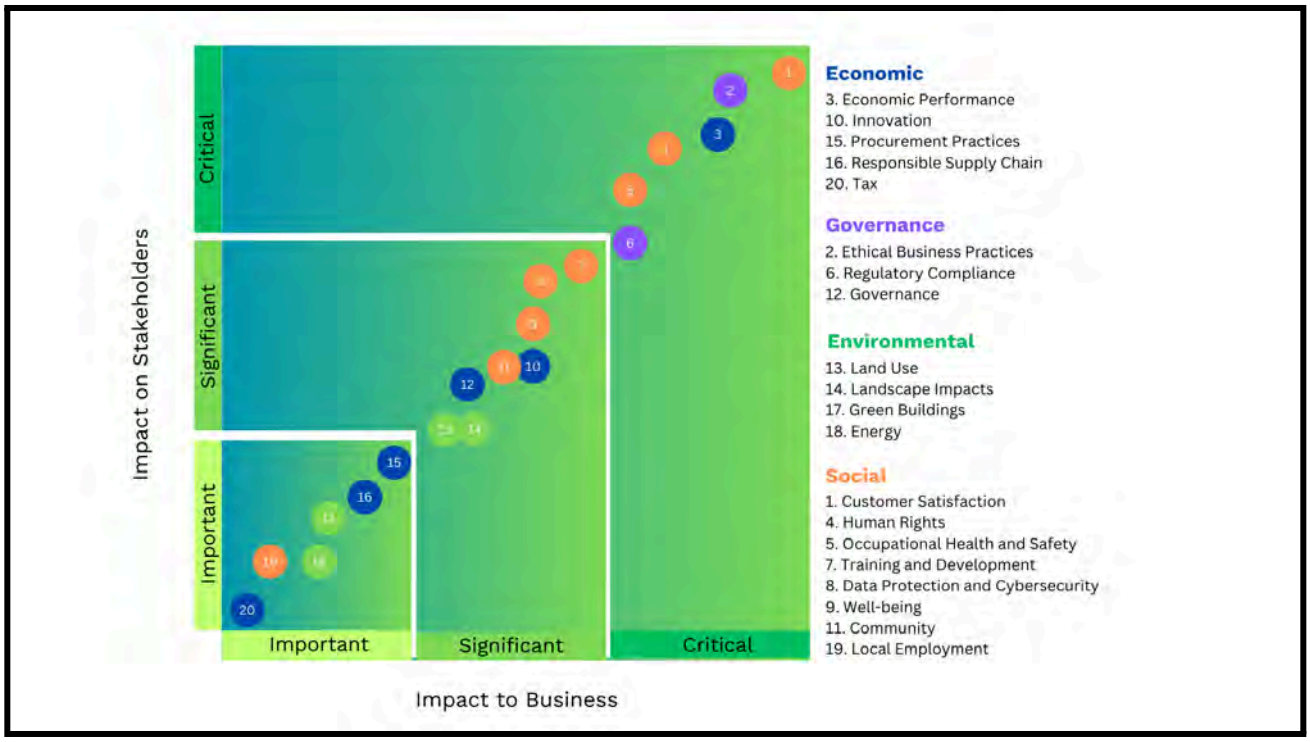


Figure 1. Vista Land 2024 Materiality Matrix

ECONOMIC & GOVERNANCE DISCLOSURES

Economic Performance

Direct Economic Value Generated and Distributed

Disclosure	Amount (in millions PHP)		
	2024	2023	2022
Direct economic value generated (Revenue)	34,928.05	33,691.09	28,841.82
Direct economic value distributed:			
a. Operating costs	8,906.17	10,002.19	7,207.73
b. Employee wages and benefits	1,501.93	1,594.01	1,352.71
c. Payments to suppliers, other operating costs	4,801.84	6,111.98	1,070.91
d. Dividends given to stockholders and interest payments to loan providers	13,609.09	12,330.22	10,475.54
e. Taxes given to government	3,042.03	4,394.68	2,914.63
f. Investments to community (e.g., donations, CSR)	8,021.53	7,197.36	240.65

Impact	Stakeholders Affected
Vista Land continued its strong financial performance in 2024, posting an 11% increase in core net income, reaching ₱9.3 billion, reflecting consistent growth over the past two years. The Company reported a 4% increase in rental income to ₱16.61 billion, driven by higher rental rates. This supports the revenue growth and contributes to overall market activity. Interest income rose by 12% to ₱2.03 billion, indicating better investment returns. Total assets grew by 11% to ₱380.51 billion, while liabilities increased by 16%, showing continued expansion with higher financial commitments. As of December 31, 2024, Vista Land had launched 25 projects with an estimated total value of ₱40.8 billion, further strengthening its presence in the real estate market. This expansion contributes to economic growth by generating employment, supporting construction activity, and increasing housing supply. The project launches also explain the 9% decline in real estate inventories to ₱58.16 billion, as properties were sold or developed. These new developments, combined with higher rental income and improved investment returns, reinforce Vista Land's role in driving economic activity, supporting related industries, and enhancing property market liquidity. The Company's ability to secure financing, such as the $150-million loan from Sumitomo Mitsui Banking Corp at a 6.41% interest rate, ensures continued investment in future projects and sustains long-term economic contributions.	Employees, Investors, Business Partners, and Customers

Management Approach to Impacts

Vista Land adopts a strategic and disciplined approach to financial and operational management, ensuring sustainable growth and long-term value creation for its stakeholders. The Company maintains a prudent capital allocation strategy, balancing revenue generation, cost efficiency, and investment in high-growth areas.

To strengthen financial stability, Vista Land continuously monitors its net debt-to-equity ratio, optimizing its capital structure while maintaining liquidity to support expansion. The Company also implements cost management initiatives and enhances operational efficiencies to sustain healthy gross margins, as reflected in

the 66% margin achieved in 2024.

In terms of revenue diversification, Vista Land continues to expand its recurring income portfolio, with rental revenues contributing significantly to its consolidated revenues. This mitigates risks associated with market fluctuations in real estate sales and ensures a stable cash flow. The Company's capital expenditure program is carefully structured to align with business priorities, with allocations focused on project construction, land development, and strategic land purchase. All of these ensure resilience and sustained profitability amid evolving market conditions to ensure a strong, steady cash flow for all shareholders.

Developments in 2024
As part of its economic generation strategy, Vista Land expanded its nationwide presence in 2024 with its growing network of master-planned communities. The Company has now established its footprint in 49 provinces and 147 key cities and municipalities in Metro Manila and emerging provincial growth centers. Accordingly, the Company integrates sustainable, master-planned communities that combine horizontal and vertical residences, commercial establishments, office spaces, and lifestyle hubs. To date, the Company has launched 30 out of 60 targeted estates.

These developments not only help the Company's economic generation, but also restore the local economy through creating job opportunities for construction and operation for these projects, and encouraging local community growth through Vista Estates' master-planned communities, mixed-use developments, and investments in strategic locations. These factors align with Vista Land's mission to build better lives by developing vibrant, self-sustaining communities that elevate the standard of living while maintaining affordability. The Company not only provides quality housing options but also creates real estate investment opportunities, attracting investors and driving local economic growth through properties with strong potential for capital appreciation and rental income.

In 2024, Vista Land reached significant milestones that reinforced its commitment to excellence in design, functionality, and innovation. These achievements not only highlight the Company's dedication to quality developments but also solidify its leadership in the Philippine real estate sector:

- Exemplary Developer of National Significance, 2024 Chamber of Real Estate & Builders Association, Inc. (CREBA) Pillar Awards (Vista Estates)
- Recognition, The Outlook 2024: Lamudi's Philippine Real Estate Awards (Camella Homes)
- Best Mixed-Used Development (Camella Provence & Scala (Luzon); Olvera (Visayas and Mindanao)
- Premium Condo of the Year (Crown Asia and Soleia by Vista Manors)

Risks	Stakeholders Affected
Vista Land integrates risk management as a core component of its business strategy and corporate governance, ensuring that risks related to economic performance are effectively identified, assessed, and mitigated. The Company maintains a balanced approach to risk and reward, allowing it to capitalize on business opportunities while minimizing potential negative impacts on financial stability, operational efficiency, and shareholder value. Key risks affecting the Company's economic performance include: ***Real Estate Development and Market Dependence*** Vista Land's residential sales rely heavily on property acquisitions and commissions, particularly from Overseas Filipino Workers (OFWs). Sustained growth depends on the Company's ability to acquire and develop suitable land for real estate projects. Challenges in securing land, increasing competition, or changes in demand could affect market share and profitability. ***Commercial Leasing and Occupancy Risks*** The Company's retail malls and BPO platforms face risks related to leasing, tenant occupancy, and commercial property management.	Employees, Investors, Business Partners, and Customers

Economic downturns, shifting market demand, or the inability to secure long-term leases may impact rental revenue and overall financial performance. ***Macroeconomic Risks*** Inflation, interest rate fluctuations, shifts in government borrowing policies, and changes in real estate regulations can affect financing accessibility for both the Company and its customers. Economic downturns may reduce demand for housing and commercial properties, directly impacting revenue and profitability. ***Third-Party Partnerships and Supply Chain Risks*** Expansion efforts require effective management of relationships with third-party contractors, suppliers, and business partners. Potential risks include capital constraints, construction delays, supply chain disruptions, and reputational damage due to third-party issues. Additionally, the Company's land banking strategy must be carefully managed to avoid adverse impacts on margins. ***Operational Delays and Cost Overruns*** The Company depends on independent contractors for project execution. Delays due to regulatory approvals, labor shortages, or unforeseen cost escalations could result in budget overruns and extended project timelines, affecting financial projections and investor confidence. ***Regulatory and Compliance Risks*** Vista Land operates in a highly regulated environment that is subject to evolving real estate, environmental, and taxation laws. Stricter regulations or policy shifts may increase compliance costs, delay project approvals, or restrict business expansion. ***Credit and Transactional Risks*** The Company offers in-house financing to customers, posing risks related to payment defaults and bad debt accumulation. A high rate of non-performing loans could have a material impact on cash flow and financial stability.	
Management Approach to Risks	
To mitigate the aforementioned risks, Vista Land's Board of Directors oversees the examination of business decisions through the consideration of both business opportunities and risks in terms of economic, social, and environmental impact. Guided by the Enterprise Risk Management (ERM) framework, the ERM team actively identifies, assesses, and mitigates risks, while the Board Risk Oversight Committee (BROC) is tasked with managing the Company's financial risk exposure and ensuring compliance with regulatory and industry standards. To mitigate economic performance-related risks, Vista Land implements robust financial and operational controls. The Company conducts periodic evaluations of income tax positions, especially in cases where tax regulations are subject to interpretation. If a tax position is unlikely to be accepted by authorities, the Company recognizes additional tax expenses and liabilities as necessary. The Controller and Chief Financial Officer (CFO) oversee tax strategies, while Vista Land's Legal team and external advisors review all tax-related matters to ensure compliance.	

Opportunities	Stakeholders Affected
To strengthen the Company's economic performance, Vista Land will continue to capture long-term growth opportunities by leveraging its expansive land bank and strategic geographic footprint. With 2,969 hectares of land—60% in key provincial areas	Employees, Investors, Business Partners, Customers, and Local Communities

and 40% within Metro Manila—the Company plans to optimize existing assets instead of acquiring new land. This approach allows Vista Land to minimize environmental impact, control costs, and remain agile in a dynamic real estate market. In project execution, the Company invests in modern project management tools and adopts technology that streamlines planning, communication, and implementation. Enhanced pre-construction processes and contingency planning reduce delays and create more efficient pathways to delivery. Vista Land also sees opportunity in proactively aligning with evolving environmental and legal standards. Ongoing investments in legal and compliance functions help the Company stay ahead of regulatory changes while advancing its sustainability goals. Additionally, the Company supports financial inclusion and customer satisfaction through convenient, multi-channel payment systems and flexible payment schemes. These efforts not only improve the homebuying experience but also support better financial outcomes for both the Company and its customers.	

Management Approach to Opportunities
At the core of Vista Land's opportunity management is evidence-based decision-making to ensure economic growth that will benefit the Company, shareholders, and stakeholders (e.g., employees and communities). The Company relies on rigorous market research, socio-economic analysis, and stakeholder consultations to identify emerging trends and unmet needs across its residential and commercial segments. Insights gained from these activities are integrated into corporate planning, investment decisions, and product development. Vista Land evaluates opportunities through a risk-opportunity lens, ensuring that potential gains are aligned with the Company's appetite for financial, operational, and environmental risks. For instance, decisions related to land use and expansion are guided by sustainability criteria, including proximity to infrastructure, ecological sensitivity, and the ability to support integrated, livable communities.

Climate-related Risks and Opportunities[2]

Governance Disclose the organization's governance around climate-related risks and opportunities.	
a) Describe the board's oversight of climate-related risks and opportunities	The Board reviews material risks, including those arising from climate change, that may affect the Company's operational and financial performance. These risks are evaluated alongside broader environmental, social, and governance ESG considerations to ensure the resilience of the business model in a transitioning economy. To support this oversight function, the Board Oversight Committee (BROC) plays a critical role in monitoring the Company's enterprise risk management (ERM) system, which includes the identification, assessment, and management of climate-related risks and opportunities. These may include physical risks (e.g., extreme weather events, resource scarcity), transition risks (e.g., changes in policy, regulation, or market expectations), and opportunities arising from climate adaptation and green development. The Committee works closely with management to ensure that appropriate controls, targets, and mitigation measures are in place and regularly updated in response to emerging climate-related developments. This includes oversight of investments in resilient infrastructure, energy efficiency measures, and

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

	alignment with national and global climate objectives.
b) Describe management's role in assessing and managing climate-related risks and opportunities	The Company's management plays an active role in supporting the Board's oversight of climate-related risks and opportunities by ensuring the timely delivery of accurate, relevant, and comprehensive information to the Board and its committees. While the Board Oversight Committee (BROC) is tasked with reviewing and defining climate-related risks and opportunities within the enterprise risk management system, management is responsible for identifying emerging climate trends, evaluating their potential impact on operations, and implementing appropriate mitigation or adaptation strategies. Cross-functional teams within the Company—including operations, risk, compliance, and sustainability—collaborate to assess climate-related risks such as extreme weather events, resource availability, or regulatory changes. They also explore opportunities to enhance resilience, improve energy efficiency, and adopt sustainable building practices. Management ensures that these assessments are integrated into project planning, investment decisions, and operational practices. This includes incorporating climate considerations into site development, infrastructure design, supplier engagement, and compliance processes. Furthermore, management works closely with the BROC to ensure that climate-related risk indicators are monitored regularly and that risk management strategies are updated in line with evolving best practices and stakeholder expectations.
Strategy Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning, where such information is material.	
a) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term	Vista Land has identified a range of climate-related risks and opportunities that may impact its operations, investments, and long-term growth. These are assessed across short-, medium-, and long-term time horizons to inform the Company's strategic planning and risk management frameworks. ***Short-Term (1–3 years)*** In the short term, the Company is most exposed to acute physical risks such as typhoons and localized flooding, which can lead to temporary construction delays, increased maintenance costs, and disruptions in the supply chain. These events may also affect the mobility of workers and materials, and raise insurance premiums or repair expenditures for existing developments. ***Medium-Term (3–7 years)*** Over the medium term, chronic climate risks such as rising temperatures, changes in rainfall patterns, and sea-level rise may affect the livability and desirability of certain project locations. These risks could lead to decreased demand for properties in vulnerable areas and reduce the profitability of developments in climate-sensitive zones. Additionally, changes in environmental regulations or zoning policies may influence the viability of future land development projects. ***Long-Term (7+ years)*** In the long term, Vista Land faces transition risks related to the broader shift toward a low-carbon economy. These include potential increases in construction costs due to green building requirements, changes in investor expectations, and evolving consumer preferences for climate-resilient and energy-efficient homes. However, these risks also present significant opportunities for innovation, including the integration of sustainable design, energy-efficient technologies, and green infrastructure across the Company's developments. Vista Land views these climate-related risks not only as challenges but also as

	drivers for adaptation and growth.
b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning	Vista Land recognizes that climate-related risks can have material impacts on its business operations, strategic direction, and financial outcomes. These risks influence how the Company plans, develops, and manages its real estate portfolio, especially in a country prone to natural disasters and environmental stressors. Severe weather events such as typhoons, floods, or other climate-induced disasters can result in uninsured or underinsured property losses, which may lead to the partial or total loss of capital invested in affected projects. These events may also delay turnover timelines or reduce the saleability of properties, impacting expected revenues while the Company continues to bear construction costs and financial obligations related to the development. In addition, climate-related disruptions can affect operational budgets due to increased maintenance expenses, higher insurance premiums, and more stringent regulatory compliance costs. These factors are now being considered in the Company's financial planning processes, influencing how projects are budgeted, insured, and scheduled for development. From a strategic perspective, the Company is increasingly prioritizing climate resilience in site selection, master planning, and design. Areas with lower exposure to environmental hazards are favored for new developments, while existing properties may undergo retrofitting or upgrades to improve disaster readiness. Climate-related opportunities, such as investing in green building technologies and energy-efficient designs, are also seen as avenues to create long-term value and attract environmentally conscious buyers, tenants, and investors.
c) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2ºC or lower scenario	Vista Land continues to strengthen the resilience of its business strategy by actively considering a range of climate-related scenarios, including those aligned with a 2°C or lower pathway. These scenarios are integrated into the Company's enterprise risk management (ERM) framework to anticipate and prepare for both gradual and sudden changes in the physical and regulatory climate landscape. As part of its proactive approach, Vista Land conducts technical due diligence and environmental screening for all land acquisitions and project launches. This includes assessing the vulnerability of each site to key risks such as flooding, rising sea levels, extreme precipitation, and geophysical hazards. Environmental studies are carried out not only on the selected land parcels but also on the surrounding areas to ensure comprehensive risk evaluation.
Risk Management Disclose how the organization identifies, assesses, and manages climate-related risks.	
a) Describe the organization's processes for identifying and assessing climate-related risks	integrates the identification and assessment of climate-related risks into its Enterprise Risk Management (ERM) system. This process is reviewed annually by the Board Risk Oversight Committee (BROC), in coordination with the Chief Risk Officer (CRO), to ensure it remains responsive to evolving environmental and regulatory landscapes. The Company assesses both physical and transition risks across its operations and project pipeline. Physical risks include acute events such as typhoons, flooding, and other natural disasters, as well as chronic changes such as rising temperatures and sea levels. Transition risks encompass policy shifts, changing market expectations, and technological developments related to climate change. Risks are evaluated based on their likelihood and potential impact on operations, financial performance, and project timelines. This includes consideration of geographic exposure, asset vulnerability, and the capacity of

	existing infrastructure to withstand climate-related events. Environmental assessments, technical due diligence, and local hazard mapping are also conducted to inform decision-making during site selection and project design.
b) Describe the organization's processes for managing climate-related risks	The Company's processes in managing climate-related risks are described and discussed in its ERM plan.
c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management	Risk management goes beyond economic considerations, hence, the Company's ERM incorporated climate-related risks to safeguard the Company's long-term sustainability and shareholder value. The primary objective is to minimize potential negative impacts while strategically balancing risks with opportunities. The Company's Risk Policy outlines the processes for evaluating and addressing identified risks, including those related to climate change. Climate-related risks are incorporated into the broader risk assessment framework, ensuring that they are treated with the same level of scrutiny and proactive management as other operational and financial risks. The policy dictates that risks are systematically reviewed and categorized based on their potential impact and likelihood, enabling the Company to prioritize mitigation efforts effectively. In terms of climate-related risks, the risk management team works closely with the Chief Risk Officer (CRO) and the Board Risk Oversight Committee (BROC) to integrate climate risks into the ERM framework. This integration ensures that both physical risks (such as extreme weather events) and transition risks (such as regulatory changes or shifts in market expectations) are continuously monitored and managed. Regular updates are provided to the Board to assess the effectiveness of risk mitigation strategies and ensure that climate-related factors are consistently reflected in decision-making, project planning, and business strategy.
Metrics and Targets	
Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	
a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process	A range of metrics is used by the Company to assess the impact of climate-related risks and opportunities on its operations, strategy, and overall risk management process. These metrics help the Company monitor, manage, and mitigate the potential effects of climate-related risks, particularly those stemming from natural disasters, which can disrupt business continuity and increase operational costs. The key metrics include: 1. Project Delays: The number of delays in project timelines due to extreme weather events or climate-related disruptions, which impact construction schedules and delivery dates. 2. Property Downtime and Business Disruptions: The frequency and duration of property downtime or business disruptions caused by climate-related events, such as typhoons, floods, or other natural disasters, affecting tenants and customers. 3. Repair and Replacement Costs: The financial impact of climate-related damages, including the repair costs or replacement of damaged or destroyed assets resulting from extreme weather events or natural disasters. 4. Maintenance Costs: The additional maintenance costs incurred due to wear and tear or damage to buildings and infrastructure, driven by climate-related phenomena such as flooding, high winds, or temperature fluctuations.

b) Describe the targets used by the organization to manage climate-related risks and opportunities, and performance against targets	Specific targets are likewise established to effectively manage and mitigate climate-related risks, ensuring the resilience and sustainability of its operations. These targets focus on proactive risk prevention, continuous monitoring, and preparedness to reduce the impact of climate-related events on the Company's assets, projects, and overall business performance. The Company enforces the following key operational measures to manage climate-related risks: 1. Preventive Inspections and Maintenance: Regular preventive inspections and maintenance of all assets, aiming to detect and address potential vulnerabilities early, particularly in high-risk areas prone to extreme weather events. The target is to conduct these inspections at least twice a year for each asset to ensure optimal condition and minimize damage during climate-related events. 2. Retrofitting and Resilience Upgrades: Retrofitting buildings and other developments to enhance their resilience to climate-related risks, such as flooding, seismic activity, or extreme heat. The target includes retrofitting 20% of the portfolio each year, prioritizing older buildings or those located in high-risk zones. 3. Board and Management Engagement: Monitoring the frequency of discussions on climate-related risks at the Board and Management level. The target is to ensure climate-related risks are discussed at least once every quarter, with relevant reports and assessments presented by the Chief Risk Officer (CRO) and the Sustainability team. 4. Employee Preparedness and Training: Ensuring that employees are well-prepared for climate-related events through regular training and communication. The target is to conduct climate-related disaster preparedness training for all relevant staff annually, with specialized sessions for teams directly involved in project management, construction, and property maintenance.

Procurement Practices

Proportion of spending on local suppliers

Disclosure	2024	2023	2022
Percentage of procurement budget used for significant locations of operations that is spent on local suppliers	100%	100%	100%

Impact	Stakeholders Affected
In 2024, Vista Land strategically allocated a significant portion of its procurement budget to support local suppliers, ensuring that its operations benefit the communities where it operates. Through sourcing materials and services from a broader base of local suppliers, the Company believes that it not only enhances its supply chain resilience but also contributes to the growth of the local economy. This approach fosters stronger relationships with local residents, as Vista Land works closely with business partners who employ local workers for various services and construction activities. The Company's focus on local procurement creates job opportunities, boosts income levels, and strengthens community engagement, thereby contributing to the socio-economic development of the areas in which it operates.	Local suppliers, Business partners
Management Approach to Impacts	

Prioritizing local and/or domestic procurement encourages suppliers to maintain competitive pricing, high standards of service, and timely delivery, while also supporting local businesses and contributing to economic development in the communities it serves. Vista Land regularly evaluates its supplier relationships to ensure that they meet the Company's sustainability criteria, focusing on fostering long-term partnerships that benefit both parties and promote social and economic resilience. To further support this commitment, Vista Land maintains open channels of communication with its suppliers, ensuring that any issues or opportunities for improvement are promptly addressed.

Risks	Stakeholders Affected
Vista Land acknowledges several procurement risks that may impact the efficiency and cost-effectiveness of its operations. These risks are inherent in its procurement processes and require ongoing mitigation strategies to ensure smooth business continuity. While Vista Land prioritizes local suppliers, there is a risk that some may lack the technical expertise or resources needed to meet the Company's high standards and demands. This could lead to inefficiencies in production, delays, and less competitive pricing. The Company works closely with suppliers to address these challenges through capacity-building efforts and fostering long-term, mutually beneficial relationships. The Company's procurement of raw materials, such as steel and cement, is subject to volatile price fluctuations. This could be exacerbated by labor shortages in the construction industry, particularly as government infrastructure programs increase demand. These fluctuations and shortages could drive up costs, delay project timelines, and impact the Company's profitability. To mitigate this, Vista Land continuously monitors market trends and explores long-term contracts with suppliers to stabilize costs and ensure timely delivery.	VLL Community

Management Approach to Risks
In managing procurement-related risks, the Company focuses on supplier collaboration, strategic sourcing, and continuous market monitoring. Vista Land works closely with its local suppliers to enhance their technical capabilities and resource availability, ensuring they can meet the Company's evolving needs. This includes offering training and support where necessary to improve efficiency, reduce risks of delays, and ensure competitive pricing. To mitigate the risk of price fluctuations and labor shortages, Vista Land actively monitors market conditions and engages in long-term contracts with key suppliers to lock in favorable pricing and secure a stable supply of raw materials. The Company also diversifies its supplier base to minimize reliance on a single source, ensuring that it has multiple options in case of market disruptions. Vista Land continually evaluates its procurement strategies, working with suppliers to optimize production schedules and reduce lead times, which helps manage the impact of any potential delays or price hikes. Furthermore, the Company invests in risk management tools and closely tracks government policies and infrastructure developments that may influence supply chain dynamics, allowing it to adapt quickly to changing market conditions.

Opportunities	Stakeholders Affected
Vista Land sees several opportunities within its procurement practices that can enhance both operational efficiency and community support. Continuing to source from local suppliers allows Vista Land to contribute to the local economy while fostering stronger relationships within the communities where it operates. By working closely with suppliers, there is an opportunity to help improve their capabilities and strengthen the supply chain in a way that benefits both the Company and its partners.	Local suppliers and VLL Community

As government infrastructure initiatives grow, Vista Land has the opportunity to participate in new development projects, potentially benefiting from economies of scale and favorable pricing. This collaboration could contribute to the Company's growth while supporting public sector objectives.	
Management Approach to Opportunities	
The aforementioned opportunities offer Vista Land ways to strengthen its procurement processes, enhance sustainability efforts, and continue contributing to the local economy in a positive and mutually beneficial manner. As such, the Company will continue to build its resilient supply chain.	

Corporate Governance

Training on Anti-Corruption Policies and Procedures

Disclosure	2024	2023	2022
Percentage of employees to whom the organization's anti-corruption policies and procedures have been communicated to	100	100	100
Percentage of business partners to whom the organization's anti-corruption policies and procedures have been communicated to	100	100	100
Percentage of directors and management that have received anti-corruption training	100	100	100
Percentage of employees that have received anti-corruption training	100	100	100

Incidents of Corruption

Disclosure	2024	2023	2022
Number of incidents in which directors were removed or disciplined for corruption	0	0	0
Number of incidents in which employees were dismissed or disciplined for corruption	0	0	0
Number of incidents when contracts with business partners were terminated due to incidents of corruption	0	0	0

Impacts	Stakeholders Affected
Continuously upholding the principles of good corporate governance, Vista Land is dedicated to fostering a culture of integrity and ethical conduct throughout its operations. The Company maintains a strong focus on ensuring that its employees are well-informed and aligned with its ethical standards, especially through regular training on anti-corruption policies and procedures. With a firm stance against unethical practices, Vista Land enforces a zero-tolerance policy on bribery, corruption, fraud, extortion, insider trading, money laundering, kickbacks, and facilitation payments. The Company strives for excellence in both its business operations and its interactions with stakeholders, ensuring that all actions are carried out in strict compliance with the law and in line with the highest ethical standards. In 2024, Vista Land continued to uphold its commitment to corporate integrity, recording zero incidents of corruption or any of the listed misconducts. The Company remains dedicated to regularly training its employees and directors, as well as informing business partners about its anti-corruption policies to ensure consistent adherence to these principles.	Employees, Investors, Business Partners, Directors, and Management

Management Approach to Impacts

To address corporate governance impacts, Vista Land is firm in committing to the highest standards of ethical conduct. The Board has institutionalized anti-corruption policies, which are integral to the Company's operational framework. These policies include the Whistleblowing Policy, Conflict of Interest Policy, Insider Trading Policy, and Related Transactions Policy, all of which are aligned with the principles and best practices outlined in the Company's Corporate Governance Manual.

To ensure these policies are consistently adhered to, Vista Land incorporates training for all new employees during their job orientations, and re-emphasizes these policies through the annual corporate values session led by the Human Resources (HR) Department. The sessions are conducted virtually via Zoom, making them accessible to employees across various locations. Additionally, the policies are available on the Company's

website, ensuring they are easily accessible to all stakeholders.

Vista Land's Board and Management also participate in the Annual Corporate Governance Seminar, which provides ongoing education on best governance practices and helps reinforce the Company's commitment to ethical operations. This seminar is essential in fostering a culture of continuous improvement in corporate governance and ethical decision-making across all levels of the organization. Information about the seminar, including key learnings, is also shared on the Company's website to ensure transparency and accountability.

Risks	Stakeholders Affected
Vista Land acknowledges the risks associated with corporate governance, particularly in the areas of corruption and unethical practices, if anti-corruption and related policies are not effectively communicated and reinforced. These risks can have a detrimental effect on the Company's reputation and financial stability, with the following potential consequences: ● Financial Pressure Leading to Unethical Practices: High debt levels may place the Company under financial strain, creating pressures that could tempt some employees or third-party partners to engage in unethical practices in order to maintain profitability or meet financial obligations. ● Difficulties in Managing a Broader Supplier Base: As the Company continues to expand its network of suppliers across various regions, it becomes increasingly challenging to ensure that all suppliers adhere to Vista Land's ethical standards. The risk of encountering unethical practices increases with the widening scope of local suppliers. ● Bribery and Facilitation Payments: The pressure to secure permits, licenses, and approvals for new projects could lead to unethical practices such as bribery or facilitation payments. This creates vulnerabilities in the Company's governance system, undermining the integrity of its operations. To mitigate these risks, Vista Land is committed to strengthening its anti-corruption measures, improving transparency in its operations, and fostering a culture of ethical business practices. This includes reinforcing the communication of anti-corruption policies and ensuring regular training for employees and business partners to uphold the Company's high standards of integrity.	Employees, Business Partners, Directors and Management, and Investors

Management Approach to Risks

To manage the aforementioned risks, Vista Land established a robust framework aimed at promoting ethical conduct and transparency in its operations. The Company's approach to addressing governance-related risks is driven by its commitment to compliance, continuous improvement, and a strong ethical culture.

In this light, Vista Land ensures that all employees are familiar with its anti-corruption policies through comprehensive on-the-job training and participation in the annual corporate values session. These sessions are conducted by the HR Department and are reinforced through continuous communication. The aim is to keep anti-corruption principles at the forefront of employees' and stakeholders' minds.

To guarantee that its governance standards are upheld, Vista Land has implemented audit procedures that monitor adherence to the Company's ethical policies. These audits focus on ensuring that all financial disclosures and accounting practices align with the highest standards of transparency and accountability.

The Company's Code of Business Conduct and Ethics provides clear guidelines for maintaining proper and moral transactions within and outside the organization. The Code outlines the expectations for ethical behavior and establishes the consequences for misconduct. Employees found violating the Code are subject to corrective actions in line with due process as outlined in the labor laws.

Opportunities	Stakeholders Affected
In line with the risks identified, Vista Land has several opportunities to further strengthen its corporate governance framework and improve overall business performance. With such, the Company continuously works in enhancing anti-corruption policies and procedures in order to build greater trust with stakeholders. Transparent reporting on anti-corruption initiatives through annual or sustainability reports highlights the Company's commitment to ethical business practices, boosting its reputation. On the other hand, Vista Land is also working to deepen its engagement with key stakeholders such as investors, customers, and suppliers by promoting ethical practices and reinforcing anti-corruption policies. These relationships are crucial for maintaining a positive corporate image and ensuring that all partners align with the Company's values of integrity and ethical conduct.	Employees, Business Partners, Directors and Management, and Investors
Management Approach to Opportunities	
Vista Land remains dedicated to nurturing an ethical, transparent, and effective work environment, which supports both business growth and corporate responsibility. By consistently implementing its zero-tolerance policy on corruption and related offenses, the Company ensures that its operations remain aligned with the highest standards of governance. The Company continues to engage and train its employees, directors, and business partners in its anti-corruption practices, reinforcing a shared commitment to integrity across all levels of the organization. Regular training sessions, including the Company's annual corporate values session, are conducted to maintain awareness and compliance with these policies. Through these efforts, Vista Land continues to build on its ethical culture, cultivating stronger relationships with its stakeholders and reinforcing its reputation as a company committed to both financial success and corporate integrity.	

ENVIRONMENTAL DISCLOSURES

Resource Management

Energy consumption within the Organization[3]

Disclosure	2024	2023	2022
Gasoline (in GJ)			
Communities Negros, Inc. (Communities Philippines, Inc.)	20,246.47	9,483.69	7,909.09
Communities Koronadal, Inc. (Communities Philippines, Inc.)	11,730.41	5,382.76	4,442.58
Communities Gapan, Inc. (Camella Homes, Inc.)	8,152.57	3,876.55	3,179.23
Communities Taal (Camella Homes, Inc.)	10,076.35	4,586.97	3,854.23
Crosswinds (Brittany Corporation)	N/A	N/A	N/A
Crown Asia Valenza (Crown Asia Properties, Inc.)	89.33	78.20	60.12
Vista Hub (Vista Residences)	See note[4]	See note[4]	See note[4]
Electricity (in kWh)			
Communities Negros, Inc. (Communities Philippines, Inc.)	288,673.07	136,071.23	113,262.44
Communities Koronadal, Inc. (Communities Philippines, Inc.)	82,633.83	38,273.65	32,296.50
Communities Gapan, Inc. (Camella Homes, Inc.)	53,306.36	24,594.79	20,619.43
Communities Taal (Camella Homes, Inc.)	83,968.42	39,683.95	32,917.77
Crosswinds (Brittany Corporation)	462,221.85	410,889.06	303,595.75
Crown Asia Valenza (Crown Asia Properties, Inc.)	374,849.94	378,167.81	289,031.84
Vista Hub (Vista Residences)	See note[4]	See note[4]	See note[4]

Reduction[4] in energy consumption

Disclosure	2024 vs. 2023	2023 vs 2022	2022 vs 2021
Gasoline (in GJ)			
Communities Negros, Inc. (Communities Philippines, Inc.)	-10,402.78	-1,574.60	-140.36
Communities Koronadal, Inc. (Communities Philippines, Inc.)	-6,347.65	-940.18	-99.88
Communities Gapan, Inc. (Camella Homes, Inc.)	-4,276.02	-697.32	-190.37
Communities Taal (Camella Homes, Inc.)	-5,489.38	-732.74	-79.28
Crosswinds (Brittany Corporation)	N/A	N/A	N/A
Crown Asia Valenza (Crown Asia Properties, Inc.)	-11.13	-18.08	-9.71
Vista Hub (Vista Residences)	See note[4]	See note[4]	See note[4]
Electricity (in kWh)			
Communities Negros, Inc. (Communities Philippines, Inc.)	-152,601.84	-22,808.79	3,252.13

[3] Communities and sites included in the scope are projects that are not yet turned over to the Homeowners' Association (HOA).
[4] Reduction is computed as the difference between the previous and current energy consumption. Negative values mean an increase in consumption versus the previous consumption.

Communities Koronadal, Inc. (Communities Philippines, Inc.)	-44,360.18	-5,977.15	-1,122.27
Communities Gapan, Inc. (Camella Homes, Inc.)	-28,711.57	-3,975.36	-619.98
Communities Taal (Camella Homes, Inc.)	-44,284.47	-6,766.18	-1,326.82
Crosswinds (Brittany Corporation)	-51,332.79	-107,293.31	-4,191.66
Crown Asia Valenza (Crown Asia Properties, Inc.)	3,317.87	-89,135.97	-5,389.21
Vista Hub (Vista Residences)	See note[4]	See note[4]	See note[4]

Impacts and Risks	Stakeholders Affected
Vista Land's primary sources of energy consumption are gasoline and electricity, which are essential for the daily operations of its residential projects, construction activities, and maintenance services. The nature of the Company's operations, which involve large-scale developments and a significant number of residential properties, requires substantial energy inputs. In 2024, Vista Land consumed **50,295.13 GJ** of gasoline and **1,345,653.47 kWh** of electricity across its operations. Gasoline is primarily used for transportation and construction machinery, while electricity powers the various systems within residential units, including lighting, air conditioning, and other essential services. This energy consumption contributes to the Company's overall environmental footprint, with the associated GHG emissions having the potential to impact air quality and contribute to climate change. As the Company continues to grow and expand, its energy consumption is likely to increase, raising concerns about rising operational costs and the environmental impact of fossil fuel dependence. In particular, any fluctuations in energy prices or disruptions in the power supply could pose significant risks to Vista Land's bottom line and operational efficiency. The Company is committed to addressing these challenges by enhancing its energy efficiency and exploring more sustainable energy alternatives, ultimately reducing its environmental impact and improving its long-term resilience.	VLL Community, Homeowners

Management Approach to Impacts and Risks

Cognizant of the environmental and financial impacts of its energy consumption, particularly in relation to the increased GHG emissions that contribute to climate change. The Company acknowledges the potential consequences of these emissions on air quality, which may exacerbate the frequency and intensity of natural disasters, such as typhoons. In addition to environmental concerns, rising energy costs and potential disruptions to resource availability pose significant financial risks to Vista Land. These risks include increased operational costs and scrutiny from stakeholders for not adopting sustainable energy practices. The Company is aware that reliance on fossil fuels for energy generation contributes to these challenges, affecting both the cost structure and the long-term sustainability of operations.

Energy security is another risk Vista Land faces. Potential disruptions in energy supply could have adverse effects on the Company's operations, resulting in higher costs and possible delays in project timelines. As the Company continues to expand, the importance of securing reliable and cost-efficient energy sources is becoming increasingly critical to both its financial stability and environmental responsibility. Vista Land actively monitors and manages its energy consumption by tracking the electricity and gas usage across its residential projects. The Company continually seeks ways to improve energy efficiency, ensuring that resources are used sustainably and operational costs are minimized.

In addressing the risk of energy disruptions, Vista Land ensures that its communities are supported by reliable electricity providers capable of restoring power as quickly as possible in the event of natural disasters. This proactive approach aims to minimize operational downtime and safeguard the comfort and safety of residents, even in the face of unexpected energy supply interruptions.

Furthermore, the Company is committed to integrating more sustainable energy practices in its operations,

exploring renewable energy options and energy-efficient technologies to reduce its reliance on fossil fuels, contributing to its long-term sustainability goals while mitigating financial and environmental risks.

Opportunities and Management Approach	Stakeholders Affected
With the impact and risks identified insofar as resource consumption is concerned, Vista Land is actively exploring the integration of renewable energy technologies to improve energy efficiency and reduce its reliance on fossil fuels. By assessing the feasibility of installing solar panels and other renewable energy systems in its malls and residential properties, the Company aims to reduce its overall carbon footprint while lowering energy costs. Additionally, Vista Land is committed to enhancing the efficiency of its operations through energy-saving initiatives, such as upgrading lighting systems, optimizing Heating, Ventilation, and Air Conditioning (HVAC) systems, and implementing energy-efficient appliances. These measures not only reduce energy consumption but also contribute to the Company's long-term sustainability goals. There are also significant opportunities to integrate energy storage solutions and smart grid technologies, which could help better manage energy demand, improve resilience to power disruptions, and further reduce reliance on traditional energy sources. These innovations would also allow the Company to better control and monitor energy consumption in real time, leading to improved operational efficiency and cost savings. Adopting sustainable energy practices and renewable energy sources will bolster Vista Land's reputation as an environmentally responsible company. This commitment to sustainability can attract environmentally-conscious customers, investors, and stakeholders, ultimately contributing to the Company's competitive advantage and long-term success.	Communities, Homeowners

Water consumption within the Organization

Disclosure	2024	2023	2022
Water withdrawal (in m^3)	N/A	N/A	N/A
Water consumption (in m^3)			
Communities Negros, Inc. (Communities Philippines, Inc.)	13,341.93	6,053.85	4,701.93
Communities Koronadal, Inc.(Communities Philippines, Inc.)	21,647.76	9,846.94	8,030.90
Communities Gapan, Inc. (Camella Homes, Inc.)	3,932.37	1,785.85	1,436.16
Communities Taal (Camella Homes, Inc.)	53,096.65	24,028.05	18,829.93
Crosswinds (Brittany Corporation)	158,437.84	141,349.15	104,385.74
Crown Asia Valenza (Crown Asia Properties, Inc.)	29,671.47	26,161.58	26,161.58
Vista Hub (Vista Residences)	See note[6]	See note[6]	See note[6]
Water recycled and reused (in m^3)	N/A	N/A	N/A
Total volume of water discharges	N/A	N/A	N/A
Percent of wastewater recycled	N/A	N/A	N/A

Impacts and Risks	Stakeholders Affected
Vista Land acknowledges the significant role water consumption plays in its operations, particularly in residential and commercial properties. However, as part of its ongoing commitment to improving sustainability practices, the Company recognizes that its water resource metrics and targets are still in the process of being developed. Currently, Vista Land has not yet fully measured its water withdrawal and discharge across its operations. In 2024, Vista Land consumed 280,128.02m³ of water, and the Company has implemented monitoring systems to better understand its water usage patterns. These efforts are part of Vista Land's approach to managing its environmental footprint and improving resource efficiency. The Company recognizes the importance of establishing robust data collection methods to track water consumption more accurately in the future, aligning with sustainability goals and the need for effective resource management.	VLL Community, Homeowners
Management Approach to Impacts and Risks	
Water shortages, especially during the summer months, can lead to significant inconveniences for homeowners in residential developments. As water demand increases across residential, commercial, domestic, and landscaping projects, especially in light of the Company's expanding portfolio, this can strain available resources, affect water quality, and create potential conflicts over accessibility. The conversion of natural areas for development can also disrupt local water cycles, altering water flow and soil moisture. To manage these risks, the activities in all projects are closely monitored to ensure effective water usage. In the event of anticipated water interruptions, residents are informed in advance to mitigate inconvenience and ensure preparedness. Reliable water distributors are partnered with to meet the consumption needs of residential communities. Additionally, elevated water tanks are incorporated into residential developments, providing residents with consistent access to water, even during periods of high demand. These measures reflect a commitment to managing water consumption efficiently while minimizing any adverse environmental impact that the Company's operations may cause.	

Opportunities and Management Approach	Stakeholders Affected
Exploring the installation of water-recycling equipment offers an opportunity to redirect water discharges for non-potable uses such as landscape maintenance, helping reduce the Company's overall water consumption. In upcoming residential and commercial developments, Vista Land is looking into implementing water-efficient designs, such as low-flow fixtures, xeriscaping, and greywater systems, can further minimize water use. Establishing water conservation programs for residents will encourage saving, reusing, and recycling water, contributing to sustainable water management within communities. Additionally, collaborating with local communities to address their water needs and protect natural water resources presents an opportunity to enhance water quality.	VLL Community, Homeowners

Materials used by the Organization

Vista Land has determined that materials did not emerge as a critical topic in 2024. Despite such, the Company continues to monitor and evaluate its operations to ensure that key areas, including materials use, are aligned with sustainability practices and evolving industry standards.

Ecosystems and Biodiversity (whether in upland/watershed/coastal/marine)

The Company has not reported any significant impacts on lands with high biodiversity value or areas near protected zones. Before acquiring any property, the Company conducts thorough market research to assess

future homeowner demands, taking into account various environmental factors, such as:

- The surrounding economic condition of the area
- Proximity to current developments and services
- Accessibility via major roads and streets
- Availability of utilities such as electricity, water, and telephone lines
- Competitive landscape and amenities in the neighboring environment

In addition, Vista Land evaluates the feasibility of obtaining necessary government licenses, permits, and authorizations, along with the development of required infrastructure like sewage systems, roads, and electricity. The Company also ensures that the ecological impacts of land acquisition are carefully considered and mitigated, particularly in terms of preserving natural landscapes and minimizing disruption to local ecosystems.

Landscape design plays a crucial role in the Company's developments, not only as a visual enhancement but also as an investment in sustainability. Vista Land views its landscapes as a means of supporting a greener, healthier environment for future generations. Efforts are made to include species that are beneficial to the environment, while also addressing any potential risks that new species might pose to local biodiversity.

Vista Land is committed to contributing to climate change mitigation by incorporating climate-responsive designs into its landscape architecture. The focus is on creating microclimates within its communities that can help combat global warming, improve air quality, and provide cooler, cleaner living spaces. These microclimates have the potential to positively affect temperature regulation and air quality in surrounding areas. Key to the development of these microclimates is carbon sequestration. Vista Land's landscape designs include plant species that are not only aesthetically pleasing but also serve to capture carbon dioxide and convert it into oxygen, contributing to cleaner air and overall improved environmental health in its communities.

Environmental Impact and Management

Air Emissions[5]

GHG (in tCO_2e)

Disclosure	2024	2023	2022
Direct (Scope 1) GHG Emissions			
Communities Negros, Inc. (Communities Philippines, Inc.)	43.77	20.50	17.10
Communities Koronadal, Inc. (Communities Philippines, Inc.)	25.36	11.64	9.60
Communities Gapan, Inc. (Camella Homes, Inc.)	17.63	8.38	6.87
Communities Taal (Camella Homes, Inc.)	21.78	9.92	8.33
Crosswinds (Brittany Corporation)	N/A	N/A	N/A
Crown Asia Valenza (Crown Asia Properties, Inc.)	0.19	0.17	0.13
Vista Hub (Vista Residences)	See note[6]	See note[6]	See note[6]
Energy indirect (Scope 2) GHG Emissions			
Communities Negros, Inc. (Communities Philippines, Inc.)	200.19	94.37	78.55
Communities Koronadal, Inc. (Communities Philippines, Inc.)	70.42	32.62	27.52
Communities Gapan, Inc. (Camella Homes, Inc.)	36.97	17.06	14.30
Communities Taal (Camella Homes, Inc.)	58.23	27.52	22.83
Crosswinds (Brittany Corporation)	320.55	284.95	210.54
Crown Asia Valenza (Crown Asia Properties, Inc.)	259.96	262.26	200.44
Vista Hub (Vista Residences)	See note[6]	See note[6]	See note[6]
Emission of ozone-depleting substances (ODS)	N/A	N/A	N/A

Air Pollutants

Vista Land currently does not have a monitoring system in place to track air pollutants across its operations.

Impacts and Management Approach	Stakeholders Affected
In 2024, Vista Land's total GHG emissions amounted to 1,055.05 metric tons of CO_2 equivalent. Of this total, Scope 1 emissions, which account for direct emissions from owned or controlled sources, were primarily driven by gasoline consumption, contributing to 108.73 metric tons of CO_2 equivalent. The increase in gasoline usage is associated with the growing demand for gasoline-powered vehicles and equipment within residential developments, impacting both local air quality and public health. Scope 2 emissions, which reflect indirect emissions from purchased electricity, accounted for 946.32 metric tons of CO_2 equivalent in 2024. As electricity consumption rises across residential, commercial, and communal spaces, the demand for energy continues to contribute to Vista Land's carbon footprint,	Homeowners, Tenants, and Nearby Communities

[5] Reinstated based on the updated UNFCC and DOE
[6] Direct and Indirect GHG Emissions in Vista Hub are not available as of 2024. This will be disclosed in the next reporting year.

particularly when the energy sources are fossil fuel-based. Vista Land is actively working on strategies to reduce both Scope 1 and Scope 2 emissions. The Company is exploring cleaner energy alternatives, such as the integration of renewable energy sources in new developments and promoting energy-efficient solutions in existing properties. Additionally, there are ongoing efforts to encourage residents and tenants to adopt more sustainable practices, such as using electric vehicles and shifting to renewable energy options for their power needs.	

Opportunities and Management Approach	Stakeholders Affected
Vista Land remains committed to continuously monitoring and reducing its gasoline and electricity consumption across all its properties, with an emphasis on enforcing sustainable practices among homeowners and tenants. Through promoting the adoption of cleaner technologies and encouraging sustainable behaviors, Vista Land strives to minimize its carbon footprint and support broader goals of improving air quality and mitigating climate change. The Company likewise continues to track and report its emissions, with plans to enhance energy efficiency and strengthen its carbon management efforts. In addition, Vista Land supports community-driven programs within its developments that encourage residents to embrace more sustainable lifestyles, such as transitioning to electric vehicles, using energy-efficient appliances, and reducing overall energy consumption. The Company's Greenscapes initiative is another key opportunity aimed at improving air quality and creating cooler environments. By planting a diverse array of endemic plants across its properties, Vista Land contributes to better carbon sequestration, helping offset the impact of emissions and providing residents with healthier, more sustainable living environments. This horticulture program not only supports the local ecosystem but also enhances the overall quality of life within its communities.	Homeowners, Tenants, VLL Community

Solid and Hazardous Wastes

As of 2024, the scope of solid and hazardous wastes has not been formally transferred to Vista Land's residential developments, and consequently, the data regarding waste generation and management is currently unavailable. However, measures are in place in addressing this gap and plans to implement systems to monitor and manage solid and hazardous waste within its developments in the future.

Environmental Compliance

Non-compliance with Environmental Laws and Regulations

Disclosure	2024	2023	2022
Total amount of monetary fines for non-compliance with environmental laws and/or regulations	0	0	0
No. of non-monetary sanctions for non-compliance with environmental laws and/or regulations	0	0	0
No. of cases resolved through dispute resolution mechanism	0	0	0

Impact and Risks	Stakeholders Affected
Vista Land ensures strict adherence to environmental laws and regulations, maintaining full compliance to uphold its reputation and ability to promote its projects without legal hindrances. In 2024, the Company did not incur any fines or sanctions, and there were zero resolved cases through its dispute resolution mechanisms. The Company recognizes that non-compliance with environmental laws could lead to a decline in property sales, potentially negatively impacting financial performance. Moreover, risks related to pending compliance issues could delay or hinder project launches, affecting both short-term operations and long-term strategic goals.	VLL Community

Management Approach to Impacts and Risks
Vista Land actively monitors its environmental compliance through its Technical Services team, which tracks and ensures adherence to environmental laws throughout the entire development process, from business planning to post-construction. Regular updates from the department on permit and license requirements help prevent non-compliance and minimize the risk of material violations. The Company's GreenViron sustainability initiative plays a crucial role in managing environmental impact by promoting waste segregation, recycling, and upcycling practices aimed at fostering a circular economy and improving resource efficiency within its communities. Vista Land continuously integrates modern technologies in its operations, particularly in construction and property management, to effectively enforce environmental, sanitation, and safety regulations, ensuring that compliance is upheld across all stages of development.

Opportunities and Management Approach	Stakeholders Affected
To further enhance the Company's environmental compliance, Vista Land has identified various opportunities through integrating better sustainable practices across its projects, particularly focusing on minimizing waste and improving resource efficiency. Moreso, the Company will continue to be proactive in monitoring environmental impacts and incorporating eco-friendly practices to stay ahead of evolving regulations, mitigate risks associated with non-compliance, and further enhance its positive contributions to both the environment and its communities.	VLL Community

SOCIAL DISCLOSURES

Employee Management

Employee Hiring and Benefits

Employee Data

Disclosure	2024	2023	2022
Total number of employees[7]	1,295	1,641	1,867
a. Number of female employees	860	1,135	1,215
b. Number of male employees	425	506	652
Attrition rate[8]	-67.85%	2.79%*	0.25%
Ratio of lowest paid employee against minimum wage	1:01	1:01	1:01

**Reinstated data*

Employee Benefits

	2024			2023		
List of Benefits	Y/N	% of female employees who availed	% of male employees who availed	Y/N	% of female employees who availed	% of male employees who availed
SSS	Y	27	25	Y	16	9
PhilHealth	Y	5	2	Y	3	1
Pag-IBIG	Y	7	4	Y	3	1
Parental leaves	Y	6	3	Y	2	1
Vacation leaves	Y	87	73	Y	81	61
Sick leaves	Y	64	52	Y	57	42
Medical Benefits (aside from PhilHealth)	Y	99	100	Y	79	75
Housing assistance (aside from Pag-IBIG)	Y	12	8	Y	15	9
Retirement fund (aside from SSS)[9]	Y	0	0	Y	0	0
Telecommuting	Y	17	13	Y	12	9
Flexible-working Hours[10]	N	N/A	N/A	N	N/A	N/A

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

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

[9] The Company has a noncontributory defined benefit pension plan covering substantially all its regular employees. The benefits are based on current salaries and related compensation on the last year of employment. For 2022, none has availed of this benefit as no one retired for the mentioned year.

[10] This benefit is available and can be granted to employees on a case to case basis.

Diversity and Equal Opportunity

Disclosure	2024	2023	2022
% of females in the workforce	66	70	65
% of males in the workforce	34	30	35
Number of employees from indigenous communities and/or vulnerable sector[11]	Not Measured		

Impacts and Management Approach

Vista Land considers its workforce one of its most valuable assets, essential to sustaining business performance and delivering long-term value. As of 2024, the Company employed 1,295 individuals, with women comprising 66% of the total and men 34%. While the representation of Indigenous groups is not yet measured, the Company remains committed to building a diverse and inclusive workforce.

The nature of Vista Land's operations demands a highly motivated, skilled, and service-oriented team. Recognizing this, the Company continues to invest in its employees through a competitive compensation and benefits program designed to attract top talent, enhance job satisfaction, and retain high-performing individuals. In addition to statutory benefits, eligible employees may receive leave credits, health insurance (including dependent coverage), mobile plans, performance-based salary increases, housing assistance, and retirement benefits. Employees can also avail of short- and long-term financial aid, including emergency loans and salary advances, based on merit and need.

Beyond compensation, Vista Land emphasizes continuous learning, employee safety, and a collaborative work environment. Through targeted training and development programs, the Company nurtures career growth while aligning individual performance with business goals. These efforts are further supported by internal policies on labor standards, human rights, and workplace conditions.

Diversity and inclusion are integral to the Company's recruitment and retention strategy. Vista Land follows an equal opportunity employment policy that selects candidates based on merit, skill, and experience, regardless of age, gender, marital status, or place of origin. By actively expanding its talent pool and promoting fair employment practices, the Company creates a culture of inclusion that supports innovation and resilience.

Risks and Management Approach

Vista Land's continued growth and success depend heavily on its ability to attract, retain, and develop a competent and motivated workforce. However, the Company faces several workforce-related risks that, if not effectively managed, may impact operational efficiency, service delivery, and long-term sustainability.

One key risk is employee turnover, especially in high-skill or leadership roles where institutional knowledge and continuity are critical. The loss of experienced personnel without a strong succession pipeline can disrupt operations, delay project timelines, and reduce the quality of service to clients. To mitigate this, the Company implements internal job rotation programs, not only to broaden employee skill sets but also to identify and train potential successors who can assume greater responsibilities over time.

Employee well-being also poses a significant risk area. Issues such as stress, work-life balance, and access to reliable transportation can affect employee morale, engagement, and productivity. These risks, if unaddressed, may lead to absenteeism, lower job satisfaction, and attrition. Vista Land responds to these concerns by continuously refining its benefits program and exploring flexible and supportive work arrangements where feasible.

Additionally, internal communication gaps may hinder collaboration and the dissemination of critical business

[11] The Company has a noncontributory defined benefit pension plan covering substantially all its regular employees. The benefits are based on current salaries and related compensation on the last year of employment. For 2022, none has availed of this benefit as no one retired for the mentioned year.

information across departments. Poor communication can reduce operational alignment and employee trust, which are vital in a rapidly expanding organization. Vista Land recognizes this and continues to invest in structured communication channels and feedback mechanisms to ensure employees are informed, heard, and aligned with organizational goals.

Lastly, the Company acknowledges the risk of insufficient leadership development in the face of expansion. Without a robust leadership pipeline, scaling operations can be delayed or poorly managed. Vista Land addresses this by investing in structured management development programs and leadership training that prepare high-potential employees for more complex roles.

Opportunities and Management Approach

Vista Land continues to strengthen its role as a major employer across the country, offering job opportunities in 147 cities and municipalities in 49 provinces. This wide geographic presence supports the Company's broader aim to expand its reach and tap into a diverse pool of talent across urban and rural areas. Through employment localization, the Company not only supports regional development but also builds a workforce that is closely aligned with its communities.

Efforts to enhance operational efficiency and strengthen its employer brand are supported by ongoing investments in digital systems that streamline internal processes and elevate the employee experience. Since 2022, the Company has maintained and updated the following digital platforms:

- Electronic Document Tracking System (EDTS), which facilitates the smooth processing of payment requests;
- Human Resource Information System (HRIS), which grants employees access to leave requests, employment certifications, and other HR-related documents;
- IT Helpdesk, which efficiently manages technical concerns raised by employees; and
- Building Information Modeling Helpdesk, which helps monitor construction project milestones from design to completion.

These systems remain integral to Vista Land's digital transformation journey and support a more responsive and agile work environment. At the same time, the Company is paying greater attention to employee wellness as part of its post-pandemic workplace strategy.

Employee Training and Development

Disclosure	2024	2023	2022
Total training hours			
a. Female employees	775	2,506	2,506
b. Male employees	807	1,276	1,276
Average training hours[12]			
a. Female employees	4.97	2.06	2.06
b. Male employees	5.20	1.96	1.96

[12] This benefit is available and can be granted to employees on a case-to-case basis.

Impact and Management Approach

Vista Land recognizes the importance of continuous learning and skills development in building a capable and future-ready workforce. The Company provides a structured approach to employee training and development to help individuals grow professionally, adapt to industry trends, and take on higher responsibilities within the organization.

Training programs are designed to:

- Strengthen job-related skills and update employees on relevant trends and practices;
- Prepare employees for greater responsibilities within their teams or departments.
- Expand professional networks and collaboration within and beyond the Company; and
- Encourage the sharing of best practices across the industry.

To ensure relevance and accessibility, Vista Land classifies its training programs into four levels based on the employee's role and rank:

1. **Fundamental and Mandatory Trainings (FMT)** – Required for all employees, especially new hires, to build foundational knowledge and promote alignment with company policies and values.
2. **Skills Enhancement Training** – Focused on developing specific technical and functional skills that support employees' current roles and career progression.
3. **Leaders Enhancement and Development** – Designed to equip supervisors, team leads, and mid-level managers with leadership, communication, and strategic thinking skills.
4. **Executive Education** – Tailored for senior executives, this level supports business acumen and leadership in shaping corporate direction and growth.

Key Training and Assistance Programs

- **Wellness Wednesdays**
  A weekly initiative that promotes employee well-being through webinars and activities focused on mental health, physical fitness, and productivity. Sessions are facilitated by professionals and offer practical tools for personal and professional growth.

- **New Employee Onboarding/Orientation Training**
  A mandatory program that helps new hires integrate into the Company's culture, understand organizational processes, and settle into their roles with confidence.

- **Search Engine Optimization (SEO) Training**
  Supports Vista Land's digital transformation by training employees in SEO best practices. This includes content optimization, search-focused website audits, and aligning SEO strategies with business goals—useful especially for those in marketing and communications.

- **Customer Relationship Management (CRM) Training**
  Provides employees with the knowledge to effectively use CRM systems, enhancing customer engagement and relationship management.

- **All Properties Website Training**
  Prepares Sales and Marketing staff to maximize the use of the Company's real estate platform for marketing, lead generation, and sales conversion.

- **Basic Training for Pollution Control Officers (PCO)**
  Conducted to ensure compliance with DENR requirements, this training equips designated PCOs with essential knowledge on environmental management and regulatory responsibilities.

- **Training Course for Managing Heads**
  Also aligned with DENR requirements, this course provides designated Managing Heads with environmental compliance know-how related to their operational oversight.

In 2024, Vista Land continued to invest in the learning and development of its workforce through various training programs tailored to different levels and needs. The Company recorded a total of 775 training hours for female employees and 807 hours for male employees. On average, female employees received 4.96 hours of training while male employees received an average of 5.20 hours. These training sessions supported both technical proficiency and personal development across departments.

Risks and Management Approach
Insufficient training and development can lead to skill stagnation, reduced employee engagement, and decreased adaptability to changing market and regulatory conditions. These risks can affect not only operational efficiency but also the organization's ability to meet long-term strategic goals. A lack of continuous learning may also limit employees' capacity to contribute to innovation and performance improvements. To address these concerns, a Learning Management System (LMS) is being developed to enhance how training initiatives are managed and tracked. The platform will enable more structured, accessible, and measurable learning across all departments, helping ensure that employees remain equipped with relevant skills and knowledge. Through this approach, training programs can be delivered more consistently, tailored to employee needs, and aligned with emerging business demands.

Opportunities and Management Approach
Opportunities to strengthen employee engagement and retention are rooted in creating an enabling work environment—one that supports learning, recognizes contributions, and opens pathways for career growth. Through its structured training programs and performance evaluation systems, Vista Land nurtures a culture of continuous development and professional advancement. Employees are evaluated annually based on key performance and behavioral metrics, with the results used to determine promotions, merit-based salary increases, and eligibility for added benefits such as mobile and car plans. Recognition goes beyond financial rewards. Exceptional performance is acknowledged through travel incentives, internal awards, and professional development opportunities that contribute to individual fulfillment and organizational loyalty. Employees who show leadership potential are also considered for succession planning programs and management-level roles, helping ensure long-term business continuity and growth. Beyond individual recognition, the Company cultivates a collaborative work environment where innovation and teamwork are encouraged. This approach supports its wider strategy of fostering a diverse and inclusive workforce that reflects the communities it serves. Offering various financial benefits, such as emergency loans, housing assistance, and healthcare coverage, also helps reduce employee stress and improve productivity. In an increasingly competitive talent landscape, these opportunities not only drive employee satisfaction but also reinforce Vista Land's employer brand as a stable, forward-looking organization that values people as strategic partners in growth.

Workplace Conditions, Labor Standards, and Human Rights

Occupational Health and Safety

Disclosure	2024	2023	2022
Safe Man-Hours	3,847,840	3,847,840	3,847,840
No. of work-related injuries	0	0	0
No. of work-related fatalities	0	0	0

No. of work-related ill-health	0	0	0
No. of safety drills	2	2	2

Impacts and Management Approach

The Company recognizes that the well-being of its workforce is essential not only for maintaining high levels of productivity but also for fostering a positive and supportive workplace culture. Hence, Vista Land is committed to providing a safe and healthy work environment for all its employees, clients, and visitors. To promote employee health and wellness, Vista Land partners with a reputable Health Maintenance Organization (HMO) to provide annual physical examinations for staff members. Middle managers undergo routine health checks, while senior managers and higher-level employees receive executive check-ups. This proactive approach ensures that potential health issues are detected early, promoting better overall well-being among employees.

In addition to regular health assessments, Vista Land sponsors various wellness initiatives throughout the year, including both online and in-person activities such as sports fests, Zumba sessions, and weight management contests. These initiatives aim to encourage employees to stay active, reduce stress, and engage in healthy lifestyle habits. The Company also takes a firm stance on maintaining a drug-free workplace and works diligently to prevent illnesses such as Hepatitis B, HIV/AIDS, and Tuberculosis.

As part of its commitment to occupational health and safety, Vista Land enforces comprehensive Occupational Health and Safety (OHS) programs. The Company organizes fire and earthquake drills as part of its emergency preparedness protocols to ensure that all employees are adequately prepared for unforeseen events. Additionally, Health and Safety Committees are formed within each cluster of the Company, and these committees are integral to managing the Company's risk management efforts. These committees are required to complete two mandatory training sessions: a 40-hour OHS training and a 40-hour First Aid and Basic Life Support (BLS) training. These training sessions ensure that committee members are equipped with the knowledge and skills to handle emergencies effectively. The Company also conducts regular assessments and meetings to identify and mitigate potential risks in the workplace.

In the event of serious injuries, illnesses, or fatalities, immediate evaluations are conducted by senior management or officers-in-charge in the affected area. These findings are then reported to the HR Department, which coordinates with the partner HMO to provide necessary medical care, including transportation to the hospital if required. Vista Land places particular emphasis on the health and safety of employees who report onsite, ensuring that they work in an environment where their physical well-being is prioritized.

In 2024, Vista Land achieved a significant milestone, maintaining a zero-incident record for work-related injuries and fatalities. The Company also upheld its Safe Man Hours status and continued its commitment to safety with 2 safety drills, marking the fourth consecutive year of conducting these essential fire and earthquake preparedness exercises.

Risk, Opportunities, and Management Approach

While Vista Land prioritizes the safety and well-being of its employees, there are inherent risks associated with occupational health and safety. Potential risks include workplace accidents, natural disasters, and other emergencies that may occur during daily operations, particularly for employees working onsite. The Company recognizes that unaddressed risks, such as inadequate disaster preparedness or undetected hazards, can have significant consequences, including injuries, loss of productivity, and potential harm to employees and visitors.

The Company conducts regular risk and hazard assessments to identify potential occupational safety hazards. However, as with any dynamic work environment, there is always a risk of unforeseen incidents, which may result in temporary disruptions or harm to employees if not promptly managed. Another potential risk is the evolving nature of safety regulations, which requires ongoing monitoring to ensure compliance with changing standards and legal requirements.

Despite these risks, Vista Land sees numerous opportunities to further enhance its occupational health and safety measures. The continual improvement of safety protocols and hazard identification processes provides the Company with the chance to create a safer and more efficient work environment for its employees.

Furthermore, ongoing investment in disaster preparedness training and safety awareness programs presents an opportunity to strengthen the Company's overall risk management framework. By continuously refining these initiatives and involving employees in the process, Vista Land can foster a culture of safety and responsibility, where proactive safety measures become second nature to every employee. Additionally, by leveraging technology to improve emergency communication and response systems, the Company can reduce the likelihood of incidents and enhance its ability to respond to emergencies swiftly.

Labor Laws and Human Rights

Disclosure	2024	2023	2022
No. of legal actions or employee grievances involving forced or child labor	0	0	0

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

	2024		2023	
Topic	Y/N	If yes, cite the reference in the company policy	Y/N	If yes, cite the reference in the company policy
Forced labor	N	N/A	N	N/A
Child labor	N	N/A	N	N/A
Human Rights	Y	N/A	Y	N/A

Labor-Management Relations

Disclosure	2024	2023	2022
% of employees covered with Collective Bargaining Agreements	0	0	0
Number of consultations conducted with employees concerning employee-related policies	At least once a year company-wide discussion		

Impact and Management Approach
A strong commitment to upholding human rights and adhering to labor laws anchors Vista Land's commitment to a strong relationship with its workforce. Upholding human rights and adhering to labor laws, ensuring that the workplace remains free from any form of discrimination or human rights violations. As such, the Company ensures that the workplace remains free from any form of discrimination or human rights violations, with zero incidents related to human rights violations or discrimination in 2024, reflecting its ongoing dedication to maintaining a respectful and fair working environment. Vista Land operates without the presence of a labor union, as its employees are not part of any collective bargaining agreement. Despite this, the Company encourages open dialogue between labor and management to foster a collaborative relationship. Employees are empowered to raise concerns regarding any violations of rights, unfair practices, or non-compliance with labor laws, knowing that these issues will be addressed promptly and fairly. Despite the lack of union, Vista Land places great emphasis on creating an environment where proactive communication is encouraged at all levels. Employees are provided with various platforms to share their feedback, voice concerns, and suggest improvements. Quarterly surveys, focus group discussions, regular staff meetings, and coordination meetings ensure that employee engagement remains a priority. The Company

also organizes annual company-wide meetings and frequent departmental meetings, where employees can openly discuss their ideas and align with organizational goals.

The monthly Jumpstart Activity serves as a key initiative where clusters or groups of employees come together to review monthly goals, performance, and targets. This is an opportunity for employees to engage with one another and share suggestions in an open, transparent setting. Employees are encouraged to raise concerns through multiple channels, including their immediate supervisors, HR, or any officer with whom they feel comfortable. This open-door policy ensures that employees can speak up without fear of retaliation, fostering a culture of trust and collaboration.

To further support this, Vista Land provides effective grievance mechanisms for employees to report issues such as workplace discrimination, bullying, or harassment. Employees are assured that their concerns will be heard and acted upon fairly, without fear of retaliation. Through structured programs, including focus groups and surveys, the Company remains aware of issues affecting its workforce and is committed to addressing them promptly.

The Company's grievance procedures are designed to protect employees and ensure that any issues raised are thoroughly investigated. Complaints are addressed impartially, and every employee is entitled to due process. In the case of workplace disputes or violations, the HR Department leads investigations, considering incident reports, testimonies, and any relevant evidence. Employees are given the opportunity to respond to allegations, and appropriate actions are taken only after a fair hearing.

Risks and Management Approach
Vista Land takes cognizance of the significant risks associated with labor-management relations, particularly regarding adherence to labor laws and the protection of human rights. As a major player in the real estate sector, the Company faces potential challenges such as wage disparities, workplace conditions, safety concerns, and discrimination, which could lead to lawsuits from employees. These lawsuits could involve claims for unpaid wages, overtime, discrimination, unjustified termination, and other violations of labor rights. Additionally, failure to comply with labor laws could result in fines, penalties, and other legal consequences imposed by government agencies. Serious violations may even lead to imprisonment for executives or business owners. These risks pose not only legal but also financial threats, including the potential for substantial penalties, compensation payments, and legal fees, which could strain the Company's resources and hinder its growth prospects. To mitigate these risks, Vista Land places a strong emphasis on compliance with labor laws and the respect for human rights across its operations. The Company maintains a comprehensive approach to managing labor-related risks, which includes adherence to the current labor laws and the implementation of policies designed to safeguard employees' rights. This ensures a workplace free from discrimination, harassment, and other forms of human rights violations. Vista Land also encourages open communication with its employees, providing mechanisms for them to raise concerns or report violations without fear of retaliation. Regular employee engagement activities, such as surveys, focus group discussions, and meetings with management, foster transparency and trust, enabling the Company to promptly address any issues that arise. Moreover, Vista Land has established clear grievance mechanisms that allow employees to report any concerns regarding discrimination or bullying. These mechanisms are designed to ensure that all complaints are addressed fairly and thoroughly, with full due process for all parties involved. In cases of non-compliance or human rights violations, the Company conducts investigations and takes appropriate disciplinary action, ensuring that employees are protected by its Non-Retaliation policy. By maintaining a culture of open communication, transparency, and accountability, Vista Land seeks to prevent labor-management conflicts and ensure that any issues are resolved swiftly and fairly, ultimately safeguarding both its workforce and its reputation. The Company is also aware of the potential financial and operational risks associated with labor law violations, including the possibility of increased costs, reduced productivity, and reputational damage. High turnover, low employee morale, and operational disruptions are all risks that the Company seeks to avoid by maintaining strong labor-management relations. Vista Land's commitment to respecting labor laws and human rights is

integral to its strategy for long-term success and sustainable growth, allowing it to manage and address labor-related risks proactively and effectively.

Opportunities and Management Approach
In managing labor-management relations effectively, Vista Land recognizes several opportunities that can drive both employee satisfaction and organizational success. By adhering to labor laws and human rights principles, the Company not only mitigates risks but also creates a strong foundation for a positive and productive work environment. This commitment to compliance and respect for human rights enhances the Company's reputation as an ethical and responsible employer, which can attract top talent across various sectors. A workplace that prioritizes fair treatment and equality increases employee morale, engagement, and retention, helping to build a loyal and committed workforce. Vista Land's proactive approach to employee engagement further strengthens its labor-management relations. By fostering a culture of open communication, the Company offers employees the opportunity to voice their concerns and contribute to organizational improvements. Regular surveys, focus group discussions, and quarterly meetings with management encourage collaboration and transparency, allowing employees to feel valued and heard. This environment of trust not only reduces the likelihood of disputes but also promotes greater employee involvement in decision-making processes, leading to more innovative and effective solutions. Moreover, Vista Land's grievance mechanisms provide employees with a structured and confidential way to raise concerns, ensuring that any potential issues are addressed promptly and fairly. This approach not only mitigates the risk of labor disputes but also creates an opportunity to improve workplace conditions continuously. By investing in these mechanisms and encouraging employee participation, the Company can enhance employee satisfaction, increase productivity, and ultimately improve business performance. In terms of financial benefits, maintaining strong labor-management relations helps reduce the costs associated with high turnover, absenteeism, and legal disputes. A well-managed workforce, where employees feel respected and valued, is more likely to perform at a higher level, leading to increased operational efficiency and reduced costs. Additionally, a positive reputation as a fair employer can improve the Company's standing with investors and other stakeholders, contributing to long-term sustainability and growth. Finally, Vista Land's commitment to respect for labor rights and human dignity also creates opportunities to align its corporate values with broader social responsibility goals. By upholding the highest standards of labor practices, the Company enhances its brand image, attracts socially conscious consumers, and strengthens its position as a leader in the real estate industry. This alignment not only fulfills legal and ethical obligations but also positions Vista Land as a company that cares about its employees' well-being, fostering long-term loyalty and support from both employees and customers.

Supply Chain Management

Below are the following topics that are included in Vista Land's supplier accreditation policy:

Topic	Cite Reference in the Company Policy
Environmental performance	Annex 1 - Quality Management - ISO 14000 or equivalent, DENR Permits/Certifications
Forced labor	Annex 1 - Quality Management - DOLE DO#18 requirement (Sections 6-7)
Child labor	Vista Land requires suppliers to be compliant with the Labor Code Book III.
Human Rights	
Bribery and corruption	Included in the Company Accreditation process

Impact and Management Approach
In 2024, Vista Land successfully managed its supply chain without any significant environmental or social impacts, remaining fully compliant with applicable laws and regulations to mitigate any potential risks. The Company's commitment to building sustainable communities extends to its supply chain, where it partners with suppliers who share its values of ethical sourcing, environmental responsibility, and community engagement. These partnerships are essential in supporting Vista Land's mission to create sustainable and thriving communities. Accordingly, the Company's supply chain management goes through the following process: 1. **Market Demand Analysis-** Analyze the market demand in the target area to determine the number of units required for upcoming projects. 2. **Supplier Identification and Selection-** Identify potential suppliers capable of providing the necessary construction materials for the project. 3. **Supplier Evaluation-** Evaluate suppliers based on their ability to meet Vista Land's standards, including quality, delivery timelines, environmental impact, and ethical practices. 4. **Contract Negotiation-** The procurement team negotiates contracts with selected suppliers, ensuring that terms are aligned with the Company's requirements. 5. **Order Placement-** Once contracts are agreed upon, the procurement team places orders for the required materials. 6. **Supplier Performance Monitoring-** Continuously monitor supplier performance to ensure that materials meet quality standards, are delivered on time, and align with sustainability goals. 7. **Ongoing Supplier Relationship Management-** Maintain long-term, ethical relationships with suppliers who demonstrate commitment to sustainability and regulatory compliance. Vista Land's supplier selection process is rigorous and includes a thorough accreditation system to ensure that all suppliers align with the Company's sustainability goals. Suppliers are assessed based on their production capacity, compliance with industry standards, historical performance, and adherence to ethical business practices. Additionally, the environmental and social impacts of each supplier are carefully evaluated to ensure that they meet the Company's expectations for responsible sourcing and operations. Above all, Vista Land ensures that its suppliers comply with Philippine laws, maintaining high ethical standards throughout the supply chain.

Risks and Management Approach
Vista Land faces several potential risks in its supply chain and construction operations. These include construction or infrastructure failures, design flaws, significant project delays, and quality control issues, all of which could negatively impact the Company's reputation and ability to deliver quality products and services. Such issues may also affect the Company's ability to attract potential customers, as any failure in the supply chain or construction process may result in delays, increased costs, and a loss of customer trust. To mitigate these risks, Vista Land takes a proactive approach to supplier performance management. The Company regularly assesses the performance of each supplier to ensure that they meet the required standards for quality, delivery timelines, and compliance with environmental and safety regulations. Any supplier exhibiting recurring performance issues is given a maximum of three warnings. After the third warning, the supplier is placed on a "Banned" list and will no longer be considered for future transactions. Non-compliant incidents are reported by key onsite personnel, and upon receiving a formal report, the management team immediately takes action to resolve the issue.

Opportunities and Management Approach
The Company views its relationships with suppliers as opportunities to not only enhance product quality but also drive innovation and sustainability within the construction industry. By working closely with suppliers who share its values of ethical sourcing, quality control, and environmental responsibility, Vista Land creates a collaborative environment that fosters mutual growth and aligns with the Company's mission to build sustainable communities. One key opportunity lies in the continued emphasis on building long-term, ethical partnerships with suppliers. This enables Vista Land to leverage supplier innovations and new technologies that contribute to more efficient, cost-effective, and environmentally friendly construction practices. By selecting suppliers who are committed to sustainability, the Company can integrate greener practices into its projects, enhancing its competitive advantage in the real estate sector and meeting the growing demand for eco-friendly homes and buildings. Vista Land also sees the opportunity to enhance its supplier evaluation and feedback processes. Regular performance reviews allow the Company to identify high-performing suppliers and reward them with ongoing business, while also providing constructive feedback to improve supplier capabilities. This continuous improvement cycle strengthens the overall quality of the supply chain and ensures that Vista Land delivers projects on time, within budget, and to the highest quality standards. Furthermore, the Company's transparent communication channels with suppliers foster a culture of collaboration and trust. Through maintaining open lines of communication, Vista Land ensures that issues are resolved quickly, preventing any delays or disruptions to the supply chain. With these opportunities identified, the Company shall leverage such to build stronger relationships and achieve greater operational efficiency, further supporting its growth and expansion plans.

Relationship with Community

Significant Impacts on Local Communities

Operations with significant impacts on local communities	Vista Land designed self-contained and walkable communities within residential developments that are connected to commercial spaces, green and open spaces, schools, and churches.
Location	Cagayan de Oro, Iloilo, Antipolo
Vulnerable groups[13]	Children and Youth
Does the particular operation have impacts on indigenous people?	Vista Land's operations may have an indirect impact to indigenous people.
Collective or individual rights that have been identified that or particular concern for the community	Right to education, worship, rest and leisure
Enhancement measures	Vista Land constructed churches such as Deux Pointe, a Swiss-designed church in Crosswinds, as a place of worship for homeowners and to support activities of religious organizations.

Operations with significant impacts on local communities	Villar Foundation (Formerly Villar SIPAG) Farming School trained thousands of participants in courses related to agriculture, including modern farming, for free. There are about 2,000 accredited farm schools available nationwide for farmers and plant enthusiasts.
Location	Las Piñas
Vulnerable groups[14]	Children and Youth
Does the particular operation have impacts on indigenous people?	Vista Land's operations may have an indirect impact to indigenous people.
Collective or individual rights that have been identified that or particular concern for the community	Right to education, work, and be free from hunger
Enhancement measures	Founded in 2001, Villar Foundation continued its search for students nationwide who have excelled in elementary and secondary education to be recognized with the Villar Excellence Award. Because of this, students are more motivated to pursue further exemplary performance in academics. In addition, more livelihood programs outside of Las Piñas are encouraged.

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

Corporate Social Responsibility Programs

Name of the Program	Overview of the Program
GreenViron	This program adopted a holistic approach by promoting strict waste segregation, recycling, and composting practices across Vista Land

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

	developments. Biodegradable waste is converted into fertilizer, while non-biodegradable materials are repurposed to reduce environmental impact. The initiative also includes natural solutions such as vermiculture to produce organic fertilizer and using coconut husk nets to prevent soil erosion and protect waterways. It was officially launched, in partnership with the Villar Foundation, through a tree-planting event held across various Vista Land sites, involving employees, homeowners, partners, and investors. Seeds were distributed during the event to symbolize growth and the long-term impact of the initiative.
Seeds for a Million Trees	This program strives to continue the legacy of one million trees launched last September 30, 2023, and their commitment to a greener future, together with the One Villar Group employees.

Impacts, Risks, and Opportunities
In 2024, Vista Land maintained its commitment to fostering positive relationships with the local communities in which it operates. There were no recorded significant negative impacts or risks to the local communities involved in any of the Company's projects. Vista Land's approach to community engagement has always been rooted in collaboration and mutual benefit. From the inception of a project to its completion, Vista Land works closely with local communities to integrate them into the overall development process. The Company values the importance of building not just physical structures but also strong, thriving communities. This collaboration includes engaging with local residents to understand their needs and aspirations, ensuring that each project contributes to the betterment of the community. Vista Land also prioritizes local sourcing and employment. By partnering with host communities, the Company creates job opportunities for local residents, supporting their economic growth. Additionally, materials are often sourced from the local area, contributing to the regional economy and reducing environmental impact through shorter supply chains. The Company extends its support by offering sponsorships for community programs and environmental initiatives, reinforcing its commitment to sustainable development. These efforts not only benefit the communities but also help Vista Land expand its urban developments across the country, ensuring that its projects are well-received and supported by those who live in the areas where they are built.
Management Approach to Impacts, Risks, and Opportunities
In terms of risks, Vista Land understands that its activities can have unintended social consequences, particularly if community relations are not managed well. For instance, poor communication or insufficient involvement of local stakeholders during project planning could lead to resistance, misunderstandings, or even conflicts. To mitigate these risks, the Company engages communities early in the development process, ensuring their voices are heard and that their needs are incorporated into the project. By promoting transparency and involving communities in the decision-making process, Vista Land minimizes the risk of project disruptions and builds stronger, more supportive relationships with local residents. On the opportunity front, Vista Land's commitment to integrating local communities into its development plans has proven beneficial. By sourcing materials locally, providing employment opportunities, and offering sponsorships for community-based programs, the Company not only enhances the socio-economic conditions of its host areas but also creates a sustainable pipeline of support for future developments. These initiatives allow Vista Land to expand its urban projects across the country while also contributing to the local economy. Additionally, community involvement creates opportunities for Vista Land to strengthen its brand reputation and increase goodwill, which are key drivers of long-term success. In managing these opportunities, Vista Land aligns its Corporate Social Responsibility (CSR) programs with the Company's long-term vision. It regularly evaluates the impact of its initiatives to ensure they provide tangible

benefits to local communities, including livelihood generation, job creation, environmental protection, and support for local enterprises. The Company also encourages volunteerism within its workforce, engaging employees in hands-on initiatives such as coastal clean-ups, relief operations, and tree planting events. This involvement not only helps employees feel personally connected to the Company's social efforts but also serves to enhance community ties.

Through these measures, Vista Land continually strengthens its management approach to balancing risks and opportunities, ensuring its local community relationships remain positive and mutually beneficial while contributing to sustainable development.

Customer Management

Customer Satisfaction[14]

Disclosure	2024	2023	2022
Customer Satisfaction	-	-	97
Conducted by third party?	-	-	-

Impact and Management Approach

Vista Land places customer satisfaction at the core of its business model, ensuring that its developments not only provide high-quality living spaces but also foster vibrant, integrated communities. The Company's vision is to deliver more than just homes; it aims to create environments that enhance the lives of its residents. Through carefully planned residential developments, Vista Land connects its homes to essential amenities like commercial centers, office buildings, leisure areas, and social facilities, ensuring that each community offers a holistic and fulfilling living experience. The Company's commitment to quality is evident in its integrated developments, which are designed to meet the evolving needs of its customers, offering them convenience, comfort, and a sense of belonging.

Moreover, the properties are strategically located in the country's most desirable areas, from top tourist destinations to key transportation hubs and prestigious educational institutions. In addition to providing top-tier residential options, the Company offers hotel-like amenities and services that elevate the living experience. Each project is carefully crafted with the customer's lifestyle in mind, ensuring that Vista Land developments are not just places to live but places to thrive.

Understanding the importance of customer engagement, Vista Land has invested in a variety of accessible communication channels to ensure it is always within reach of its clients. The Company has set up a dedicated hotline (023-Camella), where customers and prospective homebuyers can easily make inquiries or express concerns. To further improve its accessibility, Vista Land has strengthened its online presence through its digital platforms, including Vista Home and Vista Chat, which facilitate real-time communication and enhance the customer experience. These platforms enable homebuyers to easily inquire about properties, track their transactions, or seek assistance, all while receiving prompt, personalized responses.

Vista Land goes beyond traditional customer service by empowering all of its employees to take an active role in customer relations. Every staff member, regardless of their department, is trained and encouraged to be a customer service representative. This initiative ensures that all employees are equipped to assist with customer inquiries and provide clarity on any aspect of the transaction process. By fostering this culture of customer-centricity, Vista Land guarantees that customers feel heard, valued, and supported throughout their journey with the Company.

Vista Land achieved an impressive 93% brand awareness rating in 2024, according to a survey conducted by the Philippine Survey and Research Center (PSRC) through its Project Mana: A Quantitative Usage, Attitude & Image Study on Real Estate. This holistic approach to customer management reflects Vista Land's commitment to not only meeting but exceeding customer expectations.

[14] No poll conducted in Customer Satisfaction this year.

Risks and Management Approach
In 2024, Vista Land continued to face customer satisfaction risks primarily related to payment processing and responsiveness to customer concerns. While the Company has made notable strides since the pandemic in reopening physical payment centers and enhancing digital platforms, payment-related issues remain the most commonly raised concern among homebuyers. Challenges such as inconsistent transaction confirmations, unrecorded payments, and delays in customer service responses through digital channels have affected the overall customer experience. These issues, although fewer in volume than in previous years, highlight the need for more robust payment reconciliation systems and improved back-end integration. Additionally, the Company's growing dependence on digital platforms to handle customer engagement, while efficient in many respects, presents its own set of vulnerabilities. Instances of missed or delayed responses due to platform limitations, such as automated systems failing to escalate urgent queries, pose a reputational risk and may lead to dissatisfaction among customers. As Vista Land expands its operations and customer base, ensuring the reliability and responsiveness of its customer-facing systems remains a critical area of focus to protect brand trust and long-term loyalty.

Opportunities and Management Approach
Vista Land views customer feedback as a critical component of its continuous improvement strategy. Through its dedicated platforms and programs designed to capture and address customer concerns, the Company has made significant strides in improving customer satisfaction. By proactively engaging with homebuyers and promptly addressing their feedback, Vista Land aims to minimize the occurrence of complaints and, where possible, resolve issues before they escalate. The Company is committed to enhancing its customer service efforts by improving its digital platforms, ensuring these channels effectively capture and save customer feedback. This initiative will help provide a more seamless experience for homebuyers, enabling the Company to address concerns more efficiently and develop solutions that meet the evolving needs of its customers. With a dedicated customer support team in place, Vista Land is poised to further strengthen its relationship with its homebuyers, foster greater loyalty, and drive higher levels of satisfaction across its integrated communities.

Health and Safety

Disclosure	2024	2023	2022
No. of substantiated complaints on product or service health and safety[15]	0	0	0
No. of complaints addressed	0	0	0

Impacts, Risks, & Management Approach
The Company places the highest priority on the health, safety, and well-being of its residents and customers across its various housing developments and integrated communities. To ensure that its properties meet stringent safety standards, each unit is thoroughly inspected and punch-listed by the Company's Technical Services Department, in collaboration with certified contractors. This inspection process is critical in ensuring that properties are safe, well-maintained, and fit for occupancy before being turned over to homeowners. In terms of property management, Vista Land works closely with Global Property Management, Inc. (Globalland), which oversees all aspects of property management, from security and maintenance to landscaping and the coordination of community activities. Globalland is responsible for the day-to-day management of properties, ensuring that essential services such as waste management, facility upkeep, and safety measures are maintained at the highest standard. Additionally, the Company partners with a third-party security agency to ensure round-the-clock security for all homeowners and tenants. To further enhance the health and safety measures in place, Vista Land collaborates with Globalland to

[15] Substantiated complaints include complaints from customers that went through the organization's formal communication channels and grievance mechanisms as well as complaints that were lodged to and acted upon by government agencies. This definition also applies to the disclosures under Marketing and Labeling and Customer Privacy.

implement robust protocols designed to safeguard the well-being of customers, particularly in condominium developments where residents are more likely to interact with communal spaces such as elevators, hallways, and shared amenities. These efforts include regular sanitation measures and rigorous temperature checks at all entry points to Vista Land properties, ensuring a safe and healthy environment for all residents and visitors.

In line with these measures, Vista Land has maintained a track record of zero health and safety-related complaints in 2024, underscoring the Company's commitment to providing secure, hygienic, and well-managed living spaces for its customers.

Marketing and Labeling

Disclosure	2024	2023	2022
No. of substantiated complaints on marketing and labeling	0	0	0
No. of complaints addressed	0	0	0

Impact and Management Approach

With the evolving customer preferences, Vista Land continues to evolve its marketing and communications strategies to enhance customer engagement, expand its reach, and promote its diverse portfolio of residential and mixed-use developments. In 2024, the Company has significantly amplified its digital presence, integrating innovative tools such as virtual property tours, which have proven essential in allowing customers to experience properties remotely, particularly during times of restricted mobility. These digital platforms, along with social media and messaging applications, serve as key communication channels for connecting with potential homebuyers, answering inquiries, and promoting upcoming projects.

In line with its commitment to developing vibrant and sustainable communities, Vista Land has further advanced its mixed-use project initiatives. Through the launch of Vista Estates, the Company continues to develop prime real estate that combines vertical residential developments with commercial establishments in strategically located central cities across the Philippines. This forward-thinking approach aligns with the growing demand for urban living spaces that offer convenient access to essential services, workspaces, and leisure areas.

With a presence across the nation, Vista Land ensures localized engagement through its extensive network of over 10,000 sales agents who are actively involved in community outreach, sales rallies, open houses, and sales seminars held monthly. These initiatives help foster stronger connections with prospective homebuyers and the local community, providing them with opportunities to learn about Vista Land’s offerings and how they align with their aspirations for a modern, balanced lifestyle.

Vista Land’s Corporate Communications team plays a critical role in ensuring that all marketing materials adhere to the highest standards of quality and compliance. Prior to publication, all marketing content is carefully reviewed and approved by the Corporate Communications group. Local marketing teams then work with accredited suppliers to produce and distribute the materials, ensuring that each campaign is consistent with the Company’s brand and values. Vista Land also guarantees that its marketing materials comply with the guidelines set by the Ad Standards Council (ASC) and that all project launches are registered with the Housing and Land Use Regulatory Board (HLURB).

The Vista Estates initiative, launched in 2023, exemplifies Vista Land’s dedication to the real estate sector and its role as a leading integrated property developer. These master-planned developments, designed and executed entirely in-house, aim to create sustainable, innovative, and world-class cities-within-cities. With a focus on community-driven design, each Vista Estates project is themed based on the local topography and the economic vision of the local government units (LGUs), ensuring that each development is not only aesthetically pleasing but also aligned with the growth ambitions of its host community.

Vista Estates represents the Company’s commitment to creating places that are sustainable, lifestyle-driven, and primed for long-term growth. The five core pillars of sustainability, lifestyle-driven design, growth potential, innovation, and world-class standards guide the development of these communities. These developments offer residents not just homes, but sanctuaries that extend beyond the four walls, designed to support diverse

lifestyles and foster a strong sense of community.

As Vista Estates continues to expand across key cities and municipalities, it remains steadfast in its mission to create environments where people, families, and businesses can thrive. In 2023 alone, Vista Land launched nine new master-planned communities, with each development offering a unique concept tailored to the specific needs and aspirations of its residents. The Company's ongoing investment in these developments ensures that it remains at the forefront of the real estate market, delivering exceptional value to both homebuyers and investors while contributing to the country's urban development.

Vista Land's marketing and labeling efforts in 2024 reflect its dedication to transparency, compliance, and customer satisfaction, providing potential homebuyers with the information they need to make informed decisions about their future homes and investments.

Risks and Management Approach

The Villar Group of Companies considers the privacy and protection of customer data a top priority. In response to recent online claims suggesting potential data exposure, the Group acted promptly by initiating a thorough investigation.

Based on investigation findings, there is no indication of any material data breach affecting the Group's internal systems. Contrary to online speculation, no sensitive information—such as financial records, employee data, login credentials, or personal customer details—was compromised.

As a proactive measure, the Group has implemented enhanced cybersecurity controls, including stricter web application firewall configurations, multi-factor authentications and increased frequency of vulnerability assessments.

While the Group's systems remain uncompromised, we remain committed to continuously strengthening our data protection framework. This includes aligning with global industry standards and applicable regulatory guidance to bolster our cybersecurity resilience.

As the landscape of real estate marketing evolves, so too must Vista Land's approach in the matter to avoid significant impacts posed by the dynamic business environment. In 2024, several risks were identified that could potentially affect the Company's operations, customer engagement, and overall business performance. These risks have been mitigated through proactive measures, strategic investments, and continuous improvements to adapt to market changes. For this year, the following risks were identified:

1. ***Shifting Consumer Preferences and Marketing Effectiveness***: As consumer behavior continues to evolve, particularly with a growing preference for digital experiences, Vista Land faces the challenge of ensuring its marketing strategy remains effective. While the Company has integrated both traditional and digital marketing platforms, the risk remains that traditional marketing methods, such as print ads and onsite promotions, may not resonate as strongly with the modern consumer, especially in an increasingly digital-first world. To address this, Vista Land has focused on enhancing its digital initiatives, including the implementation of virtual property tours, and increasing engagement on social media platforms. These efforts aim to offer a more immersive and convenient customer experience while complementing traditional marketing efforts.

2. ***Dependence on Digital Sales Channels:*** The shift to digital sales channels during the pandemic highlighted the potential for online platforms to drive significant revenue. However, this also exposed the Company to the risk of over-reliance on digital sales. Although the majority of Vista Land's sales in 2023 came from online transactions due to imposed time restrictions and the growing preference for online convenience, this reliance may pose risks in case of technological disruptions, cybersecurity threats, or a decline in the adoption of online sales platforms. In response, Vista Land has bolstered its online infrastructure by enhancing its payment gateways, investing in secure digital platforms, and ensuring a seamless customer experience across its digital touchpoints.

3. ***Challenges in Site Visit Reopening:*** While the phased reopening of physical site visits has helped improve customer engagement, the process remains gradual and presents risks related to logistical

challenges, health and safety protocols, and customer satisfaction. Restrictions and concerns around safety may continue to affect the flow of in-person visits and interactions, which are integral to closing high-value sales. Vista Land is addressing this risk by prioritizing safety in its sites, following health guidelines, and providing virtual alternatives to ensure potential buyers can still engage with properties. The Company continues to monitor the situation closely, adjusting its reopening strategy as needed to balance both customer demand and safety considerations.

4. ***Competitive Pressure in the Real Estate Market:*** The real estate industry remains highly competitive, with numerous developers vying for market share. Vista Land faces the risk of losing ground to competitors who may offer more attractive pricing, superior customer experiences, or innovative property features. To mitigate this risk, Vista Land has focused on differentiating its offerings through the development of Vista Estates—master-planned communities that are designed to meet the evolving needs of modern consumers. The Company also emphasizes its strong brand presence, customer satisfaction efforts, and extensive portfolio of residential and mixed-use developments to maintain its competitive edge.

5. ***Economic and Market Volatility:*** Vista Land's business is susceptible to macroeconomic factors such as interest rate fluctuations, inflation, and changes in consumer purchasing power, which could negatively impact sales and project timelines. In 2024, rising inflation and potential interest rate hikes may affect the affordability of homebuyers, leading to decreased demand or slower sales growth. The Company has mitigated this risk by diversifying its product offerings and strengthening its financial position to remain resilient in the face of economic uncertainties. Additionally, Vista Land's focus on building long-term relationships with customers and investors helps safeguard against market volatility.

The Company will continue to monitor these risks closely and implement the necessary measures to ensure its continued success in a competitive and dynamic market.

Opportunities and Management Approach
In response to the evolving landscape and risks identified, Vista Land sees significant opportunities to further strengthen its digital marketing infrastructure and customer engagement strategies. The accelerated adoption of digital platforms has opened avenues for the Company to invest in more sophisticated and data-driven marketing tools, including AI-powered customer profiling, targeted ad campaigns, and real-time analytics. By enhancing its digital property tours, strengthening social media engagement, and streamlining online payment systems, Vista Land can provide a seamless and personalized customer experience that meets the expectations of a tech-savvy market. Additionally, the growing preference for master-planned, mixed-use developments presents a key opportunity for Vista Land to expand its Vista Estates brand across emerging growth centers in the country. These developments allow the Company to offer integrated lifestyle communities that appeal to both end-users and investors looking for long-term value. With a strong in-house marketing, sales, and development team, Vista Land is well-positioned to respond quickly to market trends, increase brand loyalty, and capture a larger share of the evolving real estate market.

Customer Privacy

Disclosure	2024	2023	2022
No. of substantiated complaints on customer privacy	0	0	0
No. of complaints addressed	0	0	0
No. of customers, users, and account holders whose information is used for secondary purposes	0	0	0

Data Security

Disclosure	2024	2023	2022
No. of data breaches, including leaks, thefts, and losses of data	0	0	0

Impact and Management Approach
Building on the previous initiatives and further reinforcing its commitment to safeguarding customer information, Vista Land maintained a strong and proactive approach to data security in 2024 with zero data privacy or cybersecurity incidents for the year, reflecting the effectiveness of its strengthened internal controls, continuous system monitoring, and enhanced cybersecurity infrastructure. Since the implementation of its data protection enhancements—including the acquisition of Qualys web scanning software and the complete revamp of its website architecture—the Company has prioritized preventive measures and internal capacity-building over reactive protocols. Regular vulnerability assessments and internal compliance audits are now embedded in its operations to identify potential security gaps early. Vista Land's Data Privacy Office continues to oversee policy implementation, employee training, and cross-department coordination to ensure alignment with RA 10173, or Data Privacy Act of 2012, and best practices in digital security. As part of its ongoing efforts, the Company remains committed to further advancing its digital resilience to preserve the trust of its homebuyers, clients, and stakeholders.

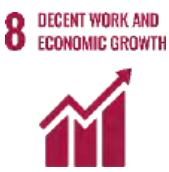
Risks
Vista Land recognizes that as it expands its digital platforms and strengthens its online customer engagement, the risk of data breaches, leaks, theft, and unauthorized access remains a critical concern. The increasing sophistication of cyber threats, alongside the growing volume of customer data being processed and stored, heightens the need for continuous vigilance and robust cybersecurity protocols. Any compromise in data privacy could lead to reputational damage, regulatory sanctions, and loss of customer trust. To mitigate these risks, the Company employs an Intrusion Detection System (IDS) that continuously monitors network traffic and flags suspicious activities in real time. Additionally, all third-party software applications undergo thorough compatibility and security assessments before integration into Vista Land's IT infrastructure. These measures are complemented by strict internal access controls, periodic vulnerability assessments, and company-wide awareness programs to ensure that data security remains a shared responsibility across all departments. Vista Land remains committed to strengthening its data governance and ensuring compliance with relevant legislative and regulatory frameworks.

Opportunities and Management Approach
The Company sees an opportunity to future-proof its systems by integrating advanced tools such as AI-powered threat detection, automated response mechanisms, and real-time monitoring capabilities. These technological upgrades, layered on top of the Company's existing infrastructure, will strengthen its resilience against cyber threats while improving operational efficiency. Vista Land's dedicated Data Privacy Act (DPA) team plays a pivotal role in driving a culture of data accountability across the organization. The annual conduct of Privacy Impact Assessments (PIAs) allows the Company to proactively identify, assess, and mitigate potential privacy risks across all systems and processes. These assessments, presented to and reviewed by Management, help guide data governance decisions and ensure compliance with regulatory standards. In addition, the IT group implements standard protocols to ensure that all third-party vendors and project partners adhere to the Company's data privacy policies, reinforcing trust among customers and stakeholders.

UN SUSTAINABLE DEVELOPMENT GOALS

Product or Service Contribution to UN SDGs

Key products and services and their contribution to sustainable development

Key Products and Services	Residential Development Business	
Societal Value / Contribution to UN SDGs		Vista Land actively contributes to SDG 8 by fostering inclusive employment and supporting local economic development. As an Equal Opportunity Employer, the Company upholds non-discriminatory hiring practices and provides fair and dignified work across all levels of the organization. With its strategic expansion into more cities and municipalities across the Philippines, Vista Land enables broader access to employment opportunities for residents in host communities. By generating direct and indirect jobs ranging from construction and technical services to sales, administration, and property management, the Company plays a vital role in stimulating local economies and enhancing livelihoods. These efforts are further supported by Vista Land's partnerships with local suppliers and contractors, creating a multiplier effect that promotes sustainable and inclusive economic growth.
		As part of its land acquisition and project planning process, the Company assesses proximity to essential transportation networks and utilities to ensure connectivity, functionality, and long-term sustainability of its developments. Each residential project is strategically designed to be accessible to public transportation and supported by reliable infrastructure, including stable water and electricity supply, internal road networks, and drainage systems. Through these measures, Vista Land not only enhances the livability of its communities but also contributes to broader national efforts in building inclusive and sustainable infrastructure that drives economic development and improves quality of life.
		The Company advances SDG 11 by helping address the country's housing demand through the continuous development of well-planned, integrated residential communities. Its master-planned developments are designed to be self-contained, combining housing, commercial establishments, and essential services in a single location to reduce the need for long commutes and promote more livable, inclusive spaces.

		Integrating climate-resilient and environmentally responsive design in its residential communities is one of the contributions to SDG 13 of the Company, particularly through its flagship brand, Camella. Camella's landscaping strategy incorporates green buffers, tree-lined roads, and open spaces that help mitigate urban heat, improve air quality, and create microclimates within developments, providing residents with cooler, healthier living environments. These green spaces not only enhance community well-being but also serve as natural carbon sinks, contributing to climate mitigation efforts.
		By focusing on native and climate-resilient species, such as pine trees, Vista Land, along with the Company's premium brand, Brittany, ensures that these efforts are sustainable and suited to local ecosystems. One of its key programs, the "Seed for a Million Trees" campaign, aims to plant at least one million pine trees across Villar City. This long-term initiative engages employees, sales networks, and homeowners in collective tree-planting efforts, contributing to habitat restoration, improved urban biodiversity, and enhanced air quality. Beyond increasing green cover, the initiative promotes environmental stewardship among stakeholders and supports ecological balance in urban and suburban areas.
Potential Negative Impact of Contribution	While Vista Land's efforts to address the growing housing needs across various cities and municipalities contribute to its vision of providing homes for every Filipino, such developments may also have certain unfavorable environmental and social consequences. These include: ● **Potential shift in biodiversity and communities:** Expanding residential areas may disrupt local ecosystems, leading to the displacement of wildlife and plant species, as well as affecting nearby communities that rely on the natural environment for their livelihoods. ● **Increased traffic volume and pollution:** As residential developments grow, there may be a rise in local traffic congestion, contributing to higher air pollution and noise levels, which can degrade the quality of life for residents and surrounding areas. ● **Increased water and energy demand:** Higher occupancy rates associated with new developments often result in higher consumption of water and energy resources, placing pressure on local utilities and increasing the risk of resource scarcity. ● **Increased wastewater generation:** With the rising water demand, wastewater production also increases, which can overwhelm existing treatment facilities, leading to potential contamination risks if not properly managed. ● **Deterioration of air quality:** Increased urbanization often leads to higher concentrations of pollutants in the air, affecting the health of residents and surrounding communities. ● **Urban heat island effect:** The growth in built surfaces, such as roads and buildings, can result in the heat island effect, where temperatures in developed areas rise significantly higher than in rural surroundings, exacerbating the impacts of climate change. To mitigate these impacts, the Company must continue to incorporate sustainable practices in its urban planning, development, and operations to ensure a balance	

	between growth and environmental protection.
Management Approach to Negative Impact	Vista Land prioritizes the development of residential projects outside Metro Manila, strategically placing them in various cities and municipalities. This approach helps reduce the population influx into urban areas, alleviating the strain on infrastructure, traffic, and air quality in the capital. By encouraging decentralized growth, Vista Land fosters regional development, easing congestion and improving the quality of life in Metro Manila. The Company's focus on these regions supports more sustainable urbanization, contributing to the better distribution of resources and services nationwide. On the other hand, Vista Land's mixed-use developments are designed to integrate residential, commercial, and recreational spaces within the same community. This creates self-sustaining ecosystems where residents can meet most of their daily needs without long commutes, reducing traffic and minimizing environmental impact. As population density increases, Vista Land is actively exploring innovative, energy-efficient solutions to manage the growing demand for utilities. These initiatives include sustainable water and energy technologies that reduce consumption while maintaining a high quality of life.

End of Report

VISTA LAND

STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR CONSOLIDATED FINANCIAL STATEMENTS

The management of **Vista Land & Lifescapes, Inc. and Subsidiaries (the "Group")** is responsible for the preparation and fair presentation of the consolidated financial statements including the schedules attached herein, 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 the financial statements that are free from material misstatement, whether to fraud or error.

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

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

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

SyCip Gorres Velayo & Co., the independent auditor appointed by the stockholders, has audited the consolidated financial statements of the Group in accordance with Philippine Standards on Auditing, and in its report to the stockholders, has expressed its opinion on the fairness of presentation upon completion of such audit.

Signed this MAY 15 2025 day of _____ 2025.

MANUEL B. VILLAR, JR.
Chairman of the Board

MANUEL PAOLO A. VILLAR
President and Chief Executive Officer

BRIAN N. EDANG
Chief Financial Officer and Head Investor Relations

SUBSCRIBED AND SWORN, to before me this MAY 15 2025 at MANDALUYONG CITY, affiants exhibiting to me their respective Passports, to wit:

Name	Passport No.	Date and Place of Issue
Manuel B Villar, Jr.		DFA MANILA
Manuel Paolo A. Villar		DFA MANILA
Brian N. Edang		DFA NCR EAST

who has satisfactory proven to me their identities through their valid identification cards, and that they are the same persons who personally signed before me the foregoing and acknowledges that they executed the same.

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Page No. 60
Book No. V
Series of 2025.

ATTY. FERDINAND B. SABILLO
NOTARY PUBLIC
UNTIL DECEMBER 31, 2026
ROLL No. 53511
IBP Lifetime Member No. 016038
PTR No. 5707[illegible] Mandaluyong City
MCLE Compliance [illegible] Issued 25 May 2022
Notarial Commission Appointment No. 0314-25
Vista Corporate Center, Upper Ground Floor,
Worldwide Corporate Center, Shaw Blvd., Mandaluyong City

C O V E R S H E E T

for

AUDITED FINANCIAL STATEMENTS

SEC Registration Number

C	S	2	0	0	7	0	3	1	4	5

COMPANY NAME

V	I	S	T	A		L	A	N	D		&		L	I	F	E	S	C	A	P	E	S	,		I	N	C	.	
A	N	D		S	U	B	S	I	D	I	A	R	I	E	S																

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

L	O	W	E	R		G	R	O	U	N	D		F	L	O	O	R	,		B	U	I	L	D	I	N	G		B
,		E	V	I	A		L	I	F	E	S	T	Y	L	E		C	E	N	T	E	R	,		V	I	S	T	A
	C	I	T	Y	,		D	A	A	N	G	H	A	R	I	,		A	L	M	A	N	Z	A		I	I	,	
L	A	S		P	I	Ñ	A	S		C	I	T	Y																	

Form Type

A	A	C	F	S

Department requiring the report

S	E	C	

Secondary License Type, If Applicable

		N	A

COMPANY INFORMATION

Company's Email Address	Company's Telephone Number	Mobile Number
irg@vistaland.com.ph	**3226 3552**	**N/A**

No. of Stockholders	Annual Meeting (Month / Day)	Fiscal Year (Month / Day)
930	**6/15**	**12/31**

CONTACT PERSON INFORMATION

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

Name of Contact Person	Email Address	Telephone Number/s	Mobile Number
Brian N. Edang	**brian_edang@ vistaland.com.ph**	**3226-3552/ 8874-5758**	**0917-857-6513**

CONTACT PERSON's ADDRESS

Lower Ground Floor, Building B, EVIA Lifestyle Center, Vista City, Daanghari, Almanza II, Las Piñas City

NOTE 1 : In case of death, resignation or cessation of office of the officer designated as contact person, such incident shall be reported to the Commission within thirty (30) calendar days from the occurrence thereof with information and complete contact details of the new contact person designated.

2 : All Boxes must be properly and completely filled-up. Failure to do so shall cause the delay in updating the corporation's records with the Commission and/or non-receipt of Notice of Deficiencies. Further, non-receipt of Notice of Deficiencies shall not excuse the corporation from liability for its deficiencies.

SGV
Building a better working world

SyCip Gorres Velayo & Co.
6760 Ayala Avenue
1226 Makati City
Philippines

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Fax: (632) 8819 0872
sgv.ph

INDEPENDENT AUDITOR'S REPORT

The Stockholders and the Board of Directors
Vista Land & Lifescapes, Inc.
Lower Ground Floor, Building B
EVIA Lifestyle Center, Vista City
Daanghari, Almanza II, Las Piñas City

Opinion

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

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

Basis for Opinion

We conducted our audits in accordance with Philippine Standards on Auditing (PSAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the *Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the Code of Ethics for Professional Accountants in the Philippines (Code of Ethics) together with the ethical requirements that are relevant to our audit of the consolidated financial statements in the Philippines, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

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

Real Estate Revenue Recognition

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

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

Effective January 1, 2024, the Group adopted Philippine Interpretations Committee (PIC) Q&A 2018-12-D (as amended by PIC Q&A 2020-04) in assessing if the transaction price includes significant financing component; and PIC Q&A 2018-12-E on the treatment of land in the measurement of progress. The Group applied the modified retrospective in its initial adoption.

In measuring the progress of its performance obligation over time, the Group uses input method. Under this method, progress is measured based on actual costs incurred relative to the estimated total project cost. In the estimation of total project cost, the Group requires technical determination by the Group's specialists (project engineers) to estimate all the inputs involved in the construction and development of the projects to include materials, labor and other costs directly related in the construction of the projects.

The disclosures related to the real estate revenue are included in Note 7 to the consolidated financial statements.

Audit Response

For the buyer's equity, we evaluated management's basis of the buyer's equity by comparing this to the historical analysis of sales cancellations from buyers with accumulated payments above the collection threshold. We traced the analysis to supporting documents such as official receipts and buyer's subsidiary ledger.

For the determination of the transaction price, we obtained an understanding of the Group's process in implementing PIC Q&A 2018-12-D (as amended by PIC Q&A 2020-04), including the determination of the population of contracts with customers related to real estate sale, the selection of the transition approach and election of available practical expedient. We obtained the financing component calculation of the management which includes an analysis whether the financing component of the Group's contract with customers is significant. We selected sample contracts from the sales contract database and traced these selected contracts to the calculation prepared by management. For selected contracts, we traced the underlying data and assumptions used in the financing component calculation such as contract price, cash discount, payment scheme, payment amortization table and percentage of completion to the contract provision and projected percentage of completion schedule. We also recomputed the financing component for each sample selected.

For the application of the input method in determining real estate revenue, we obtained an understanding of the Group's processes for determining the percentage-of-completion (POC) which excludes land, including the cost accumulation process, and for determining and updating of total estimated costs, and performed tests of the relevant controls on these processes. We assessed the competence, capabilities and objectivity of the project engineers by reference to their qualifications, experience and reporting responsibilities.

For selected projects, we traced the accumulated incurred costs to the supporting documents such as construction contracts, subsequent billings, and other documents evidencing receipt of materials and services from contractors. For the estimation of total project costs, we obtained an understanding of the Group's budgeting and project close-out process and, on a sampling basis, performed test of details (price and quantity) for the inputs for each of the major project development workstream. We also performed test of subsequent changes to the budget by tracing to relevant documents such as approved memorandum on budget revision and performed inquiries with the project engineers to understand the basis of the revisions to the budget. We performed a look-back analysis for fully completed projects in current year. We visited selected project sites, made relevant inquiries with project engineers and correlated our observations with the reported project accomplishment. We performed test computation of the POC calculation of management.

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

Provision for Expected Credit Losses

The Group applies simplified approach in calculating expected credit loss (ECL) of rental receivables. Allowance for credit losses and the provision for credit losses as of and for the year ended December 31, 2024 amounted to ₱1,310.54 million and ₱300.15 million, respectively. The use of ECL model is significant to our audit as it involves the exercise of significant management judgment. Key areas of judgment include segmenting the Group's credit risk exposures; defining default; determining assumptions to be used in the ECL model such as timing and amounts of expected net recoveries from defaulted accounts; and impact of any financial support and credit enhancements extended by any party; and incorporating forward-looking information (called overlays) in calculating ECL.

The disclosures related to the allowance for credit loss using ECL model are included in Note 5 to the consolidated financial statements.

Audit Response

We obtained an understanding of the methodologies and models used for the Group's different credit exposures and assessed whether these considered the requirements of PFRS 9 to reflect an unbiased and probability-weighted outcome, the time value of money, and the best available forward-looking information.

We (a) assessed the Group's segmentation of its credit risk exposures based on homogeneity of credit risk characteristics; (b) assessed the methodology used in applying the ECL model by evaluating the key inputs, assumption and formula used; (c) tested the definition of default against historical analysis of accounts and credit risk management policies and practices in place; (d) tested historical loss rates by inspecting historical recoveries and write-offs, and the effects of any financial support and credit enhancements provided by any party; (e) compared the classification of outstanding exposures to their corresponding aging buckets; (f) evaluated the forward-looking information used for overlay through statistical test and corroboration using publicly available information and our understanding of the Group's receivable portfolios and the related industry of tenants and; (g) tested the effective interest rate, or an approximation thereof, used in discounting the expected loss.

Further, we compared the data used in the ECL models, such as the historical aging analysis and default and recovery data, to the financial reporting systems.

We recalculated impairment provisions on a sample basis and evaluated the disclosures made in the consolidated financial statements on allowance for credit losses using the ECL model.

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 Annual Report for the year ended December 31, 2024 but does not include the consolidated financial statements and our auditor's report thereon. The SEC Form 20-IS, SEC Form 17-A and Annual Report for the year ended December 31, 2024 are expected to be made available to us after the date of this auditor's report.

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

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

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

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

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

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

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with PSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with PSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

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

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group as 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, related safeguards.

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

The engagement partner on the audit resulting in this independent auditor's report is Michael C. Sabado.

SYCIP GORRES VELAYO & CO.

Michael C. Sabado
Partner
CPA Certificate No. 89336
Tax Identification No. 160-302-865
BOA/PRC Reg. No. 0001, April 16, 2024, valid until August 23, 2026
BIR Accreditation No. 08-001998-073-2023, October 23, 2023, valid until October 22, 2026
PTR No. 10465376, January 2, 2025, Makati City

May 15, 2025

VISTA LAND & LIFESCAPES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	December 31	
	2024	2023
ASSETS		
Current Assets		
Cash and cash equivalents (Notes 9, 31 and 32)	**₱3,592,121,276**	₱10,692,152,140
Short-term cash investments (Notes 10, 31 and 32)	**–**	7,322,177
Current portion of:		
Receivables (Notes 11, 29, 31 and 32)	**73,982,898,552**	52,211,635,311
Cost to obtain contract (Note 7)	**481,200,601**	308,625,135
Current portion of investments at amortized cost (Notes 10, 31, 32)	**13,639,730,398**	18,425,130,586
Real estate inventories (Note 12)	**57,011,995,452**	63,771,221,098
Other current assets (Note 13)	**5,900,152,836**	6,447,935,058
Total Current Assets	**154,608,099,115**	151,864,021,505
Noncurrent Assets		
Investments at amortized cost - net of current portion (Notes 10, 31 and 32)	**28,364,259,673**	20,784,286,643
Investments at fair value through other comprehensive income (Notes 10, 31 and 32)	**172,158,380**	132,158,380
Net current portion of:		
Receivables (Notes 11, 29, 31 and 32)	**47,331,081,668**	31,191,466,002
Cost to obtain contract (Note 7)	**244,118,320**	202,050,708
Project development costs (Notes 16 and 29)	**2,091,629,813**	1,396,265,766
Advances to a related party (Note 29)	**6,256,899,721**	7,559,440,240
Investment in joint venture (Note 17)	**499,064,280**	499,448,049
Property and equipment (Note 15)	**2,052,675,396**	2,636,151,061
Investment properties (Note 14)	**134,752,483,275**	124,656,130,738
Goodwill (Note 8)	**147,272,020**	147,272,020
Pension assets - net (Note 26)	**322,385,012**	290,759,057
Deferred tax assets - net (Notes 6 and 27)	**6,148,373**	105,709,673
Other noncurrent assets (Note 17)	**1,090,893,538**	935,988,879
Total Noncurrent Assets	**223,331,069,469**	190,537,127,216
	₱377,939,168,584	₱342,401,148,721
LIABILITIES AND EQUITY		
Current Liabilities		
Accounts and other payables (Notes 18, 31 and 32)	**₱31,444,875,608**	₱20,517,350,873
Security deposits and advance rent (Note 19)	**1,711,900,103**	2,013,043,768
Income tax payable	**133,222,551**	112,479,900
Dividends payable (Notes 23, 29, 31 and 32)	**476,520,540**	298,016,044
Current portion of:		
Contract liabilities (Note 7)	**1,922,638,461**	1,588,321,684
Notes payable (Notes 21, 31 and 32)	**27,787,034,267**	28,005,337,553
Bank loans (Notes 20, 31 and 32)	**18,236,007,959**	25,874,160,220
Loans payable (Notes 20, 31 and 32)	**3,497,817,361**	3,176,026,696
Lease liabilities (Notes 28, 29 and 32)	**421,351,897**	388,872,997
Total Current Liabilities	**85,631,368,747**	81,973,609,735

(Forward)

	December 31	
	2024	2023
Noncurrent Liabilities		
Contract liabilities - net of current portion (Note 7)	**₱222,227,234**	₱437,048,986
Notes payable - net of current portion (Notes 21, 31 and 32)	**79,642,758,953**	80,143,444,086
Bank loans - net of current portion (Notes 20, 31 and 32)	**37,400,116,008**	27,308,807,975
Loans payable - net of current portion (Notes 20, 31 and 32)	**15,984,947,240**	4,267,696,654
Lease liabilities - net of current portion (Notes 28, 29 and 32)	**5,014,696,216**	5,051,347,045
Deferred tax liabilities - net (Notes 6 and 27)	**15,434,222,515**	8,201,432,357
Other noncurrent liabilities (Notes 22, 31 and 32)	**2,521,011,110**	2,156,400,155
Total Noncurrent Liabilities	**156,219,979,276**	127,566,177,258
Total Liabilities	**241,851,348,023**	209,539,786,993
Equity (Note 23)		
Attributable to equity holders of the Parent Company		
Preferred stock	**36,000,000**	33,000,000
Common stock	**13,114,136,376**	13,114,136,376
Additional paid-in capital	**33,627,217,132**	30,684,713,292
Retained earnings	**85,203,113,081**	86,226,517,112
Other comprehensive income (Notes 10 and 26)	**1,026,361,693**	905,783,398
Treasury shares	**(7,740,264,387)**	(7,740,264,387)
	125,266,563,895	123,223,885,791
Noncontrolling interest (Note 30)	**10,821,256,666**	9,637,475,937
Total Equity	**136,087,820,561**	132,861,361,728
	₱377,939,168,584	₱342,401,148,721

See accompanying Notes to Consolidated Financial Statements.

VISTA LAND & LIFESCAPES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Years Ended December 31		
	2024	2023	2022
REVENUE			
Real estate (Notes 6 and 7)	**₱16,634,014,186**	₱15,228,483,509	₱12,789,877,721
Rental income (Notes 6, 14 and 34)	**16,330,220,676**	16,021,430,433	13,742,258,197
Interest income from real estate sales (Notes 6, 11 and 25)	**276,695,395**	606,298,284	701,342,313
Parking, hotel, mall administrative and processing fees, and others (Notes 6 and 25)	**1,687,123,971**	2,104,880,739	1,607,345,055
	34,928,054,228	33,961,092,965	28,840,823,286
COSTS AND EXPENSES			
Costs of real estate sales (Notes 6, 12, and 24)	**4,801,807,537**	6,112,020,965	5,542,966,656
Operating expenses (Notes 6 and 24)	**10,408,136,376**	11,596,161,423	9,647,400,878
	15,209,943,913	17,708,182,388	15,190,367,534
OTHER INCOME (EXPENSES)			
Proceeds from insurance claims (Note 24)	**–**	1,841,156,398	–
Interest income from investments and other income (Notes 6, 9, 10, 13 and 25)	**1,756,284,139**	1,202,284,056	981,195,770
Interest and other financing charges (Notes 6, 20, 21, 25 and 28)	**(9,826,893,091)**	(5,685,639,657)	(5,217,887,075)
	(8,070,608,952)	(2,642,199,203)	(4,236,691,305)
INCOME BEFORE INCOME TAX	**11,647,501,363**	13,610,711,374	9,413,764,447
PROVISION FOR INCOME TAX (Note 27)	**2,279,017,408**	3,318,646,232	2,021,114,107
NET INCOME	**₱9,368,483,955**	₱10,292,065,142	₱7,392,650,340
NET INCOME ATTRIBUTABLE TO:			
Equity holders of the Parent Company	**₱7,653,265,137**	₱8,656,053,138	₱6,119,908,898
Noncontrolling interest	**1,715,218,818**	1,636,012,004	1,272,741,442
NET INCOME	**₱9,368,483,955**	₱10,292,065,142	₱7,392,650,340
BASIC/DILUTED EARNINGS PER SHARE (Note 30)	**₱0.641**	₱0.725	₱0.512

(Forward)

	Years Ended December 31		
	2024	2023	2022
NET INCOME	**₱9,368,483,955**	₱10,292,065,142	₱7,392,650,340
OTHER COMPREHENSIVE INCOME			
Other comprehensive gain (loss) to be reclassified to profit or loss in subsequent periods:			
Cumulative translation adjustments (Note 32)	**36,783,105**	111,391,632	(18,488,017)
Other comprehensive income (loss) not to be reclassified to profit or loss in subsequent periods:			
Changes in fair value on equity investments at fair value through other comprehensive income (Note 10)	**40,000,000**	15,000,000	22,000,000
Remeasurement gain (loss) on defined benefit obligation (Note 26)	**59,146,820**	(25,324,691)	26,102,958
Income tax effect (Note 27)	**(14,786,705)**	6,331,173	(6,525,739)
	121,143,220	107,398,114	23,089,202
TOTAL COMPREHENSIVE INCOME	**₱9,489,627,175**	₱10,399,463,256	₱7,415,739,542
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:			
Equity holders of the Parent Company	**₱7,773,843,434**	₱8,762,922,199	₱6,140,749,468
Noncontrolling interest	**1,715,783,741**	1,636,541,057	1,274,990,074
	₱9,489,627,175	₱10,399,463,256	₱7,415,739,542

See accompanying Notes to Consolidated Financial Statements.

VISTA LAND & LIFESCAPES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Capital Stock (Note 23)				Other Comprehensive Income					
	Preferred Stock	Common Stock	Additional Paid-in Capital (Note 23)	Retained Earnings (Notes 3 and 23)	Remeasurement Gains on Retirement Obligation (Notes 23, 26 and 27)	Cumulative Translation Adjustments (Notes 23 and 32)	Other Comprehensive Income (Notes 10 and 23)	Treasury Shares (Note 23)	Noncontrolling Interest (Notes 23 and 30)	Total
Balances as at January 1, 2024, as previously stated	**₱33,000,000**	**₱13,114,136,376**	**₱30,684,713,292**	**₱86,226,517,112**	**₱589,559,094**	**(₱132,513,261)**	**₱448,737,565**	**(₱7,740,264,387)**	**₱9,637,475,937**	**₱132,861,361,728**
Impact of adoption of PFRS 15 covered by PIC Q&A 2018-12-D and E and IFRIC Agenda Decision on Over Time Transfer of Constructed Goods under PAS 23, *Borrowing Cost* for real estate industry (Note 3)	–	–	–	**(7,338,739,628)**	–	–	–	–	–	**(7,338,739,628)**
Balances as at January 1, 2024, as restated	**33,000,000**	**13,114,136,376**	**30,684,713,292**	**78,887,777,484**	**589,559,094**	**(132,513,261)**	**448,737,565**	**(7,740,264,387)**	**9,637,475,937**	**125,522,622,100**
Net income	–	–	–	**7,653,265,137**	–	–	–	–	**1,715,218,818**	**9,368,483,955**
Other comprehensive income	–	–	–		**43,795,190**	**36,783,105**	**40,000,000**	–	**564,925**	**121,143,220**
Total comprehensive income for the year	–	–	–	**7,653,265,137**	**43,795,190**	**36,783,105**	**40,000,000**	–	**1,715,783,742**	**9,489,627,175**
Cash dividend declared	–	–	–	**(1,337,929,540)**	–	–	–	–	**(532,003,014)**	**(1,869,932,554)**
Issuance of shares	**3,000,000**	–	**2,942,503,840**	–	–	–	–	–	–	**2,945,503,840**
Balances as at December 31, 2024	**₱36,000,000**	**₱13,114,136,376**	**₱33,627,217,132**	**₱85,203,113,081**	**₱633,354,284**	**(₱95,730,189)**	**₱488,737,565**	**(₱7,740,264,387)**	**₱10,821,256,666**	**₱136,087,820,561**
Balances as at January 1, 2023	₱33,000,000	₱13,114,136,376	₱30,684,713,292	₱78,311,116,523	₱609,081,665	(₱243,904,893)	₱433,737,565	(₱7,740,264,387)	₱8,448,577,034	123,650,193,175
Net income	–	–	–	8,656,053,138	–	–	–	–	1,636,012,004	10,292,065,142
Other comprehensive income	–	–	–	–	(19,522,571)	111,391,632	15,000,000	–	529,053	107,398,114
Total comprehensive income (loss) for the year	–	–	–	8,656,053,138	(19,522,571)	111,391,632	15,000,000	–	1,636,541,057	10,399,463,256
Cash dividend declared	–	–	–	(740,652,549)	–	–	–	–	(447,642,154)	(1,188,294,703)
Balances as at December 31, 2023	₱33,000,000	₱13,114,136,376	₱30,684,713,292	₱86,226,517,112	₱589,559,094	(₱132,513,261)	₱448,737,565	(₱7,740,264,387)	₱9,637,475,937	₱132,861,361,728
Balances as at January 1, 2022	₱33,000,000	₱13,114,136,376	₱30,655,429,349	₱72,539,569,939	₱591,753,078	(₱225,416,876)	₱411,737,565	(₱7,740,264,387)	₱3,146,983,827	₱112,526,928,871
Net income	–	–	–	6,119,908,898	–	–	–	–	1,272,741,442	7,392,650,340
Other comprehensive income	–	–	–	–	17,328,587	(18,488,017)	22,000,000	–	2,248,632	23,089,202
Total comprehensive income (loss) for the year	–	–	–	6,119,908,898	17,328,587	(18,488,017)	22,000,000	–	1,274,990,074	7,415,739,542
Increase in noncontrolling interest (Note 23)	–	–	29,283,943	–	–	–	–	–	4,197,400,031	4,226,683,974
Cash dividend declared	–	–	–	(348,362,314)	–	–	–	–	(170,796,898)	(519,159,212)
Balances as at December 31, 2022	₱33,000,000	₱13,114,136,376	₱30,684,713,292	₱78,311,116,523	₱609,081,665	(₱243,904,893)	₱433,737,565	(₱7,740,264,387)	₱8,448,577,034	₱123,650,193,175

See accompanying Notes to Consolidated Financial Statements.

VISTA LAND & LIFESCAPES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

	Years Ended December 31		
	2024	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES			
Income before income tax	**11,647,501,363**	₱13,610,711,374	₱9,413,764,447
Adjustments for:			
Interest and other financing charges (Note 25)	**9,826,893,091**	5,685,639,657	5,217,887,075
Depreciation and amortization (Notes 14, 15, 17 and 24)	**2,640,295,868**	2,889,023,944	2,638,853,067
Loss on asset retirement (Notes 14 and 24)	**–**	164,649,301	–
Retirement expense, net of payments (Note 26)	**27,133,501**	20,647,941	49,730,787
Unrealized foreign exchange loss	**69,079,314**	8,148,500	4,492,975
Loss from fire, net of claims (Notes 14, 15 and 24)	**–**	–	366,965,591
Share in equity earnings from investment in joint venture (Note 17)	**(49,096,796)**	(31,374,260)	(9,301,990)
Interest income from investments and other income (Note 25)	**(1,756,284,139)**	(1,202,284,056)	(981,195,770)
Proceeds from insurance claims (Note 24)	**–**	(1,841,156,398)	–
Operating income before working capital changes	**22,405,522,202**	19,304,006,003	16,701,196,182
Decrease (increase) in:			
Receivables (Note 33)	**(20,835,649,340)**	(12,052,122,445)	(3,266,159,674)
Real estate inventories (excluding capitalized borrowing costs)	**(3,839,535,639)**	(6,641,841,141)	(2,087,951,696)
Other current assets and cost to obtain contract	**34,416,278**	(310,088,204)	(1,535,795)
Increase (decrease) in:			
Accounts and other payables	**10,617,811,326**	4,543,573,958	(119,888,697)
Contract liabilities	**(409,510,806)**	(118,231,131)	342,131,111
Security deposits and advance rent	**335,903,616**	115,934,564	45,769,229
Other noncurrent liabilities	**333,395,117**	(807,697,955)	(45,803,311)
Plan assets contributions (Note 26)	**–**	(16,020,000)	(61,374,100)
Net cash flows generated from operations	**8,642,352,754**	4,017,513,649	11,506,383,249
Income tax paid (including creditable withholding taxes)	**(864,205,694)**	(1,230,214,533)	(886,982,696)
Net cash flows provided by (used in) operating activities	**7,778,147,060**	2,787,299,116	10,619,400,553
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from:			
Maturity of investments at amortized cost (Note 10)	**71,277,840,030**	20,043,068,703	24,898,766,326
Insurance claims (Note 24)	**–**	1,841,156,398	620,000,000
Short-term cash investments (Note 10)	**–**	39,955,925	288,741,543
Interest received	**1,803,487,981**	1,256,264,386	1,080,150,454
Deductions from (Additions to):			
Advances to a related party (Note 33)	**1,302,540,519**	(517,163,906)	(957,087,103)
Restricted cash	**168,699,903**	(35,147,846)	(105,669,636)
Investment in joint venture	**49,480,566**	–	–
Short-term cash investments (Note 10)	**7,322,177**	–	–
Investments at amortized cost (Note 10)	**(72,929,964,617)**	(17,958,242,982)	(12,921,556,055)
Investment properties (excluding capitalized borrowing costs) (Notes 14 and 33)	**8,395,035,669)**	(3,680,168,116)	(5,002,075,927)
Project development costs	**(695,364,047)**	(127,104,819)	4,891,917
Property and equipment (Notes 15 and 33)	**(120,768,757)**	(670,779,503)	(154,666,117)
Other noncurrent assets	**(61,882,100)**	(68,248,368)	(75,965,633)
Net cash flows provided by (used in) investing activities	**(7,593,644,014)**	123,589,872	7,675,529,769

(Forward)

	Years Ended December 31		
	2024	2023	2022
CASH FLOWS FROM FINANCING ACTIVITIES (Note 33)			
Proceeds from:			
Notes payable (Note 21)	**₱26,265,750,000**	₱18,900,000,000	₱14,600,000,000
Bank loans (Note 20)	**12,128,978,053**	11,820,592,370	22,272,518,258
Loans payable (Note 20)	**6,138,492,767**	3,963,399,970	4,715,767,761
Issuance of shares (net of issuance costs) (Note 23)	**2,945,503,840**	–	–
Increase in noncontrolling interest (Note 23)	–	–	4,226,683,974
Payments of:			
Notes payable (Note 21)	**(28,286,174,934)**	(12,816,674,933)	(23,876,278,143)
Interest and other financing charges (including capitalized borrowing cost) (Notes 12 and 14)	**(11,917,664,260)**	(11,343,917,313)	(9,716,182,535)
Bank loans (Note 20)	**(9,696,973,247)**	(14,593,149,597)	(23,324,728,434)
Loans payable (Note 20)	**(2,713,629,867)**	(1,854,295,772)	(3,160,659,623)
Dividends (Note 23)	**(1,691,428,058)**	(986,303,240)	(438,991,085)
Lease liabilities (Note 28)	**(388,308,890)**	(370,444,459)	(375,018,792)
Net cash flows provided by (used in) financing activities	**(7,215,454,596)**	(7,280,792,974)	(15,076,888,619)
EFFECTS OF CHANGE IN EXCHANGE RATES ON CASH AND CASH EQUIVALENTS	**(69,079,314)**	(8,148,500)	(4,492,975)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	**(7,100,030,864)**	(4,378,052,486)	3,213,548,728
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	**10,692,152,140**	15,070,204,626	11,856,655,898
CASH AND CASH EQUIVALENTS AT END OF YEAR (Note 9)	**₱3,592,121,276**	₱10,692,152,140	₱15,070,204,626

See accompanying Notes to Consolidated Financial Statements.

1. Corporate Information

Vista Land & Lifescapes, Inc. (the Parent Company or VLLI) was incorporated in the Republic of the Philippines and registered with the Philippine Securities and Exchange Commission (SEC) on February 28, 2007. The Parent Company's registered office address is at Lower Ground Floor, Building B, EVIA Lifestyle Center, Vista City, Daanghari, Almanza II, Las Piñas City. The Parent Company is a publicly-listed investment holding company which is 65.84% owned by Fine Properties, Inc., (Ultimate Parent Company), as of December 31, 2024 and 2023 and the rest by the public.

The Parent Company is the holding company of the Vista Group (the Group) which is engaged in real estate activities. The Group has six (6) wholly-owned subsidiaries, namely: Brittany Corporation (BC), Crown Asia Properties, Inc. (CAPI), Vista Residences, Inc. (VRI), Camella Homes, Inc. (CHI), Communities Philippines, Inc. (CPI) and VLL International Inc. (VII), and an 88.34% owned subsidiary, Vistamalls, Inc. (formerly Starmalls, Inc.) The Group is divided into horizontal, vertical and commercial and others segment. The Group caters to the development and sale of residential house and lot and residential condominium through its horizontal and vertical projects, respectively. Its commercial and others segment focuses on the development, leasing and management of shopping malls and commercial centers all over the Philippines and hotel operations.

Vista REIT Transaction

On August 7, 2020, the Board of Directors (BOD) of VLLI approved the incorporation of Vista One, Inc. (VOI), to be the vehicle for the Group's Real Estate Investment Trust (REIT) registration under Republic Act 9856 (The REIT Act of 2009). VOI was incorporated in the Republic of the Philippines and was registered with the SEC on August 24, 2020, primarily to own, manage, operate and engage in the leasing of income-generating real properties such as office buildings, shopping centers, hotels, resorts, residential buildings, condominium buildings, among others and to hold for investment or otherwise, real estate of all kinds.

In compliance with applicable regulatory requirements of the SEC for companies seeking registration of their securities, VOI entered into and implemented the REIT Formation Transactions as follows:

Amendment of the Articles of Incorporation and By-Laws of VOI

On February 7, 2022, at least a majority of the BOD and the stockholders owning at least two- thirds (2/3) of the outstanding capital stock of VOI approved to increase its authorized capital stock to ₱ 15,000,000,000 divided into 15,000,000,000 shares with par value of ₱1.00 per share.

The increase in VOI's authorized capital stock from ₱2,000,000,000 divided into 2,000,000,000 shares with par value of ₱1.00 per share to ₱15,000,000,000 divided into 15,000,000,000 shares with par value of ₱1.00 per share was approved by the SEC on March 14, 2022.

On March 16, 2022, the BOD approved various amendments to the Articles of Incorporation and By-Laws of VOI including, among others, the following: (a) change in the corporate name to "VISTAREIT, INC."; (b) change in primary purpose to engage in the business of a real estate investment trust under Republic Act No. 9856 (the REIT Law), including the Revised Implementing Rules and Regulations of the REIT Law); (c) requirement to have independent directors in the Board; and (d) other amendments in connection with the initial public offering of VOI as a REIT entity. Such amendments were approved by the SEC on April 18, 2022.

Execution of Property-for-Share Swap Agreement and Deed of Assignment of Leases between the Sponsors and VOI
On February 7, 2022, VOI entered into various Deeds of Assignment and Subscription Agreements with each of Manuela Corporation (MC), Masterpiece Asia Properties, Inc. (MAPI), Vista Residences, Inc. (VRI), Crown Asia Properties, Inc. (CAPI) and Communities Pampanga, Inc. (CPAM) collectively referred to as the Sponsors, for the assignment, transfer, and conveyance by the Sponsors to VOI of 10 community malls and two office buildings with an aggregate gross lease area of 256,403.95 sqm (collectively, the Assigned Properties) and fair value of ₱35,952,992,730 in exchange for the issuance by VOI to the Sponsors out of the increase in authorized capital stock described hereinabove of an aggregate of 6,990,000,000 common shares at an issue price of ₱1.50 per share, or an aggregate issue or subscription price of ₱10,485,000,000 (the Property-for-Share Swap).

The Assigned Properties consists of Vista Mall Las Piñas (Main), Starmall Las Piñas (Annex), Starmall San Jose Del Monte (SJDM), Vista Mall Pampanga, SOMO – A Vista Mall, Vista Mall Antipolo, Vista Mall General Trias, Vista Mall Tanza, Starmall Talisay – Cebu, Vista Mall Imus, Vista Hub Molino and commercial and office units and parking lots in Vista Hub BGC.

On March 14, 2022, the SEC issued the confirmation of the valuation of the Property-for-Share Swap. The requisite Certificate Authorizing Registrations authorizing the transfer of legal title to the Assigned Properties from the Sponsors to VOI were issued by the Bureau of Internal Revenue (BIR) on April 25 to 29 and May 2, 2022.

On March 16, 2022, pursuant to the Deeds of Assignment and Subscription Agreements for the transfer, assignment and conveyance in favor of VOI of all of the Sponsors' rights, title and interests in the Assigned Properties in exchange for VOI's common shares, VOI and the Sponsors entered into a Deed of Assignment of Leases assigning all of the Sponsors' rights and interests in and to the Contracts of Lease over portions of the Assigned Properties leased out to various entities (the "Leases") effective upon the issuance of VOI's common shares in the name of the Sponsors.

Amendment of the Articles of Incorporation and By-Laws of Communities Palawan, Inc.
On February 16, 2022, at least a majority of the BOD and the stockholders owning at least two- thirds (2/3) of the outstanding capital stock of Communities Palawan, Inc. approved to increase its authorized capital stock to ₱500,000,000 divided into 500,000,000 shares with par value of ₱1.00 per share.

The increase in Communities Palawan, Inc.'s authorized capital stock from ₱50,000,000 divided into 500,000 shares with par value of ₱100.00 per share to ₱500,000,000 divided into 500,000,000 shares with par value of ₱1.00 per share was approved by the SEC on April 18, 2022.

On February 16, 2022, the BOD approved the following amendments to the Articles of Incorporation and By-Laws of Communities Palawan, Inc.: (a) change in the corporate name to "VFUND MANAGEMENT, INC."; (b) change in primary and secondary purpose to engage in the business of providing fund management services to REIT companies, as provided under Republic Act No. 9856; (c) requirement to have independent directors in the Board; and (d) amending the corporate term to perpetual existence. Such amendments were approved by the SEC on April 18, 2022.

The above amendments are pursuant to the Proposed Initial Public Offering of a REIT by VistaREIT, Inc. (VistaREIT) after Communities Palawan, Inc. and VistaREIT entered into a Fund Management Agreement on March 18, 2022 for Communities Palawan, Inc. to act as the Fund Manager to VistaREIT, to perform the functions required thereof as stated in the REIT Law and the regulations of the relevant government entities, which includes, in exchange for a fund management fee as agreed by the parties, execution of investment strategies and overseeing and coordinating

property acquisition, property management, leasing, operational and financial reporting, appraisals, audits, market review, accounting and reporting procedures, as well as financing and asset deposition plans.

On June 15, 2022, VistaREIT was publicly listed in the Philippine Stock Exchange. With the listing, VLLI's effective ownership in VistaREIT as of December 31, 2022 was reduced to 60.09% from 98.94% as of December 31, 2021. As of December 31, 2024 and 2023, VistaREIT is 32.96% owned by Masterpiece Asia Properties, Inc., 17.40% owned by VRI, 5.92% owned by Manuela Corporation, 4.86% by Communities Pampanga, Inc., 3.49% owned by CAPI and 35.37% owned by the public (see Notes 23 and 30).

2. Basis of Preparation and Statement of Compliance

Basis of Preparation

The accompanying consolidated financial statements of the Group have been prepared on a historical cost basis, except for the financial assets measured at fair value through other comprehensive income which have been measured at fair value. The consolidated financial statements are presented in Philippine Peso (₱) which is the functional and presentation currency of the Parent Company, and all amounts are rounded to the nearest Philippine Peso unless otherwise indicated.

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

Statement of Compliance

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

Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Parent Company and its subsidiaries as of December 31, 2024 and 2023, and for each of the three years in the period ended December 31, 2024.

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

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- 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. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included or excluded in the consolidated financial statements from the date the Group gains control or until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the Parent Company and to the noncontrolling interests (NCI), even if this results in the NCI having a deficit balance. The consolidated financial statements are prepared for the same reporting period as the Parent Company, using uniform accounting policies for like transactions and other events in similar circumstances. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The Parent and the subsidiaries are all domiciled and incorporated in the Philippines and are in the business of real estate development, leasing of commercial centers and buildings and hotel and resorts operation, except for VII and C&P International Limited. The latter are incorporated in Grand Cayman Island and domiciled in Hong Kong and operates as holding companies.

The consolidated financial statements include the financial statements of the Parent Company and the following subsidiaries. The voting rights held by the Group in these subsidiaries are in proportion of their ownership interest.

	Percentage of Ownership		
	2024	2023	2022
BC	**100.00%**	100.00%	100.00%
Balmoral Resources Corporation*	**36.93**	36.93	36.93
CAPI	**100.00**	100.00	100.00
Balmoral Resources Corporation*	**16.93**	16.93	16.93
VistaREIT, Inc.**	**3.49**	3.49	3.49
VRI	**100.00**	100.00	100.00
Vista Leisure Club Corporation (VLCC)	**100.00**	100.00	100.00
Vista Hospitality Management Corp.	**100.00**	100.00	100.00
Malay Resorts Holdings, Inc. (MRHI)	**100.00**	100.00	100.00
Mella Hotel, Inc.	**100.00**	100.00	100.00
Balmoral Resources Corporation*	**37.22**	37.22	37.22
Vproperty Management, Inc.	**100.00**	100.00	100.00
VistaREIT, Inc.**	**17.40**	17.40	17.40
Spaces Property Leasing and Services, Inc.	**100.00**	100.00	100.00
CHI	**100.00**	100.00	100.00
Household Development Corporation (HDC)	**100.00**	100.00	100.00
Brittany Estates Corporation***	**–**	100.00	100.00
Balmoral Resources Corporation*	**8.92**	8.92	8.92
Mandalay Resources Corp.	**100.00**	100.00	100.00
C&P International Limited	**100.00**	100.00	100.00
Camella Sales Specialists, Inc.	**100.00**	100.00	100.00
Vista Towers, Inc.	**100.00**	100.00	100.00
Prima Casa Land & Houses, Inc. (PCLHI)	**100.00**	100.00	100.00
CPI	**100.00**	100.00	100.00
Communities Batangas, Inc.	**100.00**	100.00	100.00
Communities Bulacan, Inc.	**100.00**	100.00	100.00
Communities Cebu, Inc.	**100.00**	100.00	100.00
Communities Cagayan, Inc.	**100.00**	100.00	100.00

(Forward)

	Percentage of Ownership		
	2024	2023	2022
Communities Davao, Inc.	**100.00**	100.00	100.00
Communities General Santos, Inc.	**100.00**	100.00	100.00
Communities Isabela, Inc.	**100.00**	100.00	100.00
Communities Leyte, Inc.	**100.00**	100.00	100.00
Communities Naga, Inc.	**100.00**	100.00	100.00
Communities Iloilo, Inc.	**100.00**	100.00	100.00
Communities Negros, Inc.	**100.00**	100.00	100.00
Communities Pampanga, Inc.	**100.00**	100.00	100.00
VistaREIT, Inc.**	**4.86**	4.86	4.86
Communities Pangasinan, Inc.	**100.00**	100.00	100.00
Communities Tarlac, Inc.	**100.00**	100.00	100.00
Communities Zamboanga, Inc.	**100.00**	100.00	100.00
Communities Ilocos, Inc.	**100.00**	100.00	100.00
Communities Bohol, Inc.	**100.00**	100.00	100.00
Communities Quezon, Inc.	**100.00**	100.00	100.00
Vfund Management, Inc. (formerly Communities Palawan, Inc.)	**100.00**	100.00	100.00
Communities Palawan, Inc.	**100.00**	100.00	–
Communities Panay, Inc.	**100.00**	100.00	100.00
VII	**100.00**	100.00	100.00
Vistamalls, Inc.	**88.34**	88.34	88.34
Manuela Corporation (MC)	**99.85**	99.85	99.85
VistaREIT, Inc.**	**5.92**	5.92	5.92
Masterpiece Asia Properties, Inc. (MAPI)	**100.00**	100.00	100.00
VistaREIT, Inc.**	**32.96**	32.96	32.96

**The Group effectively owns 100% of Balmoral Resources Corporation through Brittany, CAPI, VRI and HDC.*
***The Group effectively owns 60.09% of VistaREIT, Inc. (formerly Vista One, Inc.) through MC, MAPI, Communities Pampanga, Inc., CAPI and VRI and the rest are owned by individual shareholders, as of December 31, 2024, 2023 and 2022.*
****In 2024, the Group deconsolidated and sold 100% of Brittany Estates Corporation.*

Noncontrolling Interests

Noncontrolling interests represent the portion of profit or loss and net assets not owned, directly or indirectly, by the Group.

Any losses applicable to the noncontrolling interests are allocated against the interests of the noncontrolling interest even if this results to the noncontrolling interest having a deficit balance. The acquisition of an additional ownership interest in a subsidiary without a change of control is accounted for as an equity transaction. Any excess or deficit of consideration paid over the carrying amount of the noncontrolling interest is recognized in equity of the parent in transactions where the noncontrolling interest are acquired or sold without loss of control.

A change in the ownership interest of a subsidiary, without loss of control, is accounted for as an equity transaction and recognized as "Additional paid-in-capital" in the consolidated statement of changes in equity. If the Group losses control over a subsidiary if:

- Derecognizes the assets (including goodwill) and liabilities of the subsidiary, the carrying amount of any non-controlling interest and the cumulative translation differences recorded in equity.
- Recognizes the fair value of the consideration received, the fair value of any investment retained and any surplus or deficit in profit or loss.
- Reclassifies the parent's share of components previously recognized in other comprehensive income to profit or loss or retained earnings, as appropriate.

As at December 31, 2024, 2023 and 2022, the percentage of noncontrolling interests pertain to (i) VistaREIT at 39.91% and (ii) Vistamalls, Inc. and its subsidiaries at 11.66%. The voting rights held by the noncontrolling interests are in proportion of their ownership interest.

3. **Changes in Accounting Policies**

New Standards, Interpretations and Amendments

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

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

- Amendments to PAS 1, *Classification of Liabilities as Current or Non-current*
- Amendments to PFRS 16, *Lease Liability in a Sale and Leaseback*
- Amendments to PAS 7 and PFRS 7, *Disclosures: Supplier Finance Arrangements*
- Amendments to PAS 21, *Lack of exchangeability*
- Adoption in 2024 of Certain Provisions 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 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 Philippine SEC issued SEC MC No. 34-2020 which further extended the deferral of certain provisions of this PIC Q&A until December 31, 2023.

  The PIC Q&A provisions covered by the SEC deferral that the Group availed until December 31, 2023 follows:

  a. Exclusion of land in the determination of percentage-of-completion (POC) discussed in PIC Q&A No. 2018-12-E
  b. Accounting for significant financing component discussed in PIC Q&A No. 2018-12-D
  c. Implementation of International Financial Reporting Standards Interpretations Committee (IFRIC) Agenda Decision on Over Time Transfer of Constructed Goods under Philippine Accounting Standards (PAS) 23, *Borrowing Cost*, for Real Estate industry

  The Group adopted the above changes using modified retroactive approach effective January 1, 2024 and its impact (total impact) in the opening retained earnings as follows:

	Increase (Decrease)
Exclusion of land in the determination of POC	(₱630,381,445)
Significant financing component	3,977,282,207
Adoption of IFRIC Agenda Decision on Over Time Transfer of Constructed Goods PAS 23, *Borrowing Cost*	(10,685,640,390)
	(₱7,338,739,628)

	January 1, 2024		
	As previously stated	Increase (Decrease)	As restated
	Amounts in Thousands		
Assets			
Current Assets			
Current portion of:			
Receivables	**₱52,211,635**	**₱6,403,215**	**₱58,614,850**
Cost to obtain contract	**308,625**	**55,070**	**363,695**
Real estate inventories	**63,771,221**	**(9,950,087)**	**53,821,134**
Noncurrent Asset			
Receivables - net of current portion	**31,191,466**	**2,688,269**	**33,879,735**
Investment in joint venture	**499,448**	**(49,481)**	**449,967**
	₱147,982,395	**(₱853,014)**	**₱147,129,381**
Liabilities			
Current Liability			
Current portion of contract liabilities	**₱1,588,322**	**₱191,497**	**₱1,779,819**
Noncurrent Liabilities			
Contract liabilities - net of current portion	**437,049**	**337,509**	**774,558**
Deferred tax liabilities - net	**8,201,432**	**5,956,720**	**14,158,152**
	10,226,803	**6,485,726**	**16,712,529**
Equity			
Retained Earnings	**86,226,517**	**(7,338,740)**	**78,887,777**
	₱96,453,320	**(₱853,014)**	**₱95,600,306**

	Nature of Adjustments Increase (Decrease)			
	Borrowing Cost	Exclusion of Land in POC	Significant Financing Component	Total Adjustments
	Amounts in Thousands			
Assets				
Current Assets				
Current portion of:				
Receivables	**₱–**	**(₱1,093,723)**	**₱7,496,938**	**₱6,403,215**
Cost to obtain contract	**–**	**55,070**	**–**	**55,070**
Real estate inventories	**(10,792,562)**	**842,475**	**–**	**(9,950,087)**
Noncurrent Asset				
Receivables - net of current portion	**–**	**–**	**2,688,269**	**2,688,269**
Investment in joint venture	**–**	**–**	**(49,481)**	**(49,481)**
	(₱10,792,562)	**(₱196,178)**	**₱10,135,726**	**(₱853,014)**
Liabilities				
Current Liability				
Current portion of contract liabilities	**₱–**	**₱145,145**	**₱46,352**	**₱191,497**
Noncurrent Liabilities				
Contract liabilities - net of current portion	**–**	**337,509**	**–**	**337,509**
Deferred tax liabilities - net	**(106,922)**	**(48,450)**	**6,112,092**	**5,956,720**
	(106,922)	**434,204**	**6,158,444**	**6,485,726**
Equity				
Retained earnings	**(10,685,640)**	**(630,382)**	**3,977,282**	**(7,338,740)**
	(₱10,792,562)	**(₱196,178)**	**₱10,135,726**	**(₱853,014)**

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

Effective beginning on or after January 1, 2025

- PFRS 17, *Insurance Contracts*
- Amendments to PAS 21, *Lack of exchangeability*

Effective beginning on or after January 1, 2026

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

Effective beginning on or after January 1, 2027

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

Deferred effectivity

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

4. Summary of Material Accounting Policies

Fair Value Measurement
Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

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

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

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

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

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

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

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

Financial Instruments

Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortized cost and fair value through other comprehensive income (OCI).

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. For a financial asset to be classified and measured at amortized cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

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

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

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in two categories as follows:

- Financial assets at amortized cost (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)

Financial assets at amortized cost (debt instruments)
The Group measures financial assets at amortized cost if both of the following conditions are met:

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

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

The Group's financial assets at amortized cost includes cash and cash equivalents, short-term cash investments, receivables (except for advances to contractors, suppliers and brokers), and restricted cash under "Other current assets" and "Other noncurrent assets", and investments at amortized cost.

Financial assets designated at fair value through OCI (equity instruments)
Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under PAS 32, *Financial Instruments: Presentation*, and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognized as other income in the consolidated statement of comprehensive income when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

The Group's equity instruments classified as financial assets designated at fair value through OCI include investments in golf club shares and preferred shares of utility companies.

Impairment of Financial Assets
The Group recognizes expected credit losses (ECL) for:

- debt instruments that are measured at amortized cost and fair value through OCI;
- loan commitments; and
- financial guarantee contracts.

No ECL is recognized on equity investments.

ECLs are measured in a way that reflects the following:

- an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- the time value of money; and
- reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

An impairment analysis is performed at each reporting date using a provision matrix to measure ECLs. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns. 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.

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. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed. The Group considers a financial asset in default when contractual payments are 120 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full.

Financial assets are written off either partially or in their entirety only when the Group has stopped pursuing the recovery. If the amount to be written off is greater than the accumulated loss allowance, the difference is first treated as an addition to the allowance that is then applied against the gross carrying amount. Any subsequent recoveries are credited to impairment loss.

For cash in banks, short-term cash investments, restricted cash, and investment in amortized cost, the Group applies the low credit risk simplification. The probability of default and loss given defaults are publicly available and are considered to be low credit risk investments. It is the Group's policy to measure ECLs on such instruments on a 12-month basis. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL. The Group uses the ratings from the external credit rating agencies to determine whether the instrument has significantly increased in credit risk and to estimate ECLs.

The simplified approach is applied to installment contracts receivable. The Group has established a vintage analysis for installment contracts receivable that is based on historical credit loss experience, adjusted for forward-looking factors (i.e., bank lending rate, inflation rate or gross domestic product (GDP) growth rate) specific to the debtors and the economic environment.

The simplified approach is also used in calculating the Group's ECL for lease receivables and receivables from related parties. Under the simplified approach, the Group does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix for lease receivables and receivables from related parties that is based on its historical credit loss experience and incorporating forward-looking information (called overlays) specific to the debtors and economic environment.

Financial liabilities
Initial recognition and measurement
The financial liabilities of the Company consisting of accounts and other payables, dividends payable, notes payable, bank loans, loans payable, lease liabilities and other noncurrent liabilities (except for deferred output tax, security deposits and advance rent) are classified, at initial recognition, as loans and borrowings and payables, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Subsequent measurement
Loans and borrowings
This is the category most relevant to the Group. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the consolidated statements of comprehensive income.

This category generally applies to accounts and other payables, dividends payable, notes payable, bank loans, loans payable, lease liabilities and other noncurrent liabilities (except for deferred output tax, security deposits and advance rent) presented in the consolidated statement of financial position.

Derecognition of Financial Assets and Financial Liabilities
Financial asset
A financial asset (or, where applicable, a part of a group of financial assets) is derecognized when, and only when: (a) the right to receive cash flows from the assets expires; (b) the Group retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third-party under a "pass-through" arrangement; or (c) the Group has transferred its right to receive cash flows from the asset and either: (i) has transferred substantially all the risks and rewards of the asset, or (ii) has neither transferred nor retained the risks and rewards of the asset but has transferred control of the asset.

Where the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognized to the extent of the Group's continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Modification of financial assets
The Group derecognizes a financial asset when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new asset, with the difference between its carrying amount and the fair value of the new asset recognized as a derecognition gain or loss in the consolidated profit or loss, to the extent that an impairment loss has not already been recorded.

When the contractual cash flows of a financial asset are renegotiated or otherwise modified and the renegotiation or modification does not result in the derecognition of that financial asset, the Group recalculates the gross carrying amount of the financial asset as the present value of the renegotiated or modified contractual cash flows discounted at the original EIR (or credit-adjusted EIR for purchased or originated credit-impaired financial assets) and recognizes a modification gain or loss in the profit or loss.

Financial liability
A financial liability (or a part of a financial liability) is derecognized when the obligation under the liability is discharged, cancelled or has expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in profit or loss.

Real Estate Inventories
Real estate inventories consist of subdivision land, residential house, and condominium units for sale and development. These are properties acquired or being constructed for sale in the ordinary course of business rather than to be held for rental or capital appreciation. These are held as inventory and are measured at the lower of cost and net realizable value (NRV).

Cost includes:

- Acquisition cost of subdivision land;
- Amounts paid to contractors for construction and development of subdivision land, residential houses and lots and condominium units; and
- Upon adoption of IFRIC Agenda Decision on Over Time Transfer of Constructed Goods under Philippine Accounting Standards (PAS) 23, *Borrowing Cost*, for Real Estate industry in 2024, the borrowing costs previously capitalized to inventories amounting ₱10,792.72 million (net of tax) have been derecognized (see Notes 3 and 12).

NRV is the estimated selling price in the ordinary course of business, based on market prices at the reporting date, less costs to complete and the estimated costs of sale. The carrying amount of real estate inventories is reduced through the use of an allowance account and the amount of loss is charged to profit or loss.

The cost of real estate inventory recognized in profit or loss is determined with reference to the specific costs incurred on the property sold and an allocation of any non-specific costs. The total costs are allocated pro-rata based on the relative size of the property sold.

The Group applies the approach presented in PIC Q&A No. 2020-05 and accounts for repossession as a modification of the contract and reverses the previously recognized revenues and related cost of real estate sales recognized.

Construction Materials and Supplies
Construction materials and supplies are valued at the lower of cost or NRV. Cost is determined using the moving average basis. NRV is the estimated selling price, less estimated costs to dispose, if any.

Based on physical inspection and evaluation, an allowance for inventory losses is provided for slow-moving, obsolete and defective materials and supplies. When inventories are issued, used, sold, disposed or otherwise, the cost and related allowance is removed from the account, and the difference is charged to profit and loss.

Project Development Costs
Project development costs consist of advances for socialized housing credits and advances in joint operations. These are carried at cost less any accumulated impairment.

Advances for socialized housing credits
Advances for socialized housing credits pertain to advances made to a related party in relation to the Group's purchase of socialized housing credits in compliance with the requirements of Republic Act No. 7279 (Urban Development and Housing Act of 1992). Upon receipt of socialized housing credits, the advances is reclassified to "Real estate inventories" and is recognized in profit or loss with reference to the specific costs incurred on the property sold.

Advances on joint operations
Advances on joint operations pertain to costs incurred on various on-going projects under a joint venture agreements and memorandum of agreements entered into by the Group with individuals, private companies and entities under common control for the development of real estate projects.

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have right to the assets, and obligations for the liabilities, relating to the arrangement. The Group recognizes in relation to its interest in a joint operation its assets, including its share of any assets held jointly; liabilities, including its share of any liabilities incurred jointly; revenue from the sale of its share to the output arising from the joint operation; share of the revenue from the sale of the output by the joint operation; and expenses, including its share of any expenses incurred jointly.

Investment Properties
Investment properties comprise of completed property and property under construction or re-development that are held to earn rentals or for capital appreciation. Investment properties, except for land, are carried at cost less accumulated depreciation and amortization and any impairment in value. Land is carried at cost less any impairment in value. The initial cost of investment properties consists of its purchase price, including import duties, taxes and any directly attributable costs of bringing the asset to its working condition and location for its intended use and capitalized borrowing cost. Investment properties also include right-of-use assets primarily involving land where commercial buildings are located.

The Group recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The initial cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, lease payments made at or before the commencement date less any lease incentives received.

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

Construction-in-progress (CIP) is stated at cost. This includes cost of construction and other direct costs. CIP is not depreciated until such time as the relevant assets are completed and put into operational use. Construction-in-progress are carried at cost and transferred to the related investment property account when the construction and related activities to prepare the property for its intended use are complete, and the property is ready for occupation.

Expenditures incurred after the investment property has been put in operation, such as repairs and maintenance costs, are normally charged against income in the period in which the costs are incurred.

Depreciation and amortization commence once the investment properties are available for use and computed using the straight-line method over the estimated useful lives (EUL) of the assets, regardless of utilization. The EUL and the depreciation and amortization method are reviewed periodically to ensure that the period and method of depreciation and amortization are consistent with the expected pattern of economic benefits from items of investment properties.

	Years
Buildings and building improvements	10 to 40 years or lease term, whichever is shorter
Right-of-use assets	11 to 30 years

Investment properties are derecognized when either these have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gain or loss on the retirement or disposal of an investment property is recognized in profit or loss in the year of retirement or disposal.

Transfers are made to investment property when there is a change in use, evidenced by ending of owner-occupation, commencement of an operating lease to another party or ending of construction or development. Transfers are made from investment property when, and only when, there is a change in use, evidenced by commencement of owner-occupation or commencement of development with a view to sale. Transfers between investment property, owner-occupied property and inventories do not change the carrying amount of the property transferred and do not change the cost of the property for measurement or for disclosure purposes.

Property and Equipment

Property and equipment, except for land, are carried at cost less accumulated depreciation and any impairment in value. Land is carried at cost less any impairment value at initial recognition and subsequently. The initial cost of property and equipment consists of its purchase price, including import duties, taxes and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Expenditures incurred after property and equipment have been put into operation are capitalized as part of property and equipment only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the items can be measured reliably. All other repairs and maintenance are charged against operations as incurred.

Depreciation commences once the property and equipment are available for use and is calculated on a the straight-line basis over the EUL life of property and equipment as follows:

	Years
Building and building improvements	10 to 40
Hotel building	30
Transportation equipment	2 to 5
Office furniture, fixtures and equipment	2 to 5
Construction equipment	2 to 5
Other fixed assets	1 to 5

The EUL and depreciation method are reviewed annually to ensure that the period and method of depreciation are consistent with the expected pattern of economic benefits from items of property and equipment.

When property and equipment are retired or otherwise disposed of, the cost of the related accumulated depreciation and accumulated provision for impairment losses, if any, are removed from the accounts and any resulting gain or loss is credited to or charged against current operations.

Fully depreciated and amortized property and equipment are retained in the accounts until they are no longer in use. No further depreciation is charged against current operations.

Deposits

Deposits consist of deposits for real estate purchases and deposits to utility companies which will either be applied or recouped against future billings or refunded upon completion of the real estate projects less any unpaid billings. Such deposits are necessary for the continuing construction and development of real estate projects of the Group. These are carried at cost less any impairment in value.

Impairment of Nonfinancial Assets

The Group assesses as at reporting date whether there is an indication that nonfinancial assets may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount. An asset's recoverable amount is calculated as the higher of the asset's or cash-generating unit's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those assets or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset. Impairment losses of continuing operations are recognized in profit or loss in those expense categories consistent with the function of the impaired asset.

An assessment is made at each financial reporting date as to whether there is an indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation and amortization, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in profit or loss unless the asset is carried at revalued amount, in which case the reversal is treated as revaluation increase in OCI. After such reversal, the depreciation and amortization charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

Security Deposits

Security deposits represent deposits required by lease agreements. These can be recovered upon termination of the lease agreement through refund or application to unpaid rent and/or other charges. These also include deposits of homeowners for their extension, fence construction and landscaping works which will be refunded after considering any charges.

Advance Rent
Advance rent includes three-month advance rental paid by lessee as required under lease contract. These will be applied to the first or last three months rental depending on the contract terms of the related lease contract. These also include overpayments made by lessee against its monthly billings which will applied to future billings.

Equity
Capital stock is measured at par value for all shares subscribed, issued and outstanding. When the shares are sold at a premium, the difference between the proceeds and the par value is credited to "Additional paid-in capital" account. Direct costs incurred related to equity issuance are chargeable to "Additional paid-in capital" account. If additional paid-in capital is not sufficient, the excess is charged against retained earnings. When the Group issues more than one class of stock, a separate account is maintained for each class of stock and the number of shares issued.

Retained earnings represent accumulated earnings of the Group less dividends declared. It includes the accumulated equity in undistributed earnings of consolidated subsidiaries which are not available for dividends until declared by the subsidiaries.

Own equity instruments which are reacquired (treasury shares) are recognized at cost and deducted from equity. No gain or loss is recognized in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognized in additional paid-in capital. Voting rights related to treasury shares are nullified for the Group and no dividends are allocated to them respectively. When the shares are retired, the capital stock account is reduced by its par value and the excess of cost over par value upon retirement is debited to additional paid-in capital to the extent of the specific or average additional paid-in capital when the shares were issued and to retained earnings for the remaining balance.

The retained earnings is restricted to payments of dividends to the extent of the cost of treasury shares.

Business Combinations and Goodwill
Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any NCI in the acquiree. For each business combination, the acquirer measures the NCI in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition costs incurred are expensed and included in operating expenses. When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

Goodwill is initially measured at cost being the excess of the aggregate of the consideration transferred and the amount recognized for NCI and any previous interest held over the net identifiable assets acquired and liabilities assumed. If the consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognized in consolidated statement of income.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill forms part of a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative values of the operation disposed of and the portion of the cash-generating unit retained.

Revenue and Cost Recognition for Real Estate Sales

Revenue from Contract with Customers
The Group primarily derives its real estate revenue from the sale of developed horizontal and vertical real estate projects. Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the 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 and electricity services in its mall retail spaces and office leasing activities, wherein it is acting as agent.

The disclosures of significant accounting judgments and estimates relating to revenue from contracts with customers are provided in Note 5.

Real estate sales
The Group derives its real estate revenue from sale of developed house and lot and condominium units. Revenue from the sale of these real estate project is spread over time across the course of the construction since the Group's performance does not create an asset with an alternative use and the Group has an enforceable right for performance completed to date.

Starting January 1, 2024, in determining the transaction price, the Group considers whether the selling price of the real estate property includes significant financing component.

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

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

Any excess of progress of work over the right to an amount of consideration that is unconditional, recognized as installment contracts receivable, is included in the "Receivables" account in the asset section of the consolidated statement of financial position.

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

Other income is recognized if buyers forfeit their reservation fees and partial payments when not proceeding with the contract. The income recognized is net of any amount required to be returned to the buyers.

Costs of real estate sales
The Group recognizes costs relating to satisfied performance obligations as these are incurred. These include costs of land, land development costs, building costs, professional fees, depreciation, permits and licenses and capitalized borrowing costs prior pre-selling activities. These costs are allocated to the saleable area, with the portion allocable to the sold area being recognized as costs of real estate sales while the portion allocable to the unsold area being recognized as part of real estate inventories.

In addition, the Group recognizes cost as an asset only when it gives rise to resources that will be used in satisfying performance obligations in the future and that are expected to be recovered.

Contract Balances
Installment Contracts Receivable
An installment contracts receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). It also includes the difference between the consideration received from the customer and the transferred goods or services to a customer.

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

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

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

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

Amortization, derecognition and impairment of capitalized costs to obtain a contract
The Group amortizes capitalized costs to obtain a contract to cost of sales over the expected construction period using percentage of completion following the pattern of real estate revenue recognition. The amortization is included within operating expenses.

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

At each reporting date, the Group determines whether there is an indication that cost to obtain a contract maybe impaired. If such indication exists, the Group makes an estimate by comparing the carrying amount of the assets to the remaining amount of consideration that the Group expects to receive less the costs that relate to providing services under the relevant contract. In determining the estimated amount of consideration, the Group uses the same principles as it does to determine the contract transaction price, except that any constraints used to reduce the transaction price will be removed for the impairment test.

Where the relevant costs or specific performance obligations are demonstrating marginal profitability or other indicators of impairment, judgment is required in ascertaining whether or not the future economic benefits from these contracts are sufficient to recover these assets. In performing this impairment assessment, management is required to make an assessment of the costs to complete the contract. The ability to accurately forecast such costs involves estimates around cost savings to be achieved over time, anticipated profitability of the contract, as well as future performance against any contract-specific performance indicators that could trigger variable consideration, or service credits. Where a contract is anticipated to make a loss, these judgements are also relevant in determining whether or not an onerous contract provision is required and how this is to be measured.

Rental Income

The Group earns revenue from acting as a lessor in operating leases which do not transfer substantially all of the risks and rewards incidental to the ownership of the investment properties. Rental income from leased properties is accounted for on a straight-line basis over the lease term and is included in the revenue in the consolidated statement of comprehensive income due to its operating nature, except for contingent rental income which is recognized when it arises.

Lease incentives that are paid or payable to the lessee are deducted from lease payments. Accordingly, tenant lease incentives are recognized as a reduction of rental income on a straight-line basis over the term of the lease. The lease term is the non-cancellable period of the lease together with any further term for which the tenant has the option to continue the lease, where, at the inception of the lease, the Group is reasonably certain that the tenant will exercise the option. For more information on the judgment involved, refer to Note 5.

The tenant lease incentives are considered in the calculation of “Rental receivable” in the line item “Receivables” in the consolidated statement of financial position.

Amounts received from tenants to terminate leases or to compensate for dilapidations are recognized in the consolidated statement of comprehensive income when the right to receive them arises.
The contracts for commercial and office spaces leased out by the Group to its tenants include the rights to charge for the electricity usage, water usage, air-conditioning charges and CUSA like maintenance janitorial and security services.

For the electricity and water usage, the Group determined that it is acting as an agent because the promise of the Group to the tenants is to arrange for the electricity and water supply to be provided by a utility company. The utility and service companies, and not the Group, are primarily responsible for the provisioning of the utilities while the Group administers the leased spaces and coordinates with the utility and service companies to ensure that tenants have access to these utilities.

For the provision of CUSA and air-conditioning of the buildings, the Group acts as a principal because it retains the right to direct the service provider of air-conditioning, maintenance, janitorial and security to the leased premises. The right to the services mentioned never transfers to the tenant and the Group has the discretion on how to price the CUSA and air-conditioning charges.

In respect of the revenue component, these services represent a series of daily services that are individually satisfied over time because the tenants simultaneously receive and consume the benefits provided by the Group. The Group applies the time elapsed method to measure progress.

The consideration charged to tenants for these services is based on a fixed amount as agreed with the tenants.

The Group arranges for third parties to provide certain of these services to its tenants. The Group concluded that it acts as a principal in relation to these services as it controls the specified services before transferring them to the customer. Therefore, the Group records revenue on a gross basis. For more information, please refer to Note 5.

Interest Income
Interest is recognized using the effective interest method, i.e., the rate, that exactly discounts estimated future cash receipts through the expected life of the financial instrument to the net carrying amount of the financial asset.

Prior 2024, interest income from real estate sales and unearned discount are recognized as income over the terms of the financial assets at amortized cost using the effective interest method and are shown as deduction for the financial assets.

Starting 2024, upon adoption of PIC Q&A 2018-12-D, the unearned discount previously shown as deduction for the financial assets are derecognized and charged against beginning retained earnings (see Note 3). Significant financing component are recognized as income over the terms of the contract using effective interest method and are shown as part of interest income from real estate sales under revenue.

Other Revenue
Other revenue is recognized when earned.

Proceeds from Insurance Claims
Proceeds received from insurance claims are recognized when it is virtually certain that an inflow of economic benefit will flow to the Group, and this is recorded as “Proceeds from insurance claims” in the 2023 consolidated statement of comprehensive income. Loss from damages, which is equivalent to the carrying values of the assets, is recognized when the event occurred.

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

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

Defined benefit costs comprise the following:

(a) service cost;
(b) net interest on the net defined benefit liability or asset; and
(c) 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 expense in profit or loss. Past service costs are recognized when plan amendment or curtailment occurs.

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 high quality corporate bonds to the net defined benefit liability or asset. Net interest on the net defined benefit liability or asset is recognized as expense or income in profit or loss.

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 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.

Income Taxes

Current tax

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

The Group periodically evaluates the income tax positions taken in situations where the applicable tax regulations are subject to interpretation and considers these positions separately from other uncertainties. The Group assesses whether or not it is probable that those income tax positions will be accepted by the tax authorities, where if not, the Group recognizes additional income tax expense and liability relating to those positions.

Deferred tax

Deferred tax is provided on temporary differences using the liability method, with certain exceptions, at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognized for all taxable temporary differences, except, when in respect of all taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, carryforward benefit of unused tax credits from excess of minimum corporate income tax (MCIT) over the regular corporate income tax (RCIT) and unused net operating loss carryover (NOLCO), to the extent that it is probable that future taxable income will be available against which the deductible temporary differences and carryforward benefits of unused tax credits from MCIT and NOLCO can be utilized.

Deferred tax assets shall be recognized for deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and future taxable profit will be available against which the temporary differences can be utilized.

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

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

Deferred tax relating to items recognized outside profit or loss is recognized in OCI. Deferred tax items recognized in correlation to the underlying transaction either in OCI or directly in equity.

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

Borrowing Costs

Borrowing costs directly attributable to the acquisition or construction of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective assets.

For real estate inventories, Starting January 1, 2024, upon adoption of the IFRIC agenda decision on over time transfer of constructed goods under PAS 23, *Borrowing costs* for real estate industry, interests are capitalized on the purchase cost of a site of property acquired specifically for sale but only to the extent where activities are necessary to prepare the asset for selling are in progress prior pre-selling activities and the borrowing costs that have been previously capitalized after pre-selling activities as part of the cost of real estate inventories have been derecognized (see Note 3).

Borrowing costs attributable to investment properties remains capitalizable. All other borrowing costs are expensed in the period in which these occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

The interest capitalized is calculated using the Group's weighted average cost of borrowings after adjusting for borrowings associated with specific developments. Where borrowings are associated with specific developments, the amounts capitalized is the gross interest incurred on those borrowings less any investment income arising on their temporary investment of those borrowings.

Interest is capitalized from the commencement of the development work until the date of practical completion. The capitalization of borrowing costs is suspended if there are prolonged periods when development activity is interrupted. Interest is also capitalized on the purchase cost of a site of property acquired specifically for redevelopment but only where activities necessary to prepare the asset for redevelopment are in progress.

Borrowings originally made to develop a specific qualifying asset are transferred to general borrowings (a) when substantially all of the activities necessary to prepare that asset for its intended use or sale are complete, and (b) the entity chooses to use its funds on constructing other qualifying assets rather than repaying the loan.

Costs and Expenses

Costs and expenses are recognized in the consolidated statement of comprehensive income when decrease in future economic benefit related to a decrease in an asset or an increase in a liability has arisen that can be measured reliably.

Costs and expenses are recognized in the consolidated statement of comprehensive income:

- On the basis of a direct association between the costs incurred and the earning of specific items of income;
- On the basis of systematic and rational allocation procedures when economic benefits are expected to arise over several accounting periods and the association can only be broadly or indirectly determined; or
- Immediately when expenditure produces no future economic benefits or when, and to the extent that, future economic benefits do not qualify or cease to qualify, for recognition in the consolidated statement of financial position as an asset.

Costs and expenses are recognized as they are incurred based on amounts paid or payable.

Leases

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

Group as Lessee

Lease liabilities

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

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

After the commencement date, the amount of lease liabilities increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

Short-term leases and Leases of low-value assets
The Group applies the short-term lease recognition exemption to those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option. The Group applies the low-value assets recognition exemption to leases of underlying assets with a value, when new, of ₱0.25 million and below. Lease payments on short-term leases and low-value assets are recognized as expense on a straight-line basis over the lease term.

Lease modification
Lease modification is defined as a change in the scope of a lease, or the consideration for a lease, that was not part of the original terms and conditions of the lease (for example, adding or terminating the right to use one or more underlying assets, or extending or shortening the contractual lease term).

A lessee recognizes the right-of-use assets and lease liability as a separate new lease after assessing that the consideration for the lease increases by an amount commensurate with the stand-alone price and any adjustments to that stand-alone price reflects the circumstances of the particular contract. The Group recognizes the amount of the remeasurement of the lease liability as an adjustment to the right-of-use assets, without affecting profit or loss. For lease termination, the difference between the right-of-use assets and lease liability is recognized in the profit or loss.

Group as a Lessor
Leases where the lessor does not transfer substantially all the risks and benefits of ownership of the assets are classified as operating leases. Initial direct costs incurred in negotiating operating leases are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as the rental income. Contingent rents are recognized as revenue in the period in which they are earned.

Lease modification is defined as a change in the scope of a lease, or the consideration for a lease, that was not part of the original terms and conditions of the lease (for example, adding or terminating the right to use one or more underlying assets, or extending or shortening the contractual lease term).

A lessor shall account for a modification to an operating lease as a new lease from the effective date of the modification, considering any prepaid or accrued lease payments relating to the original lease as part of the lease payments for the new lease. If a change in lease payments does not meet the definition of a lease modification, that change would generally be accounted for as a negative variable lease payment. In the case of an operating lease, a lessor recognizes the effect of the rent concession by recognizing lower income from leases.

Pretermination is defined as termination of lease contract by the lessee or lessor before the end of the lease term. In the case of pretermination of an operating lease, a lessor derecognizes the rental receivable from the effect of straight-line calculation of rental income and is charged against rental income in the statement of comprehensive income.

Foreign Currency Translation
Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Transactions in foreign currencies are initially recorded in the functional currency rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rate of exchange ruling at the reporting date. Exchange gains or losses arising from foreign exchange transactions are credited to or charged against operations for the period.

The functional currency of C&P International Limited and VII is the US Dollar. As of reporting date, the assets and liabilities of foreign subsidiaries, with functional currencies other than the functional currency of the Parent Company, are translated into the presentation currency of the Group using the closing foreign exchange rate prevailing at the reporting date, and their respective income and expenses at the weighted average rates for the year. The exchange differences arising on the translation are recognized in OCI under "Cumulative Translation Adjustment". On disposal of a foreign operation, the component of OCI relating to that particular foreign operation shall be recognized in profit or loss in the consolidated statement of comprehensive income.

Basic and Diluted Earnings Per Share (EPS)
Basic EPS is computed by dividing net income attributable to equity holders of the Parent Company by the weighted average number of common shares issued and outstanding during the year adjusted for any subsequent stock dividends declared. Diluted EPS is computed by dividing net income attributable to the equity holders of the Parent Company by the weighted average number of common shares issued and outstanding during the year after giving effect to assumed conversion of potential common shares. The calculation of diluted EPS does not assume conversion, exercise, or other issue of potential common shares that would have an antidilutive effect on earnings per share. Basic and diluted EPS are adjusted to give retroactive effect to any stock dividends declared during the period.

As of December 31, 2024, 2023 and 2022, the Group has no potential dilutive common shares (see Note 30).

Segment Reporting
The Group's operating businesses are organized and managed separately according to the nature of the products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. Financial information on operating segments is presented in Note 6 to the consolidated financial statements.

Provisions
Provisions are recognized when the Group has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources embodying economic benefits will be required to settle the obligation, and the amount can be reliably estimated. Provisions are not recognized for future operating losses.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects the current market assessment of the time value of money and the risk specific to the obligation. Where discounting is used, the increase in the provision due to the passage of time is recognized as interest expense. Where the Group expects some or all of a provision to be reimbursed, the reimbursement is recognized only when the reimbursement is virtually certain. The expense relating to any provision is presented in consolidated statement of comprehensive income net of any reimbursement.

Contingencies
Contingent liabilities are not recognized in the consolidated financial statements. These are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent assets are not recognized in the consolidated financial statements but disclosed when an inflow of economic benefits is probable.

Events After the Financial Reporting Date
Post year-end events that provide additional information about the Group's position at the reporting date (adjusting events) are reflected in the consolidated financial statements. Any post year-end events that are not adjusting events are disclosed in the consolidated financial statements when material.

5. Material Accounting Judgments and Estimates

The preparation of the consolidated financial statements in compliance with PFRS Accounting Standards requires management to make judgments and estimates that affect the amounts reported in the consolidated financial statements and accompanying notes. The estimates and assumptions used in the consolidated financial statements are based upon management's evaluation of relevant facts and circumstances as at the date of the consolidated financial statements. Actual results could differ from such estimates.

Judgments and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

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:

Revenue from contracts with customers

Existence of a contract
The Group's primary document for a contract with a customer is a signed contract to sell. It has determined however, that in cases wherein contract to sell are not signed by both parties, the combination of its other signed documentation such as reservation agreement, official receipts, quotation sheets and other documents, would contain all the criteria to qualify as contract with the customer under PFRS 15.

In addition, part of the assessment process of the Group before revenue recognition is to assess the probability that the Group will collect the consideration to which it will be entitled in exchange for the real estate property that will be transferred to the customer. In evaluating whether collectability of an amount of consideration is probable, an entity considers the significance of the customer's initial payments (buyer's equity) in relation to the total contract price. Collectability is also assessed by considering factors such as payment history of customer, age and pricing of the property.

Management regularly evaluates the historical cancellations and back-outs if it would still support its current threshold of customers' equity before commencing revenue recognition.

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

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

Principal versus agent considerations
The contract for the commercial and office spaces leased out by the Group to its lessees includes the right to charge for the electricity usage, water usage, air conditioning charges and CUSA like maintenance, janitorial and security services.

For the electricity and water usage, the Group determined that it is acting as an agent for the benefit of the lessees because the promise of the Group to the lessees is to arrange for the electricity and water supply to be provided by utility companies. The utility and service companies, and not the Group, are primarily responsible for the provisioning of the utilities while the Group administers for a minimal fee, the leased spaces and coordinates with the utility and service companies to ensure that lessees have access to these utilities.

For the provision of CUSA and air-conditioning of the buildings, the existing lease contract establishes the Group to act as a principal because it retains the right to direct the service provider of maintenance, janitorial and security to the leased premises, and air-conditioning, respectively. The right to the services mentioned never transfers to the lessees and the Group has the discretion to add a nominal fee to the CUSA and air-conditioning charges.

Determination of the lease term
The Group determines the lease term as the noncancellable 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.

As a lessor, the Group enters into lease agreements that contain options to terminate or to extend the lease. At commencement date, the Group determines whether the lessee is reasonably certain to extend the lease term or not to terminate the lease. To make this analysis, the Group takes into account any difference between the contract terms and the market terms, any significant investments made by the lessee in the property, costs relating to the termination of the lease and the importance of the underlying asset to the lessee's operations. In many cases, the Group does not identify sufficient evidence to meet the required level of certainty.

As a lessee, the Group has a lease contract for the land where investment properties are situated that includes an extension and a termination option. The Group applies judgement in evaluating whether or not it is reasonably certain to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to

exercise, or not to exercise, the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customization to the leased asset).

Definition of default and credit-impaired installment contracts receivable
The Group defines the account as in default, which is fully aligned with the definition of credit-impaired, when it meets one or more of the following criteria:

- *Quantitative criteria*
  The customer receives a notice of cancellation and does not continue the payments.

- *Qualitative criteria*
  The customer meets unlikeliness to pay criteria, which indicates the customer is in significant financial difficulty. These are instances where:

  a. The customer is experiencing financial difficulty or is insolvent
  b. The customer is in breach of financial covenant(s)
  c. An active market for that financial assets has disappeared because of financial difficulties
  d. Concessions have been granted by the Group, for economic or contractual reasons relating to the customer's financial difficulty
  e. It is becoming probable that the customer will enter bankruptcy or other financial reorganization

The criteria above have been applied to the financial instruments held by the Group and are consistent with the definition of default used for internal credit risk management purposes. The default definition has been applied consistently to model the Probability of Default (PD), Loss Given Default (LGD) and Exposure at Default (EAD) throughout the Group's expected loss calculation.

Incorporation of forward-looking information
The Group considers a range of relevant forward-looking macro-economic assumptions (i.e., inflation rate and GDP growth rate for commercial segment and bank lending rate, inflation rate or GDP growth rate for residential segment) for the determination of unbiased general industry adjustments and any related specific industry adjustments that support the calculation of ECLs. Based on the Group's evaluation and assessment and after taking into consideration external actual and forecast information, the Group formulates a 'base case' view of the future direction of relevant economic variables as well as a representative range of other possible forecast scenarios. This process involves developing two or more additional economic scenarios and considering the relative probabilities of each outcome.

External information includes economic data and forecasts published by governmental bodies, monetary authorities and selected private-sector and academic institutions. The base case represents a most-likely outcome and is aligned with information used by the Group for other purposes such as strategic planning and budgeting. The other scenarios represent more optimistic and more pessimistic outcomes. Periodically, the Group carries out stress testing of more extreme shocks to calibrate its determination of these other representative scenarios. The Group has identified and documented key drivers of credit risk and credit losses of each portfolio of financial instruments and, using an analysis of historical data, has estimated relationships between macro-economic variables and credit risk and credit losses.

Significant increase in credit risk
The criteria for determining whether credit risk has increased significantly vary by portfolio and include quantitative changes in PDs and qualitative factors. The Group's cash and cash equivalents, short-term cash investments, investments at amortized cost, and restricted cash are graded in the top investment category by globally recognized credit rating agencies such as S&P, Moody's and Fitch and, therefore, are considered to be low credit risk investments. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL. The Group uses the ratings from these credit rating agencies both to determine whether the debt instrument has significantly increased in credit risk and to estimate ECLs. Using its expert credit judgement and, where possible, relevant historical experience, the Group may determine that an exposure has undergone a significant increase in credit risk based on particular qualitative indicators that it considers are indicative of such and whose effect may not otherwise be fully reflected in its quantitative analysis on a timely basis.

Operating lease commitments - Group as lessor
The Group has entered into commercial, office and industrial property leases on its investment properties portfolio. Based on an evaluation of the terms and conditions of the arrangements, the Group has determined that it retains all the significant risks and rewards of ownership of these properties and accounts for them as operating leases. In determining significant risks and benefits of ownership, the Group considered, among others, the significance of the lease term as compared with the EUL of the related asset.

A number of the Group's operating lease contracts are accounted for as noncancellable operating leases and the rest are cancellable. In determining whether a lease contract is cancellable or not, the Group considers, among others, the significance of the penalty, including the economic consequence to the lessee (see Note 28).

Distinction among real estate inventories, land held for future development and investment properties
The Group determines whether a property will be classified as Real estate inventories, Land held for future development and Investment properties. In making this judgment, the Group considers whether the property will be sold in the normal operating cycle (Real estate inventories), whether it will be retained as part of the Group's strategic land banking activities for development or sale in the medium or long-term (Land held for future development) or whether it will be held to earn rentals or for capital appreciation (Investment properties). For land properties, the Group considers the purpose for which the land was acquired.

Recognition of deferred tax assets
Deferred tax assets are recognized for all deductible temporary differences to the extent that it is probable that sufficient taxable income will be available against which the deductible temporary differences can be utilized. Significant management estimate is required to determine the amount of deferred tax asset that can be recognized, based upon the likely timing and level of future taxable income together with future tax planning.

The Group's recognized deferred tax assets amounted to ₱2,183.41 million and ₱2,235.40 million as of December 31, 2024 and 2023, respectively (see Note 27).

Judgments made in determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates applying paragraph 122 of PAS 1, Presentation of Financial Statements
Upon adoption of the Interpretation, the Group has assessed whether it has any uncertain tax position. The Group applies significant judgment in identifying uncertainties over its income tax treatments. The Group determined, based on its assessment, in consultation with its tax counsel, that it is probable that its uncertain income tax treatments (including those for the subsidiaries) will be accepted by the taxation authorities.

Assessment of Joint Control
The investment in VVTI is accounted for as investment in joint venture despite the Group owning 60%, this is because the relevant activities such as matters related to project development, approval of annual budget and programme, change in joint venture business structure and distribution of dividends among others of the Group and Mitsubishi Estate Co., Ltd. require the unanimous consent of both parties. Even though the Group holds 60% ownership interest on these arrangements, their respective joint arrangement agreements require unanimous consent from all parties to the agreement for the relevant activities identified. The Group and the parties to the agreement only have rights to the net assets of the joint venture through the terms of the contractual arrangements.

Adoption of a 'no tax' regime for VistaREIT, Inc (VREIT).
As a Real Estate Investment Trust (REIT) entity, VREIT can choose to operate within one of two tax regimes (i.e., a 'full tax' regime or a 'no tax' regime). The REIT entity can effectively operate under a 'no tax' regime provided that it meets certain conditions (e.g., listing status, minimum required dividend payments). A REIT entity is required to distribute at least 90% of its annual income as dividends to its investors and is allowed to treat the dividend as deduction for tax purposes making it effectively an income tax-free entity.

As of December 31, 2024 and 2023, VREIT met the provisions of the REIT law and complies with the 90% dividend distribution requirement. VREIT has determined, based on its current tax regime and expected dividend distribution in the succeeding periods, that it can effectively operate on a "no-tax" regime. VREIT did not recognize any deferred taxes in 2024 and 2023.

Management's Use of Estimates and Assumptions
The key estimates and assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, 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.

Measurement of progress when revenue is recognized over time
The Group's real estate sales is recognized over time and the percentage-of-completion (POC) is determined using input method measured principally based on total actual cost of resources consumed such as materials, labor hours expended, and actual overhead incurred over the total expected project development cost.

Actual costs also include incurred costs but not yet billed which are estimated by the project engineers. Total estimated project development cost involves significant estimate since it requires technical determination by management's specialists (project engineers). Estimated project development costs include costs of land, land development, building costs, professional fees, depreciation of equipment directly used in the construction, payments for permits and licenses. Revisions in estimated development costs brought about by increases in projected costs in excess of the original budgeted amounts, form part of total project costs on a prospective basis and is allocated between costs of sales and real estate inventories.

In 2024, upon adoption of PIC Q&A 2018-12 - E, the land component which is previously included in the determination of the POC was excluded. The impact of the adoption amounted to ₱630.38 million (see Note 3).

Provision for expected credit losses of financial assets
Cash and cash equivalents, short-term cash investments, investments at amortized cost and restricted cash:

The Group recognizes a loss allowance based on either 12-month ECLs or Lifetime ECLs, depending on whether there has been a significant increase in credit risk on the financial instrument since initial recognition. The changes in the loss allowance balance are recognized in profit or loss as an impairment gain or loss. The Group uses external credit rating approach to calculate ECL for cash and cash equivalents, short-term cash investments, investments at amortized cost, and restricted cash. This approach leverages on available market data (i.e., S&P and Moody's and Fitch credit ratings for default rates). S&P, Moody's, Fitch and Reuters are reliable market data sources that provide default and recovery rate data. These information are widely used by investors and stakeholders in decision-making in terms of investment, credit activities, etc.

Installment contracts receivables, accounts receivable and rental receivable:

The Group uses vintage analysis to calculate ECLs for installment contracts receivable. The PD rates using vintage analysis are based on default counts of contract issuances in a given period for groupings of various customer segments that have similar loss patterns (e.g., by customer's type of financing and employment).

The vintage analysis is initially based on the Group's historical observed default rates. The Group will calibrate the matrices to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (i.e., gross domestic product) are expected to deteriorate over the next year which can lead to an increased number of defaults in the real estate sector, the historical default rates are adjusted.

At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed. The Group also considers the timing of re-sale of the covered properties and related costs in determining the expected net recoveries.

For third-party rental receivable, the Group recognizes a loss allowance based on lifetime ECLs. The changes in the loss allowance balance are recognized in profit or loss as an impairment gain or loss.

For related party rental receivable, the Group considers the ability to pay of the related party and considers factors whether the related party is a listed company or not, its current results of operations and the projected cash flows from operations.

The assessment also includes the assumption of the liability of the related parties' parent company and future plans of payments for remaining uncollected receivables such as entering into property exchange or joint venture arrangements wherein land properties will be received as form of settlement, which are to be used in the Group's planned expansion activities. The collectability assessment also includes the continuing commitment to provide financial support to these related parties and common control entities by Fine Properties, Inc. and the assessment of the latter's capacity to provide such financial support.

The assessment of the relationship between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

The collectability of the significant portion of its receivables from real estate sales is impacted by the continuing employment of its customers, both the overseas contract workers and locally employed customers.

Tenants which belong to micro, small and medium enterprise and those operating under entertainment, non-essentials and food industries were previously adversely affected due to temporary closure of mall operations which increased the risk of non-collection of the remaining receivables. The Group has updated its assumptions as various tenants has recovered from the impact of the pandemic.

For the installment contracts receivable, the calculation of the probability of default (PD) was updated by further segmenting the buyers tagged as overseas Filipino workers based on location of employment (e.g., Middle East, Europe, East Asia, etc.).

For receivables from tenants, the PD scenario used in the calculation of ECL were assigned with 33% equal probability for all scenarios as of December 31, 2024 and 2023, and 30% best, 33% base, and 37% worse and 31% best, 33% base, and 36% worst case probability scenario as of December 31, 2022, respectively. The base case represents a most-likely outcome and is aligned with information used by the Group for other purposes such as strategic planning and budgeting. The other scenarios represent more optimistic and more pessimistic outcomes.

As a result of the loss estimation, management recognized impairment loss for rental receivable and investments at amortized cost in each period presented.

Further details are provided in Notes 10, 11 and 32.

Fair value of financial instruments
Where the fair values of financial assets and financial liabilities recorded in the consolidated statement of financial position or disclosed in the notes to the consolidated financial statements cannot be derived from active markets, they are determined using internal valuation techniques using generally accepted market valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimates are used in establishing fair values. These estimates may include considerations of liquidity, volatility, and correlation.

Further details about the fair value of financial instruments are provided in Note 31.

Evaluation of impairment of nonfinancial assets
The Group reviews project development costs, investment in joint venture, property and equipment, investment properties, goodwill, and other nonfinancial assets for impairment of value. This includes considering certain indications of impairment such as significant changes in asset usage, significant decline in assets' market value, obsolescence or physical damage of an asset, significant underperformance relative to expected historical or projected future operating results and significant industry or economic trends.

The Group estimates the recoverable amount as the higher of the fair value less costs to sell and value in use. Fair value less costs to sell pertain to quoted prices and for fair values determined using discounted cash flows or other valuation technique such as multiples. In determining the present value of estimated future cash flows expected to be generated from the continued use of the assets, the Group is required to make estimates and assumptions that may affect project development costs, investment in joint venture, property and equipment, investment properties, goodwill, and other nonfinancial assets.

For goodwill, this requires an estimation of the recoverable amount which is the fair value less costs to sell or value in use of the cash-generating units to which the goodwill is allocated. Estimating a value in use amount requires management to make an estimate of the future cash flows for the cash generating unit and also to choose a suitable discount rate in order to calculate the present value of cash flows.

Further details are provided in Notes 8, 13, 14, 15, 16, and 17.

Determining the fair value of investment properties
The Group discloses the fair values of its investment properties. The Group's investment properties consist of land and land developments and building and building improvements. For properties for leasing, the fair values were derived using income approach as determined by third party appraisers while land properties held for capital appreciation were based on market-based listing of the properties of the same features and locations as determined by management. Fair values of right of use asset were determined using the latest discount rate every end of reporting period based on remaining cash flows while that of construction in progress is aligned with cost as management believes the values of cost represents the current replacement cost as of balance sheet date.

Further details are provided in Note 14.

Pension cost
The determination of the obligation and cost of pension benefits is dependent on the selection of certain assumptions used in calculating such amounts. Those assumptions include, among others, discount rates and salary increase rates (see Note 30). The cost of defined benefit pension plan and the present value of the pension liabilities are determined using actuarial valuations. Due to the complexity of the valuation, the underlying assumptions and its long-term nature, defined benefit liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

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 liability. Future salary increases are based on expected future inflation rates and other relevant factors. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of Philippine government bonds with terms consistent with the expected employee benefit payout as of reporting date.

As of December 31, 2024 and 2023, the Group's net pension asset amounted to ₱322.39 million and ₱290.76 million, respectively (see Note 26).

Leases - Estimating the incremental borrowing rate
The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds

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

The Group's lease liabilities amounted to ₱5,436.05 million and ₱5,440.22 million as of December 31, 2024 and 2023, respectively (see Note 28).

Estimation of useful lives of property and equipment and investment properties
The Group estimates the useful lives of its depreciable property and equipment and investment properties based on the period over which the assets are expected to be available for use. The EUL of the said depreciable assets 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 EUL of the depreciable property and equipment and investment properties would increase depreciation expense and decrease noncurrent assets.

Further details are provided in Notes 14 and 15.

Significant financing component
The Group determined that its transaction price on sale of real estate recognized over time does include a significant financing component since the customer's payment of the transaction price does not coincide with the percentage-of-completion of the project. This gives rise to significant financing either by the customer to the Group as the property developer or vice versa. The Group uses its recent borrowing rates from the banks when the buyer pays ahead of the percentage-of-completion of the related project or the prevailing interest rates in the market as lending rate when the percentage-of-completion of the related project is ahead of the buyer's payment.

Since contracts from customers comprise a significant component, a portion of the contract price is regarded as interest income and interest expense, included in interest income from real estate sales and interest and other financing charges account, respectively, in the consolidated statements of comprehensive income.

6. Segment Information

For management purposes, the Group's operating segments are organized and managed separately according to the nature of the products provided, with each segment representing a strategic business unit that offers different products and serves different markets. The Group has three reportable operating segments as follows:

Horizontal Projects
This segment pertains to the development and sale of residential house and lot across the Philippines.

Vertical Projects
This segment caters on the development and sale of residential condominium projects across the Philippines.

Commercial and others
This segment pertains to rental of malls and office spaces, hotel operations, and activities of holding companies.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on segment operating income or loss before income tax and earnings before income tax, depreciation and amortization (EBITDA) and other gains/losses. Other gains/losses include proceeds from insurance claims, interest income, provision for impairment losses and borrowing cost.

Segment operating income or loss before income tax is based on the same accounting policies as consolidated operating income or loss, excluding interest income from real estate sales. No operating segments have been aggregated to form the above reportable operating business segments. The chief operating decision-maker (CODM) has been identified as the chief executive officer. The CODM reviews the Group's internal reports in order to assess performance of the Group.

Transfer prices between operating segments are based on the agreed terms between the related parties.

The amount of segment assets and liabilities are based on the measurement principles that are similar with those used in measuring the assets and liabilities in the consolidated statements of financial position which is in accordance with PFRS Accounting Standards. The segment assets are presented separately from the advances a to related party, investments at fair value through other comprehensive income (FVOCI), investments at amortized cost and deferred taxes. Segment liabilities are presented separately from the deferred tax liabilities.

The financial information about the operations of these operating segments is summarized below:

	December 31, 2024				
	Horizontal	Vertical	Commercial and Others	Intersegment Adjustments	Consolidated
	(Amounts in thousands)				
Real estate revenue (Note 7)	₱8,719,804	₱7,914,210	₱–	₱–	₱16,634,014
Rental income (Notes 14 and 34)	–	–	16,622,143	(291,922)	16,330,221
Parking, hotel, mall administrative and processing fees, and others (Note 25)	727,615	226,195	733,314	-	1,687,124
	9,447,419	8,140,405	17,355,	(291,922)	34,651,359
Costs and operating expenses (Note 24)	4,391,116	3,965,273	4,882,492	(669,233)	12,569,648
Segment income before income tax	5,056,303	4,175,132	13,227,587	(377,311)	22,081,711
Interest income from real estate sales and interest income from investments and other income (Note 25)	175,557	95,626	1,761,797	–	2,032,980
Interest and other financing charges (Note 25)	(33,930)	(302,662)	(9,490,301)	–	(9,826,893)
Depreciation and amortization (Note 24)	(712,082)	(29,979)	(1,898,234)	–	(2,640,296)
Income before income tax	4,485,848	3,938,117	3,600,847	(377,311)	11,647,501
Provision for income tax (Note 27)	787,366	764,898	726,753	–	2,279,017
Net income	₱3,698,482	₱3,173,219	₱2,874,095	(377,312)	₱9,368,484
Other Information					
Segment assets	₱127,593,297	₱34,557,323	₱167,420,845	(₱570,557)	₱329,000,908
Advances to a related party (Note 29)	6,256,900	–	–	–	6,256,900
Investment in joint venture (Note 17)	–	499,064	–	–	499,064
Investments at FVOCI (Note 10)	12,158	–	160,000	–	172,158
Investments at amortized cost (Note 10)	–	–	42,003,990	–	42,003,990
Deferred tax assets - net (Note 27)	6,148	–	–	–	6,148
Total Assets	₱133,868,503	₱35,056,388	₱209,584,835	(₱570,557)	₱377,939,169
Segment liabilities	₱25,542,651	₱18,281,237	₱183,087,775	(₱494,537)	₱226,417,126
Deferred tax liabilities - net (Note 27)	4,553,690	1,479,368	9,401,164	–	15,434,222
Total Liabilities	₱30,096,341	₱19,760,605	₱192,488,939	(₱494,537)	₱241,851,348
Capital expenditures	₱14,772,429	₱13,407,651	₱752,810	₱–	₱28,932,890

**For the year ended December 31, 2024, EBITDA amounts to ₱22,822 million.*

	December 31, 2023				
	Horizontal	Vertical	Commercial and Others	Intersegment Adjustments	Consolidated
	(Amounts in thousands)				
Real estate revenue (Note 7)	₱9,814,162	₱5,414,322	₱–	₱–	₱15,228,484
Rental income (Notes 14 and 34)	–	–	16,191,431	(170,001)	16,021,430
Parking, hotel, mall administrative and processing fees, and others (Note 25)	745,278	264,408	1,118,715	(23,520)	2,104,881
	10,559,440	5,678,730	17,310,146	(193,521)	33,354,795
Costs and operating expenses (Note 24)	6,826,007	3,571,149	4,445,522	(23,520)	14,819,158
Segment income before income tax	3,733,433	2,107,581	12,864,624	(170,001)	18,535,637
Proceeds from insurance claims (Note 24)	–	–	1,841,156	–	1,841,156
Interest income from real estate sales and interest income from investments and other income (Note 25)	505,999	93,421	1,209,162	–	1,808,582
Interest and other financing charges (Note 25)	(356,598)	(21)	(5,329,021)	–	(5,685,640)
Depreciation and amortization (Note 24)	(836,829)	(28,839)	(2,023,356)	–	(2,889,024)
Income before income tax	3,046,005	2,172,142	8,562,565	(170,001)	13,610,711
Provision for income tax (Note 27)	777,971	514,400	2,026,276	–	3,318,647
Net income	₱2,268,034	₱1,657,742	₱6,536,289	(₱170,001)	₱10,292,064
Other Information					
Segment assets	₱123,946,924	₱23,929,978	₱147,276,690	(₱258,617)	₱294,894,975
Advances to a related party (Note 29)	7,559,440	–	–	–	7,559,440
Investment in joint venture (Note 17)	–	499,448	–	–	499,448
Investments at FVOCI (Note 10)	12,158	–	120,000	–	132,158
Investments at amortized cost (Note 10)	–	–	39,209,417	–	39,209,417
Deferred tax assets - net (Note 27)	104,627	–	1,083	–	105,710
Total Assets	₱131,623,149	₱24,429,426	₱186,607,190	(₱258,617)	₱342,401,148
Segment liabilities	₱13,763,051	₱8,844,209	₱178,819,711	(₱88,616)	201,338,355
Deferred tax liabilities - net (Note 27)	492,700	435,502	7,273,230	–	8,201,432
Total Liabilities	₱14,255,751	₱9,279,711	₱186,092,941	(₱88,616)	₱209,539,787
Capital expenditures	₱15,616,691	₱8,615,489	₱2,882,950	₱–	₱27,115,130

**For the year ended December 31, 2023, EBITDA amounts to ₱20,252.11 million.*

	December 31, 2022				
	Horizontal	Vertical	Commercial and Others	Intersegment Adjustments	Consolidated
	(Amounts in thousands)				
Real estate revenue (Note 7)	₱8,402,272	₱4,387,606	₱–	₱–	₱12,789,878
Rental income (Notes 14 and 34)	–	–	14,135,752	(393,494)	13,742,258
Parking, hotel, mall administrative and processing fees, and others (Note 25)	708,601	292,840	627,244	(21,340)	1,607,345
	9,110,873	4,680,446	14,762,996	(414,834)	28,139,481
Costs and operating expenses (Note 24)	5,229,702	3,111,737	4,210,076	–	12,551,515
Segment income before income tax	3,881,171	1,568,709	10,552,920	(414,834)	15,587,966
Interest income from real estate sales and interest income from investments and other income (Note 25)	909,341	55,511	717,686	–	1,682,538
Interest and other financing charges (Note 25)	(429,929)	(35,853)	(4,752,105)	–	(5,217,887)
Depreciation and amortization (Note 24)	(656,089)	(25,285)	(1,957,479)	–	(2,638,853)
Income before income tax	3,704,494	1,563,082	4,561,022	(414,834)	9,413,764
Provision for income tax (Note 27)	522,632	312,616	1,185,866	–	2,021,114
Net income	₱3,181,862	₱1,250,466	₱3,375,156	(₱414,834)	₱7,392,650
Other Information					
Segment assets	₱99,716,662	₱23,922,805	₱149,522,455	(₱186,312)	₱272,975,610
Advances to a related party (Note 29)	7,042,276	–	–	–	7,042,276
Investment in joint venture (Note 17)	–	468,074	–	–	468,074
Investments at FVOCI (Note 10)	12,158	–	105,000	–	117,158
Investments at amortized cost (Note 10)	–	–	41,499,484	–	41,499,484
Deferred tax assets - net (Note 27)	111,464	–	–	–	111,464
Total Assets	₱106,882,560	₱24,390,879	₱191,126,939	(₱186,312)	₱322,214,066
Segment liabilities	₱20,217,005	₱7,822,545	₱164,603,249	(₱186,312)	₱192,456,487
Deferred tax liabilities - net (Note 27)	1,664,144	152,292	4,290,951	–	6,107,387
Total Liabilities	₱21,881,149	₱7,974,837	₱168,894,200	(₱186,312)	₱198,563,874
Capital expenditures	₱12,089,005	₱6,323,525	₱4,103,770	₱–	₱22,516,300

**For the year ended December 31, 2022, EBITDA amounts to ₱17,007.09 million.*

Capital expenditures consists of construction costs, land acquisition and land development costs. The reconciliation of the Group's income before income tax to EBITDA and other gains/losses is as follows (amounts in millions):

	2024	2023	2022
Income before income tax	**₱11,648**	₱13,611	₱9,414
Interest and other financing charges	**9,827**	5,686	5,218
Depreciation and amortization	**2,640**	2,889	2,639
Proceeds from insurance claims	–	(1,841)	–
Interest income and others	**(1,292)**	229	(264)
EBITDA and other gains	**₱22,822**	₱20,574	₱17,007

For the years ended December 31, 2024, 2023 and 2022, rental income amounting to ₱12,674.54 million or 77.61%, ₱12,394.34 million or 77.36% and ₱11,506.05 million or 83.73% of the commercial segment of the Group was generated from anchor tenants as defined in Note 29.

There is no cyclicality in the Group's operations.

7. Revenue from Contracts with Customers

a. Disaggregated Revenue Information

The Group derives revenue from the transfer of services and goods over time and at a point in time, respectively, in different product types and other geographical location within the Philippines.

The Group's disaggregation of each source of revenue from contracts with customers are presented below:

	2024	2023	2022
		(Amounts in Thousands)	
Type of product			
Real estate sales			
Horizontal	**₱8,719,804**	₱9,814,162	₱8,402,272
Vertical	**7,914,210**	5,414,322	4,387,606
	16,634,014	15,228,484	12,789,878
Hotel operations (Note 25)	**127,202**	133,346	103,138
	₱16,761,216	₱15,361,830	₱12,893,016

All of the Group's real estate sales and revenue from room accommodation services are revenue from contracts with customers that are recognized over time, except for hotel operation's sale of food and beverages which are at point in time. There are no inter-segment eliminations among revenue from contracts with customers on real estate, as these are all sold to external customers as disclosed in the segment information in 2024 and 2023 (see Note 6).

Contract Balances

	2024	2023
Installment contracts receivable (Note 11)	**₱58,950,766,031**	₱34,274,453,178
Contract liabilities	**2,144,865,695**	2,025,370,670
Cost to obtain contract	**725,318,921**	510,675,843

Installment contracts receivable are from real estate sales which are collectible in equal monthly principal installments with various terms up to a maximum of 15 years. These are recognized at amortized cost using the effective interest rate method. Interest rates, which vary depending on the term of the receivable, ranges from 0.40% to 9.06% per annum, 5.56% to 16.00% per annum and 2.43% to 19.00 per annum in 2024, 2023 and 2022, respectively. The corresponding titles to the residential units sold under this arrangement are transferred to the customers only upon full payment of the contract price.

Contract liabilities consist of collections from real estate customers which have not reached the equity threshold to qualify for revenue recognition and excess of collections over the goods and services transferred by the Group based on percentage-of-completion. The movement in contract liability is mainly due to reservation sales and advance payment of buyers less real estate sales recognized upon reaching the equity threshold and from increase in percentage-of-completion.

The amount of revenue recognized in 2024, 2023 and 2022 from amounts included in contract liabilities at the beginning of the year amounted to ₱771.28 million, ₱495.82 million and ₱799.11 million, respectively.

b. Performance obligations

Information about the Group's performance obligations are summarized below:

Real estate sales
The Group entered into reservation agreements with one identified performance obligation which is the sale of the real estate unit together with the services to transfer the title to the buyer upon full payment of contract price. The amount of consideration indicated in the reservation agreement is fixed and has no variable consideration.

The sale of real estate unit covers subdivision land, residential house units, and condominium units and the Group concluded that there is one performance obligation in each of these contracts. The Group recognizes revenue from the sale of these real estate projects under pre-completed contract over time during the course of the construction.

Payment commences upon signing of the reservation agreement and the consideration is payable in cash or under various financing schemes entered with the customer. The financing scheme would include payment of 10% - 20% of the contract price to be paid over a maximum of 24 months at a fixed payment for horizontal developments and 20% - 40% of the contract price to be paid over a maximum of 48 months at a fixed payment for vertical developments with remaining balance payable (a) in full at the end of the period either through cash or external financing; or (b) through in-house financing which ranges from two (2) to 15 years with fixed monthly payment. The amount due for collection under the amortization schedule for each of the customer does not necessarily coincide with the progress of construction, which results to either an installment contracts receivable or contract liability.

After the delivery of the completed real estate unit, the Group provides one-year warranty to repair minor defects on the delivered serviced lot and house and condominium unit. This is assessed by the Group as a quality assurance warranty and not treated as a separate performance obligation.

The transaction price allocated to the remaining performance obligations (unsatisfied or partially satisfied) as at December 31, 2024 and 2023 are follows:

	2024	2023
Within one year	**₱10,689,014,136**	₱8,190,047,037
More than one year	**4,755,160,750**	3,785,834,615
	₱15,444,174,886	₱11,975,881,652

The remaining performance obligations expected to be recognized within one year and more than one year relate to the continuous development of the Group's real estate projects. The Group's condominium units are completed within three to five years from start of construction while serviced lots and serviced lots and house are expected to be completed within two to three years from start of development.

Rental agreements
The Group entered into lease agreements for its mall retail spaces and office spaces with the following identified performance obligations: (a) lease of space, (b) provisioning of water and electricity, and (c) connection to air conditioning system, (d) CUSA services, and (e) administration fee. Revenue from lease of space is recognized on a straight-line basis over the lease term while revenue for the remaining performance obligations are recognized when services are rendered. The tenant is required to settle within 30 days upon receipt of the bill. Except for related party tenants, in case of delay in payments, a penalty of 5% is charged for the amount due and shall be charged another 5% the following month of delay and every month thereafter inclusive of penalties previously charged. Except for related party tenants, the lease arrangement would typically require a tenant to pay advance rental equivalent to two (2) to four (4) months and a security deposit equivalent to 2 to 4 months rental to cover any breakages after the rental period, with the excess returned to the tenant.

In January 2022, due to the fire that damaged Star Mall Alabang in Muntinlupa City, the tenants pre-terminated the contracts that resulted to reversal of the Group's rental receivables, which is the effect of straight-line calculation of rental income, amounting to ₱385.01 million with related deferred tax liabilities of ₱96.25 million. Of these terminated tenants, ₱377.77 million were related parties (see Note 29).

c. Cost to Obtain Contract

The balances below pertain to the cost to obtain contract presented in consolidated statements of financial position:

	2024	2023
Balance at beginning of year	**₱510,675,843**	₱740,176,709
Impact of adoption of PFRS 15 covered by PIC Q&A 2018-12-D (Notes 3)	**55,070,476**	–
Balance at the beginning of the year, as restated	**565,746,319**	740,176,709
Net additions	**884,272,830**	454,998,698
Amortization (Note 24)	**(724,700,223)**	(684,499,564)
	725,318,926	510,675,843
Less noncurrent portion	**244,118,320**	202,050,708
Balance at end of year	**₱481,200,696**	₱308,625,135

8. Goodwill

On December 29, 2015, VLCC, a wholly owned subsidiary of VRI, acquired 100% ownership of MRHI for a total cash consideration of ₱157.00 million. MRHI owns and operates the Boracay Sands Hotel. The transaction was accounted for as a business combination under acquisition method. Fair values of identifiable net assets of MRHI amounted to ₱9.73 million, which resulted to recognition of goodwill of ₱147.27 million.

The recoverable amount is based on value in use calculations using cash flow projections from financial budgets approved by the Group's management covering the period the CGU is expected to be operational.

The pre-tax discount rate used on December 31, 2024 and 2023 are 6.62% and 8.23% respectively, which are based on weighted average cost of capital of comparable entities. The average growth rate used is 4.00% as of December 31, 2024 and 2023. The value-in-use computation is most sensitive to the discount rate and growth rate applies to the cash flow projection.

There is no impairment loss recognized since acquisition.

9. Cash and Cash Equivalents

This account consists of:

	2024	2023
Cash on hand	**₱13,431,880**	₱14,662,374
Cash in banks	**3,568,214,794**	8,281,651,521
Cash equivalents	**10,474,602**	2,395,838,245
	₱3,592,121,276	₱10,692,152,140

Cash in banks are stated at face amount and earn interest at the prevailing bank deposit rates. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash with original maturities of three (3) months or less from dates of placement and that are subject to an insignificant risk of changes in value.

The Group earns annual interest from cash in banks and cash equivalents as follows:

	2024	**2023**	2022
Philippine Peso	**0.01% to 3.10%**	0.01% to 4.25%	0.01% to 1.25%
US Dollar	**0.13% to 3.05%**	0.06% to 1.50%	0.06% to 0.13%

Interest earned from cash in banks and cash equivalents for the years ended December 31, 2024, 2023 and 2022 amounted to ₱153.27 million, ₱210.10 million and ₱45.84 million, respectively (see Note 25).

No cash and cash equivalents are used to secure the obligations of the Group.

10. **Investments**

Short-term cash investments
As of 2023 (nil as of 2024), short-term cash investments consist of money market placements with maturities of more than three (3) months up to one (1) year and earn annual interest at the respective short-term investment rates of 1.26%

As of December 31, 2024, and 2023, short-term cash investments amounted to nil and ₱7.32 million, respectively.

Interest earned from short-term cash investments for the years ended December 31, 2024, 2023 and 2022 amounted to nil, ₱0.09 million and ₱1.12 million, respectively (see Note 25).

Investments at amortized cost
This account consists of the Group's investments in various US dollar-denominated debt securities with nominal interest rates ranging from 0.13% to 7.88%, 0.58% to 8.88% and 0.25% to 8% for the years ended December 31, 2024, 2023 and 2022, respectively.

In 2024, 2023 and 2022, effective interest rate ranges from 1.42% to 7.81%, 0.12% to 10.74% and 1.05% to 7.19%, respectively.

Investments at amortized cost amounting to $607.39 million (₱35,134.47 million) and $548.24 million (₱30,355.86 million) are used to secure the bank loans of the Parent Company amounting to ₱33,956.35 million and ₱27,546.54 million as of December 31, 2024 and 2023, respectively.

The fair values of the investments used as collateral amounted to ₱34,799.04 million and ₱31,319.04 million as of December 31, 2024 and 2023 respectively (see Note 20).

Interest income from these investments including amortization of premium amounted to ₱1,602.93 million, ₱984.53 million and ₱931.41 million in 2024, 2023 and 2022, respectively (see Note 25).

Provision for (recovery from) expected credit loss amounting to (₱1.41 million), (₱100.43 million) and ₱23.29 million were recognized in 2024, 2023 and 2022 on these investments, respectively (see Note 24).

The following presents the breakdown of investments by contractual maturity dates as of December 31, 2023 and 2022:

	2024	2023
Due in one (1) year or less	**₱13,639,899,114**	₱18,425,130,586
Due after one (1) year through five (5) years	**24,220,023,838**	20,503,648,593
Due after five (5) years	**4,144,067,119**	280,638,050
	₱42,003,990,071	₱39,209,417,229

The rollforward analysis of investments at amortized cost follow:

	2024	2023
Balance at beginning of year	**₱39,209,417,229**	₱41,499,484,082
Additions	**72,907,404,492**	17,958,242,982
Redemptions*	**(71,193,718,679)**	(19,557,879,066)
Amortization of premium	**(61,561,226)**	(485,189,637)
Cumulative translation adjustment	**1,141,040,353**	(305,673,100)
Provision for expected credit loss (Note 24)	**1,407,902**	100,431,968
Balance at end of year	**42,003,990,071**	39,209,417,229
Less noncurrent portion	**28,364,090,958**	20,784,286,643
Current portion	**₱13,639,899,113**	₱18,425,130,586

**These include early redemptions initiated by the issuer/s.*

Investment at fair value through FVOCI
The investment at fair value through FVOCI consists primarily of investments in golf club shares and preferred shares in utility companies carried at fair value which the Group irrevocably elected to classify as FVOCI.

	2024	2023
Investment at cost		
Balance at beginning and end of year	**₱40,000,000**	₱40,000,000
Unrealized gain on fair value of investment		
Balance at beginning of year	**92,158,380**	77,158,380
Fair value movement during the year	**40,000,000**	15,000,000
Balance at end of year	**132,158,380**	92,158,380
	172,158,380	132,158,380

11. **Receivables**

This account consists of:

	2024	2023
Installment contracts receivable (Notes 7 and 33)	**₱58,950,766,031**	₱34,274,453,178
Rental receivable (Note 29)	**44,407,515,278**	32,577,928,630
Accounts receivable:		
Home Development Mutual Fund (HDMF)	**312,478,322**	362,103,100
Buyers	**221,355,274**	184,969,070
Others	**59,339,320**	59,816,222
Advances to:		
Contractors and suppliers (Note 29)	**10,154,310,563**	10,916,450,265
Private companies (Note 29)	**2,933,003,214**	2,672,917,254
Brokers	**725,196,467**	297,454,553
Receivables from related parties (Note 29)	**5,050,542,342**	3,218,440,000
Accrued interest receivable	**343,754,642**	390,958,484
	123,158,261,453	84,955,490,756
Less allowance for impairment losses	**1,844,281,233**	1,552,389,443
	121,313,980,220	83,403,101,313
Less noncurrent portion	**47,331,081,668**	31,191,466,002
Current portion	**₱73,982,898,552**	₱52,211,635,311

Installment Contracts Receivable

Installment contracts receivable consist of accounts collectible in equal monthly installments with various terms up to a maximum of 15 years. These are carried at amortized cost. The corresponding titles to the subdivision or condominium units sold under this arrangement are transferred to the buyers only upon full payment of the contract price. The installment contracts receivables are interest-bearing except for those with installment terms within two years. Annual nominal interest rates on installment contracts receivables range from 12% to 16% in 2024 and 2023, respectively. Interest income from real estate sales recognized amounted to nil, ₱539.02 million and ₱671.52 million in 2024, 2023 and 2022, respectively (see Note 25).

In 2023, installment contracts receivables with a total nominal amount of ₱690.37 million, were recorded at amortized cost amounting to ₱638.75 million. These are installment contracts receivables that are to be collected in two years which are noninterest-bearing. The fair value upon initial recognition is derived using discounted cash flow model at discount rates ranging from 5.56% to 7.74% 2023. Interest income recognized from these receivables amounted to ₱67.28 million and ₱29.83 million in 2023 and 2022, respectively (see Note 25)

The unamortized discount amounted to nil and ₱40.38 million as of December 31, 2024 and 2023, respectively. Rollforward of unamortized discount arising from noninterest-bearing installment contract receivables is as follows:

	2024	2023
Balance at beginning of year	**₱40,380,961**	₱56,034,328
Impact of adoption of PFRS 15 covered by PIC Q&A 2018-12-D	**(40,380,961)**	–
Balance at beginning of year, as restated	–	56,034,328
Additions	–	51,623,950
Accretion (Note 25)	–	(67,277,317)
Balance at end of year	**₱**–	₱40,380,961

In 2024, upon adoption of PIC Q&A 2018-12-D, the adoption resulted to a full reversal of unamortized discount from noninterest-bearing installment contract receivables. Significant financing component was recognized as interest income from real estate sales amounting to ₱276.70 million (see Note 25). Effective interest rates on contracts with significant financing component ranges from 0.40% to 9.06%.

In 2024 and 2023, the Group entered into various purchase agreements with financial institutions whereby the Group sold its installment contracts receivables on a with recourse basis. These installment contracts receivables on a with recourse basis are used as collateral to secure the corresponding loans payable obtained. The purchase agreements provide substitution of contracts which will default. The Group still retains the sold receivables in the installment contracts receivables account and records the proceeds from these sales as loans payable. Proceeds from these are used to support the working capital of the Group

As of December 31, 2024, 2023 and 2022, the carrying value of installment contracts receivables sold and the corresponding loans payable amounted to ₱14,857.02 million, 19,482.76 million and ₱4,310.47 million and ₱5,059.73 million, ₱7,443.72 million and ₱5,334.62 million, respectively (see Note 20).

Rental Receivable
Rental receivable comprise of receivables from tenants and accrued rental receivable.

Receivables from tenants represent the outstanding receivables arising from the lease of commercial centers relating to the Group's mall and offices and are collectible within 30 days from billing date. Except for lease contracts with related parties, these are covered by security deposit of tenants' equivalent to 2 to 4-month rental and 2 to 4-month advance rental paid by the lessees. This includes both the billed fixed and contingent portion of lease.

Accrued rental receivable pertains to the effect of straight-line calculation of rental income. The noncurrent portion of accrued rent receivable are expected to be realized beyond one year from the reporting date.

As of December 31, 2024 and 2023, out of the total rental receivables amounting ₱44,407.52 million and ₱32,577.93 million, respectively, the accrued rent receivable amounted to ₱30,647.76 million and ₱22,905.71 million, respectively.

Accounts Receivable
The accounts receivables are noninterest-bearing and collectible within one year. This consists of:

Receivable from HDMF
Receivable from HDMF pertains to amounts retained by HDMF from the proceeds of loans availed by real estate buyers. This amount is released by HDMF upon the release of the related title on the property by the Group to HDMF within a six-month to one year period from loan takeout date.

Receivable from buyers
Receivables from buyers mainly consist of receivables from buyers of real estate arising from restructured amortization including interest and penalties for late payments. These are noninterest-bearing and are due and demandable.

Others
Other receivables are noninterest-bearing and are due and demandable.

Advances
This consist of the following:

Advances to contractors and suppliers
Advances to contractors are advance payments in relation to the Group's construction activities and are recouped against progress billings as the construction progresses.

Advances to suppliers are advance payments for the purchase of construction materials and are applied to billings for deliveries made. Recoupment occur within one to five years from the date the advances were made.

Current portion of these advances are for the construction of inventories, while advance payments for the construction of investment properties are presented as noncurrent portion.

Advances to private companies
Advances to private companies pertain to advances made by the Group to to facilitate the transfer of title to the buyers. These include expected charges for documentary stamp taxes, transfer fees, registration fees, city and business tax and notarial expenses. These advances are liquidated by the private companies once the purpose for which the advances were made had been accomplished.

Advances to brokers
Advances to brokers are cash advances for operating use. These are applied to subsequent commission payout to brokers.

Accrued Interest Receivable
Accrued interest receivable pertains to income earned from investments at amortized cost.

Allowance for Impairment Losses
The rollforward analysis of allowance for impairment losses are as follow:

	Rental Receivable	Accounts Receivable - buyer and others	Advances to private companies	Advances to Contractors and suppliers	Total
Balance at January 1, 2023	₱495,636,493	₱–	₱126,761,771	₱6,106,983	₱628,505,247
Provision during the year (Note 24)	523,013,817	395,595,740	–	5,274,639	923,884,196
Balance at December 31, 2023	1,018,650,310	395,595,740	126,761,771	11,381,622	1,552,389,443
Write-off	(8,256,373)	–	–	–	(8,256,373)
Provision during the year (Note 24)	300,148,163	–	–	–	300,148,163
Balance at December 31, 2024	**1,310,542,100**	**395,595,740**	**126,761,771**	**11,381,622**	**₱1,844,281,233**

In 2023, the Group has written-off specifically impaired receivable from third-party tenants arising from the damaged in Starmall Alabang amounting to ₱24.53 million this is included on the "Provision for impairment losses on receivables" account under "Operating expenses" in the consolidated statements of comprehensive income (see Note 24).

Set out below is the information about the credit risk exposure on the Group's accounts receivable from third party tenants using a provision matrix:

	2024					
		Days past due				
	Current	**1 to 30 days**	**31 to 60 days**	**61 to 90 days**	**Over 90 days**	**Total**
Average expected credit loss rates	**8.32%**	**14.20%**	**23.39%**	**26.46%**	**45.69%**	
Amount of exposure at default net of advance rent and security deposits	**₱83,073,350**	**₱28,318,113**	**₱25,935,846**	**₱18,879,843**	**₱129,759,309**	**₱285,966,461**
Expected credit loss	**₱6,910,564**	**₱4,021,974**	**₱6,066,196**	**₱4,995,367**	**₱59,293,008**	**₱81,287,108**

	2023					
		Days past due				
	Current	1 to 30 days	31 to 60 days	61 to 90 days	Over 90 days	Total
Average expected credit loss rates	14.14%	22.22%	42.37%	53.60%	60.09%	
Amount of exposure at default net of advance rent and security deposits	₱98,530,332	₱16,074,222	₱10,751,129	₱7,972,972	₱88,266,347	₱221,595,002
Expected credit loss	₱13,933,697	₱3,571,498	₱4,554,795	₱4,273,456	₱53,036,590	₱79,370,036

In 2024, out of the total impairment loss of ₱300.15 million, ₱218.87 million pertains to specifically impaired receivables, while ₱81.29 million is from generally impaired receivables from expected credit loss testing (see Note 24).

In 2023, out of the total impairment loss of ₱923.88 million, ₱844.51 million pertains to specifically impaired receivables, while ₱79.37 million is from generally impaired receivables from expected credit loss testing (see Note 24).

In 2022, the Group has no specifically impaired receivables.

For the accounts receivable from related party tenants, the expected credit loss from the impairment exercise using a provision matrix is zero as of December 31, 2024 and 2023 (see Note 5).

12. Real Estate Inventories

The rollforward analysis of this account follows:

	2024	2023
Balance at beginning of year	**₱63,771,221,098**	₱53,533,899,417
Impact of the adoption of IFRIC Agenda Decision on Over Time Transfer of Constructed Goods under PAS 23, *Borrowing Cost*	**(12,370,832,612)**	–
		53,533,899,417
Construction/development costs incurred	**10,414,627,079**	12,099,427,086
Borrowing costs capitalized (Note 25)	**67,037,327**	3,509,509,742
Purchases of construction materials and others	**83,162,275**	473,166,204
Additions to land	**139,839,200**	208,776,211
Transfers (Note 11, 14 and 15)	**(291,251,378)**	58,463,403
Costs of real estate sales (Note 24)	**(4,801,807,537)**	(6,112,020,965)
Balance at end of year	**₱57,011,995,452**	₱63,771,221,098

The real estate inventories are carried at cost. No inventory is recorded at amount lower than its cost in 2024 and 2023.

This account consists of:

	2024	2023
Subdivision land for sale	**₱22,729,389,363**	₱30,817,164,894
Subdivision land for development	**20,606,138,264**	20,318,261,604
Condominium units for sale and development	**11,929,209,884**	10,389,887,858
Residential house for sale and development	**939,419,758**	1,171,967,698
Construction materials and others	**807,838,183**	1,073,939,044
	₱57,011,995,452	₱63,771,221,098

Subdivision land (e.g., lot only) for sale and development includes real estate subdivision projects in which the Group has been granted License to Sell (LTS) by the Housing and Land Use Regulatory Board. It also includes raw land inventories that are under development and those that are about to undergo development.

Construction materials pertain to supplies, such as but not limited to steel bars, cement, plywood and hollow blocks, used in the construction and development. These are expected to be utilized within one year and included in the cost of real estate inventories upon utilization.

Real estate inventories recognized as costs of real estate sales amounted to ₱4,801.81 million in 2024, ₱6,112.02 million in 2023, ₱5,542.97 million in 2022, and are included as costs of real estate sales in the consolidated statements of comprehensive income (see Note 24).

In 2024, upon the adoption of IFRIC agenda decision on over time transfer of constructed goods for real estate industry in 2024, the borrowing cost previously capitalized to inventories amounting ₱9,999.57 million (net of tax) have been derecognized (see Note 3).

There are no inventories pledged or used as collateral to secure the borrowings of the Group.

The related commitments on subdivision land, subdivision land for development, condominium units for sale and development and residential units for sale and development are disclosed in Note 35.

13. Other Current Assets

This account consists of:

	2024	2023
Input VAT - current portion	**₱3,353,815,882**	₱3,559,749,034
Prepaid expenses	**1,418,809,279**	1,056,595,349
Creditable withholding taxes	**1,087,164,039**	1,473,868,086
Restricted cash	**2,960,001**	323,916,368
Others	**37,403,635**	33,806,221
	₱5,900,152,836	₱6,447,935,058

Input VAT
Input VAT is a tax imposed on purchases of goods, professional and consulting services, and construction costs. These are available for offset against output VAT in future periods.

Prepaid expenses
Prepaid expenses mainly include advertising and marketing fees, taxes and licenses, rentals and insurance paid in advance. These are to be fully amortized within one year.

Creditable withholding taxes
Creditable withholding taxes pertain to taxes withheld by the customer and are recoverable and can be applied against income tax in future periods. For the years ended December 31, 2024, 2023 and 2022, creditable withholding taxes applied to income tax payable amounted to ₱1,608.71 million, ₱983.71 million and ₱819.85 million, respectively.

Restricted cash
Cash restricted for use are deposits restricted solely for payment of the principal amortization and interest of certain bank loans. These deposits bear prevailing interest rates and will be retained as deposits until the bank loans are fully paid. Deposit balance should be equivalent to two quarters of debt amortization. Interest income from cash restricted for use amounted to ₱0.09 million, ₱7.56 million and ₱2.83 million in 2024, 2023 and 2022, respectively (see Note 25). The noncurrent portion of this account is presented as noncurrent restricted cash under "Other noncurrent assets" in the Group's consolidated statements of financial position (see Note 17).

14. Investment Properties

The rollforward of analysis of this account follows:

	2024				
	Land and Land Developments	**Building and Building Improvements**	**Construction in Progress**	**Right-of-use Assets**	**Total**
Cost					
Balances at beginning of year	**₱69,708,225,450**	**₱58,438,745,660**	**₱7,716,372,728**	**₱5,066,106,297**	**₱140,929,450,135**
Additions	**10,680,850,008**	**830,149,245**	**537,274,931**	**29,276,578**	**12,077,550,762**
Transfers (Note 15)	**–**	**1,640,520,123**	**(1,297,569,437)**	**–**	**342,950,686**
Retirement (Note 24)	**–**	**(72,258,230)**	**–**	**–**	**(72,258,230)**
Balances at end of year	**80,389,075,458**	**60,837,156,799**	**6,956,078,222**	**5,095,382,875**	**153,277,693,354**
Accumulated Depreciation and Amortization					
Balances at beginning of year	**–**	**15,371,484,097**	**–**	**901,835,300**	**16,273,319,397**
Depreciation and amortization (Note 24)	**–**	**2,118,525,998**	**–**	**205,622,913**	**2,324,148,911**
Retirement (Note 24)	**–**	**(72,258,230)**	**–**	**–**	**(72,258,230)**
Balances at end of year	**–**	**17,417,751,866**	**–**	**1,107,458,213**	**18,525,210,079**
Net Book Value	**₱80,418,004,046**	**₱43,419,404,933**	**₱6,956,078,222**	**₱3,987,924,662**	**₱134,752,483,275**

	2023				
	Land and Land Developments	Building and Building Improvements	Construction in Progress	Right-of-use Assets	Total
Cost					
Balances at beginning of year	₱63,738,889,690	₱58,207,880,072	₱5,053,402,011	₱5,066,106,297	₱132,066,278,070
Additions	6,027,799,163	415,566,459	2,662,970,717	–	9,106,336,339
Transfers (Note 12)	(58,463,403)	–	–	–	(58,463,403)
Retirement (Note 24)	–	(184,700,871)	–	–	(184,700,871)
Balances at end of year	69,708,225,450	58,438,745,660	7,716,372,728	5,066,106,297	140,929,450,135
Accumulated Depreciation and Amortization					
Balances at beginning of year	–	13,030,061,731	–	692,618,440	13,722,680,171
Depreciation and amortization (Note 24)	–	2,361,473,936	–	209,216,860	2,570,690,796
Retirement (Note 24)	–	(20,051,570)	–	–	(20,051,570)
Balances at end of year	–	15,371,484,097	–	901,835,300	16,273,319,397
Net Book Value	₱69,708,225,450	₱43,067,261,563	₱7,716,372,728	₱4,164,270,997	₱124,656,130,738

Investment properties include properties, currently being leased out, for future leasing or currently held for capital appreciation. The commercial centers include retail malls, commercial centers within residential projects, Vistamalls and Starmalls that are located in key cities and municipalities in the Philippines and office spaces.

Rental income earned from investment properties amounted to ₱16,610.78 million, ₱16,021.43 million and ₱13,742.26 million in 2024, 2023 and 2022, respectively. Repairs and maintenance costs recognized under "Operating expenses" arising from investment properties amounted to ₱481.13 million, ₱382.66 million and ₱156.65 million for the years ended December 31, 2024, 2023 and 2022, respectively (see Note 24). Cost of property operations amounted to ₱4,011.38 million, ₱5,284.74 million and ₱5,625.67 million for the years ended December 31, 2024, 2023 and 2022, respectively (see Note 24). For the terms and conditions on the lease, refer to Note 34.

As of December 31, 2024 and 2023, the aggregate fair values of investment properties amounted to ₱589,884.87 million and ₱637,875.42 million, determined using Level 3 (significant unobservable inputs).

The fair values of the investment properties held for leasing were determined by independent professionally qualified appraisers while that for land and land developments were determined by management.

In the determination of fair values, market value approach method was used for land and land development, income approach method was used for completed and substantially completed malls and office buildings for rent, cost approach method was used for construction in progress under early stage of construction and discounted cash flow method was used for right-of-use asset.

The key assumptions used to determine the fair value of the investment properties held for leasing are the estimated rental value per sqm per year, rental growth rate per annum, vacancy rate and discount rate. The discount rate used in the valuation range from 8.43% to 9.09% and 9.20% to 9.60% in 2024 and 2023, respectively. Significant increases (decreases) in estimated rental value and rent growth per annum in isolation would result in a significantly higher (lower) fair value of the properties. Significant increases (decreases) in the long-term vacancy rate and discount rate (and exit yield) in isolation would result in a significantly lower (higher) fair value. Generally, a change in the assumption made for the estimated rental value is accompanied by a directionally similar change in the rent growth per annum and discount rate, and an opposite change in the long-term vacancy rate.

The parcels of land are mainly located in Bulacan, Tagaytay, Tanza, Bacoor, Dasmariñas, General Trias, Caloocan, Imus, Laguna, Muntinlupa, Nueva Ecija, Pangasinan, Tarlac, Ilocos Sur, Iloilo, Cagayan de Oro and Bacolod. The market price per square meter of the land ranges between ₱4,505 to ₱126,000 in Mega Manila, ₱18,584 to ₱47,566 in Northern Luzon, ₱8,955 to ₱63,725 in Southern Luzon, ₱5,500 to ₱404,040 in Central Luzon, ₱6,000 to ₱109,639 in Visayas, and ₱15,068 to ₱48,252 in Mindanao.

The fair value measurement using unobservable data in active market is Level 3 of the fair value hierarchy.

Investment properties with carrying value of ₱370.56 million are used to secure the bank loans of the Group as of December 31, 2024 and 2023, respectively (see Note 20). The fair value of the investment properties used as collateral amounted to ₱5,626.72 million and ₱5,575.57 million under market approach as of December 31, 2024 and 2023.

Borrowing cost capitalized to investment properties amounted to ₱2,608.12 million, ₱2,594.83 million and ₱2,702.61 million for years ended December 31, 2024, 2023 and 2022, respectively.

Depreciation and amortization expense charged to operations amounted to ₱2,251.96 million, ₱ 2,570.69 million and ₱2,415.05 million for the years ended December 31, 2024, 2023 and 2022, respectively (see Note 24).

In 2024 and 2023, the Group has written off investment properties that were identified as no longer functioning as intended, with carrying value of nil and ₱164.65 million, respectively. The 2023 write-off was included under “Repairs and maintenance and loss on asset retirement” account under “Operating expenses” in the consolidated statements of comprehensive income (see Note 24).

On January 8, 2022, a fire damaged Star Mall Alabang in Muntinlupa City which resulted to loss of assets with carrying value of ₱983.37 million (see Note 24).

In relation to the assignment to AVHC, as the Assignee of the Assignors’ rental payables to the Group as discussed in Note 29, AVHC transferred additional parcels of land to the Group valued at ₱874.48 million as a form of settlement of the assigned receivables. These were recorded under “Investment properties” in the consolidated statement of financial position. The remaining assigned receivables are expected to be settled by AVHC through land properties.

The total contractual obligations to either purchase or construct or develop investment properties or for repairs, maintenance and enhancement amounted to ₱1,410.75 million and ₱1,839.38 million as of December 31, 2024 and 2023, respectively.

15. Property and Equipment

The rollforward analysis of this account follow:

	2024							
	Land	**Hotel Building**	**Building and Building Improvements**	**Transportation Equipment**	**Office Furniture, Fixtures and Equipment**	**Construction Equipment**	**Other Fixed Assets**	**Total**
Cost								
Balances at beginning of year	**₱83,333,600**	**₱880,004,223**	**₱781,249,463**	**₱973,316,779**	**₱1,181,649,661**	**₱1,319,589,916**	**₱421,277,900**	**₱5,640,421,542**
Additions	**–**	**–**	**30,859,008**	**1,774,488**	**12,361,519**	**19,254,049**	**43,257,009**	**107,506,073**
Transfers (Note 14)	**–**	**–**	**(170,300,808)**				**(172,649,878)**	**(342,950,686)**
Balances at end of year	**83,333,600**	**880,004,223**	**641,807,663**	**975,091,267**	**1,194,011,180**	**1,338,843,965**	**291,885,031**	**5,404,976,929**
Accumulated Depreciation and Amortization								
Balances at beginning of year	–	**205,979,129**	**301,793,902**	**855,363,448**	**1,091,449,636**	**303,974,982**	**245,709,384**	**3,004,270,481**
Depreciation and amortization (Note 24)	**–**	**23,248,743**	**45,020,957**	**76,104,897**	**55,398,428**	**14,004,461**	**43,135,566**	**256,913,052**
Transfers (Note 12)	**–**	**–**	**–**	**–**	**–**	**91,118,000**	**–**	**91,118,000**
Balances at end of year	**–**	**229,227,872**	**346,814,859**	**931,468,345**	**1,146,848,064**	**409,097,443**	**288,844,950**	**3,352,301,522**
Net Book Value	**₱83,333,600**	**₱650,776,351**	**₱294,992,804**	**₱43,622,922**	**₱47,163,116**	**₱929,746,522**	**₱3,040,081**	**₱2,052,675,396**

	2023							
	Land	Hotel Building	Building and Building Improvements	Transportation Equipment	Office Furniture, Fixtures and Equipment	Construction Equipment	Other Fixed Assets	Total
Cost								
Balances at beginning of year	₱83,333,600	₱794,394,692	₱461,823,991	₱941,358,954	₱1,091,878,461	₱1,333,412,183	₱344,551,951	₱5,050,753,832
Additions	–	85,609,531	319,425,472	31,957,825	89,771,200	75,094,043	76,725,949	678,584,020
Write off (Note 24)	–	–	–	–	–	(88,916,310)	–	(88,916,310)
Balances at end of year	83,333,600	880,004,223	781,249,463	973,316,779	1,181,649,661	1,319,589,916	421,277,900	5,640,421,542
Accumulated Depreciation and Amortization								
Balances at beginning of year	–	179,939,378	290,901,951	800,591,074	989,478,352	272,264,761	216,491,828	2,749,667,344
Depreciation and amortization (Note 24)	–	26,039,751	10,891,951	54,772,374	101,971,284	31,710,221	29,217,556	254,603,137
Balances at end of year	–	205,979,129	301,793,902	855,363,448	1,091,449,636	303,974,982	245,709,384	3,004,270,481
Net Book Value	₱83,333,600	₱674,025,094	₱479,455,561	₱117,953,331	₱90,200,025	₱1,015,614,934	₱175,568,516	₱2,636,151,061

Depreciation and amortization expense charged to operations amounted to ₱256.91 million, ₱254.60 million and ₱167.64 million for the years ended December 31, 2024, 2023 and 2022, respectively (see Note 24).

The Group performed impairment testing on its hotel property and equipment with carrying value of ₱650.78 million and ₱674.03 million as of December 31, 2024 and 2023, respectively, by assessing its recoverable amount through estimation of its value-in-use (VIU). VIU is the present value of the future cash flows expected to be derived from an asset. The significant assumptions used in the valuation are discount rate of 6.62% with an average growth rate of 4.00%. Based on the impairment testing, there is no impairment loss on the Group's hotel property and equipment.

The Group's transportation equipment with a carrying value of ₱4.24 million, ₱15.61 million and ₱9.75 million as of December 31, 2024, 2023 and 2022, respectively, were pledged as collateral under chattel mortgage to secure the car loans of the Group with various financial institutions (see Note 20).

16. Project Development Costs

Project development costs pertain to (a) advances to a related party, covered by memorandum of agreement for the purchase of socialized housing units, (b) advances to third and related parties for project developments.

The requirement for socialized housing units is required by the Housing and Land Use Regulatory Board (HLURB) (see Note 29). These advances are recouped upon receipt of the socialized housing units from Bria Homes. On December 23, 2019, the Group entered into a Memorandum of Agreement with Bria Homes, Inc. that stipulated the allocated socialized housing units to the Group from the latter's ongoing and new projects. On December 21, 2020, the Group executed an amended Memorandum of Agreement with Bria Homes, Inc. that stipulated the number of socialized housing credits to be delivered as final settlement of the advances from its on-going projects under different documentation stages after deducting the partial delivery of social housing credits and cash payments.

This account also includes deposits, cash advances and other charges in connection with joint venture agreements and memorandum of agreements entered into by the Group with individuals, corporate entities and related parties for the development of real estate projects. These agreements provide, among others, the following: a) the Group will undertake the improvement and development of the real estate project within a certain period, subject to certain conditions to be fulfilled by the real estate property owner; and b) the parties shall divide among themselves all saleable inventory and commercial development of the real estate project in accordance with the ratio mutually agreed. The real estate projects are in various stages of development from planning to ongoing construction.

As of December 31, 2024 and 2023, project development costs amounted to ₱2,204.82 million and ₱1,396.27 million, respectively.

17. Investment in Joint Venture and Other Noncurrent Assets

Investment in Joint Venture

Vista Ventures Taft, Inc. (VVTI) was incorporated in the Republic of the Philippines primarily to engage in real estate activities particularly from construction and sale of condominium project at Taft Avenue, Manila. VRI originally subscribed for 4,587,718 shares of stock of VVTI with par value of ₱100 per share amounting to ₱458.77 million. As of December 31, 2019, VVTI was previously a wholly owned subsidiary of VRI. On November 27, 2020, VRI executed a joint venture agreement (JVA) with Mitsubishi Estate Corp. (MEC). VVTI is 60% owned by VRI and 40% owned by MEC, however, it was agreed in the JVA that at least affirmative vote of four board representatives are required in board reserved matters which include the budget and design of the condominium project.

VVTI's principal place of business is LGF Bldg B Evia Lifestyle Center, Daang Hari, Almanza Dos, Las Piñas City.

Below is the financial information on VVTI as of December 31, 2024 and 2023:

	2024	2023
Current assets	**₱2,591,614,999**	₱2,158,030,541
Noncurrent assets	**9,120,131**	2,213,544
Current liabilities	**348,968,102**	222,861,570
Noncurrent liabilities	**1,400,010,313**	1,084,986,183
Equity	**851,756,716**	852,396,332
Proportion of Group's ownership	**60%**	60%
Group's share in identifiable net assets	**511,054,029**	511,437,798
Other adjustments	**(11,989,749)**	(11,989,749)
Carrying amount of the investment	**₱499,064,280**	₱499,448,049
Revenue	**₱264,050,737**	₱169,605,706
Net income	**81,827,993**	52,290,436
Total comprehensive income	**81,827,993**	52,290,436

Below is the reconciliation with the carrying amount of the investment in the consolidated financial statements:

	2024	2023
At beginning of year	**₱499,448,049**	₱468,073,789
Impact of adoption of PFRS 15 covered by PIC Q&A 2018-12-D	**(49,480,566)**	–
Share in equity earnings during the year	**49,096,797**	31,374,260
At end of year	**₱499,064,280**	₱499,448,049

Amortization of system development costs amounted to ₱59.23 million, ₱63.73 million and ₱56.16 million for the years ended December 31, 2024, 2023 and 2022, respectively. These are included in the "Depreciation and amortization" account under "Operating expenses" in the consolidated statements of comprehensive income (see Note 24).

Other Noncurrent Assets
This account consists of:

	2024	2023
Deposits	**₱652,427,523**	₱630,110,886
Model house accessories at cost	**138,461,572**	174,286,682
Deferred input VAT	**85,508,863**	79,906,037
Systems development costs	**51,390,625**	40,836,783
Cash restricted for use (Note 13)	**163,104,955**	10,848,491
	₱1,090,893,538	₱935,988,879

18. **Accounts and Other Payables**

This account consists of:

	2024	2023
Accounts payable		
Contractors	**₱14,058,360,834**	₱5,329,525,074
Suppliers	**3,346,441,698**	2,851,391,542
Incidental costs	**2,031,846,322**	2,090,433,184
Buyers	**1,457,707,298**	1,096,012,563
Accrued expenses	**2,840,505,054**	2,184,783,101
Commissions payable	**2,010,875,594**	1,629,257,467
Current portion of deferred output tax	**1,873,761,195**	2,007,448,590
Current portion of liabilities for purchased land	**1,853,158,586**	1,745,507,099
Current portion of retention payable	**1,187,208,590**	1,152,301,636
Other payables	**784,481,185**	430,690,617
	₱31,444,875,608	₱20,517,350,873

Accounts payable - contractors
Accounts payable - contractors pertain to contractors' billings for construction services related to the development of various projects of the Group. These are expected to be settled within a year after the financial reporting date.

Accounts payable - suppliers
Accounts payable - suppliers represent payables for construction materials, marketing collaterals, office supplies and property and equipment ordered and delivered but not yet due. These are expected to be settled within a year from recognition date.

Accounts payable - incidental costs
Accounts payable - incidental costs pertain to liabilities incurred in relation to land acquired. These include payable for titling costs, clearing, security and such other additional costs incurred.

Accounts payable - buyers
Accounts payable - buyers pertain to refunds arising from the cancellation of contract to sell agreement which is determined based on the required refund under the Maceda Law.

Accrued expenses
Details of accrued expenses as follow:

	2024	2023
Interest	**₱2,221,159,401**	₱1,589,407,383
Subdivision maintenance and licenses	**171,603,644**	169,976,477
Light and power	**46,614,777**	111,759,773
Repairs and maintenance	**61,399,794**	58,264,145
Security	**48,885,026**	55,167,310
Rental	**49,582,846**	43,706,583
Contracted services	**61,135,783**	37,668,623
Marketing	**48,303,935**	32,228,464
Others	**131,819,848**	86,604,343
	₱2,840,505,054	₱2,184,783,101

Deferred output tax
Deferred output tax pertains to the VAT charged to the buyers on installment upon contracting of real estate sale but were not yet collected as of reporting date. Further, upon collection of the VAT portion of installment receivables, the equivalent output tax is included in the current VAT payable of the month. Deferred output VAT pertaining to installment receivables that are beyond one year after reporting date are presented as noncurrent liabilities (see Note 22).

Liabilities for purchased land
Liabilities for purchased land are payables to various real estate property sellers. Under the terms of the agreements executed by the Group covering the purchase of certain real estate properties, the titles of the subject properties shall be transferred to the Group only upon full payment of the real estate payables. Liabilities for purchased land that are payable beyond one year from reporting date are presented as noncurrent liabilities (see Note 22).

Commissions payable
Commissions payable pertains to fees due to brokers for services rendered which are expected to be settled within one year.

Retention payable
Retention payable pertains to 10.00% retention from the contractors' progress billings which will be released after the completion of contractors' project and upon acceptance of the work by the Group. The retention serves as a holdout amount withheld from the contractor to cover for back charges that may arise from quality issues in affected projects. Retention payables that will be settled beyond one year from reporting date are presented as noncurrent liabilities (see Note 22).

Other payables
Other payables include statutory payables which are remitted on a monthly basis.

19. Security Deposits and Advance Rent

This account consists of:

	2024	2023
Current portion of security deposits (Note 22)	**₱984,779,835**	₱1,167,057,893
Current portion of advance rent (Note 22)	**727,120,268**	845,985,875
	₱1,711,900,103	₱2,013,043,768

Current portion of security deposits
Security deposits represent deposits required by lease agreements. These can be recovered upon termination of the lease agreement through refund or application to unpaid rent and/or other charges. Security deposit also include bond deposits of homeowners for their house extension, fence construction and landscaping works which will be refunded after considering any charges. Current portion are those to be settled within one year from financial reporting date.

Current portion of advance rent
Advance rent includes three-month advance rental paid by lessee as required under lease contract. These will be applied to the first or last three months rental depending on the contract terms of the related lease contract. These also include overpayments made by lessee against its monthly billings which will applied to future billings. Current portion are those to be settled within one year from financial reporting date.

20. **Bank Loans and Loans Payable**

Bank Loans
Bank loans pertain to the borrowings of the Group from various local financial institutions. These bank loans are obtained to finance capital expenditures and for general corporate purposes.

The rollforward analysis of this account follows:

	2024	2023
Principal		
Balance at beginning of year	**₱53,272,058,104**	₱56,044,615,331
Availments*	**46,085,326,087**	39,917,136,939
Payments*	**(43,653,321,281)**	(42,689,694,166)
Balance at end of year	**55,704,062,910**	53,272,058,104
Debt issue cost		
Balance at beginning of year	**89,089,909**	97,792,214
Additions	**29,534,666**	34,946,237
Amortizations	**(50,685,632)**	(43,648,542)
Balance at end of year	**67,938,943**	89,089,909
Carrying value	**55,636,123,967**	53,182,968,195
Less current portion	**18,236,007,959**	25,874,160,220
Noncurrent portion	**₱37,400,116,008**	₱27,308,807,975

**Gross of bank loans that were rolled over during the year (see Note 33).*

Details of the bank loans as of December 31, 2024 and 2023 follow:

Loan Type	Date of Availment	2024	2023	Maturity	Interest Rate	Payment Terms	Covenants/Collaterals
VLLI							
Bank loan	December 2024	**₱880,873,118**	₱–	December 2029	7.76%	Interest and principal payable quarterly	Current ratio of at least 1:1.00; Debt to Equity maximum of 2.50:1.00 and DSCR 1:1.00; unsecured; Guaranteed by subsidiaries
Bank loan	September 2024	**554,467,523**	–	September 2029	7.00%	Principal payable quarterly, interest payable upon maturity	Current ratio of at least 1:1.00; Debt to Equity maximum of 2.50:1.00 and DSCR 1:1.00; unsecured;
Bank loan	March 2024	**1,972,503,439**	–	March 2029	7.56%	Interest and principal payable quarterly	Current ratio of at least 1:1.00; Debt to Equity maximum of 2.50:1.00 and DSCR 1:1.00; unsecured; Guaranteed by subsidiaries
Bank loan	December 2023	**5,171,746,675**	6,465,053,763	December 2028	7.54%	Interest and principal payable quarterly	Current ratio of at least 1:1.00; Debt to Equity maximum of 2.50:1.00 and DSCR 1:1.00; unsecured; Guaranteed by subsidiaries
Bank loan	December 2023	**1,253,621,257**	1,600,000,000	December 2026	7.10%	Interest and 70% of principal payable quarterly and 30% of principal payable upon maturity	Current ratio of at least 1:1.00; Debt to Equity maximum of 2.50:1.00 and DSCR 1:1.00; unsecured; Guaranteed by subsidiaries
Bank loan	June 2022	**4,987,286,570**	6,974,384,611	June 2027	7.13%	Interest and principal payable quarterly	Current ratio of at least 1:1.00; Debt to Equity maximum of 2.50:1.00 and DSCR 1:1.00; unsecured
Bank loan	November 2022	**1,000,000,000**	1,000,000,000	Various maturities, renewed upon maturity subject to change in interest rate	8.00%	Interest payable monthly, principal payable annually upon maturity	–
Bank loan	June 2021	**1,497,407,324**	2,493,341,306	June 2026	4.75%	Interest and principal payable quarterly	Current ratio of at least 1:1.00; Debt to Equity maximum of 2.50:1.00 and DSCR 1:1.00; unsecured; Guaranteed by subsidiaries
Bank loan	June 2021	–	2,353,055,000	April 2024	6.80%	Interest and principal payable upon maturity	Secured by hold-out investments at amortized cost
Bank loan	May 2021	**933,958,333**	1,556,458,333	May 2026	4.75%	Interest and principal payable quarterly	Current ratio of at least 1:1.00; Debt to Equity maximum of 2.50:1.00 and DSCR 1:1.00; unsecured; Guaranteed by subsidiaries
Bank loan	March 2020	**263,157,895**	1,314,250,365	March 2025	5.15%	Interest and principal payable quarterly	Current ratio of at least 1:1.00; Debt to Equity maximum of 2.50:1.00 and DSCR 1:1.00; unsecured; Guaranteed by subsidiaries
Bank loan	April 2018	**400,000,000**	1,200,000,000	April 2025	7.36%	Interest and principal payable quarterly	Current ratio of at least 1:1.00; Debt to Equity maximum of 2.50:1.00 and DSCR 1:1.00; unsecured
Bank loan	October 2019	–	315,789,474	May 2024	5.54%	Interest and principal payable quarterly	Current ratio of at least 1:1.00; Debt to Equity maximum of 2.50:1.00 and DSCR 1:1.00; unsecured; Guaranteed by subsidiaries
Bank loan	May 2019	–	200,000,000	May 2024	7.15%	Interest and principal payable quarterly	Current ratio of at least 1:1.00; Debt to Equity maximum of 2.50:1.00 and DSCR 1:1.00; unsecured; Guaranteed by subsidiaries
Bank loan	Availed and/or renewed in various dates in 2024 and 2023	**36,094,688,675**	24,708,470,535	Various maturities, renewed upon maturity subject to change in interest rate	6.75% to 7.13% in 2023; 6.55% to 8.50% in 2024	Interest payable monthly and quarterly, principal payable upon maturity	Secured by hold-out of investments at amortized cost
		53,074,370,168	50,180,803,387				
VII							
Bank Loan	June 2024 June 2023	**1,295,728,000**	1,035,019,035	June 2025 June 2024	7.00% in 2023; 6.53% in 2024	Interest and principal payable upon maturity	Secured by hold-out of investments at amortized cost

(Forward)

Loan Type	Date of Availment	2024	2023	Maturity	Interest Rate	Payment Terms	Covenants/Collaterals
MAPI							
Bank loan	July 2017	**₱171,875,000**	₱234,375,000	June 2027	6.23%	Interest and principal payable monthly	Current ratio of at least 1:1.00; Debt to Equity maximum of 2.50:1.00 and DSCR 1:1.00
MC							
Bank loan	October 2022	**1,092,191,996**	1,485,711,186	October 2027	7.55%	Interest and principal payable quarterly	With investment properties used as collateral
HDC							
Bank loan	November 2023	–	98,840,000	November 2024	8.25%	Interest payable quarterly, principal payable upon maturity	Unsecured
Prima							
Bank Loan	March 2023	–	1,134,564	March 2025	8.05%	Interest and principal payable monthly	Chattel Mortgage
Brittany							
Bank loan	October 2022	**1,795,399**	3,589,669	October 2026	7.47%	Interest and principal payable monthly	Chattel Mortgage
VRI							
Bank loan	December 2017	**163,404**	142,538,104	December 2024	6.70%	Interest payable quarterly, principal payable upon maturity	Unsecured
Bank loan	Various	–	957,250	October 2024 and May 2023	6.92% in 2023; nil in 2024	Interest and principal payable monthly	Chattel mortgage
		163,404	143,495,354				
		₱55,636,123,967	53,182,968,195				
Less current portion		**18,236,007,959**	25,874,160,220				
Bank loans, net of current portion		**₱37,400,116,008**	₱27,308,807,975				

In December 2024, the Parent Company obtained a 5-year unsecured peso denominated loan amounting to ₱880.87 million which bears annual fixed interest of 7.76%, payable quarterly. The principal balance of the loan will be paid quarterly. This loan is guaranteed by the Parent Company's subsidiaries consisting of Brittany Corporation, Crown Asia Philippines Inc., Camella Homes, Inc., Communities Philippines, Inc., Vistamalls, Inc., and Vista Residences Inc. (see Note 29).

In September 2024, the Parent Company obtained a 5-year dollar-denominated loan amounting to $10,000.00 million (₱557.30 million) which bears annual fixed interest of 7.00%, principal payable in 17 equal quarterly installments, without need of notice, demand, presentment or any other act or deed, starting on first anniversary date of initial drawdown.

In March 2024, the Parent Company signed a ₱2-billion loan deal with the Manila branch of Sumitomo Mitsui Banking Corp. to finance the property developer's capital expenditures. The loan will also be used for the Group's capital expenditures for property development, refinancing and to fund other general corporate purposes. This loan is guaranteed by the Parent Company's subsidiaries consisting of Brittany Corporation, Crown Asia Philippines Inc., Camella Homes, Inc., Communities Philippines, Inc., Vistamalls, Inc., and Vista Residences Inc. (see Note 29).

In December 2023, the Parent Company obtained a 5-year unsecured peso denominated loan amounting to ₱6,500.00 million which bears annual fixed interest of 7.54%, payable quarterly. The principal balance of the loan will be paid in 20 equal quarterly installments commencing on the first interest payment date subject to prepayment option.

In December 2023, the Parent Company obtained a 3-year unsecured peso denominated loan amounting to ₱1,600.00 million which bears annual fixed interest of 7.10% payable quarterly. 70% of the principal amount of the loan will be paid in equal quarterly installments commencing on the second interest payment date, and the 30% balance will be paid in full on maturity date.

In June 2022, the Parent Company obtained a 5-year unsecured peso denominated loan amounting to ₱10,000.00 million which bears annual fixed interest of 7.13%, payable quarterly. The principal balance of the loan will be paid in 20 equal quarterly installments commencing on the first interest payment date subject to prepayment option.

In November 2022, the Parent Company obtained various peso-denominated bank loans with interest rate of 8.00% per annum as of December 31, 2024 and 2023, respectively. These bank loans are renewable upon maturity subject to change in interest rates.

The Parent Company has various peso-denominated bank loans with fixed interest-rates ranging from 6.75% to 7.12% per annum and 6.75% to 7.13% per annum as of December 31, 2024 and 2023, respectively. In 2024 and 2023, these bank loans are renewable upon maturity subject to change in interest rates and/or hold-out amount of the investments at amortized cost of VII amounting to $607.07 million (₱35,115.92million) and $548.24 million (₱30,355.86 million) as of December 31, 2024 and 2023, respectively. No fees are charged by VII for its investments held as security (see Note 29).

As disclosed in Notes 10, 14, and 15, certain investments at amortized cost, property and equipment, and investment properties are used as collateral to the bank loans.

Subsidiaries of the Parent Company namely, Brittany Corporation, Camella Homes, Inc., Crown Asia Properties, Inc., Communities Philippines, Inc., Vistamalls, Inc. (formerly Starmalls, Inc.) and Vista Residences, Inc. acted as guarantors for selected bank loans of the Parent Company. No fees are charged for these guarantee agreements (see Note 29).

Loans Payable
These loans bear annual fixed interest rates ranging from 6.25% to 8.05% and 6.25% to 8.25% as at December 31, 2024 and 2023, respectively, payable on equal monthly installment over a maximum period of 10 years. Installment contracts receivable serve as collateral to the loans payable (see Note 11).

Movement of loans payable follows:

	2024	2023
Balance at beginning of year	**₱7,443,723,350**	₱5,334,619,152
Additions (Note 33)	**14,752,671,118**	3,963,399,970
Payments	**(2,713,629,867)**	(1,854,295,772)
Balance at end of year	**19,482,654,601**	7,443,723,350
Less current portion	**3,497,817,361**	3,176,026,696
Noncurrent portion	**₱15,984,947,240**	₱4,267,696,654

Interest expense on bank loans and loans payable amounted to ₱4,462.22 million, ₱3,673.31 million and ₱3,197.46 million in 2024, 2023 and 2022, respectively (see Note 25).

The Group was able to comply with the loan covenants as of December 31, 2024 and 2023.

21. Notes Payable

This account consists of:

	2024	2023
Dollar denominated bonds	**₱50,107,110,618**	₱42,664,040,138
Corporate note facility	**35,918,464,900**	41,135,771,640
Retail bonds	**21,404,217,702**	24,348,969,861
	107,429,793,220	108,148,781,639
Less current portion	**27,787,034,267**	28,005,337,553
Noncurrent portion	**₱79,642,758,953**	₱80,143,444,086

The rollforward analysis of this account follows:

	2024	2023
Principal		
Balances at beginning of year	**₱108,522,364,867**	₱102,735,489,800
Drawdown	**26,265,750,000**	18,900,000,000
Principal payments	**(28,286,174,933)**	(12,816,674,933)
Translation adjustment	**1,381,500,000**	(296,450,000)
Balances at end of year	**₱107,883,439,934**	₱108,522,364,867
Debt issue cost		
Balance at beginning of year	**373,583,228**	287,286,359
Addition	**311,635,807**	288,335,915
Debt issue cost amortization	**(223,737,200)**	(202,040,174)
Translation adjustment	**(7,835,121)**	1,128
Balance at end of year	**453,646,714**	373,583,228
Carrying value	**107,429,793,220**	108,148,781,639
Less current portion	**27,787,034,267**	28,005,337,553
Noncurrent portion	**₱79,642,758,953**	₱80,143,444,086

A. Dollar Denominated Bonds

a. US$220.00 million Notes (Due July 2027)
On May 17, 2021, VII (the Issuer) issued US$170.00 million notes ("Notes") with a term of six years from initial drawdown date. The interest rate is 7.25% per annum, payable semi-annually in arrears on January 20 and July 20 of each year beginning on January 20, 2022. The Notes were used to refinance existing debt as a result of liability management exercise and excess proceeds were used to refinance existing debt and for general corporate purposes.

There are no properties owned by the Group that are pledged as collateral to this note.

As of December 31, 2024 and 2023, outstanding balance of the note amounted to US$172.18 million (₱9,959.98 million) and US$172.60 million (₱9,556.63 million), respectively.

On June 1, 2021, VII issued an additional US$50.00 million unsecured note, with similar terms and conditions as the above notes. There are no properties owned by the Group that are pledged as collateral to this note. As of December 31, 2024 and 2023, outstanding balance of the note amounted to US$49.78 million (₱2,878.57 million) and US$50.76 million (₱2,810.78 million), respectively.

Redemption at the option of the Issuer
At any time, the Issuer may on any one or more occasions redeem all or a part of the Notes on any business day or after July 20, 2024 and up to but excluding the Maturity date, the Issuer may on one or more occasions redeem all or part of the Notes, at the redemption price, plus accrued and unpaid interest, if any, to (but not including) the date of redemption, if redeemed during the 12-month period commencing on July 20 of the years set forth below:

Period	Price
2024	103.6250%
2025	101.8125%
2026 and thereafter	100.0000%

The redemption option was assessed to be embedded derivatives that is clearly and closely related to the host contract, therefore, not required to be bifurcated.

Covenants
The Notes provide for the Group to comply with certain covenants including, among others, incurrence of additional debt; grant of security interest; payment of dividends; mergers, acquisitions and disposals; and certain other covenants.

The incurrence test for additional debt requires the Group to have a (Fixed Charge Coverage Ratio) FCCR of not less than 2.25x.

The Group was able to comply with the loan covenant as of December 31, 2024 and 2023.

b. US$200.00 million Notes (Due July 2027)
On July 20, 2020, VII (the Issuer) issued US$200.00 million notes ("Notes") with a term of seven years from initial drawdown date. The interest rate is 7.25% per annum, payable semi-annually in arrears on January 20 and July 20 of each year beginning on January 20, 2021. The Notes were used to refinance existing debt as a result of liability management exercise and excess proceeds were used to refinance existing debt and for general corporate purposes.

There are no properties owned by the Group that are pledged as collateral to this note.

As of December 31, 2024 and 2023, outstanding balance of the note amounted to US$198.98 million (₱11,510.15 million) and US$198.62 million (₱10,997.85 million), respectively.

Redemption at the option of the Issuer
At any time, the Issuer may on any one or more occasions redeem all or a part of the Notes on any business day or after July 20, 2024 and up to but excluding the Maturity date, the Issuer may on one or more occasions redeem all or part of the Notes, at the redemption price, plus accrued and unpaid interest, if any, to (but not including) the date of redemption, if redeemed during the 12-month period commencing on July 20 of the years set forth below:

Period	Price
2024	103.6250%
2025	101.8125%
2026 and thereafter	100.0000%

The redemption option was assessed to be embedded derivatives that is clearly and closely related to the host contract, therefore, not required to be bifurcated.

Covenants
The Notes provide for the Group to comply with certain covenants including, among others, incurrence of additional debt; grant of security interest; payment of dividends; mergers, acquisitions and disposals; and certain other covenants.

The incurrence test for additional debt requires the Group to have a (Fixed Charge Coverage Ratio) FCCR of not less than 2.25x.

The Group was able to comply with the loan covenant as of December 31, 2024 and 2023.

c. US$350.00 million Notes (Due November 2024)
On November 28, 2017, VII (the Issuer) issued US$350.00 million notes ("Notes") with a term of seven years from initial drawdown date. The interest rate is 5.75% per annum, payable semi-annually in arrears on May 28 and November 28 of each year beginning on November 28, 2017. The Notes were used to refinance existing debt as a result of liability management exercise and excess proceeds were used to refinance existing debt and for general corporate purposes.

There are no properties owned by the Group that are pledged as collateral to these notes.

The Group fully paid these Notes in November 2024. As of December 31, 2023, outstanding balance of the note amounted to US$348.54 million (₱19,298.78 million).

Redemption at the option of the Issuer
At any time, the Issuer may on any one or more occasions redeem all or a part of the Notes on any business day or after November 28, 2021 and up to but excluding the Maturity date, the Issuer may on one or more occasions redeem all or part of the Notes, at the redemption price, plus accrued and unpaid interest, if any, to (but not including) the date of redemption, if redeemed during the 12-month period commencing on November 28 of the years set forth below:

Period	Price
2021	102.8750%
2022	101.4375%
2023 and thereafter	100.0000%

The redemption option was assessed to be embedded derivatives that is clearly and closely related to the host contract, therefore, not required to be bifurcated.

Covenants
The Notes provide for the Group to comply with certain covenants including, among others, incurrence of additional debt; grant of security interest; payment of dividends; mergers, acquisitions and disposals; and certain other covenants.

The incurrence test for additional debt requires the Group to have a (Fixed Charge Coverage Ratio) FCCR of not less than 2.25x.

The Group was able to comply with loan covenants as of December 31, 2024 and 2023.

d. US$2,000.00 million Medium Term Note Programme
On December 29, 2023, the Parent Company's BOD approved the establishment of a US$2,000.00 million Medium Term Note Programme pursuant to which the Issuer (VII) may from time to time issue US Dollar-denominated notes in such amount, with interest rate, and under such other terms and conditions as the Management of the Parent Company and/or the Issuer may subsequently approve or ratify. Accordingly, the Issuer has executed a Programme Agreement with DBS Bank Ltd. And HSBC, as Dealers, for the offer, sale and issuance of the Notes.

On July 29, 2024, VII (the Issuer) issued US$300 million notes ("Notes") with a term of five years from initial draw down date. The interest rate is 9.375% per annum payable semi-annually in arrears on January 29 and July 29 of each year beginning on July 29, 2024. The notes were used to refinance existing debt as a result of liability management exercise and excess proceeds were used to refinance existing debt and for general corporate purposes. There are no properties owned by the Group that were pledged as collateral to this note. As of December 31, 2024, outstanding balance of the note amounted to US$296.28 million (₱17,138.38 million).

On August 6, 2024, VII issued an additional US$50.0 million unsecured note, with similar terms and conditions as the above notes. There are no properties owned by the Group that were pledged as collateral to this note. As of December 31, 2024, outstanding balance of the note amounted to US$49.38 million (₱2,856.40 million).

On October 9, 2024, VII issued an additional US$50.0 million unsecured note, with similar terms and conditions as the above notes. There are no properties owned by the Group that were pledged as collateral to this note. As of December 31, 2024, outstanding balance of the note amounted to US$49.38 million (₱2,856.40 million).

On October 28, 2024, VII issued an additional US$50.0 million unsecured note, with similar terms and conditions as the above notes. There are no properties owned by the Group that were pledged as collateral to this note. As of December 31, 2024, outstanding balance of the note amounted to US$49.38 million (₱2,856.40 million).

Redemption at the option of the Issuer
At any time, the Issuer may on any one or more occasions redeem all or part of the Notes on any business day, the Issuer may on one or more occasions redeem all or part of the Notes, at the redemption price equal to 100% of the principal amount of the Notes redeemed, plus Applicable Premium as of, and accrued and unpaid interest, if any, to the date of redemption.

Covenants
The Notes provide for the Group to comply with certain covenants including, among others, incurrence of additional debt; grant of security interest; payment of dividends; mergers, acquisitions and disposals; and certain other covenants. The incurrence test for additional debt requires the Group to have a proforma Net Debt-to Equity Ratio of not more than 2.50x to 1.00x. These were complied with by the Group as at December 31, 2024.

As part of the issuance of the Notes, the Parent Company and its subsidiaries that acted as guarantors, irrevocably and unconditionally, are: Vista Land & Lifescapes, Inc., Brittany Corporation, Camella Homes, Inc., Crown Asia Properties, Inc., Communities Philippines, Inc., Vistamalls, Inc. (formerly Starmalls, Inc.) and Vista Residences Inc. No fees are charged for these guarantee agreements (see Note 29).

B. Corporate Note Facility

a. ₱10,000 million Corporate Notes (Due April 2026)
On April 4, 2023, the Parent Company (the Issuer) entered into a Corporate Notes Facility Agreement for the issuance of a long-term corporate notes consisting of Three-Year Corporate Notes due 2026 amounting to ₱6,000.00 million at a fixed rate of 7.61% per annum, payable on maturity date.

On April 14, 2023, an additional issuance of Corporate Notes was made in the amount of ₱4,000.00 million due 2026, at a fixed interest of 7.63% per annum, payable on maturity date.
The proceeds of the corporate notes were used for refinancing of existing or maturing obligations of the Parent Company, and for other general corporate purposes. The issue cost amounted to ₱105.22 million. This was capitalized as debt issue cost and amortized over the life of the liability and was offset to the carrying value of the liability.

As of December 31, 2024 and 2023, the outstanding balance of the Corporate Notes is ₱9,952.84 million and ₱9,918.49 million, respectively.

The Corporate Notes do not provide early redemption at the option of the Issuer.

There are no properties pledged to secure the obligation of the Group.

Covenants
The Corporate Notes requires the Issuer to maintain the ranking with all and future unsecured and unsubordinated indebtedness except for obligations mandatorily preferred or in respect of which a statutory preference is established by law.

The Issuer is also required to maintain at all times the following financial ratios: current ratio of at least 1.00, maximum debt to equity at 2.50 and debt service coverage ratio of at least 1.00.

The Group was able to comply with the loan covenants as of December 31, 2024 and 2023.

b. ₱6,000.00 million Corporate Notes (Due March 2027)
On March 28, 2022, the Parent Company (the Issuer) entered into a Corporate Notes Facility Agreement for the issuance of a long-term corporate notes consisting of Five-Year Corporate Notes due 2027 amounting to ₱4,000.00 million at a fixed rate of 6.64% per annum, payable in equal 18 quarters commencing on the second interest payment date.

On June 1, 2022, an additional issuance of Corporate Notes was made in the amount of ₱2,000.00 million due 2027, at a fixed interest of 7.24% per annum, payable in equal 18 quarters commencing on the second interest payment date.

The proceeds of the corporate notes were used for refinancing of existing or maturing obligations of the Parent Company, and for other general corporate purposes. The issue cost amounted to ₱51.36 million. This was capitalized as debt issue cost and amortized over the life of the liability and was offset to the carrying value of the liability.

As of December 31, 2024 and 2023, the outstanding balance of the Corporate Notes is ₱3,321.46 million and ₱4,643.22 million, respectively.

The Corporate Notes provide early Redemption at the option of the Issuer as follows:

Early Redemption Date	Early Redemption Amount
3rd anniversary from issue date and interest payment thereafter	102.00%
4th anniversary from issue date and interest payment thereafter	101.00%

The redemption option was assessed to be embedded derivatives that is clearly and closely related to the host contract, therefore, not required to be bifurcated.

There are no properties pledged to secure the obligation of the Group.

Covenants
The Corporate Notes requires the Issuer to maintain the pari passu ranking with all and future unsecured and unsubordinated indebtedness except for obligations mandatorily preferred or in respect of which a statutory preference is established by law.

The Issuer is also required to maintain at all times the following financial ratios: current ratio of at least 1.00, maximum debt to equity at 2.50 and debt service coverage ratio of at least 1.00. The Group was able to comply with the debt covenants as at December 31, 2024 and 2023.

c. ₱12,000.00 million Corporate Notes (Due December 2025)
On January 31, 2023, an additional issuance of Corporate Notes was made in the amount of ₱2,900.00 million due 2025, at a fixed interest of 7.26% per annum, payable on maturity date.

On December 28, 2022, the Parent Company (the Issuer) entered into a Corporate Notes Facility Agreement for the issuance of a long-term corporate notes consisting of Three-Year Corporate Notes due 2025 amounting to ₱8,600.00 million at a fixed rate of 7.93% per annum, payable on maturity date.

The proceeds of the corporate notes were used for refinancing of existing or maturing obligations of the Parent Company, and for other general corporate purposes. The issue cost amounted to ₱46.70 million and ₱88.84 million for the 2024 and 2023 corporate notes, respectively. These were capitalized as debt issue cost and amortized over the life of the liability and were offset to the carrying value of the liability.

As of December 31, 2024 and 2023, the outstanding balance of the Corporate Notes is ₱11,449.56 million and ₱11,402.86 million, respectively.

The Corporate Notes do not provide early redemption at the option of the Issuer.

There are no properties pledged to secure the borrowing of the Group.

Covenants
The Corporate Notes requires the Issuer to maintain the pari passu ranking with all and future unsecured and unsubordinated indebtedness except for obligations mandatorily preferred or in respect of which a statutory preference is established by law.

The Issuer is also required to maintain at all times the following financial ratios: current ratio of at least 1.00, maximum debt to equity at 2.50 and debt service coverage ratio of at least 1.00. The Group complied with the covenants as at December 31, 2024 and 2023.

d. ₱15,000.00 million Corporate Notes (Due July 2024)
On July 15, 2019, the Parent Company (the Issuer) entered into a Corporate Notes Facility Agreement for the issuance of a long-term corporate notes consisting of Five-Year Corporate Notes due 2024 amounting to ₱14,500.00 million at a fixed rate of 6.77% per annum, payable quarterly.

On October 17, 2019, an additional issuance of Corporate Notes was made in the amount of ₱500.00 million due 2024, at a fixed interest of 6.77% per annum, payable quarterly.

The proceeds of the corporate notes were utilized for the 2019 capital expenditures for commercial property projects, and to fund other general corporate expenses of the Group. The issue cost amounted to ₱159.91 million. This was capitalized as debt issue cost and amortized over the life of the liability and was offset to the carrying value of the liability.

The Group fully paid the Corporate Notes in July 2024. As of December 31, 2023, the outstanding balance of the Corporate Notes is ₱2,810.51 million.

The Corporate Notes provide early Redemption at the option of the Issuer as follows:

Early Redemption Date	Early Redemption Amount
3rd anniversary from issue date and interest payment thereafter	101.00%
4th anniversary from issue date and interest payment thereafter	100.50%

The redemption option was assessed to be embedded derivatives that is clearly and closely related to the host contract, therefore, not required to be bifurcated.

There are no properties pledged to secure the borrowing of the Group.

Covenants
The Corporate Notes requires the Issuer to maintain the pari passu ranking with all and future unsecured and unsubordinated indebtedness except for obligations mandatorily preferred or in respect of which a statutory preference is established by law.

The Issuer is also required to maintain at all times the following financial ratios: current ratio at 1.00, debt to equity at 2.50 and debt service coverage ratio of at least 1.00. The Group complied with the loan covenants as of December 31, 2024 and 2023.

e. ₱8,200.00 million Corporate Notes (Due July 2025 and 2028)
On July 11, 2018, the Parent Company (the Issuer) entered into a Corporate Notes Facility Agreement for the issuance of a long term corporate notes consisting of Seven-Year Corporate Notes due 2025 amounting to ₱1,700.00 million at a fixed rate of 7.4913% per annum, payable quarterly and Ten-Year Corporate Notes due 2028 amounting to ₱6,000.00 million at a fixed rate of 7.7083% per annum, payable quarterly.

On July 25, 2018, an additional issuance of Corporate Notes was made in the amount of ₱500.00 million due 2025, at a fixed interest of 7.4985% per annum.

The proceeds of the corporate notes were utilized for the 2018 capital expenditures for commercial property projects, and to fund other general corporate expenses of the Group. The issue cost amounted to ₱105.30 million. This was capitalized as debt issue cost and amortized over the life of the liability and was offset to the carrying value of the liability.

As of December 31, 2024 and 2023, the outstanding balance of the Corporate Notes is ₱2,763.50 million and ₱3,788.12 million, respectively.

The Corporate Notes provide early Redemption at the option of the Issuer as follows:

Seven Year Notes:

Early Redemption Date	Early Redemption Amount
5th anniversary from issue date and interest payment thereafter	101.00%
6th anniversary from issue date and interest payment thereafter	100.50%

Ten Year Notes:

Early Redemption Date	Early Redemption Amount
7th anniversary from issue date and interest payment thereafter	102.00%
8th anniversary from issue date and interest payment thereafter	101.00%
9th anniversary from issue date and interest payment thereafter	100.50%

The redemption option was assessed to be embedded derivatives that is clearly and closely related to the host contract, therefore, not required to be bifurcated. There are no properties pledged to secure the borrowings of the Group.

Covenants
The Corporate Notes requires the Issuer to maintain the pari passu ranking with all and future unsecured and unsubordinated indebtedness except for obligations mandatorily preferred or in respect of which a statutory preference is established by law.

The Issuer is also required to maintain at all times the following financial ratios: current ratio at 1.00, debt to equity at 2.50 and debt service coverage ratio of at least 1.00. The Group complied with the loan covenants as at December 31, 2024 and 2023.

f. ₱10,000.00 million Corporate Notes (Due December 2026)
On December 28, 2016, the Parent Company (the Issuer) entered into a Corporate Notes Facility Agreement for the issuance of a long-term corporate notes with a principal amount of up to ₱8,000.00 million. On April 21, 2017, a consent solicitation was made for amendments to include among others, increasing the Corporate Notes principal amount to up to ₱10,000.00 million in respect to the second drawdown. Such amendments were consented by Note Holders representing at least fifty one percent (51%) of the outstanding Corporate Notes.

On April 27, 2017, the Issuer made such amendments to the Corporate Note Facility dated December 28, 2016. The first drawdown was at ₱5,150.00 million in 2016, at fixed interest of 6.19% per annum, payable quarterly. On May 3, 2017, the Issuer made its second drawdown at ₱4,850.00 million, at fixed interest of 6.23% per annum, payable quarterly.

The proceeds of the Corporate Notes were utilized for the 2017 capital expenditures, refinancing of existing indebtedness and to fund other general corporate expenses. The issue cost amounted to ₱38.72 million. This was capitalized as debt issue cost and amortized over the life of the liability and was offset to the carrying value of the liability.

As of December 31, 2024 and 2023, the outstanding balance of the Corporate Notes is ₱8,431.10 million and ₱8,572.57 million, respectively.

The Corporate Notes provide early Redemption at the option of the Issuer as follows:

Early Redemption Date	Early Redemption Amount
7th anniversary from issue date and interest payment thereafter	102.00%
8th anniversary from issue date and interest payment thereafter	101.00%
9th anniversary from issue date and interest payment thereafter	100.50%

The redemption option was assessed to be embedded derivatives that is clearly and closely related to the host contract, therefore, not required to be bifurcated. There are no properties pledged to secure the borrowings of the Group.

Covenants
The Corporate Notes requires the Issuer to maintain the pari passu ranking with all and future unsecured and unsubordinated indebtedness except for obligations mandatorily preferred or in respect of which a statutory preference is established by law.

The Issuer is also required to maintain at all times the following financial ratios: current ratio at 1.00, debt to equity at 2.50 and debt service coverage ratio of at least 1.00. The Group complied with the loan covenants as at December 31, 2024 and 2023.

As part of the issuance of the Corporate Notes, the subsidiaries of the Parent Company that acted as guarantors, irrevocably and unconditionally, are: Brittany Corporation, Camella Homes, Inc., Crown Asia Properties, Inc., Communities Philippines, Inc., Vistamalls, Inc. (formerly Starmalls, Inc.) and Vista Residences Inc. No fees are charged for these guarantee agreements.

C. Retail Bonds

a. 2023 Fixed-rate Peso Retail Bonds
The Parent Company has shelf registration of Retail Bonds in the aggregate principal amount of up to ₱35,000.00 million to be offered within a period of three years. On December 6, 2023, the Parent Company issued unsecured fixed-rate Peso Retail Bonds with an aggregate principal amount of ₱6,000.0 million. This is the first tranche out of the ₱35,000.00 million shelf registration. The proceeds of the issuance were used for refinancing maturing loan obligations as well as for general and corporate purposes. The issue costs amounted to ₱ 94.27 million. This was capitalized as debt issue cost and amortized over the life of the liability and was offset to the carrying value of the liability.

The offer is comprised of 3-year Retail Bonds due on December 6, 2026 with interest rate of 7.54% per annum and 5-year Retail Bonds due on December 6, 2028 with interest rates of 7.69% per annum. Interest on the Retail Bonds is payable quarterly in arrears starting on March 6, 2024 for the first interest payment date and on March 6, June 6, September 6 and December 6 each year for each subsequent payment date.

As of December 31, 2024 and 2023, the outstanding balance of the Retail Bonds is ₱5,930.35 million and ₱5,907.27 million, respectively.

There are no properties pledged to secure the borrowings of the Group.

Redemption at the option of the Issuer
The 3-year Retail Bonds do not provide early redemption at the option of the Issuer.

The 5-year Retail Bonds provide early redemption at the option of the Issuer. The Issuer may redeem in whole, the outstanding Retail Bonds on the following relevant dates.
The amount payable to the bondholders upon the exercise of the early redemption option by the Issuer shall be calculated, based on the principal amount of Retail Bonds being redeemed, as the sum of: (i) accrued interest computed from the last interest payment date up to the relevant early redemption option date; and (ii) the product of the principal amount of the

Retail Bonds being redeemed and the early redemption price in accordance with the following schedule:

i. Three (3) years from issue date at early redemption price of 101.00%
ii. Four (4) years from issue date at early redemption price of 100.50%

The redemption option was assessed to be embedded derivatives that is clearly and closely related to the host contract, therefore, not required to be bifurcated.

Covenants
The Retail Bonds provide for the Issuer to comply with covenants including, among others, incurrence or guarantee of additional indebtedness; prepayment or redemption of subordinate debt and equity; making certain investments and capital expenditures; consolidation or merger with other entities; and certain other covenants. The Retail Bonds requires the Issuer to maintain a current ratio of at least 1.00:1.00, a maximum debt-to-equity ratio of 2.50:1.00 and a DSCR of at least 1.00:100. The Group complied with the loan covenants as at December 31, 2024 and 2023.

b. 2019 Fixed-rate Peso Retail Bonds
On December 18, 2019, the Parent Company (the Issuer) issued an unsecured fixed-rate Peso Retail Bonds with an aggregate principal amount of ₱10,000.00 million. The proceeds of the issuance were used to fund the construction and completion of the various malls and condominium projects, redevelopment of existing malls, as well as for general corporate purposes. The issue costs amounted ₱91.07 million. This was capitalized as debt issue cost and amortized over the life of the liability and was offset to the carrying value of the liability.

The offer is comprised of 5-year Retail Bonds due on June 18, 2025 with interest rate of 5.70% per annum. This is the third and last tranche offered out of the shelf registration of Peso Retail Bonds in the aggregate principal amount of up to ₱20,000.00 million and initial tranche offered out of the shelf registration of Retail Bonds in the aggregate principal amount of up to ₱30,000.00 million to be offered within a period of three (3) years. Interest on the Retail Bonds is payable quarterly in arrears starting on March 18, 2020, for the first interest payment date and on June 18, September 18, December 18 each year for each subsequent payment date.

As of December 31, 2024 and 2023, the outstanding balance of the Retail Bonds is ₱9,990.38 million and ₱9,972.65 million, respectively.

There are no properties pledged to secure the borrowings of the Group.

Redemption at the option of the Issuer
The Issuer may redeem in whole, the outstanding Retail Bonds on the following relevant dates. The amount payable to the bondholders upon the exercise of the early redemption option by the Issuer shall be calculated, based on the principal amount of Retail Bonds being redeemed, as the sum of: (i) accrued interest computed from the last interest payment date up to the relevant early redemption option date; and (ii) the product of the principal amount of the Retail Bonds being redeemed and the early redemption price in accordance with the following schedule:

i. Three (3) years from issue date at early redemption price of 101.00%
ii. Four (4) years from issue date at early redemption price of 100.50%

The redemption option was assessed to be embedded derivatives that is clearly and closely related to the host contract, therefore, not required to be bifurcated.

Covenants
The Retail Bonds provide for the Issuer to comply with covenants including, among others, incurrence or guarantee of additional indebtedness; prepayment or redemption of subordinate debt and equity; making certain investments and capital expenditures; consolidation or merger with other entities; and certain other covenants. The Retail Bonds requires the Issuer to maintain a current ratio of at least 1.00:1.00, a maximum debt-to-equity ratio of 2.50:1.00 and a DSCR of at least 1.00:100. The Group complied with the loan covenants as at December 31, 2024 and 2023.

c. 2018 Fixed-rate Peso Retail Bonds
On December 21, 2018, the Parent Company (the Issuer) issued unsecured fixed-rate Peso Retail Bonds with an aggregate principal amount of ₱10,000.00 million. The proceeds of the issuance were used to fund the construction and completion of the various malls and for general corporate purposes. The issue costs amounted to ₱130.20 million. This was capitalized as debt issue cost and amortized over the life of the liability and was offset to the carrying value of the liability.

The offer is comprised of 5-year Retail Bonds due on December 21, 2023 with interest rate of 8.00% per annum and 7-year Retail Bonds due on December 21, 2025 with interest rates 8.25% per annum. This is the second tranche offered out of the shelf registration of Retail Bonds in the aggregate principal amount of up to ₱20,000.00 million to be offered within a period of three (3) years. Interest on the Retail Bonds is payable quarterly in arrears starting on March 21, 2019 for the first interest payment date and on March 21, June 21, September 21 and December 21 each year for each subsequent payment date.

As of December 31, 2024 and 2023, the outstanding balance of the Retail Bonds is ₱3,491.86 million and ₱3,484.25 million, respectively.

There are no properties pledged to secure the borrowings of the Group.

Redemption at the option of the Issuer
The Issuer may redeem in whole, the outstanding Retail Bonds on the following relevant dates. The amount payable to the bondholders upon the exercise of the early redemption option by the Issuer shall be calculated, based on the principal amount of Retail Bonds being redeemed, as the sum of: (i) accrued interest computed from the last interest payment date up to the relevant early redemption option date; and (ii) the product of the principal amount of the Retail Bonds being redeemed and the early redemption price in accordance with the following schedule:

a) 5-year Bonds:
   i. Three (3) years from issue date at early redemption price of 101.00%
   ii. Four (4) years from issue date at early redemption price of 100.50%
b) 7-year Bonds:
   i. Five (5) years from issue date at early redemption price of 101.00%
   ii. Six (6) years from issue date at early redemption price of 100.50%

The redemption option was assessed to be embedded derivatives that is clearly and closely related to the host contract, therefore, not required to be bifurcated.

Covenants
The Retail Bonds provide for the Issuer to comply with covenants including, among others, incurrence or guarantee of additional indebtedness; prepayment or redemption of subordinate debt and equity; making certain investments and capital expenditures; consolidation or merger with other entities; and certain other covenants. The Retail Bonds requires the Issuer to maintain a current ratio of at least 1.00:1.00, a maximum debt-to-equity ratio of 2.50:1.00 and a DSCR of at least 1.00:100. The Group complied with the loan covenants as at December 31, 2024, and 2023.

d. 2017 Fixed-rate Peso Retail Bonds
On August 8, 2017, the Parent Company (the Issuer) issued unsecured fixed-rate Peso Retail Bonds with an aggregate principal amount of ₱5,000.00 million. The proceeds of the issuance were used to partially finance certain commercial development projects and for general corporate purposes. The issue costs amounted to ₱64.87 million. This was capitalized as debt issue cost and amortized over the life of the liability and was offset to the carrying value of the liability.

The offer is comprised of 7-year Retail Bonds due on August 8, 2024 with interest rate of 5.75% per annum and 10-year Retail Bonds due on August 9, 2027 with interest rate of 6.23% per annum. This is the initial tranche offered out of the shelf registration of Retail Bonds in the aggregate principal amount of up to ₱20,000.00 million to be offered within a period of three (3) years. Interest on the Retail Bonds is payable quarterly in arrears starting on November 8, 2017 for the first interest payment date and on February 8, May 8, August 8 and November 8 each year for each subsequent payment date.

As of December 31, 2024, and 2023, the outstanding balance of the Retail Bonds is ₱1,991.63 million and ₱4,984.80 million, respectively.

There are no properties pledged to secure the borrowings of the Group.

Redemption at the option of the Issuer
The Issuer may redeem in whole, the outstanding Retail Bonds on the following relevant dates. The amount payable to the bondholders upon the exercise of the early redemption option by the Issuer shall be calculated, based on the principal amount of Retail Bonds being redeemed, as the sum of: (i) accrued interest computed from the last interest payment date up to the relevant early redemption option date; and (ii) the product of the principal amount of the Retail Bonds being redeemed and the early redemption price in accordance with the following schedule:

a) 7-year Bonds:
   i. Five (5) years and six (6) months from issue date at early redemption price of 101.00%
   ii. Six (6) years from issue date at early redemption price of 100.50%

b) 10-year Bonds:
   i. Seven (7) years from issue date at early redemption price of 102.00%
   ii. Eight (8) years from issue date at early redemption price of 101.00%
   iii. Nine (9) years from issue date at early redemption price of 100.50%

The redemption option was assessed to be embedded derivatives that is clearly and closely related to the host contract, therefore, not required to be bifurcated.

Covenants
The Retail Bonds provide for the Issuer to comply with covenants including, among others, incurrence or guarantee of additional indebtedness; prepayment or redemption of subordinate debt and equity; making certain investments and capital expenditures; consolidation or merger with other entities; and certain other covenants. The Retail Bonds requires the Issuer to maintain a current ratio of at least 1.00:1.00, a maximum debt-to-equity ratio of 2.50:1.00 and a DSCR of at least 1.00:100. The Group complied with the loan covenants as at December 31, 2024 and 2023.

Interest expense on Notes payable amounted to ₱8,003.86 million, ₱7,714.46 million and ₱7,279.84 million in 2024, 2023 and 2022, respectively (see Note 25).

22. Other Noncurrent Liabilities

This account consists of:

	2024	2023
Security deposits - net of current portion (Note 19)	**₱606,867,722**	₱303,975,183
Deferred output tax - net of current portion (Note 18)	**499,085,497**	117,108,064
Advance rent - net of current portion (Note 19)	**489,653,311**	155,498,565
Retention payable - net of current portion (Note 18)	**466,463,780**	515,046,096
Liabilities for purchased land - net of current portion (Note 18)	**458,940,800**	1,064,772,247
	₱2,521,011,110	₱2,156,400,155

23. Equity

Capital Stock
The details of the Parent Company's capital stock as at December 31 follow:

	2024	2023	2022
Common			
Authorized shares	**17,900,000,000**	17,900,000,000	17,900,000,000
Par value per share	**₱1.00**	₱1.00	₱1.00
Issued shares	**13,114,136,376**	13,114,136,376	13,114,136,376
Outstanding shares	**11,945,799,461**	11,945,799,461	11,945,799,461
Value of shares issued	**₱13,114,136,376**	₱13,114,136,376	₱13,114,136,376
Preferred Series 1			
Authorized shares	**8,000,000,000**	8,000,000,000	8,000,000,000
Par value per share	**₱0.01**	₱0.01	₱0.01
Issued and outstanding shares	**3,300,000,000**	3,300,000,000	3,300,000,000
Value of shares issued	**₱33,000,000**	₱33,000,000	₱33,000,000
Preferred Series 2			
Authorized shares	**200,000,000**	200,000,000	200,000,000
Par value per share	**₱0.10**	₱0.10	₱0.10
Issued and outstanding shares	**30,000,000**	–	–
Value of shares issued	**₱3,000,000**	₱–	₱–

Preferred Series 1
Voting, non-cumulative, non-participating, non-convertible and non-redeemable. The BOD may determine the dividend rate which shall in no case be more than 10.00% per annum.

Preferred Series 2
On June 17, 2019, the Stockholders approved the reclassification of the unissued preferred capital stock of the Parent Company to create Two Hundred Million (200,000,000) non-voting, cumulative, non-participating, non-convertible and redeemable Series 2 preferred shares with par value of ₱0.10 each and the corresponding amendment of the Articles of Incorporation of the Parent Company. The Board likewise approved the shelf registration and listing of such redeemable preferred series 2 shares.

On October 4, 2024, the Company issued 30,000,000 preferred series 2 shares at an issue price of ₱100.00 per share. The SEC approved the registration statement and issued a permit to sell on September 13, 2024.

The preferred series 2 shares were issued in two subseries, Subseries 2A and Subseries 2B, which are Peso-denominated, perpetual, cumulative, non-participating, non-voting, redeemable, and non-convertible.

The Company has the redemption option starting on the fourth and seventh year and every dividend payment thereafter, with a "step-up" rate effective on the fourth and seventh year, respectively, if the shares are not redeemed. Dividend rates are 7.9892% and 8.400% per annum for subseries 2A and subseries 2B preferred series 2 shares, respectively.

Registration Track Record
On July 26, 2007, the Parent Company launched its follow-on offer where a total of 8,538,740,614 common shares were offered at an offering price of ₱6.85 per share. The registration statement was approved on June 25, 2007.

Below is the summary of the Parent Company's track record of registration of securities with the SEC as of December 31:

	Number of Shares Registered	Number of holders of securities as of year end
December 31, 2022	13,114,136,376	934
Add/(Deduct) Movement	–	(4)
December 31, 2023	**13,114,136,376**	**930**
Add/(Deduct) Movement	–	**(8)**
December 31, 2024	**13,114,136,376**	**922**

Treasury Shares
Treasury shares totaling 416,128,700 of the Parent Company amounting to ₱2,361.98 million as of December 31, 2024, 2023 and 2022 represents the shares of stock held by the Parent Company, while treasury shares amounting to ₱5,378.28 million as of December 31, 2024, 2023 and 2022 is attributable to the 752,208,215 shares issued by the Parent Company to Manuela Corporation during the acquisition of Vistamalls Group (formerly, Starmalls Group) in 2015. Manuela Corporation still holds the Parent Company shares as of December 31, 2024 and 2023. These treasury shares are recorded at cost. Total number of treasury shares as of December 31, 2024, 2023 and 2022 is 1,168,336,915.

On November 5, 2018, the BOD of the Parent Company approved the extension of the Share Buyback Program up to November 5, 2020 subject to the prevailing market price at the time of the buyback over a 24-month period but subject to periodic review by the management. There were no movement in the number and balance of treasury shares since 2021.

Retained Earnings

Retained earnings include the accumulated equity in undistributed earnings of consolidated subsidiaries amounting to ₱52,965.75 million, ₱66,307.19 million and ₱81,670.79 million as at and December 31, 2024, 2023 and 2022, respectively, which are not available for dividend declaration by the Parent Company until these are declared by the subsidiaries. The accumulated equity in undistributed earnings of consolidated subsidiaries pertains to the accumulated earnings of subsidiaries which have positive retained earnings balance only and excludes those that are in deficit position.

The Parent Company's retained earnings is restricted to payments of dividends to the extent of cost of treasury shares amounting ₱2,361.98 million as at December 31, 2024, 2023 and 2022.

The BOD of the Parent Company approved the declaration of regular cash dividend amounting to ₱1,337.93 million or ₱0.112 per share, ₱740.65 million or ₱0.0620 per share and ₱348.36 million or ₱0.0292 per share on November 14, 2024, September 29, 2023 and September 30, 2022, respectively. The dividend declarations are in favor of all stockholders of record as of November 28, 2024, October 16, 2023 and October 14, 2022 and paid on December 12, 2024, October 31, 2023 and October 28, 2022, respectively.

Noncontrolling Interest

Sale of VistaREIT, Inc.'s share through a public listing

On June 15, 2022, the Group sold through a public listing its 39.91% effective noncontrolling interest in VistaREIT, Inc. at ₱1.75 per share. As a result of the sale and buy-back transactions, the Group's ownership interest in VistaREIT, Inc. was diluted from 98.94% to 60.09%. In relation to the dilution without loss of control, the impact to the Group's additional paid-in-capital amounted to ₱29.28 million. The Group's noncontrolling interest increased by ₱4,197.40 million, as a result of the public offering of VistaREIT, Inc. The difference between the consideration and carrying value of the noncontrolling interest was credited to additional paid-in-capital as shown below:

	Consideration received, net of expenses	Carrying value of Non-controlling interests deemed disposed	Difference recognized within Equity as Additional paid-in-capital
39.91% in VistaREIT, Inc.	₱4,226,683,974	₱4,197,400,031	₱29,283,943

Dividends declaration

The BOD of the Company approved the declaration of regular cash dividend amounting to ₱403.50 million or ₱0.05 per share, ₱309.90 million or ₱0.04 per share, ₱339.23 million or ₱0.05 per share and ₱350.00 million or ₱0.05 per share on April 15, May 20, August 14 and November 13, 2024, respectively. The dividend declarations are in favor of all stockholders of record as of May 7, June 5, September 12, and December 13, 2024 which were paid on May 28, June 27, October 3, 2024 and January 10, 2025, respectively.

The BOD of VistaREIT, Inc. approved the declaration of regular cash dividend amounting to ₱102.39 million or ₱0.0386 per share, ₱103.99 million or ₱0.0392 per share, ₱105.05 million or ₱ 0.0396 per share and ₱106.11 million or ₱0.0400 per share on April 19, May 18, August 14 and November 14, 2023, respectively. The dividend declarations are in favor of all stockholders of record as of May 8, June 2, August 31 and December 14, 2023 and paid on , May 29, June 26, September 21, 2023 and January 19, 2024, respectively.

The BOD of VistaREIT, Inc. approved the declaration of regular cash dividend amounting to ₱49.33 million or ₱0.0210 per share and ₱95.76 million or ₱0.0361 per share in, August and November 2022, respectively. The dividend declarations are in favor of all stockholders of record as of August 30 and November 28, 2022 which were paid on September 20 and December 19, 2022, respectively.

The BOD of Vistamalls, Inc. approved the declaration of cash dividends amounting to ₱307.66 million or ₱0.0365 per share on November 30, 2024. The dividend declarations are in favor of all stockholders of record as of December 13, 2024 and remains to be unpaid as of December 31, 2024.

The BOD of Vistamalls, Inc. approved the declaration of cash dividends amounting to ₱30.10 million or ₱0.0306 per share on September 28, 2023. The dividend declarations are in favor of all stockholders of record as of October 13, 2023 and paid on October 27, 2023.

The BOD of Vistamalls, Inc. approved the declaration of regular cash dividend amounting to ₱25.70 million or ₱0.0262 per share on September 30, 2022, respectively. The dividend declarations are in favor of all stockholders of record as of October 14, 2022 and paid on October 27, 2022, respectively.

The above declarations are reflected as dividend declared to noncontrolling interest in the consolidated statements of changes in stockholder's equity.

As at December 31, 2024 and 2023, the Group's total dividends payable amounted to ₱476.52 million and ₱298.02 million, respectively.

Capital Management

The primary objective of the Group's capital management policy is to ensure that debt and equity capital are mobilized efficiently to support business objectives and maximize shareholder value. The Group establishes the appropriate capital structure for each business line that properly reflects its premier credit rating and allows it the financial flexibility, while providing it sufficient cushion to absorb cyclical industry risks.

The Group considers debt as a stable source of funding. The Group lengthened the maturity profile of its debt portfolio and makes it a point to spread out its debt maturities by not having a significant percentage of its total debt maturing in a single year.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. It monitors capital using leverage ratios on both a gross debt and net debt basis. No changes were made in the objectives, policies or processes for managing capital for the years ended December 31, 2024, 2023 and 2022.

The Group considers as capital the equity attributable to equity holders of the Parent Company. The following table shows the component of the Group's equity which it manages as capital as of December 31, 2024, 2023 and 2022:

	2024	2023	2022
Total paid-up capital	**₱46,777,353,508**	₱43,831,849,668	₱43,831,849,668
Retained earnings	**86,409,105,697**	86,226,517,112	78,311,116,523
Treasury shares	**(7,740,264,387)**	(7,740,264,387)	(7,740,264,387)
Other comprehensive income	**1,026,361,692**	905,783,398	798,914,337
	₱126,472,556,511	₱123,223,885,791	₱115,201,616,141

Financial Risk Assessment

The Group's financial condition and operating results would not be materially affected by the current changes in liquidity, credit, interest, currency and market conditions.

Credit risks continue to be managed through defined credit policies and continuing monitoring of exposure to credit risks. The Group's counterparties remain diverse and outstanding balance of selected related parties are provided with financial support by Fine Properties, Inc., ultimate parent company.

Out of the total rental income in 2024, ₱14,149.77 million or 86.65% are transactions with related parties. Out of the rental income in 2023, ₱13,878.07 million or 86.62% are transactions with related parties. Out of the total rental income in 2022, ₱11,708.40 million or 85.20% are transactions with related parties (see Notes 7 and 29).

Exposure to changes in interest rates is reduced by regular availment of short-term loans which is collateralized by the installment contracts receivables in order to cushion the impact of potential increase in loan interest rates.

The Parent Company has a formal foreign exchange and interest risk management policy. The Parent Company actively monitors foreign exchange exposure and interest rate changes. And in addition, the Parent Company ensures that all loan covenants and regulatory requirements are complied with.

Exposure to foreign currency holdings are as follows:

	2024	2023
Cash and cash equivalents	**US$16,650,768**	US$82,222,562
Investments in amortized cost	**688,146,625**	708,134,680
Notes payable	**870,000,000**	770,526,280
Bank loans	**22,400,000**	18,692,777

Liquidity risk is addressed with long-term funding already locked in, while funds are placed on a short-term placement.

24. Costs and Expenses

Costs of real estate sales

Cost includes acquisition cost of land, materials, labor, and overhead in construction and development and capitalized borrowing costs. Costs of real estate sales recognized for the years ended December 31, 2024, 2023 and 2022 amounted to ₱4,801.81 million, ₱6,112.02 million and ₱5,542.97 million, respectively (see Note 12).

Operating expenses

This account consists of:

	2024	2023	2022
Depreciation and amortization (Notes 14, 15 and 17)	**₱2,640,295,868**	₱2,889,023,944	₱2,638,853,067
Contracted services	**1,534,149,056**	748,110,261	891,373,658
Salaries, wages and employee benefits (Note 26)	**1,501,929,207**	1,594,011,055	1,352,706,605
Repairs and maintenance and loss on asset retirement (Note 14)	**1,075,913,380**	1,296,854,242	1,275,583,294
Occupancy costs (Note 28)	**805,214,436**	1,116,539,037	765,608,912
Taxes and licenses	**763,034,585**	1,076,078,779	1,086,964,974
Commissions (Note 7)	**719,385,283**	684,499,564	606,144,722
Advertising and promotions	**573,904,962**	561,135,676	396,596,297
Provision for impairment losses on receivables and investments (Notes 10 and 11)	**298,740,261**	847,977,636	21,740,170
Transportation and travel	**80,198,301**	148,030,852	116,760,139
Representation and entertainment	**30,815,315**	40,895,966	34,489,441
Office expenses	**28,197,206**	50,417,825	50,936,419
Miscellaneous	**356,358,516**	542,586,586	409,643,180
	₱10,408,136,376	₱11,596,161,423	₱9,647,400,878

Operating expenses represent the cost of administering the business of the Group. These are recognized when the related services and costs have been incurred.

Occupancy cost
Occupancy cost consists of rental expenses relating to short-term lease and utilities expense such as light, power, and telephone charges.

Miscellaneous expenses
Miscellaneous expenses include dues and subscriptions, donations and other expenditures. This includes a net loss of ₱366.93 million from the damages which hit Star Mall Alabang in Muntinlupa City on January 8, 2022. The net loss of ₱366.93 million is composed of the carrying values of the investment property and other related assets net of proceeds received from the insurance claims in 2022.

In 2023, the Group received proceeds from the insurance companies amounting to ₱1,841.16 million and this was reported as "Proceeds from insurance claims" in the 2023 consolidated statement of comprehensive income.

25. Interest and Other Income from Investments, Parking, Hotel, Mall Administrative and Processing Fees, and Other Revenue, and Interest and Other Financing Charges

Interest and other income from investments consist of:

	2024	2023	2022
Real estate sales (Note 11)	**₱276,695,395**	₱539,020,967	₱671,515,534
Accretion of unamortized discount (Note 11)	**–**	67,277,317	29,826,779
	₱276,695,395	₱606,298,284	₱701,342,313
Interest income from:			
Cash and cash equivalents, short-term investments and cash restricted for use (Notes 9, 10 and 13)	**₱153,351,867**	₱217,753,867	₱49,785,418
Investments at amortized cost (Note 10)	**1,602,932,452**	984,530,189	931,410,352
	₱1,756,284,319	₱1,202,284,056	₱981,195,770

Parking, hotel, mall administrative and processing fee, and other revenue consist of:

	2024	2023	2022
Forfeitures	**₱619,863,476**	₱959,872,802	₱716,018,867
Mall administrative and processing fee	**615,426,325**	482,316,867	478,225,541
Sale of merchandise and other assets	**–**	168,329,323	3,778,467
Parking	**191,294,020**	167,918,273	137,168,131
Hotel (Note 7)	**129,946,104**	133,346,071	103,138,406
Loan processing fees from banks	**39,814,082**	44,830,841	37,722,319
Share in net earnings	**49,096,796**	31,374,260	9,301,990
Penalty and others	**41,683,168**	116,892,302	121,991,334
	₱1,687,123,971	₱2,104,880,739	₱1,607,345,055

Forfeitures pertain to forfeited reservation fees and payments for cancelled sales less of any amount refundable to buyers.

Parking pertains to payments from mall goers and tenants for use of the parking slots both for commercial and residential buildings.

Loan processing fees from banks pertain to payments from banks for processing of loan requirements in their behalf.

Penalty and others are payments from interest and surcharge for past due accounts. This also includes reversal of liabilities pertain to long-outstanding accounts payable - contractors which will not be settled anymore by the Group as assessed by management and sale of merchandise and other assets.

Interest and other financing charges consist of:

	2024	2023	2022
Interest incurred on:			
Notes payable (Note 21)	**₱8,003,863,160**	₱7,714,456,144	₱7,279,838,507
Bank loans and loans payable (Note 20)	**4,462,215,186**	3,673,313,320	3,197,461,584
Lease liabilities (Note 28)	**384,136,961**	376,611,498	373,231,355
Other bank charges	**16,590,290**	25,601,894	13,884,241
	12,866,805,597	11,789,982,856	10,864,415,687
Amounts capitalized (Notes 12 and 14)	**(3,039,912,506)**	(6,104,343,199)	(5,646,528,612)
	₱9,826,893,091	₱5,685,639,657	₱5,217,887,075

26. Retirement Plan

The Group has noncontributory defined benefit pension plan covering substantially all of its regular employees. The benefits are based on current salaries and years of service and related compensation on the last year of employment. The retirement benefit is the only long-term employee benefit.

The principal actuarial assumptions used to determine the pension benefits with respect to the discount rate, salary increases and return on plan assets were based on historical and projected normal rates.

The components of pension expense follow:

	2024	2023	2022
Current service cost	**₱49,145,844**	₱44,116,935	₱50,647,447
Interest income - net	**(17,935,343)**	(23,468,994)	(13,030,904)
Total pension expense	**₱31,210,501**	₱20,647,941	₱37,616,543

Pension expense is included in “Salaries, wages and employee benefits” under Operating expenses in the consolidated statements of comprehensive income.

Funded status and amounts recognized in the consolidated statements of financial position for the pension plan follow:

	2024	2023	2022
Plan assets	**₱901,704,182**	₱846,824,610	₱784,930,802
Defined benefit obligation	**(579,319,172)**	(556,065,553)	(464,219,113)
Pension assets recognized in the consolidated statements of financial position	**₱322,385,010**	₱290,759,057	₱320,711,689

Changes in the combined present value of the combined defined benefit obligation are as follows:

	2024	2023	2022
Balance at beginning of year	**₱556,065,553**	₱464,219,113	₱489,729,931
Current service cost	**49,145,844**	44,116,935	50,647,447
Interest cost	**33,600,152**	33,644,325	25,331,175
Actuarial losses (gains) due to:			
Changes in financial assumptions	**5,593,767**	80,003,772	(157,805,840)
Experience adjustments	**(60,892,093)**	(65,918,592)	61,294,656
Net acquired (transferred) obligation from employee transfers	**(117,051)**	–	17,092,500
Benefits paid from retirement fund	**–**	–	(17,092,500)
Benefits paid from Company operating funds	**(4,077,000)**	–	(4,978,256)
Balance at end of year	**₱579,319,172**	₱556,065,553	₱464,219,113

Changes in the fair value of the combined plan assets are as follows:

	2024	2023	2022
Balance at beginning of year	**₱846,824,610**	₱784,930,802	₱772,695,349
Interest income included in net interest cost	**51,535,495**	57,113,319	38,362,079
Contributions	**–**	16,020,000	61,374,100
Actual gains (losses) on return of plan assets excluding amount included in net interest cost	**3,848,494**	(11,239,511)	(70,408,226)
Net transferred asset from employee transfers	**(504,417)**	–	–
Benefits paid from retirement fund	**–**	–	(17,092,500)
Balance at end of year	**₱901,704,182**	₱846,824,610	₱784,930,802

The movements in the combined net pension assets follow:

	2024	2023	2022
Balance at beginning of year	**(₱290,759,057)**	(₱320,711,689)	(₱282,965,418)
Total amount recognized in OCI	**(59,146,820)**	25,324,691	(26,102,958)
Pension expense	**31,210,501**	20,647,941	37,616,543
Contributions	**–**	(16,020,000)	(61,374,100)
Net acquired (transferred) obligation from employee transfers	**(117,051)**	–	17,092,500
Net transferred asset from employee transfers	**504,417**		
Benefits paid from Company operating funds	**(4,077,000)**	–	(4,978,256)
Balance at end of year	**(₱322,385,010)**	(₱290,759,057)	(₱320,711,689)

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

	2024	2023	2022
Discount rates	**6.08%**	6.16%	7.36%
Salary increase rate	**7.71%**	7.71%	7.71%

The turn-over rate used to compute the retirement liability is ranging from 10% at age 18 to 0% at age 60 in 2024 and 2023.

The distribution of the plan assets at year-end follows:

	2024	2023	2022
Assets			
Cash and cash equivalents	**₱404,248,215**	₱387,498,745	₱237,191,029
Investments in private companies	**432,771,241**	433,277,019	290,603,290
Investments in government securities	**64,252,860**	20,066,562	253,216,893
Receivables	**3,736,222**	7,616,835	5,053,057
	905,008,538	848,459,161	786,064,269
Liabilities			
Trust fee payables	**2,157,281**	1,369,687	991,625
Other payable	**147,075**	264,864	141,842
	2,304,356	1,634,551	1,133,467
Net plan assets	**₱901,704,184**	₱846,824,610	₱784,930,802

The carrying amounts disclosed above reasonably approximate fair value at reporting date. The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

The net unrealized gains (losses) on investments in government securities amounted to ₱0.15 million, ₱1.27 million and (₱4.43 million) in 2024, 2023 and 2022, respectively.

The Group expects to contribute to its retirement fund the amount of ₱23.31 million in 2025.

The composition of the fair value of the Fund includes:

- *Cash and cash equivalents* - include savings and time deposit with various banks and special deposit account.
- *Investments in private companies* - include investments in long-term debt notes and corporate bonds.
- *Investments in government securities* - include investment in Philippine RTBs.
- *Receivables* - includes interest and dividends receivable generated from investments included in the plan.
- *Trust fee payable* - pertain mainly to charges of trust or in the management of the plan.

The Group retirement benefit fund is in the form of a trust being maintained by a trustee bank. The fund includes investment in the form of fixed-rate peso retail bonds issued by the Parent Company due in 2024 up to 2027 with interest rates ranging from 6.23% and 7.54% as of December 31, 2024, 5.75% and 7.54% as of December 31, 2023 and due in 2027 with interest rates of 6.23% as of December 31, 2022.

As of December 31, 2024, 2023 and 2022, the fair value of investment amounted to ₱64.25 million, ₱20.07 million and ₱253.52 million, respectively.

Interest income earned from the investments in bonds amounted to ₱32.04 million, ₱20.48 million and ₱11.01 million in 2024, 2023 and 2022, respectively.

The allocation of the fair value of plan assets follows:

	2024	2023
Deposits	**44.92%**	46.57%
Corporate bonds	**47.94%**	51.07%
Government bonds	**7.14%**	2.37%

The funds are administered by a trustee bank under the supervision of the Board of Directors of the plan. The Board of Directors is responsible for investment of the assets. It defines the investment strategy as often as necessary, at least annually, especially in the case of significant market developments or changes to the structure of the plan participants. When defining the investment strategy, it takes account of the plans' objectives, benefit obligations and risk capacity.

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

Plan Year	**2024**	2023
Less than 1 year	**₱22,112,000**	₱19,641,690
More than 1 year to 5 years	**113,810,690**	76,083,843
More than 5 years to 10 years	**253,654,992**	267,396,985
More than 10 years to 15 years	**378,106,462**	425,061,897
More than 15 years to 20 years	**655,730,602**	579,781,505
20 years and beyond	**3,561,539,768**	4,295,622,378
	₱4,984,954,514	₱5,663,588,298

The average duration of the expected benefit payments at the end of the reporting period is 19.98 years and 22.48 years as of December 31, 2024 and 2023, respectively.

Sensitivity analysis on the actuarial assumptions
Each sensitivity analysis on the significant actuarial assumptions was prepared by remeasuring the Defined Benefit Obligation (DBO) at the reporting date after adjusting one of the current assumptions according to the applicable sensitivity increment or decrement (based on changes in the relevant assumption that were reasonably possible at the valuation date) while all other assumptions remained unchanged. The sensitivities were expressed as the corresponding change in the DBO.

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 changes other than those assumed may be deemed to be more reasonable.

		Increase (decrease) on Defined Benefit Obligation	
	Rates	**2024**	2023
Discount rate	+1%	**(₱70,966,556)**	(₱68,748,206)
	-1%	**86,017,350**	83,422,482
Salary rate	+1%	**86,555,099**	83,938,460
	-1%	**(72,755,253)**	(70,464,445)

Each year, an Asset-Liability Matching Study (ALM) is performed with the result being analyzed in terms of risk-and-return profiles with mandate of management. Union Bank's (UB) current strategic investment strategy consists of 44.61% of cash, 7.11% of investments in government securities, 47.87% of investment in private companies and 0.41% receivables.

27. Income Tax

Provision for income tax consists of:

	2024	2023	2022
Current:			
RCIT/MCIT	**₱884,948,345**	₱1,215,597,333	₱964,402,594
Final	**33,223,880**	25,771,954	1,581,268
Deferred	**1,360,844,724**	2,077,276,945	1,055,130,245
	₱2,279,017,408	₱3,318,646,232	₱2,021,114,107

The components of the Group's deferred taxes are as follows:

Net deferred tax assets:

	2024	2023
Deferred tax assets on:		
Excess of tax basis over book basis of deferred gross profit on real estate sales	**₱3,851,839**	₱118,684,072
Accrual of retirement costs, net of contributions	**3,515,035**	9,403,409
NOLCO	**–**	2,621,620
Allowance for impairment losses	**35,800**	2,066,978
Unamortized discount on receivables	**–**	172,352
MCIT	**–**	861,842
	7,402,674	133,810,273
Deferred tax liabilities on:		
Capitalized borrowing costs	**–**	17,954,036
Remeasurement gain on defined benefit obligation	**1,254,301**	10,146,564
	1,254,301	28,100,600
	₱6,148,373	₱105,709,673

Net deferred tax liabilities:

	2024	2023
Deferred tax assets on:		
Lease liabilities	**₱1,359,012,028**	₱1,360,055,011
Allowance for impairment losses	**461,034,508**	386,030,383
NOLCO	**226,939,136**	185,999,506
Accrual of retirement costs	**91,124,329**	86,798,230
MCIT	**27,527,704**	18,995,273
Unamortized discount on receivables	**–**	9,922,888
Excess of tax basis over book basis of deferred gross profit on real estate sales	**63,084,930**	1,796,043
	2,214,515,343	2,049,597,334
Deferred tax liabilities on:		
Straight line lease adjustment on rent income	**7,113,251,979**	5,456,844,483
Excess of book basis over tax basis of deferred gross profit on real estate sales	**8,424,762,534**	2,068,101,111
Capitalized borrowing costs	**950,289,309**	1,054,172,802
Right-of-use assets	**996,981,166**	1,041,067,749
Difference in tax basis of depreciation expense	**–**	460,289,100
Remeasurement gain on defined benefit obligation	**167,637,102**	158,744,839
Fair value adjustments from business combination	**9,841,339**	11,809,607
	17,648,737,858	10,251,029,691
	(₱15,434,222,515)	(₱8,201,432,357)

Out of the ₱7,332.35 million movement in net deferred tax liabilities, ₱5,956.72 was recognized as a result of the adoption of PIC Q&A 2018-12 - D and E and IFRIC agenda decision on overtime transfer of constructed goods (see Note 3) and ₱14.79 million was booked as movement in OCI in 2024.

Out of the ₱2,099.80 million movement in net deferred tax liabilities, ₱22.52 million was booked as movement in OCI in 2023.

Out of the ₱1,061.66 million movement in net deferred tax liabilities, ₱6.53 million was booked as movement in OCI in 2022.

The Group has deductible temporary differences, NOLCO and MCIT that are available for offset against future taxable income for which no deferred tax assets have been recognized, as follows:

	2024	2023	2022
NOLCO	**₱21,308,671,723**	₱15,763,953,343	₱11,250,881,066
MCIT	**4,883,631**	3,263,811	3,686,409

The related unrecognized deferred tax assets on these deductible temporary differences, NOLCO and MCIT amounted to ₱5,332.05 million, ₱3,944.25 million and ₱2,816.41 million as of December 31, 2024, 2023 and 2022, respectively. These are mostly coming from holding companies namely, VLL, CPI and hotel entities.

Deferred tax assets are recognized only to the extent that taxable income will be available against which the deferred tax assets can be used. The subsidiaries recognize a previously unrecognized deferred tax asset to the extent that it has become probable that future taxable income will allow the deferred tax asset to be recovered.

NOLCO

On September 30, 2020, the BIR issued Revenue Regulations No. 25-2020 implementing Section 4(bbbb) of "Bayanihan to Recover As One Act" which states that the NOLCO incurred for taxable years 2020 and 2021 can be carried over and claimed as a deduction from gross income for the next five (5) consecutive taxable years immediately following the year of such loss.

As of December 31, 2024 and 2023, the entities within the Group has incurred NOLCO before and after taxable years 2021 and 2022 which can be claimed as deduction from the regular taxable income for the next three (3) consecutive taxable years, as follows:

Inception Year	Amount	Used/Expired	Balance	Expiry Year
2024	₱5,747,525,820	₱–	₱5,747,525,820	2027
2023	4,546,111,658	–	4,546,111,658	2026
2022	3,749,376,576	(13,865,381)	3,735,511,195	2025
	₱14,043,014,054	(₱13,865,381)	₱14,029,148,673	

As of December 31, 2024 and 2023, the entities within the Group has incurred NOLCO in taxable years 2022 and 2021 which can be claimed as deduction from the regular taxable income for the next five (5) consecutive taxable years pursuant to the Bayanihan to Recover As One Act, as follows:

Inception Year	Amount	Used/Expired	Balance	Expiry Year
2021	₱3,291,945,263	(₱159,622,041)	₱3,132,323,222	2026
2020	5,316,791,764	(261,835,391)	5,054,956,373	2025
	₱8,608,737,027	(₱421,457,432)	₱8,187,279,595	

MCIT

Inception Year	Amount	Used/Expired	Balance	Expiry Year
2024	₱14,349,849	₱–	₱14,349,849	2027
2023	13,811,331	–	13,811,331	2026
2022	5,761,382	(1,511,227)	4,250,155	2025
2021	5,854,783	(5,854,783)	–	2024
	₱39,777,358	(₱7,366,010)	₱32,411,335	

The reconciliation of the provision for income tax computed at the statutory income tax rate to the provision for income tax shown in profit or loss follows:

	2024	2023	2022
Provision for income tax computed at the statutory income tax rate	**25.00%**	25.00%	25.00%
Additions to (reductions in) income tax resulting from:			
Change in unrecognized deferred tax assets	**11.90**	8.28	(12.13)
Nondeductible interest and other expenses	**2.03**	0.79	9.97
Expired MCIT and NOLCO	**0.02**	0.01	7.71
Interest income already subjected to final tax	**(0.04)**	(0.07)	(0.01)
Tax-exempt income on BOI-Projects	**(3.28)**	(1.36)	(1.92)
Tax-exempt interest income	**(4.44)**	(1.94)	(2.58)
Tax-exempt income on REIT	**(6.38)**	(3.65)	(1.86)
Others	**(5.24)**	(2.68)	(2.71)
Provision for income tax	**19.57%**	24.38%	21.47%

Board of Investments (BOI) Incentives

The BOI issued in favor of certain subsidiaries in the Group a Certificate of Registration as Developer of Mass Housing Projects for its 22 projects in 2024 and 44 projects in 2023 and 2022, in accordance with the Omnibus Investment Code of 1987. Pursuant thereto, the projects have been granted an Income Tax Holiday for a period of either three years for new projects, or four years for expansion projects, commencing from the date of issuance of the Certificate of Registration.

28. **Lease Liabilities**

The Group, as lessee, has lease contracts for parcels of land where its commercial centers are situated with lease terms of 11 - 30 years. Rental due is based on prevailing market conditions. Generally, the Group is not restricted from assigning and subleasing the leased assets. There are several lease contracts that include extension and termination options, which are further discussed below.

The following are the amounts recognized in consolidated statements of comprehensive income:

	2024	2023
Depreciation expense of right-of-use assets included in investment properties (Note 14)	**₱205,622,913**	₱209,216,860
Interest expense on lease liabilities	**384,136,961**	376,611,498
Expenses relating to short-term leases (included in operating expenses)	**71,909,145**	61,976,408
Total amount recognized in statement of comprehensive income	**₱661,669,019**	₱647,804,766

The rollforward analysis of lease liabilities follows:

	2024	2023
Balances at beginning of year	**₱5,440,220,042**	₱5,434,053,003
Interest expense (Note 25)	**384,136,961**	376,611,498
Payments	**(388,308,890)**	(370,444,459)
Balances at end of year	**5,436,048,113**	5,440,220,042
Less current portion	**421,351,896**	388,872,997
Noncurrent portion	**₱5,014,696,216**	₱5,051,347,045

The Group has no lease contract that contains variable payments. The Group's fixed payments amounted to ₱460.22 million, ₱432.42 million and ₱390.16 million in 2024, 2023 and 2022, respectively.

The Group's lease contracts include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Group's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised (see Note 5).

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

	2024	2023
Within 1 year	**₱421,351,897**	₱388,872,997
More than 1 year to 2 years	**447,869,237**	417,661,646
More than 2 years to 3 years	**470,991,053**	444,031,726
More than 3 years to 4 years	**498,240,963**	470,682,075
More than 4 years to 5 years	**526,269,387**	498,240,963
More than 5 years	**7,824,370,367**	8,350,639,754
	₱10,189,092,904	₱10,570,129,161

29. Related Party Transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party in making financial and operating decisions or the parties are subject to common control or common significant influence. Entities under common control are those entities outside the Group but are related parties of Fine Properties, Inc. Related parties may be individuals or corporate entities.

All publicly listed and certain member companies of the Group have Material Related Party Transactions Policies containing the approval requirements and limits on amounts and extent of related party transactions in compliance with the requirement under Revised SRC Rule 68 and SEC Memorandum Circular 10, series 2019.

The Parent Company has an approval requirement such that material related party transaction (RPT) shall be reviewed by the Risk Management Committee (the Committee) and endorsed to the BOD for approval. Material RPTs are those transactions that meet the threshold value as approved by the Committee amounting to 10% or higher of the Group's total consolidated assets based on its latest audited financial statements.

The Group in their regular conduct of business has entered into transactions with related parties principally consisting of trade transactions from mall leasing, advances, reimbursement of expenses, provision of construction materials and purchase and sale of real estate properties. Except as otherwise indicated, the outstanding accounts with related parties shall be settled in cash. The transactions are made at terms and prices agreed upon by the parties.

The Group has not recognized any impairment losses on amounts receivables from related parties for the years ended December 31, 2024, 2023 and 2022. This assessment is undertaken each financial year through a review of the financial position and operating cash flows of the related party and the market in which the related party operates.

The consolidated statements of financial position include the following amounts resulting from the foregoing transactions which represent amounts receivable from (payable to) related parties as of December 31, 2024, 2023 and 2022:

		2024			
Relationship	**Nature of Transaction**	**Net Amount/ Volume**	**Outstanding Balance**	**Terms**	**Conditions**
Rental receivable *(Note 11)*					
Entities under Common Control	**a) Rental of mall spaces**	**₱14,148,652,391**	**₱41,301,261,464**	**Noninterest-bearing**	**Certain receivables with letter of financial support from Fine Properties Inc., No impairment**
Ultimate Parent	**a) Rental of office spaces**	**1,240,221**	**8,208,152**	**Noninterest-bearing**	**Unsecured, No impairment**
			₱41,309,469,616		
Receivables from related parties *(Note 11)*					
Entities under common control	**a) Advances**	**₱1,832,102,342**	**₱5,050,542,342**	**Noninterest-bearing**	**With letter of financial support from Fine Properties Inc., No impairment**
Advances to a related party					
Ultimate Parent	**b) Joint venture advances**	**(₱1,302,540,520)**	**₱6,256,899,720**	**Noninterest-bearing**	**Unsecured, No impairment**
Advances in project development cost *(Note 16)*					
Ultimate Parent	**b) Joint venture advances**	**₱–**	**₱91,646,033**	**Noninterest-bearing**	**Unsecured, No impairment**
Entities under Common Control	**b) Purchase and return of advances for housing credits**	**673,238,871**	**1,202,693,199**	**Noninterest-bearing**	**Unsecured, No impairment**
			₱1,294,339,232		
Lease liabilities *(Note 28)*					
Ultimate Parent	**c) Rental of parcels of land**	**₱116,394,361**	**(₱267,935,817)**	**Interest-bearing**	**Unsecured**
Interest expense *(Note 28)*					
Ultimate Parent	**c) Rental of parcels of land**	**₱28,083,722**	**₱–**	**Interest-bearing**	**Unsecured**
Dividends Declared/Payable					
Stockholders	**d) Dividends**	**₱282,076,480**	**₱476,520,540**		
Advances to *(Note 11)*					
Entities under Common Control	**f) Advances**	**(₱118,440,000)**	**₱1,071,743,022**	**Noninterest-bearing**	**Unsecured, No impairment**

		2023			
Relationship	Nature of Transaction	Net Amount/ Volume	Outstanding Balance	Terms	Conditions
Rental receivable (Note 11)					
Entities under Common Control	a) Rental of mall spaces	₱13,875,780,592	₱30,808,295,526	Noninterest-bearing	Certain receivables with letter of financial support from Fine Properties Inc., No impairment
	a) Offset of rental receivable against accounts payable	1,109,037,213	–	–	–
Ultimate Parent	a) Rental of office spaces	2,287,033	6,967,931	Noninterest-bearing	Unsecured, No impairment
			₱30,815,263,457		
Receivables from related parties (Note 11)					
Entities under common control	a) Advances	₱3,218,440,000	₱3,218,440,000	Noninterest-bearing	With letter of financial support from Fine Properties Inc., No impairment
Advances to a related party					
Ultimate Parent	b) Joint venture advances	₱517,163,906	₱7,559,440,240	Noninterest-bearing	Unsecured, No impairment
Advances in project development cost (Note 16)					
Ultimate Parent	b) Joint venture advances	₱–	₱91,646,033	Noninterest-bearing	Unsecured, No impairment
Entities under Common Control	b) Purchase and return of advances for housing credits	123,414,601	529,454,328	Noninterest-bearing	Unsecured, No impairment
			₱621,100,361		
Lease liabilities (Note 28)					
Ultimate Parent	c) Rental of parcels of land	(₱4,439,189)	(₱384,330,178)	Interest-bearing	Unsecured
Interest expense (Note 28)					
Ultimate Parent	c) Rental of parcels of land	₱39,914,589	₱–	Interest-bearing	Unsecured

(Forward)

		2023			
Relationship	Nature of Transaction	Net Amount/ Volume	Outstanding Balance	Terms	Conditions
Dividends Declared/Payable					
Stockholders	d) Dividends	₱740,652,549	₱194,444,060		
Advances to (Note 11)					
Entities under Common Control	f) Advances	₱1,190,183,022	₱1,190,183,022	Noninterest-bearing	Unsecured, No impairment

		2022			
Relationship	Nature of Transaction	Net Amount/ Volume	Outstanding Balance	Terms	Conditions
Rental receivable (Note 11)					
Entities under Common Control	a) Rental of mall spaces	₱11,708,398,391	₱25,554,113,420	Noninterest-bearing	Certain receivables with letter of financial support from Fine Properties Inc., No impairment
	a) Offsetting of rental receivable against account payable	2,285,635,829	–	–	–
Ultimate Parent	a) Rental of office spaces	69,960	3,577,888	Noninterest-bearing	Unsecured, No impairment
			₱25,557,691,308		
Advances to a related party					
Ultimate Parent	b) Joint venture advances	₱957,087,103	₱7,042,276,334	Noninterest-bearing	Unsecured, No impairment
	e) Assignment of investment properties	1,690,504,480	–		
Advances in project development cost (Note 16)					
Ultimate Parent	b) Joint venture advances	₱–	₱91,646,033	Noninterest-bearing	Unsecured, No impairment
Entities under Common Control	b) Purchase and return of advances for housing credits	7,605,814	406,039,727	Noninterest-bearing	Unsecured, No impairment
		₱7,605,814	₱497,685,760		
Lease liabilities (Note 28)					
Ultimate Parent	c) Rental of parcels of land	(₱23,795,634)	(₱379,890,989)	Interest-bearing	Unsecured
Interest expense (Note 28)					
Ultimate Parent	c) Rental of parcels of land	₱39,379,722	₱–	Interest-bearing	Unsecured
Dividends Declared/Payable					
Stockholders	d) Dividends	₱348,362,314	₱96,024,581		

a) The Vista Land Group has operating lease agreements with entities under common control for the leases of commercial centers. The lease agreements are renewable and contain escalation clauses and terms range from 2 to 25 years. Rental income and receivables including the effect of straight-line calculation from related parties amounted to ₱14,148.65 million and ₱41,301.26 million, respectively, as of December 31, 2024, ₱13,875.78 million and ₱30,808.30 million, respectively, as of December 31, 2023, ₱11,708.40 million and ₱25,554.11 million, respectively, as of December 31, 2022. These receivables from related parties which are recognized as 'Rental receivable' under 'Receivables' are not impaired (see Note 11).

Included in the related party tenants are AllHome Corp., AllDay Marts, Inc., All Day Retail Concepts, Inc., Family Shoppers Unlimited, Inc., CM Star Management, Inc., and The Village Server, Inc. which are subsidiaries of AllValue Holdings Corp. (collectively referred to as AllValue Group or Anchor Tenant). AllValue Group is engaged in retail businesses covering supermarkets, retail of apparel, construction materials and home/building appliances and furnishings. The lease agreements contain escalation clauses.

Rental income and receivables from AllValue Group including the effect of future lease rate escalation amounted to ₱12,674.54 million and ₱38,645.51 million, respectively as of December 31, 2024, ₱12,394.34 million and ₱27,699.90 million, respectively, as of December 31, 2023 and ₱10,257.59 million and ₱23,101.10 million, respectively, as of December 31, 2022. These receivables from All Value Group which are recognized as 'Rental receivable' under 'Receivables' are not impaired (see Note 11).

Rental income and receivables from AllValue Group without the effect of future escalation amounted to ₱5,940.04 million and ₱11,188.56 million, respectively, as of December 31, 2024, ₱5,702.43 million and ₱6,780.33 million, respectively, as of December 31, 2023 and ₱5,026.22 million and ₱6,908.74 million, respectively, as of December 31, 2022. These receivables from All Value Group which are recognized as 'Rental receivables" under 'Receivables' are noninterest-bearing and are not impaired (see Note 11).

As of December 31, 2024 and 2023, the related parties with outstanding rent receivables including the effect of future escalation amounting to ₱46,351.80 million and ₱34,026.74 million were provided with financial support letter by Fine Properties, Inc. and these rent receivables including the effect of future escalation are include in "Rental receivable" and "Receivables from related parties" account under "Receivables" line item in the statements of financial position (see Note 11).

As discussed in Note 7, due to the fire that damaged Star Mall Alabang, certain related party tenants which are entities under common control pre-terminated its lease contracts resulting to the reversal of rental receivable from straight-lining of rental income amounting to ₱377.77 million which was charged against rental income for the year ended December 31, 2022.

In January 2022, the Vista Land Group amended certain lease contracts with Family Shoppers Unlimited, Inc. and Parallax, Inc. resulting to increase in rental income and rental receivables by ₱5,435.40 million. The amendments of the lease contracts are as follows:

a. Extension of lease term commencing from the lease modification date; and
b. From variable rent to annual fixed rent based on rate with annual escalation.

The Ultimate Parent Company also has lease agreements with the Vista Land Group for the lease of its office spaces. The rental due is based on prevailing market conditions.

Various related party tenants under AllValue Holdings Corp. (AVHC) (Assignors) assigned their rental payables to AVHC (Assignee), being its parent company. In March 2023, June 2023, September 2023 and March 2024, Deeds of Assignment were entered among (1) the Vista Land Group as lessor; (2) various related party tenants under AllValue Holdings Corp. (AVHC) (Assignors) and (3) AVHC (Assignee), for the Assignors to assign, transfer and convey to AVHC as the Assignee, all the Assignors' rental payables to Vista Land Group aggregating to ₱7,811.66 million.

Consequently within 2023 and 2024, parcels of land valued at ₱1,886.64 million and ₱874.36 million, respectively, were transferred by AVHC to the Vista Land Group as a form of settlement of the assigned receivable and these were recorded under "Investment properties" in the consolidated statement of financial position (see Note 12).

As of December 31, 2024 and 2023, the remaining ₱5,050.54 million and ₱3,218.44 million, respectively, are expected to be settled through cash, land properties or combination of both (see Notes 11, 14 and 36).

In 2023 and 2022 (nil in 2024), the Group entered into a land development agreement with a third-party contractor valued at ₱1,109.04 million and ₱2,285.64 million, respectively, to which the Group incurred a liability of the same amount. On the same date, the Group as lessor, the third-party contractor and certain related party tenants entered into an arrangement wherein the Group's payable to the third-party contractor was offset against certain rental receivables from All Value Group for the same amount.

b) On December 23, 2017, the Group entered into a Memorandum of Agreement (MOA) with Bria Homes, Inc. (Bria), an entity under common control, a developer of socialized housing projects located in various areas in the Philippines, to assign portions of the socialized housing projects to various entities in the Group in compliance with the requirements of Republic Act No. 7279 (Urban Development and Housing Act of 1992). On November 23, 2018, the Group entered into another MOA with Bria to include vertical residential projects in the assignment of socialized housing projects. As such, the Group makes cash advances to Bria Homes, Inc. for the construction of socialized housing units which are recorded under project development costs (see Note 16). On December 23, 2019, another MOA was executed with Bria to specify the details of the housing credits to be delivered by Bria equivalent to the advances provided by VLL. On December 21, 2020, the Group executed an amendment updating the number of housing credit that Bria will deliver to the Group to settle its outstanding balance. As of December 31, 2024, 2023 and 2022, the related project development costs amounted to ₱1,202.69 million, ₱529.45 million and ₱406.04 million, respectively.

In 2021, CAPI, VMI and various other VLLI subsidiaries executed a Deed of Assignment of Advances (DOA) to Fine Properties, Inc., ultimate parent, totaling ₱5.75 billion after deducting the partial delivery of social housing credits and cash payments in 2020 which was consolidated to Brittany Corporation (BC). The DOA effectively consolidates all receivables from Fine Properties, Inc. to BC while BC recognizes payable to the respective entities within VLLI group. These intercompany transactions between VLLI subsidiaries were eliminated at consolidated level. Furthermore, BC and Fine Properties, Inc. entered into a Land Development Agreement (LDA) to develop 159,208 square meters in Molino, Bacoor, Cavite to be developed into mixed-use residential and commercial subdivisions over a 15-year period. Fine Properties, Inc. will contribute land while the contribution of BC will be the planning, conceptualization, design, construction and financing of the Project. Both parties agreed to share the saleable lots into sharing of 60% for Fine Properties, Inc. and 40% for BC. The intention of the parties is for Fine Properties, Inc. to settle the resulting advances by BC of ₱5.75 billion in addition to the existing advances to Fine Properties, Inc. of ₱340.00 million totaling to ₱6.09 billion, from its share of the saleable lots in the LDA. The expected settlement will start upon completion of land development but shall in no case be earlier than 36 months from execution of the agreement dated December 17, 2021. In December 2023, the start of completion of land development was extended to December 17, 2026. As of December 31, 2024, 2023 and 2022, the Group's advances to Fine Properties, Inc. amounted to ₱6,256.90 million, ₱7,559.44 million and ₱7,042.28 million, respectively.

HDC also entered into a joint venture agreement with Fine Properties, Inc. for the development of real estate projects and the related project development costs amounted to ₱91.65 million as of December 31, 2024, 2023 and 2022.

c) The Group entered into lease agreements with Fine Properties, Inc. pertaining to parcels of land wherein the Group's commercial centers are situated. These leases have terms of 25 years, with rental escalation clauses and renewal options.

d) Details of dividends declared to stockholders of the Parent Company are discussed in Note 23.

e) In 2022, BC assigned, transferred and conveyed all of its rights and interest on the land located in Dasmarinas, Cavite valued at ₱1,690.50 million to Fine Properties, Inc. Thereafter, Fine Properties, Inc. shall assume BC's remaining obligation to the landowner.

f) The Group in its regular conduct of business has entered into noninterest-bearing transactions with a related party principally consisting of noninterest-bearing advances for working capital requirements. As of December 31, 2024 and 2023, the advances to an entity under common control amounted to ₱1,071.74 million and ₱1,190.18 million, respectively, and this was included under "Advances to private companies" account under "Receivables" in the consolidated statements of financial position (see Note 11).

g) The Group has various notes payable in which the Parent Company and its subsidiaries acted as guarantors, irrevocably and unconditionally, including Vista Land & Lifescapes, Inc., Brittany Corporation, Camella Homes, Inc., Crown Asia Properties, Inc., Communities Philippines, Inc., Vistamalls, Inc. (formerly Starmalls, Inc.) and Vista Residences Inc. No fees are charged for these guarantee agreements. Refer to Note 21 for further details.

As of December 31, 2024, 2023 and 2022, the retirement plan asset includes investment in fixed-rate peso retail bonds of the Parent Company with fair value amounting to ₱62.52 million, ₱20.07 million and ₱253.52 million, respectively., respectively (see Note 26).

The compensation of key management personnel by benefit type follows:

	2024	2023	2022
Short-term employee benefits	**₱142,366,240**	₱148,364,826	₱114,661,755
Post-employment benefits	**14,291,777**	27,464,871	24,928,030
	₱156,658,016	₱175,829,697	₱139,589,785

30. Earnings Per Share and Noncontrolling Interest

The following table presents information necessary to compute the EPS:

	2024	2023	2022
Net income attributable to equity holders of Parent	**₱7,653,265,137**	₱8,656,053,138	₱6,119,908,898
Less: Dividends for preferred shares	**587,930**	–	–
	7,652,677,209	–	–
Weighted average common shares*	**11,945,799,461**	11,945,799,461	11,945,799,461
Basic/Diluted Earnings per share	**₱0.641**	₱0.725	₱0.512

**Weighted average common shares consider the effect of treasury shares*

The basic and dilutive earnings per share are the same due to the absence of potentially dilutive common shares for the years ended December 31, 2024, 2023 and 2022.

The summarized financial information for which there are noncontrolling interests, are provided below. The information is based on amounts before inter-company eliminations.

VistaREIT, Inc. (VistaREIT)

	2024	2023	2022
		(Amounts in millions)	
Assets	**₱33,618**	₱29,003	₱27,519
Liabilities	**2,535**	1,493	1,355
Equity	**31,082**	27,510	26,164
Total comprehensive income (loss)*	**4,983**	2,526	(9,618)
Attributable to:			
Equity holders of VistaREIT	**1,318**	1,284	1,033
Noncontrolling-interest	**721**	703	546

**This includes the increase (decrease) in fair value of investment properties carried at fair value in the financial statements of VistaREIT amounting to ₱2,943.94 million, ₱539.54 million and (₱11,187.19 million) in 2024, 2023 and 2022, respectively. The net income from VistaREIT amounted to ₱2,038.69 million, ₱1,986.95 million and ₱1,578.90 million, excluding the change in fair value of its investment properties, for the years ended December 31, 2024, 2023 and 2022, respectively.*
***Total comprehensive income attributable to equity holders of VistaREIT amounted to ₱120,914 for the year ended December 31, 2021.*

Vistamalls, Inc. and Subsidiaries (VMI&S)

	2024	2023	2022
		(Amounts in millions)	
Assets	**₱110,136**	₱99,274	₱91,519
Liabilities	**58,774**	54,399	54,917
Equity	**51,362**	44,875	36,602
Total comprehensive income	**6,795**	8,531	6,972
Attributable to:			
Equity holders of VMI&S	**5,801**	7,598	6,243
Noncontrolling-interest	**994**	933	729

As of December 31, 2024, 2023 and 2022, the accumulated balances of and net income attributable to noncontrolling interests follows:

	2024	2023	2022
Accumulated balances:			
Noncontrolling interest share in equity	**₱10,821,256,666**	₱9,637,475,937	₱8,448,577,034
Share in dividend (Note 23)	**531,978,401**	447,642,154	170,796,898
Net income attributable to noncontrolling interests	**1,715,783,741**	1,636,012,004	1,272,741,442
Other comprehensive income	**564,925**	529,053	2,248,632

31. Fair Value Determination

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities;
- Level 2: Valuation techniques involving inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3: Other valuation techniques involving inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The following methods and assumptions were used to estimate the fair value of each class of financial instrument for which it is practicable to estimate such value:

Cash and cash equivalents, short-term cash investments, accrued interest receivable, rental receivables, buyers and HDMF, accounts and other payables (except for deferred output VAT and other statutory payables) and dividends payable: Due to the short-term nature of the accounts, the fair value approximate the carrying amounts in the consolidated statements of financial position.

Installment contracts receivable: The fair value of installment contracts receivable due within one year approximates its carrying amount. Noncurrent portion of installment contracts receivable are discounted using the applicable discount rates for similar types of instruments. The discount rates used range 5.56% to 16.00% and 2.43% to 19.00% as of December 31, 2023 and 2022, respectively. As a result of the adoption of PIC Q&A 2018-12 - D on January 1, 2024, the related unamortized discount from installment contracts receivables were fully reversed and significant financing component was recognized as part of interest income from real estate sales using discount rates ranging from 0.41% to 9.06% (see Note 11).

Investments at FVOCI: Fair values of equity securities are based on quoted market prices.

Investments at amortized cost: The fair value of these listed bonds is determined by reference to quoted market bid prices, at the close of business on the reporting date.

Bank loans, loans payable, notes payable, liabilities for purchased land and retention payable: Estimated fair values are based on the discounted value of future cash flows using the applicable rates for similar types of loans. Interest rates used in discounting cash flows ranged from 6.25% to 8.05% in 2024, 6.35% to 7.96% in 2023 and 5.35% to 8.63% in 2022 using the remaining terms to maturity.

The following table provides the fair value measurement and the hierarchy of the Group's financial assets and liabilities recognized as of December 31, 2024 and 2023:

	December 31, 2024				
		Fair Value			
	Carrying values	**Total**	**Quoted prices in active markets for identical assets (Level 1)**	**Significant offer observable inputs (Level 2)**	**Significant unobservable inputs (Level 3)**
Assets					
Financial assets measured at fair value:					
Investments at FVOCI	**₱172,158,380**	**₱172,158,380**	**₱160,000,000**	**₱–**	**₱12,158,380**
Financial assets for which fair values are disclosed:					
Installment contracts receivable	**58,950,766,031**	**58,950,766,031**	**–**	**–**	**58,950,766,031**
Investments at amortized cost	**42,003,990,071**	**42,003,990,071**	**42,003,990,071**	**–**	**–**
Liabilities					
Financial liabilities for which fair values are disclosed					
Bank loans	**55,636,123,967**	**55,636,123,967**	**–**	**–**	**55,636,123,967**
Notes payable	**107,429,793,221**	**107,429,793,221**	**–**	**–**	**107,429,793,221**
Loans payable	**19,482,654,601**	**19,482,654,601**	**–**	**–**	**19,482,654,601**
Liabilities for purchased land	**2,312,099,385**	**2,270,796,318**	**–**	**–**	**2,270,796,318**
Retention payable	**1,653,672,370**	**1,553,378,202**	**–**	**–**	**1,553,378,202**

	December 31, 2023				
		Fair Value			
	Carrying values	Total	Quoted prices in active markets for identical assets (Level 1)	Significant offer observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets					
Financial assets measured at fair value:					
Investments at FVOCI	₱132,158,380	₱132,158,380	₱120,000,000	₱–	₱12,158,380
Financial assets for which fair values are disclosed:					
Installment contracts receivable	34,014,787,097	33,283,057,677	–	–	33,283,057,677
Investments at amortized cost	39,209,417,229	39,220,370,657	39,220,370,657	–	–
Liabilities					
Financial liabilities for which fair values are disclosed					
Bank loans	53,182,968,195	54,711,204,168	–	–	54,711,204,168
Notes payable	108,148,781,639	111,365,653,050	–	–	111,365,653,050
Loans payable	7,443,723,350	7,304,007,811	–	–	7,304,007,811
Liabilities for purchased land	2,810,279,346	2,583,086,026	–	–	2,583,086,026
Retention payable	1,667,347,732	1,567,479,722	–	–	1,567,479,722

In 2024 and 2023, there were no transfers between Levels of fair value measurements.

Significant increases (decreases) in discount rate would result in significantly higher (lower) fair value of the installment contracts receivable, notes payable, loans payable, bank loans, retention payable and liabilities for purchased land.

Description of significant unobservable inputs to valuation follows:

Account	**Valuation Technique**	**Significant Unobservable Inputs**
Installment contracts receivable	Discounted cash flow analysis	Discount rate
Bank loans	Discounted cash flow analysis	Discount rate
Notes payable	Discounted cash flow analysis	Discount rate
Loans payable	Discounted cash flow analysis	Discount rate
Retention payable	Discounted cash flow analysis	Discount rate
Liabilities for purchased land	Discounted cash flow analysis	Discount rate

32. Financial Assets and Liabilities

Financial Risk Management Objectives and Policies

Financial risk

The Group's principal financial liabilities comprise of bank loans, loans payable, notes payable, accounts and other payables (except for deferred output VAT and other statutory payables), liabilities for purchased land and retention payable. The main purpose of the Group's financial liabilities is to raise financing for the Group's operations. The Group has various financial assets such as installment contracts receivable, cash and cash equivalents, short-term and long-term cash investments, investments at fair value through other comprehensive income and investments at amortized cost which arise directly from its operations. The main risks arising from the use of financial instruments are interest rate risk, foreign currency risk, credit risk and liquidity risk.

The BOD reviews and approves with policies for managing each of these risks. The Group monitors market price risk arising from all financial instruments and regularly report financial management activities and the results of these activities to the BOD.

The Group's risk management policies are summarized below. The exposure to risk and how they arises, as well as the Group's objectives, policies and processes for managing the risk and the methods used to measure the risk did not change from prior years.

Cash flow interest rate risk

The Group's exposure to market risk for changes in interest rates, relates primarily to its financial assets and liabilities that are interest-bearing.

The Group's policy is to manage its interest cost by entering into fixed rate debts. The Group also regularly enters into short-term loans with its installment contracts receivables as collateral to cushion the impact of potential increase in loan interest rates.

The table below shows the financial assets and liabilities that are interest-bearing:

	December 31, 2024	
	Effective Interest Rate	Amount
Financial assets		
Fixed rate		
Cash and cash equivalents in Philippine Peso (excluding cash on hand)	**0.01% to 3.10%**	**₱2,499,129,300**
Cash and cash equivalents in US Dollar	**0.13% to 3.05%**	**1,436,879,482**
Short-term cash investments	–	–
Investments at amortized cost	**1.42% to 7.81%**	**42,003,990,071**
Installment contracts receivable	**0.40% to 9.06%**	**58,815,211,433**
		₱104,755,210,286
Financial liabilities		
Fixed rate		
Notes payable	**6.19% to 7.93%**	**₱107,429,793,220**
Bank loans	**4.75% to 8.25%**	**55,629,643,158**
Loans payable	**6.25% to 8.05%**	**19,482,764,601**
Lease liabilities	**7.37% to 8.81%**	**5,436,048,113**
		₱187,978,249,092

	December 31, 2023	
	Effective Interest Rate	Amount
Financial assets		
Fixed rate		
Cash and cash equivalents in Philippine Peso (excluding cash on hand)	0.01% to 4.25%	₱6,124,826,508
Cash and cash equivalents in US Dollar	0.06% to 1.50%	4,552,663,258
Short-term cash investments	1.26%	7,322,177
Investments at amortized cost	0.12% to 10.74%	39,209,417,229
Installment contracts receivable	5.56% to 16.00%	34,274,453,178
		₱84,168,682,350
Financial liabilities		
Fixed rate		
Notes payable	6.42% to 7.50%	₱108,148,781,639
Bank loans	6.42% to 7.50%	53,182,968,195
Loans payable	6.35% to 7.96%	7,443,723,350
Lease liabilities	7.21% to 8.89%	5,440,220,042
		₱174,215,693,226

As of December 31, 2024 and 2023, the Group's leasing income and operating cash flows are substantially independent of changes in market interest rates.

Foreign exchange risk
The Group's foreign exchange risk is limited to certain USD denominated cash and cash equivalents, resulting primarily from movements of the Philippine Peso against the United States Dollar (USD). Below is the carrying amount of USD-denominated cash and cash and sensitivity analysis on exchange rate for effect on income before income tax.

	December 31, 2024		
	Amount	**Increase/Decrease in US Dollar rate**	**Effect on income before tax**
Cash and cash equivalents	**US$25,306,932**	**+4.86%**	**₱71,213,859**
	US$25,306,932	**-4.86%**	**(71,213,859)**

	December 31, 2023		
	Amount	Increase/Decrease in US Dollar rate	Effect on income before tax
Cash and cash equivalents	US$600,068	+3.39%	₱1,126,353
	US$600,068	-3.39%	(1,126,353)

The functional currency of VII, a wholly owned subsidiary, is USD. VII has cash and cash equivalents, investments at amortized costs, notes payable and bank loans in USD. VII's financial assets and liabilities are translated into Philippine peso, the presentation currency of the Group, using closing exchange rate prevailing at the reporting date, and the respective income and expenses at the weighted average rates for the period. The exchange differences arising on the translation are recognized in OCI under "Cumulative Translation Adjustments" (CTA).

See below for the carrying amounts and sensitivity analysis on other comprehensive income:

	December 31, 2024		
	Amount	**Increase/Decrease in US Dollar rate**	**Effect on Other Comprehensive Income**
Assets			
Cash and cash equivalents	**US$16,560,768**	**+4.86%**	**₱46,602,100**
	US$16,560,768	**-4.86%**	**(46,602,100)**
Investments at amortized costs	**US$688,146,625**	**+4.86%**	**1,936,448,733**
	US$688,146,625	**-4.86%**	**(1,936,448,733)**
Liabilities			
Notes payable	**US$870,000,000**	**+4.86%**	**2,343,435,313**
	US$770,526,280	**-4.86%**	**(2,343,435,313)**
Bank loans	**US$22,400,000**	**+4.86%**	**60,336,725**
	US$22,400,000	**-4.86%**	**(60,336,725)**

	December 31, 2023		
	Amount	Increase/Decrease in US Dollar rate	Effect on Other Comprehensive Income
Assets			
Cash and cash equivalents	US$81,622,494	+3.39%	₱153,208,931
	US$81,622,494	-3.39%	(153,208,931)
Investments at amortized costs	US$708,134,680	+3.39%	1,329,199,244
	US$708,134,680	-3.39%	(1,329,199,244)
Liabilities			
Notes payable	US$770,526,280	+3.39%	(1,446,310,960)
	US$770,526,280	-3.39%	1,446,310,960
Bank loans	US$18,692,777	+3.39%	(35,087,146)
	US$18,692,777	-3.39%	35,087,146

In translating the foreign currency- denominated monetary assets and liabilities in peso amounts, the Philippine Peso - US dollar exchange rates as at December 31, 2024, 2023 and 2022 used were ₱57.85 to US$1.00, ₱55.37 to US$1.00 and ₱55.76 to US$1.00, respectively.

The assumed movement in basis points for foreign exchange sensitivity analysis is based on the management's forecast of the currently observable market environment, showing no material movements as in prior years.

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 installment contracts receivables and receivables from tenants) and from its investing activities, including deposits with banks and financial institutions.

Customer credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. Receivables are regularly monitored.

In respect of installment contracts receivable from the sale of real estate inventories, credit risk is managed primarily through credit reviews and an analysis of receivables on a continuous basis. The Group also undertakes supplemental credit review procedures for certain installment payment structures. Customer payments are facilitated through various collection modes including the use of postdated checks and auto-debit arrangements. 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.

The Group evaluates the concentration of risk with respect to non-related party trade receivables as low, as its customers are located in several jurisdictions and various income brackets, and operate in largely independent markets.

The Group evaluates the concentration of risk with respect to receivable from related parties (see Note 29). This is discussed in Note 6. The related parties have a strong capacity to meet their contractual cash flows and Fine Properties, Inc. has provided financial letter of support to the related party receivables.

Credit risk arising from rental receivables - third parties is primarily managed through a screening of tenants based on credit history and financial information submitted. Tenants are required to pay security deposits equivalent to 2 to 4-month lease payment to cover any defaulting amounts and advance rentals also equivalent to 2 to 4-month rent.

Credit risk arising from receivables from related parties is minimal as they have a low risk of default and have a strong capacity to meet their contractual cash flows in the near term.

Credit risk from balances with banks and financial institutions 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.

The Group's maximum exposure to credit risk as of December 31, 2024 and 2023 is equal to the carrying values of its financial assets.

As of December 31, 2024 and 2023, the credit quality per class of financial assets is as follows:

	2024					
	Neither Past Due nor Impaired					
	High Grade	Standard	Substandard Grade	Past due but not Impaired	Impaired	Total
Cash and cash equivalents	**₱3,963,008,782**	**₱–**	**₱–**	**₱–**	**₱–**	**₱3,963,008,782**
Investments at amortized cost	**41,991,628,741**	**–**	**–**	**–**	**12,361,330**	**42,003,990,071**
Investments at FVOCI	**172,158,380**	**–**	**–**	**–**	**–**	**172,158,380**
Installment contract receivable	**55,179,916,773**	**–**	**–**	**3,511,183,177**	**259,666,081**	**58,950,766,031**
Rental receivable	**25,597,220,958**	**–**	**–**	**17,499,752,218**	**1,310,542,100**	**44,407,515,278**
Receivables from related parties	**5,050,542,342**	**–**	**–**	**–**	**–**	**5,050,542,342**
Receivable from HDMF	**312,478,322**	**–**	**–**	**–**	**–**	**312,478,322**
Receivable from buyers	**–**	**–**	**–**	**85,425,615**	**135,929,659**	**221,355,274**
Accrued interest receivable	**343,754,642**	**–**	**–**	**–**	**–**	**343,754,642**
Restricted cash	**166,064,956**	**–**	**–**	**–**	**–**	**166,064,956**
	₱132,776,773,	**₱–**	**₱–**	**₱21,096,361,010**	**₱1,718,499,170**	**₱155,591,634,076**

	2023					
	Neither Past Due nor Impaired					
	High Grade	Standard	Substandard Grade	Past due but not Impaired	Impaired	Total
Cash and cash equivalents	₱10,677,489,766	₱–	₱–	₱–	₱–	₱10,677,489,766
Short-term cash investments	7,322,177	–	–	–	–	7,322,177
Investments at amortized cost	39,209,417,229	–	–	–	10,953,428	39,220,370,657
Investments at FVOCI	132,158,380	–	–	–	–	132,158,380
Installment contract receivable	32,559,500,092	–	–	1,455,287,005	259,666,081	34,274,453,178
Rental receivable	23,105,336,430	–	–	8,453,941,890	1,018,650,310	32,577,928,630
Receivables from related parties	3,218,440,000	–	–	–	–	3,218,440,000
Receivable from HDMF	362,103,100	–	–	–	–	362,103,100
Receivable from buyers	–	–	–	49,039,411	135,929,659	184,969,070
Accrued interest receivable	390,958,484	–	–	–	–	390,958,484
Restricted cash	334,764,859	–	–	–	–	334,764,859
	₱109,997,490,517	₱–	₱–	₱9,958,268,306	₱1,425,199,478	₱121,380,958,301

The Company's basis in grading its receivables are as follow:

High-grade - pertain to receivables from related parties which based on experience are highly collectible or collectible on demand, and of which exposure to bad debt is not significant. Installment contract receivables under bank-financing, receivable from buyers and receivable from HDMF awaiting for bank and HDMF remittance but has been processed are assessed to be high grade since the accounts have undergone credit evaluation performed by two parties, the Group and the respective bank, thus credit evaluation underwent a more stringent criteria resulting to higher probability of having good quality receivables. High-grade rental receivable and accrued interest receivable are receivables which have a high probability of collection (i.e., the counterparty has the apparent ability to satisfy its obligation and the security on receivables are readily enforceable).

Standard - pertain to active accounts with minimal to regular instances of payment default, due to ordinary/common collection issues. These accounts are typically not impaired as the counterparties generally respond to credit actions and update their payments accordingly.

Substandard - pertain to receivables that can be collected provided the Group makes persistent effort to collect them.

The Group's investments in unquoted equity securities presented as investments at fair value through other comprehensive income are incidental to its housing projects and are considered by the Group to be of high quality.

Cash in banks and cash equivalents and short-term cash investments are deposited/placed in banks that are stable as they qualify either as universal or commercial banks. Universal and commercial banks represent the largest single group, resource-wide, of financial institutions in the country the Group is operating. They offer the widest variety of banking services among financial institutions. These financial assets are classified as high grade due to the counterparties' low probability of insolvency.

As of December 31, 2024 and 2023, the aging analyses of the Company's receivables are as follow:

	2024						
		Past due but not impaired					
	Current	**1 to 30 days**	**31 to 60 days**	**61 to 90 days**	**Over 90 days**	**Impaired**	**Total**
Installment contracts receivable	**₱55,179,916,774**	**₱245,402,579**	**₱104,240,220**	**₱93,370,082**	**₱3,068,170,295**	**₱259,666,081**	**₱58,950,766,031**
Rental receivable	**25,597,220,958**	**994,328,738**	**284,870,008**	**1,025,433,174**	**15,195,120,298**	**1,310,542,100**	**44,407,515,278**
Receivables from related parties	**5,050,542,342**	–	–	–	–	–	**5,050,542,342**
Accrued interest receivable	**343,754,642**	–	–	–	–	–	**343,754,642**
Receivable from HDMF	**312,478,322**	–	–	–	–	–	**312,478,322**
Receivable from buyers	–	**30,935,880**	**1,562,926**	**2,835,776**	**50,091,034**	**135,929,659**	**221,355,274**

	2023						
		Past due but not impaired					
	Current	1 to 30 days	31 to 60 days	61 to 90 days	Over 90 days	Impaired	Total
Installment contracts receivable	₱32,559,500,093	₱87,930,497	₱70,157,431	₱49,607,785	₱1,247,591,291	₱259,666,081	₱34,274,453,178
Rental receivable	23,105,336,430	234,158,477	3,753,114	839,167,905	7,376,862,394	1,018,650,310	32,577,928,630
Receivables from related parties	3,218,440,000	–	–	–	–	–	3,218,440,000
Accrued interest receivable	390,958,484	–	–	–	–	–	390,958,484
Receivable from HDMF	362,103,100	–	–	–	–	–	362,103,100
Receivable from buyers	–	20,638,399	1,267,963	2,517,239	24,615,810	135,929,659	184,969,070

Current receivables include billed lease receivables and accrued rent receivables which are not yet contractually collectible. Past due but not impaired include lease receivables which are aged 31 to over 90 days but collection is still probable. Impaired receivables are lease receivables from terminated tenants which are less likely to be collected.

The Group has collaterals in the form of security deposits and advance rent with respect to billed lease receivables that have been identified as past due but not impaired.

Applying the expected credit risk model resulted to recognition of impairment loss of nil from receivables in 2024, 2023 and 2022.

Liquidity Risk

The Group monitors its cash flow position, debt maturity profile and overall liquidity position in assessing its exposure to liquidity risk. The Group maintains a level of cash deemed sufficient to finance its cash requirements. Operating expenses and working capital requirements are sufficiently funded through cash collections. The Group's loan maturity profile is regularly reviewed to ensure availability of funding through adequate credit facilities with banks and other financial institutions.

The extent and nature of exposures to liquidity risk and how they arise as well as the Group's objectives, policies and processes for managing the risk and the methods used to measure the risk are the same in 2024 and 2023.

Maturity Profile Financial Liabilities

The tables below summarize the maturity profile of the Group's financial liabilities as of December 31, 2024 and 2023 based on undiscounted contractual payments, including interest payable.

	December 31, 2024				
	On Demand	**1 to 3 Months**	**3 to 12 Months**	**More than 1 year**	**Total**
Financial Liabilities					
Financial liabilities at amortized cost					
Bank loans	**₱–**	**₱5,617,361,672**	**₱12,623,841,654**	**₱37,507,063,841**	**₱55,748,267,167**
Loans payable	**296,976,666**	**492,774,289**	**4,896,904,807**	**13,796,108,839**	**19,482,764,601**
Liabilities for purchased land	**15,798,986**	**357,078,297**	**1,480,281,309**	**458,940,797**	**2,312,099,389**
Accounts payable and other payables*	**13,123,077,869**	**5,582,285,958**	**9,783,884,812**	**466,463,780**	**28,955,712,419**
Dividends payable	**476,520,540**	**–**	**–**	**–**	**476,520,540**
Notes payable	**–**	**1,314,582,200**	**27,309,432,112**	**79,259,425,621**	**107,883,439,933**
Lease liabilities	**–**	**102,550,791**	**318,801,105**	**9,767,741,007**	**10,189,092,904**
Total undiscounted financial liabilities	**₱13,912,374,061**	**₱13,466,633,207**	**₱56,413,145,799**	**₱141,255,743,885**	**₱225,047,896,953**

***excluding statutory payables and including noncurrent portion of retention payable*

	December 31, 2023				
	On Demand	1 to 3 Months	3 to 12 Months	More than 1 year	Total
Financial Liabilities					
Financial liabilities at amortized cost					
Bank loans	₱–	₱2,882,091,610	₱26,204,695,176	₱29,416,356,779	₱58,503,143,565
Loans payable	168,290,959	1,618,333,271	1,749,927,163	4,424,761,913	7,961,313,306
Liabilities for purchased land	413,948,626	113,909,476	1,217,648,997	1,064,772,247	2,810,279,346
Accounts payable and other payables*	7,554,387,718	3,140,161,802	5,787,121,268	515,046,096	16,996,716,884
Dividends payable	298,016,044	–	–	–	298,016,044
Notes payable	410,818,667	3,567,425,657	31,434,004,106	91,511,628,317	126,923,876,747
Lease liabilities	–	94,773,692	294,099,305	10,181,256,163	10,570,129,160
Total undiscounted financial liabilities	₱8,845,462,014	₱11,416,695,508	₱66,687,496,015	₱137,113,821,515	₱224,063,475,052

excluding statutory payables and including noncurrent portion of retention payable

33. Notes to Consolidated Statements of Cash Flows

Details of the movement in cash flows from financing activities follow:

			Non-cash Change					
	January 1, 2024	**Cash flows**	**Debt issue cost**	**Interest and other financing charges (including capitalized borrowing cost)**	**Foreign exchange movement**	**Additions**	**Dividends declared**	**December 31, 2024**
Notes payable	**₱108,148,781,639**	**(₱2,020,424,934)**	**(₱311,635,807)**	**₱223,737,200**	**₱1,389,335,122**	**₱–**	**₱–**	**₱107,429,793,220**
Bank loans	**53,182,968,195**	**2,432,004,806**	**(29,534,666)**	**50,685,632**	**–**	**–**	**–**	**55,636,123,967**
Loans payable	**7,443,723,350**	**3,424,862,899**	**–**	**–**	**–**	**8,614,178,352**	**–**	**19,482,764,601**
Lease liabilities	**5,440,220,042**	**(388,308,890)**	**–**	**384,136,961**	**–**	**–**	**–**	**5,436,048,113**
Dividends payable	**298,016,044**	**(1,691,428,058)**	**–**	**–**	**–**	**–**	**1,869,932,554**	**476,520,540**
Accrued interest expense	**1,589,407,383**	**(11,917,664,259)**	**341,170,473**	**12,208,245,805**	**–**	**–**	**–**	**2,221,159,401**
Issuance of shares (net of issuance costs)	**–**	**2,945,503,840**	**–**	**–**	**–**	**–**	**–**	**2,945,503,840**
Total liabilities from financing activities	**₱176,103,116,653**	**(₱7,215,454,596)**	**₱–**	**₱12,866,805,598**	**₱1,389,335,122**	**₱8,614,178,352**	**₱1,869,932,554**	**₱193,627,913,682**

			Non-cash Change					
	January 1, 2023	Cash flows	Debt issue cost	Interest and other financing charges (including capitalized borrowing cost)	Foreign exchange movement	Additions	Dividends declared	December 31, 2023
Notes payable	₱102,448,203,441	₱6,083,325,067	(₱288,335,915)	₱202,040,174	(₱296,451,128)	₱–	₱–	₱108,148,781,639
Bank loans	55,946,823,117	(2,772,557,227)	(34,946,237)	43,648,542	–	–	–	53,182,968,195
Loans payable	5,334,619,152	2,109,104,198	–	–	–	–	–	7,443,723,350
Lease liabilities	5,434,053,003	(370,444,459)	–	376,611,498	–	–	–	5,440,220,042
Dividends payable	96,024,581	(986,303,240)	–	–	–	–	1,188,294,703	298,016,044
Accrued interest expense	1,442,359,902	(11,343,917,313)	323,282,152	11,167,682,642	–	–	–	1,589,407,383
Total liabilities from financing activities	₱170,702,083,196	(₱7,280,792,974)	₱–	₱11,789,982,856	(₱296,451,128)	₱–	₱1,188,294,703	₱176,103,116,653

The Group's noncash investing and financing activities pertain to the following:

a) The Parent Company presented in the consolidated statements of cash flow the availments and payments, net of bank loans that were rolled over during the period (loans against deposit hold-outs) amounting to ₱33,956.35 million and ₱28,096.54 million in 2024 and 2023;
b) Unpaid additions to investment properties amounted to ₱625.50 million and ₱758.26 million as of December 31, 2024 and 2023, respectively;
c) Unpaid additions to property and equipment amounted to ₱13.26 million (nil as of 2024) as of December 31, 2023;
d) The Group received land with monetary value of ₱874.48 million and ₱1,886.64 million as payment of receivables for the year ended December 31, 2024 and 2023 and this was recorded as part of investment properties;
e) The Group retired and written off its investment properties with carrying value of nil and ₱164.65 million for the years ended December 31, 2024 and 2023, respectively;
f) The Group written off its property and equipment with carrying value of ₱88.92 million for the year ended December 31, 2023 (nil for 2024).
g) The Group as lessor, the third-party contractor and certain related party tenants entered into an arrangement wherein the Group's payable to the third-party contractor was offset against certain rental receivables from All Value Group amounting to ₱1,109.04 million in 2023 (nil in 2024).
h) The Group exchanged land under real estate inventories to a related party and recognized receivables amounting to ₱291.25 million in 2024.
i) The Group transferred property and equipment to investment properties amounting to ₱342.95 million in 2024.
j) Liabilities for purchased land is comprised of unpaid additions to land improvements classified as:

	2024	2023
Real estate inventories	**₱1,719,552,879**	₱2,185,650,193
Investment properties	**592,546,513**	624,629,153
	₱2,312,099,392	₱2,810,279,346

34. Lease Commitments

The Group as Lessor

The Group has entered into non-cancellable property leases on its investment property portfolio, consisting of retail mall spaces and BPO commercial centers which generally provide for either (a) fixed monthly rent, or (b) minimum rent or a certain percentage of gross revenue, whichever is higher. All leases include a clause to enable upward revision of the rental charge on an annual basis based on prevailing market conditions.

Future minimum rentals receivable under non-cancellable operating leases as of December 31, 2024 and 2023 follow:

	2024	2023
Within 1 year	**₱8,112,299,570**	₱7,326,932,909
More than 1 year to 2 years	**8,224,870,753**	7,933,609,476
More than 2 years to 3 years	**8,008,471,986**	8,044,295,751
More than 3 years to 4 years	**8,405,380,619**	7,888,662,595
More than 4 years to 5 years	**8,825,712,504**	8,246,581,817
More than 5 years	**218,593,023,748**	226,563,876,864
	₱260,169,759,179	₱266,003,959,412

Rental income included in the consolidated statements of comprehensive income for the years ended December 31, 2024, 2023 and 2022 amounted to ₱16,610.78 million, ₱16,021.43 million and ₱13,742.26 million, respectively.

Contingent rent included in rental income for the years ended December 31, 2024, 2023 and 2022 amounted to ₱2,381.06 million, ₱2,440.93 million and ₱1,824.31 million, respectively.

35. Commitments and Contingencies

The Group has entered into several contracts with contractors for the development of its real estate properties. As at December 31, 2024 and 2023, these contracts have an estimated aggregate cost of ₱3,566.36 million and ₱5,382.71 million, respectively. These contracts are due to be completed on various dates up to December 2026.

The progress billings are settled within one year from date of billing. These are unsecured obligations and carried at cost.

The Group has various contingent liabilities from legal cases arising from the ordinary course of business which are either pending decision by the courts or are currently being contested by the Group, the outcome of which are not presently determinable.

In the opinion of the management and its legal counsel, the eventual liability under these lawsuits or claims, if any, will not have a material or adverse effect in the Group's financial position and results of operations.

For the years ended December 31, 2024 and 2023, the Group received a total insurance proceeds of nil and ₱1,841.16 million, respectively.

36. Subsequent Events

Dividend Declaration
On April 30, 2025, VistaREIT, Inc. declared cash dividends amounting to ₱0.05 per share for shareholders of record as of May 15, 2025 and the payment date on May 30, 2025.

New Loan Availment
On May 2, 2025, VLL International, Inc. (VII), has obtained a US$150 million syndicated term loan facility at a rate of 6.40509% per annum. The obligations of VII under the loan facility are guaranteed by the Parent Company and its subsidiaries namely Brittany Corporation, Crown Asia Properties, Inc., Camella Homes, Inc., Communities Philippines, Inc., Vistamalls, Inc., and Vista Residences, Inc. The proceeds of the term loan facility will be used for financing, refinancing or reimbursing working capital and general corporate purposes of the Group. For the foregoing purpose, the Parent Company has entered into a Syndicated Term Loan Facility with Sumitomo Mitsui Banking Corporation Singapore Branch as Mandated Lead Arranger, Underwriter and Bookrunner, and Sumitomo Mitsui Banking Corporation as Facility Agent.

37. **Approval of the Financial Statements**

The consolidated financial statements of the Group as of December 31, 2024 and 2023 and for each of the three years in the period ended December 31, 2024 were authorized for issue by the BOD on May 15, 2025.

SGV
Building a better working world

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INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY SCHEDULES

The Stockholders and the Board of Directors
Vista Land & Lifescapes, Inc.
Lower Ground Floor, Building B
EVIA Lifestyle Center, Vista City
Daanghari, Almanza II, Las Piñas City

We have audited in accordance with Philippine Standards on Auditing, the consolidated financial statements of Vista Land & Lifescapes, Inc. and its subsidiaries (the Group) as at December 31, 2024 and 2023, and for each of the three years in the period ended December 31, 2024, and have issued our report thereon dated May 15, 2025. Our audits were made for the purpose of forming an opinion on the basic consolidated financial statements taken as a whole. The schedules listed in the Index to the Supplementary Schedules are the responsibility of the Group's management. These schedules are presented for purposes of complying with the Revised Securities Regulation Code Rule 68, and are not part of the basic consolidated financial statements. These schedules have been subjected to the auditing procedures applied in the audit of the basic consolidated financial statements and, in our opinion, fairly state, in all material aspects, the financial information required to be set forth therein in relation to the basic consolidated financial statements taken as a whole.

SYCIP GORRES VELAYO & CO.

Michael C. Sabado
Partner
CPA Certificate No. 89336
Tax Identification No. 160-302-865
BOA/PRC Reg. No. 0001, April 16, 2024, valid until August 23, 2026
BIR Accreditation No. 08-001998-073-2023, October 23, 2023, valid until October 22, 2026
PTR No. 10465376, January 2, 2025, Makati City

May 15, 2025

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INDEPENDENT AUDITOR'S REPORT ON COMPONENTS OF FINANCIAL SOUNDNESS INDICATORS

The Stockholders and the Board of Directors
Vista Land & Lifescapes, Inc.
Lower Ground Floor, Building B
EVIA Lifestyle Center, Vista City
Daanghari, Almanza II, Las Piñas City

We have audited in accordance with Philippine Standards on Auditing, the consolidated financial statements of Vista Land & Lifescapes, Inc. and its subsidiaries (the Group) as at December 31, 2024 and 2023, and for each of the three years in the period ended December 31, 2024, and have issued our report thereon dated May 15, 2025. Our audits were made for the purpose of forming an opinion on the 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 Philippine Financial Reporting Standards (PFRS) Accounting Standards and may not be comparable to similarly titled measures presented by other companies. This schedule is presented for the purpose of complying with the Revised Securities Regulation Code Rule 68 issued by the Securities and Exchange Commission and is not a required part of the basic consolidated financial statements prepared in accordance with PFRS Accounting Standards. The components of these financial soundness indicators have been traced to the Group's consolidated financial statements as at December 31, 2024, and for each of the three years in the period ended December 31, 2024 and no material exceptions were noted.

SYCIP GORRES VELAYO & CO.

Michael C. Sabado
Partner
CPA Certificate No. 89336
Tax Identification No. 160-302-865
BOA/PRC Reg. No. 0001, April 16, 2024, valid until August 23, 2026
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PTR No. 10465376, January 2, 2025, Makati City

May 15, 2025

VISTA LAND & LIFESCAPES, INC. AND SUBSIDIARIES
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VISTA LAND & LIFESCAPES, INC.

RETAINED EARNINGS AVAILABLE FOR DIVIDEND DECLARATION
AS OF DECEMBER 31, 2024

Unappropriated Retained Earnings, beginning of reporting period		₱11,985,191,622
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	1,337,929,540	
Retained Earnings appropriated during the reporting period	–	
Effect of restatements or prior-period adjustments	–	
Others	–	1,337,929,540
Unappropriated Retained Earnings, as adjusted		10,647,262,082
Add/Less: Net Income (loss) for the current year		2,119,036,015
Less: Category C.1: Unrealized income recognized in the profit or loss during the reporting period (net of tax)		
Equity in net income of associate/joint venture, net of dividends Declared	–	
Unrealized foreign exchange gain, except those attributable to cash and cash equivalents	–	
Unrealized fair value adjustment (mark-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	–	
Unrealized fair value gain of Investment Property	–	
Other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS	–	
Sub-total		–
Add: Category C.2: Unrealized income recognized in the profit or loss in prior reporting periods but realized in the current reporting period (net of tax)		
Realized foreign exchange gain, except those attributable to Cash and cash equivalents	–	
Realized fair value adjustment (mark-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	–	
Realized fair value gain of Investment Property	–	
Other realized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS	–	
Sub-total		–

Add: Category C.3: Unrealized income recognized in profit or loss in prior periods but reversed in the current reporting period (net of tax)		
Reversal of previously recorded foreign exchange gain, except those attributable to cash and cash equivalents	–	
Reversal of previously recorded fair value adjustment (mark-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	–	
Reversal of previously recorded fair value gain of Investment Property	–	
Reversal of other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS, previously recorded	–	
Sub-total		–
Adjusted Net Income/Loss		12,766,298,098
Add: Category D: Non-actual losses recognized in profit or loss during the reporting period (net of tax)		
Depreciation on revaluation increment (after tax)	–	
Sub-total		–
Add/Less: Category E: Adjustments related to relief granted by the SEC and BSP		
Amortization of the effect of reporting relief	–	
Total amount of reporting relief granted during the year	–	
Others	–	
Sub-total		–
Add/Less: Category F: Other items that should be excluded from the determination of the amount of available for dividends distribution		
Net movement of treasury shares (except for reacquisition of redeemable shares)	–	
Net movement of deferred tax asset not considered in the reconciling items under the previous categories	–	
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	1,183,928	
Adjustment due to deviation from PFRS/GAAP - gain (loss)	–	
Others	–	
Sub-total		1,183,928
Total Retained Earnings, end of the reporting period available for dividend declaration		₱12,767,482,026

VISTA LAND & LIFESCAPES, INC. AND SUBSIDIARIES

SCHEDULE A: FINANCIAL ASSETS

DECEMBER 31, 2024

Name of issuing entity and association of each issue	Number of shares or principal amount of bonds and notes	Amount shown in the balance sheet	Value based on market quotation at end of reporting period	Income received and accrued
Cash and cash equivalents	N/A	₱3,592,121,276	₱3,592,121,276	₱153,351,867
Short-term cash investments	N/A	-	-	-
Restricted cash	N/A	166,064,956	166,064,956	929,231
Installment contracts receivables	N/A	58,950,766,031	58,950,766,031	276,695,395
Quoted equity securities	100	160,000,000	160,000,000	–
Unquoted equity securities	₱1,215,838	12,158,380	12,158,380	–
UBS Portfolio I	10,880,066,050	10,880,066,050	10,885,530,049	
UBS Portfolio VIII	1,145,368,853	1,145,368,853	1,180,612,865	
UBS Portfolio XIII	11,719,397,000	11,719,397,000	11,267,910,121	
UBS Portfolio XIV	5,865,483,000	5,865,483,000	5,810,974,001	4,220,811,826
HSBC Portfolio I	3,991,305,000	3,991,305,000	3,993,490,324	
HSBC Portfolio II	289,225,000	289,225,000	300,538,866	
CREDIT SUISSE	4,557,491,860	4,557,491,860	4,584,237,318	
J.SAFFRRA SARASSIN	1,808,813,150	1,792,131,372	1,792,583,175	
BDO Singapore	2,220,669,550	2,220,669,550	2,196,064,531	65,817,542
Rental receivable	N/A	44,407,515,278	44,407,515,278	–
Receivables from related parties	N/A	5,050,542,342	5,050,542,342	–
Other receivables	N/A	565,109,916	565,109,916	–
Total Financial Assets		₱155,365,415,864	₱154,916,219,429	₱4,717,605,861

See Notes 9, 10, 11 and 25 of the Consolidated Financial Statements

VISTA LAND & LIFESCAPES, INC. AND SUBSIDIARIES

SCHEDULE B: AMOUNTS RECEIVABLE FROM DIRECTORS, OFFICERS, EMPLOYEES, RELATED PARTIES AND PRINCIPAL STOCKHOLDER (OTHER THAN RELATED PARTIES)
DECEMBER 31, 2024

Designation of debtor	Balance at beginning of period	Additions	Amounts collected	Amounts written off	Current	Noncurrent	Balance at end of period
Officers	₱7,619,815	₱3,064,396	(₱3,169,229)	₱–	₱2,098,448	₱5,416,535	₱7,514,983
Employees	51,462,133	63,607,735	(69,770,761)	–	45,299,108		45,299,108
Advances to officers and employees	59,081,948	66,672,131	(72,939,990)	–	47,397,556	5,416,535	52,814,091

See Note 11 of the Consolidated Financial Statements

VISTA LAND & LIFESCAPES, INC. AND SUBSIDIARIES

SCHEDULE C: AMOUNTS RECEIVABLES/PAYABLES FROM/TO RELATED PARTIES WHICH ARE ELIMINATED DURING THE CONSOLIDATION OF FINANCIAL STATEMENTS

DECEMBER 31, 2024

Name and Designation of Debtor	Balance at Beginning of Period	Additions	Amounts Collected	Amounts Converted to APIC/Capital Stock	Current	Noncurrent	Balance at end of period
Vista Land and Lifescapes, Inc.	₱ 125,298,315,070	(₱ 32,961,232,961)	₱31,405,949,911	₱–	₱ 123,743,032,019	₱–	₱ 123,743,032,019
Prima Casa Land & Houses, Inc.	2,057,845,624	535,514,118	(194,959,140)	–	2,398,400,602	–	2,398,400,602
VLL International, Inc.	(17,087,402,692)	17,105,655,270	(8,702,217,233)	–	(8,683,964,655)	–	(8,683,964,655)
Crown Asia Properties, Inc.	(9,926,237,923)	399,080,167	(725,392,555)	–	(10,252,550,311)	–	(10,252,550,311)
Vista Residences, Inc.	(9,085,556,619)	2,362,576,469	(3,872,725,154)	–	(10,595,705,304)	–	(10,595,705,304)
Camella Homes, Inc.	(24,895,159,778)	3,126,972,907	(3,938,590,223)	–	(25,706,777,094)	–	(25,706,777,094)
Brittany Corporation	(16,372,747,754)	3,229,854,802	(1,972,881,349)	–	(15,115,774,301)	–	(15,115,774,301)
Communities Philippines, Inc.	(16,857,448,400)	4,558,226,606	(11,332,855,974)	–	(23,632,077,768)	–	(23,632,077,768)
Vistamalls, Inc.	(33,131,607,528)	1,643,352,622	(666,328,282)	–	(32,154,583,188)	–	(32,154,583,188)

VISTA LAND & LIFESCAPES, INC. AND SUBSIDIARIES

SCHEDULE D: LONG TERM DEBT

DECEMBER 31, 2024

Title of issue and type of obligation	Amount authorized by indenture	Amount shown under caption "Current portion of long-term debt" in related balance sheet	Amount shown under caption "Long-term debt" in related balance sheet	Interest rates	Amount	Number of periodic installments	Maturity date
Notes payable 1	₱5,150,000,000	₱ 103,000,000	₱ 4,239,014,476	6.19%	₱4,342,014,476	Quarterly interest payments; 0.5% principal payment for 36 quarter and 82% principal on maturity date	December 2026
Notes payable 2	4,850,000,000	97,000,000	3,992,081,594	6.23%	4,089,081,594	Quarterly interest payments; 1% principal payment for the 1st quarter following the issuance, .5% and 82% principal on maturity date	December 2026
Notes payable 3	6,000,000,000	666,659,200	1,824,931,305	7.71%	2,491,590,505	Quarterly interest payments; 4.1667% principal payment 1 year after issuance for 24 quarters	July 2028
Notes payable 4	1,700,000,000	210,113,343	–	7.49%	210,113,343	Quarterly interest payments; 4.1667% principal payment 1 year after issuance for 24 quarters	July 2025
Notes payable 5	500,000,000	61,798,042	–	7.50%	61,798,042	Quarterly interest payments; 4.1667% principal payment 1 year after issuance for 24 quarters	July 2025
Notes payable 6	4,000,000,000	888,888,889	1,325,419,326	6.64%	2,214,308,215	Quarterly interest payments; 5.56% principal payment 3 quarter after issuance for 18 quarters	March 2027
Notes payable 7	2,000,000,000	444,444,445	662,709,662	7.24%	1,107,154,107	Quarterly interest payments; 5.56% principal payment 2 quarter after issuance for 18 quarters	March 2027
Notes payable 8	8,600,000,000	8,562,280,563	–	7.93%	8,562,280,563	Quarterly interest payments; principal payable upon maturity	December 2025
Notes payable 9	2,900,000,000	2,887,280,655	–	7.26%	2,887,280,655	Quarterly interest payments; principal payable upon maturity	December 2025
Notes payable 10	6,000,000,000	–	5,971,706,040	7.61%	5,971,706,040	Quarterly interest payments; principal payable upon maturity	April 2026
Notes payable 11	4,000,000,000	–	3,981,137,360	7.63%	3,981,137,360	Quarterly interest payments; principal payable upon maturity	April 2026

Title of issue and type of obligation	Amount authorized by indenture	Amount shown under caption "Current portion of long-term debt" in related balance sheet	Amount shown under caption "Long-term debt" in related balance sheet	Interest rates	Amount	Number of periodic installments	Maturity date
Notes Payable 12	5,000,000,000	–	1,991,627,746	6.23%	1,991,627,746	Quarterly interest payments; principal payable upon maturity	August 2027
Notes Payable 13	10,000,000,000	3,491,858,974	–	8.25%	3,491,858,974	Quarterly interest payments; principal payable upon maturity	December 2025
Notes Payable 14	10,000,000,000	9,990,376,824	–	5.70%	9,990,376,824	Quarterly interest payments; principal payable upon maturity	June 2025
Notes Payable 15	6,000,000,000	–	3,136,107,781	7.54%	3,136,107,781	Quarterly interest payments; principal payable upon maturity	December 2026
		–	2,794,246,377	7.69%	2,794,246,377	Quarterly interest payments; principal payable upon maturity	December 2028
Notes Payable 16	$200,000,000	–	11,510,146,977	7.25%	11,510,146,977	Semi-annually interest payments; bullet on principal	July2027
Notes Payable 17	$220,000,000	–	12,889,387,322	7.25%	12,889,387,322	Semi-annually interest payments; bullet on principal	July 2027
Notes Payable 18	$450,000,000	–	25,707,576,319	9.38%	25,707,576,319	Semi-annually interest payments; bullet on principal	July 2029
Bank Loans	Not Applicable	18,236,007,959	37,400,116,008	4.75% to 8.50%	55,636,123,967	Various payment terms (i.e., monthly and quarterly) of interest and principal	Various dates
Loans Payable	Not Applicable	3,497,817,361	15,984,947,240	6.25% to 8.25%	19,482,764,601	Interest and principal payable monthly	Various dates

See Notes 20 and 21 of the Consolidated Financial Statements

VISTA LAND & LIFESCAPES, INC. AND SUBSIDIARIES

SCHEDULE E: INDEBTEDNESS TO RELATED PARTIES

DECEMBER 31, 2024

Name of related party	Balance at beginning of period	Balance at end of period

Not Applicable

VISTA LAND & LIFESCAPES, INC. AND SUBSIDIARIES

SCHEDULE F: GUARANTEES OF SECURITIES OF OTHER ISSUERS

DECEMBER 31, 2024

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 of owned by person for which statement is filed	Nature of guarantee

Not Applicable

VISTA LAND & LIFESCAPES, INC. AND SUBSIDIARIES

SCHEDULE G: CAPITAL STOCK

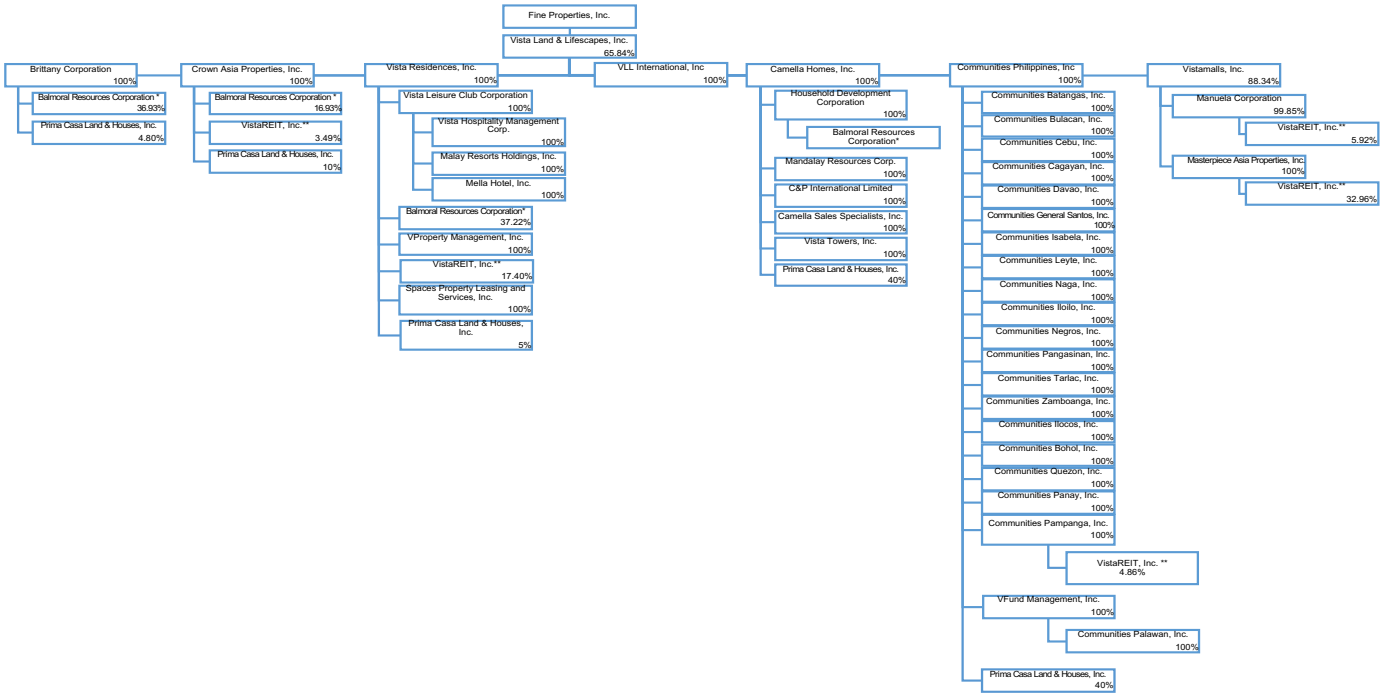
DECEMBER 31, 2024

Title of issue	Number of shares authorized	Number of shares issued and outstanding at shown under related balance sheet caption	Number of shares reserved for options, warrants, conversion and other rights	Number of shares held by		
				Related parties	Directors, officers and employees	Others
Common Stock, ₱1 par value	17,900,000,000	13,114,136,376 shares issued; 11,945,799,461 shares outstanding	–	9,113,046,142	516,778,325	3,068,183,209
Preferred Stock Series 1, ₱0.01 par value	8,000,000,000	3,300,000,000 shares issued and outstanding	–	3,300,000,000	–	–
Preferred Stock Series 2, ₱0.10 par value	200,000,000	30,000,000 shares issued and outstanding	–	–	10,000	29,990,000

See Note 23 of the Consolidated Financial Statements.

VISTA LAND & LIFESCAPES, INC. AND SUBSIDIARIES
GROUP STRUCTURE

Below is the map showing the relationship between and among group and its Ultimate parent company, and its subsidiaries as of December 31, 2024.



**The Group effectively owns 100% of Balmoral Resources Corporation through Brittany, CAPI, VRI and HDC.*

***The Group effectively owns 60.09% and 98.94% of VistaREIT, Inc. (formerly Vista One, Inc.) through MC, MAPI, Communities Pampanga, Inc., CAPI and VRI and the rest are owned by individual shareholders, as of December 31, 2023 and 2022, respectively.*

SCHEDULE OF FINANCIAL SOUNDNESS INDICATORS

VISTA LAND & LIFESCAPES, INC. AND SUBSIDIARIES
AS OF DECEMBER 31, 2024, 2023 and 2022

Below are the financial ratios that are relevant to the Group for the years ended December 31, 2024, 2023 and 2022:

Ratios	Formula	2024	2023	2022
Current ratio	Current assets / Current liabilities	**1.81**	1.85	2.89
Acid test ratio	Quick asset[1] / Current liabilities	**1.07**	0.99	1.64
Solvency ratio	Net income + Depreciation / Total liabilities	**0.05**	0.06	0.05
Debt ratio	Interest bearing debt[2] / Total assets	**0.48**	0.49	0.51
Asset to equity ratio	Total assets / Total equity	**2.78**	2.58	2.61
Interest service coverage ratio	EBITDA[3] / Total interest paid[4]	**2.25**	2.03	1.95
Return on equity	Net income / Total equity	**0.07**	0.08	0.06
Return on assets	Net income / Average total assets	**0.03**	0.03	0.02
Net profit margin	Net income / Net revenue	**0.27**	0.30	0.26
Debt to equity ratio	Interest bearing debt[2] / Total equity	**1.34**	**1.27**	**1.32**

[1]Includes Cash and Cash Equivalents, Short-term Investments, Investment at FVTPL and Current Receivables
[2]Includes Bank loans, Notes Payable and Loans Payable
[3]EBITDA less Interest Income from Investments
[4]Total interest paid less Interest Income from Investments

VISTA LAND & LIFESCAPES, INC. AND SUBSIDIARIES

Supplementary Schedule of External Auditor Fee-Related Information
As at December 31, 2024

	2024	2023
Total Audit Fees	**₱44,861,504**	₱41,517,928
Non-audit services fees:		
Other assurance services	**28,435,000**	16,636,429
Tax services	**–**	–
All other services	**–**	–
Total non-audit fees	**28,435,000**	16,636,429
Total audit and non-audit fees	**₱73,296,504**	₱58,154,357

VISTA LAND

STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The management of **Vista Land & Lifescapes, Inc. (the "Company)** is responsible for the preparation and fair presentation of the financial statements including the schedules attached herein, for the years ended December 31, 2024 and 2023 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 the financial statements that are free from material misstatement, whether 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.

SyCip Gorres Velayo & Co., the independent auditor appointed by the stockholders, has audited the financial statements of the Company in accordance with Philippine Standards on Auditing, and in its report to the stockholders, has expressed its opinion on the fairness of presentation upon completion of such audit.

Signed this MAY 15 2025 day of _____ 2025.

MANUEL B. VILLAR, JR.
Chairman of the Board

MANUEL PAOLO A. VILLAR
President and Chief Executive Officer

BRIAN N. EDANG
Chief Financial Officer and Head Investor Relations

SUBSCRIBED AND SWORN, to before me this MAY 15 2025 at MANDALUYONG CITY, affiants exhibiting to me their respective Passports, to wit:

Name	Passport No.	Date and Place of Issue
Manuel B Villar, Jr.		DFA MANILA
Manuel Paolo A. Villar		DFA MANILA
Brian N. Edang		DFA NCR EAST

who has satisfactory proven to me their identities through their valid identification cards, and that they are the same persons who personally signed before me the foregoing and acknowledges that they executed the same.

Doc No. 293
Page No. 60
Book No. V
Series of 2025.

ATTY. FERDINAND B. SABILLO
NOTARY PUBLIC
UNTIL DECEMBER 31, 2026
ROLL No. 53511
IBP Lifetime Member No. 016538
PTR No. 5730677 / January 2025 / Mandaluyong City
MCLE Compliance No. VII-0019781 issued dated 25 May 2022
Notarial Commission Appointment No. 0314-25
Vista Corporate Center, Upper Ground Floor,
Worldwide Corporate Center, Shaw Blvd., Mandaluyong City

C O V E R S H E E T

for

AUDITED FINANCIAL STATEMENTS

SEC Registration Number

C	S	2	0	0	7	0	3	1	4	5

COMPANY NAME

V	I	S	T	A		L	A	N	D		&		L	I	F	E	S	C	A	P	E	S	,		I	N	C	.	

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

L	O	W	E	R		G	R	O	U	N	D		F	L	O	O	R	,		B	U	I	L	D	I	N	G		B
,		E	V	I	A		L	I	F	E	S	T	Y	L	E		C	E	N	T	E	R	,		V	I	S	T	A
	C	I	T	Y	,		D	A	A	N	G	H	A	R	I	,		A	L	M	A	N	Z	A		I	I	,	
L	A	S		P	I	Ñ	A	S		C	I	T	Y																	

Form Type	Department requiring the report	Secondary License Type, If Applicable
A A F S	S E C	N / A

COMPANY INFORMATION

Company's Email Address	Company's Telephone Number	Mobile Number
irg@vistaland.com.ph	**3226-3552**	**N/A**
No. of Stockholders	**Annual Meeting (Month / Day)**	**Fiscal Year (Month / Day)**
930	**6/15**	**12/31**

CONTACT PERSON INFORMATION

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

Name of Contact Person	Email Address	Telephone Number/s	Mobile Number
Brian N. Edang	**brian_edang @vistaland.com.ph**	**3226-3552/ 8874-5758**	**0917-857-6513**

CONTACT PERSON's ADDRESS

Lower Ground Floor, Building B, Evia Lifestyle Center, Vista City, Daanghari, Almanza II, Las Piñas City

NOTE 1 : In case of death, resignation or cessation of office of the officer designated as contact person, such incident shall be reported to the Commission within thirty (30) calendar days from the occurrence thereof with information and complete contact details of the new contact person designated.

2 : All Boxes must be properly and completely filled-up. Failure to do so shall cause the delay in updating the corporation's records with the Commission and/or non-receipt of Notice of Deficiencies. Further, non-receipt of Notice of Deficiencies shall not excuse the corporation from liability for its deficiencies.

SyCip Gorres Velayo & Co.
6760 Ayala Avenue
1226 Makati City
Philippines

Tel: (632) 8891 0307
Fax: (632) 8819 0872
sgv.ph

INDEPENDENT AUDITOR'S REPORT

The Board of Directors and Stockholders
Vista Land and Lifescapes, Inc.
Lower Ground Floor, Building B
Evia Lifestyle Center, Vista City
Daanghari, Almanza II, Las Piñas City

Report on the Audit of the Parent Company Financial Statement

Opinion

We have audited the accompanying parent company financial statements of Vista Land and Lifescapes, Inc. (the Parent Company), which comprise of the parent company statements of financial position as at December 31, 2024 and 2023, parent company statements of comprehensive income, parent company statements of changes in equity and parent company statements of cash flows for the years then ended, and notes to the parent company financial statements, including material accounting policy information.

In our opinion, the accompanying parent company financial statements present fairly, in all material respects, the financial position of the Parent 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.

Basis for Opinion

We conducted our audits in accordance with Philippine Standards on Auditing (PSAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Parent Company Financial Statements* section of our report. We are independent of the Parent 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 parent company financial statements in the Philippines, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

In preparing the parent company financial statements, management is responsible for assessing the Parent 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 Parent Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Parent Company Financial Statements

Our objectives are to obtain reasonable assurance about whether the parent company financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with PSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these parent company financial statements.

As part of an audit in accordance with PSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the parent company 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 Parent 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 Parent 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 parent company 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 Parent Company to cease to continue as a going concern.

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

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

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

Report on the Supplementary Information Required Under Revenue Regulations 15-2010

The supplementary information required under Revenue Regulations 15-2010 for purposes of filing with the Bureau of Internal Revenue is presented by the management of Vista Land & Lifescapes, Inc. in a separate schedule. Revenue Regulations 15-2010 requires the information to be presented in the notes to parent company financial statements. Such information is not a required part of the basic parent company financial statements. The information is also not required by the Revised Securities Regulation Code Rule 68. Our unqualified opinion on the basic parent company financial statements is not affected by the presentation of the information in a separate schedule.

The engagement partner on the audit resulting in this independent auditor's report is Michael C. Sabado.

SYCIP GORRES VELAYO & CO.

Michael C. Sabado
Partner
CPA Certificate No. 89336
Tax Identification No. 160-302-865
BOA/PRC Reg. No. 0001, April 16, 2024, valid until August 23, 2026
BIR Accreditation No. 08-001998-073-2023, October 23, 2023, valid until October 22, 2026
PTR No. 10465376, January 2, 2025, Makati City

May 15, 2025

VISTA LAND & LIFESCAPES, INC.
PARENT COMPANY STATEMENTS OF FINANCIAL POSITION

	December 31	
	2024	2023
ASSETS		
Current Assets		
Cash and cash equivalents (Notes 6 and 18)	**₱1,637,460,185**	₱4,092,201,336
Receivables from related parties (Notes 17 and 18)	**123,789,365,472**	124,088,579,183
Other current assets (Notes 7 and 18)	**2,395,212,673**	177,120,877
Total Current Assets	**127,822,038,330**	128,357,901,396
Noncurrent Assets		
Investment at fair value through other comprehensive income (Notes 8 and 18)	**160,000,000**	120,000,000
Investments in subsidiaries (Note 9)	**62,451,871,100**	62,451,871,100
Property and equipment (Note 10)	**5,528,284**	11,247,086
Other noncurrent assets	**14,048,813**	15,402,134
Total Noncurrent Assets	**62,631,448,197**	62,598,520,320
	₱190,453,486,527	₱190,956,421,716
LIABILITIES AND EQUITY		
Current Liabilities		
Accounts and other payables (Notes 11 and 18)	**₱1,891,767,555**	₱884,853,837
Current portion of:		
Bank loans (Notes 12 and 18)	**17,777,847,980**	24,135,941,587
Notes payable (Notes 13 and 18)	**27,767,223,233**	8,706,556,442
Lease liabilities (Notes 17, 18 and 19)	**–**	8,106,171
Total Current Liabilities	**47,436,838,768**	33,735,458,037
Noncurrent Liabilities		
Bank loans - net of current portion (Notes 12 and 18)	**35,296,522,188**	26,044,861,800
Notes payable - net of current portion (Notes 13 and 18)	**29,555,459,370**	56,778,185,060
Deferred tax liabilities (Note 16)	**4,690,671**	3,767,960
Total Noncurrent Liabilities	**64,856,672,229**	82,826,814,820
Total Liabilities	**112,293,510,997**	116,562,272,857
Equity (Note 14)		
Preferred stock	**36,000,000**	33,000,000
Common stock	**13,114,136,376**	13,114,136,376
Additional paid-in capital	**52,107,090,203**	49,164,586,362
Retained earnings	**15,127,868,940**	14,346,762,458
Other comprehensive income	**136,855,664**	97,639,316
Treasury shares	**(2,361,975,653)**	(2,361,975,653)
Total Equity	**78,159,975,530**	74,394,148,859
	₱190,453,486,527	₱190,956,421,716

See accompanying Notes to Parent Company Financial Statements.

VISTA LAND & LIFESCAPES, INC.
PARENT COMPANY STATEMENTS OF COMPREHENSIVE INCOME

	Years Ended December 31	
	2024	2023
INCOME		
Dividend income (Notes 9 and 17)	**₱10,691,524,688**	₱15,754,124,881
Miscellaneous income (Note 17)	**24,203,807**	23,571,919
	10,715,728,495	15,777,696,800
EXPENSES		
Taxes and licenses	**306,085,894**	488,557,545
Salaries, wages and employee benefits	**66,168,352**	61,186,550
Transportation and travel	**2,450,621**	19,877,817
Professional fees	**43,266,400**	16,022,903
Depreciation and amortization (Notes 10, 19 and 20)	**8,632,972**	13,059,784
Advertising and promotions	**9,593,529**	10,520,352
Entertainment, amusement and recreation	**7,310,298**	7,961,489
Occupancy costs	**11,781,489**	6,679,283
Dues and subscription	**2,498,240**	3,894,716
Security services	**1,024,097**	964,974
Repairs and maintenance	**911,845**	859,650
Office expenses	**509,513**	483,205
Miscellaneous	**16,059,895**	18,864,274
	476,293,145	648,932,542
OTHER INCOME (EXPENSES)		
Interest income (Notes 6 and 15)	**146,243,959**	128,456,320
Foreign exchange losses	**(68,450,224)**	(14,499,661)
Interest expense (Note 15)	**(8,164,525,937)**	(7,875,162,894)
	(8,086,732,202)	(7,761,206,235)
INCOME BEFORE INCOME TAX	**2,152,703,148**	7,367,558,023
PROVISION FOR INCOME TAX (Note 16)	**33,667,126**	25,186,724
NET INCOME	**2,119,036,022**	7,342,371,299
OTHER COMPREHENSIVE INCOME		
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:		
Unrealized fair value gain on investment at fair value through other comprehensive income (Note 8)	**40,000,000**	15,000,000
Remeasurement loss on retirement obligation	**(1,044,869)**	(4,749,428)
Income tax effect	**261,217**	1,187,357
	39,216,348	11,437,929
TOTAL COMPREHENSIVE INCOME	**₱2,158,252,370**	₱7,353,809,228

See accompanying Notes to Parent Company Financial Statements.

VISTA LAND & LIFESCAPES, INC.
PARENT COMPANY STATEMENTS OF CHANGES IN EQUITY

	Capital Stock (Note 14)				Other Comprehensive Income			
	Preferred Stock	Common Stock	Additional Paid-in Capital (Note 14)	Retained Earnings (Note 14)	Remeasurement Gains (Losses) on Retirement Obligation	Other Comprehensive Income (Note 8)	Treasury Shares (Note 14)	Total
Balances as at January 1, 2024	**₱33,000,000**	**₱13,114,136,376**	**₱49,164,586,362**	**₱14,346,762,458**	**₱15,639,316**	**₱82,000,000**	**(₱2,361,975,653)**	**₱74,394,148,859**
Net income	–	–	–	**2,119,036,022**	–	–	–	**2,119,036,022**
Other comprehensive income (loss)	–	–	–	–	**(783,652)**	**40,000,000**	–	**39,216,348**
Total comprehensive income (loss) for the year	–	–	–	**2,119,036,022**	**(783,652)**	**40,000,000**	–	**2,158,252,370**
Cash dividend declared (Note 17)	–	–	–	**(1,337,929,540)**	–	–	–	**(1,337,929,540)**
Issuance of shares	**3,000,000**	–	**2,942,503,841**	–	–	–	–	**2,945,503,841**
Balances as at December 31, 2024	**₱36,000,000**	**₱13,114,136,376**	**₱52,107,090,203**	**₱15,127,868,940**	**₱14,855,664**	**₱122,000,000**	**₱(2,361,975,653)**	**₱78,159,975,530**
Balances as at January 1, 2023	₱33,000,000	₱13,114,136,376	₱49,164,586,362	₱7,745,043,708	₱19,201,387	₱67,000,000	(₱2,361,975,653)	₱67,780,992,180
Net income	–	–	–	7,342,371,299	–	–	–	7,342,371,299
Other comprehensive income	–	–	–	–	(3,562,071)	15,000,000	–	11,437,929
Total comprehensive income for the year	–	–	–	7,342,371,299	(3,562,071)	15,000,000	–	7,353,809,228
Cash dividend declared (Note 17)	–	–	–	(740,652,549)	–	–	–	(740,652,549)
Balances as at December 31, 2023	₱33,000,000	₱13,114,136,376	₱49,164,586,362	₱14,346,762,458	₱15,639,316	₱82,000,000	(₱2,361,975,653)	₱74,394,148,859

See accompanying Notes to Parent Company Financial Statements.

VISTA LAND & LIFESCAPES, INC.
PARENT COMPANY STATEMENTS OF CASH FLOWS

	Years Ended December 31	
	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	**₱2,152,703,148**	₱7,367,558,023
Adjustments for:		
Interest expense (Note 15)	**8,164,525,937**	7,875,162,894
Depreciation and amortization (Notes 10, 19 and 20)	**8,632,972**	13,059,784
Unrealized foreign exchange losses	**68,450,224**	8,148,500
Retirement expense (income)	**264,246**	(576,618)
Interest income (Note 15)	**(146,243,959)**	(128,456,320)
Dividend income (Notes 9 and 17)	**(10,691,524,688)**	(15,754,124,881)
Operating loss before working capital changes	**(443,192,120)**	(619,228,618)
Decrease (increase) in other current assets	**(2,224,684,827)**	5,018,597
Increase (decrease) in accounts and other payables	**1,126,477,285**	(36,305,527)
Net cash flows used in operations	**(1,541,399,662)**	(650,515,548)
Interest received	**152,836,990**	97,036,774
Income tax paid (including applied creditable withholding tax)	**(32,483,198)**	(353,579)
Net cash flows used in operating activities	**(1,421,045,870)**	(553,832,353)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from matured short-term cash investments	**–**	4,000,000
Additions to property and equipment (Note 10)	**(1,600,418)**	(601,872)
Deductions from (additions to):		
Receivables from related parties (Note 17)	**10,990,738,399**	689,786,730
Other noncurrent assets	**(1,269,546)**	(1,250,722)
Net cash flows provided by investing activities	**10,987,868,435**	691,934,136
CASH FLOWS FROM FINANCING ACTIVITIES (Note 20)		
Proceeds from:		
Notes payable (Note 13)	**–**	18,900,000,000
Bank loans (Note 12)	**11,929,375,000**	11,715,000,000
Issuance of shares	**2,945,503,841**	–
Payments of:		
Lease liabilities (Note 19)	**(8,374,986)**	(12,033,759)
Dividends (Note 14)	**(1,243,699,904)**	(624,280,861)
Interest expense	**(8,240,468,957)**	(7,844,045,826)
Notes payable (Note 13)	**(8,329,174,934)**	(12,816,674,933)
Bank loans (Note 12)	**(9,006,273,552)**	(14,012,010,521)
Net cash flows provided by (used in) financing activities	**(11,953,113,492)**	(4,694,045,900)
EFFECT OF FOREIGN EXCHANGE DIFFERENCE ON CASH AND CASH EQUIVALENTS	**(68,450,224)**	(8,148,500)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	**(2,454,741,151)**	(4,564,092,617)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	**4,092,201,336**	8,656,293,953
CASH AND CASH EQUIVALENTS AT END OF YEAR (Note 6)	**1,637,460,185**	₱4,092,201,336

See accompanying Notes to Parent Company Financial Statements.

VISTA LAND & LIFESCAPES, INC.
NOTES TO PARENT COMPANY FINANCIAL STATEMENTS

1. Corporate Information

Vista Land & Lifescapes, Inc. (the Parent Company or VLLI) was incorporated in the Republic of the Philippines and registered with the Philippine Securities and Exchange Commission (SEC) on February 28, 2007.

The Parent Company's registered office address is at Lower Ground Floor, Building B, EVIA Lifestyle Center, Vista City, Daanghari, Almanza II, Las Piñas City. The Parent Company is a publicly-listed investment holding company which is 65.84% owned by Fine Properties, Inc., (Ultimate Parent Company), as of December 31, 2024 and 2023 and the rest by the public.

The Parent Company is the holding company of the Vista Group (the Group) which is engaged in real estate activities. The Group has six (6) wholly-owned subsidiaries, namely: Brittany Corporation (BC), Crown Asia Properties, Inc. (CAPI), Vista Residences, Inc. (VRI), Camella Homes, Inc. (CHI), Communities Philippines, Inc. (CPI) and VLL International Inc. (VII), and an 88.34% owned subsidiary, Vistamalls, Inc. (formerly Starmalls, Inc.)

The Group is divided into horizontal, vertical and commercial and others segment. The Group caters to the development and sale of residential house and lot and residential condominium through its horizontal and vertical projects, respectively. Its commercial and others segment focuses on the development, leasing and management of shopping malls and commercial centers all over the Philippines and hotel operations.

2. Basis of Preparation and Statement of Compliance

Basis of Preparation

The accompanying parent company financial statements have been prepared using the historical cost basis except for the investment at fair value through other comprehensive income (FVOCI) which have been measured at fair value. The parent company financial statements are presented in Philippine Peso (₱) which is the functional and presentation currency of the Parent Company, and all amounts are rounded to the nearest Philippine Peso unless otherwise indicated.

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

Statement of Compliance

The parent company financial statements are prepared in compliance with Philippine Financial Reporting Standards (PFRS) Accounting Standards. The Parent Company also prepares and issues consolidated financial statements presented in compliance with PFRS Accounting Standards, which are available at the registered office address of the Parent Company.

3. Changes in Accounting Policies

New Standards, Interpretations and Amendments

The accounting policies adopted in the preparation of the Parent Company financial statements are consistent with those of the previous financial years, except for the adoption of new standards effective in 2024. The Parent 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 financial statements of the Parent Company.

- Amendments to PAS 1, *Classification of Liabilities as Current or Non-current*
- Amendments to PFRS 16, *Lease Liability in a Sale and Leaseback*
- Amendments to PAS 7 and PFRS 7, *Disclosures: Supplier Finance Arrangements*
- Adoption of Certain Provisions 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)

Effective beginning on or after January 1, 2025

- PFRS 17, *Insurance Contracts*
- Amendments to PAS 21, *Lack of exchangeability*

Deferred effectivity

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

Standards Issued but not yet Effective

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

4. Summary of Material Accounting Policies

Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

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

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

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

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

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

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

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

Financial Instruments

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

Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortized cost and FVOCI.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Parent Company's business model for managing them. For a financial asset to be classified and measured at amortized cost or FVOCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

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

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

Subsequent measurement

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

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

Financial assets at amortized cost (debt instruments)
The Parent Company measures financial assets at amortized cost if both of the following conditions are met:

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

Financial assets at amortized cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired.
The Parent Company's financial assets at amortized cost include cash and cash equivalents, short-term cash investments, accrued interest receivable and receivables from related parties.

Financial assets designated at FVOCI (equity instruments)
Upon initial recognition, the Parent Company can elect to classify irrevocably its equity investments as equity instruments designated at FVOCI when they meet the definition of equity under PAS 32, *Financial Instruments: Presentation*, and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognized as other income in the statement of comprehensive income when the right of payment has been established, except when the Parent Company benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in other comprehensive income (OCI). Equity instruments designated at FVOCI are not subject to impairment assessment.

The Parent Company's equity instrument comprises of quoted golf club shares.

Impairment of Financial Assets
The Parent Company recognizes an allowance for expected credit losses for all financial assets at amortized cost. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Parent Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

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 Parent Company recognizes a loss allowance based on either 12-month ECLs or lifetime ECLs, depending on whether there has been a significant increase in credit risk on the financial instrument since initial recognition. The changes in the loss allowance balance are recognized in profit or loss as an impairment gain or loss. The Parent Company uses external credit rating approach to calculate ECL for cash and cash equivalents, short-term cash investments, accrued interest receivable and receivables from related parties. This approach leverages on available market data (i.e., S&P and Moody's and Fitch credit ratings for default rates). S&P, Moody's, Fitch and Reuters are reliable

market data sources that provide default and recovery rate data. This information is widely used by investors and stakeholders in decision-making in terms of investment, credit activities, etc.

The Parent Company applies a simplified approach in calculating ECLs for accrued interest receivable and receivables from related parties. Therefore, the Company does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The Parent Company 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.

Financial Liabilities
Initial recognition and measurement
The financial liabilities of the Company consisting of "Accounts and other payables", "Bank loans", "Notes payable" and "Lease liabilities" are classified, at initial recognition, as loans and borrowings and payables, as appropriate.

All financial liabilities are recognized initially at fair value and, in case of loans and borrowings and payables, net of directly attributable transaction costs.

The Parent Company's financial liabilities pertain to

Subsequent Measurement
Loans and borrowings
This is the category most relevant to the Parent Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statements of comprehensive income.

Derecognition of Financial Assets and Financial Liabilities
Financial asset
A financial asset (or, where applicable, a part of a group of financial assets) is derecognized when, and only when: (a) the right to receive cash flows from the assets expires; (b) the Parent Company retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third-party under a "pass-through" arrangement; or (c) the Group has transferred its right to receive cash flows from the asset and either: (i) has transferred substantially all the risks and rewards of the asset, or (ii) has neither transferred nor retained the risks and rewards of the asset but has transferred control of the asset.

Where the Parent Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognized to the extent of the Parent Company's continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Parent Company could be required to repay.

Financial liability
A financial liability (or a part of a financial liability) is derecognized when the obligation under the liability is discharged, cancelled or has expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in profit or loss.

Offsetting Financial Instruments
Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously. The Parent Company assesses that it has currently enforceable right of offset if the right is not contingent on a future event, and is legally enforceable in the normal course of business, event of default and in event of insolvency or bankruptcy of the Parent Company and all of its counterparties.

Investments in Subsidiaries
Investments in subsidiaries are accounted for under the cost method less accumulated provision for impairment losses, if any. A subsidiary is an entity in which the Parent Company, directly or indirectly, holds more than half of the issued share capital, or controls more than half of the voting power, or exercises control over the operations and management of the investee. Controls exists when an entity is exposed, or has rights, to variable returns from its investment with the investee and has the ability to affect those returns through its power over the investee.

The Parent Company recognizes income from the investment only to the extent that the Parent Company receives or has earned the right to receive distribution from the accumulated profits of the investee arising after the date of the acquisition. Distributions received in excess of such profits are regarded as recovery of investment and are recognized as a reduction of the cost of the investment.

The Parent Company determines at each end of the reporting period whether there is any objective evidence that the investments in the investee companies are impaired. If this is the case, the Parent Company calculates the amount of impairment as being the difference between the recoverable amount of the investee company and the carrying cost and recognized the amount in profit or loss.

Impairment of Nonfinancial Assets
The Parent Company assesses as at reporting date whether there is an indication that nonfinancial assets may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Parent Company makes an estimate of the asset's recoverable amount. An asset's recoverable amount is calculated as the higher of the asset's or CGU's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those assets or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset. Impairment losses of continuing operations are recognized in profit or loss in those expense categories consistent with the function of the impaired asset.

An assessment is made at each financial reporting date as to whether there is an indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation and amortization, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in profit or loss unless the asset is carried at revalued amount, in which case the reversal is treated as revaluation increase in OCI. After such reversal, the depreciation and amortization charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

Equity

Capital stock and additional paid-in capital

Capital stock is measured at par value for all shares issued. When the shares are sold at premium, the difference between the proceeds and the par value is recognized as additional paid-in capital. Direct costs incurred related to the equity issuance are deducted from equity, net of any related tax benefits. If additional paid-in capital is not sufficient, the excess is charged against retained earnings.

Treasury shares

Treasury shares are own equity instruments which are reacquired. These are recognized at cost and deducted from equity. No gain or loss is recognized in profit or loss on the purchase, sale, issue or cancellation of the own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognized in additional paid-in capital.

Retained earnings

Retained earnings represents the net accumulated earnings of the Parent Company, net of dividends declared.

Revenue and Expense Recognition

Revenue from contracts with customers is recognized when control of services is transferred to the customer at an amount that reflects the consideration to which the Parent Company expects to be entitled in exchange for those services. The Parent Company has assessed its revenue arrangements against specific criteria in order to determine if it is acting as principal or as an agent. The Parent Company has concluded that it is acting as a principal in all of its revenue arrangements.

The following specific recognition criteria must also be met before revenue is recognized:

Dividend income

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

Interest income

Interest income is recognized as it accrues using the effective interest method.

Expenses

Expenses are recognized in the statement of comprehensive income when decrease in economic benefits related to a decrease in an asset or an increase in liability has risen that can be measured reliably. These are generally recognized as they are incurred.

Income Taxes

Current tax

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

Deferred tax

Deferred tax is provided, using the liability method, on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognized for all taxable temporary differences. Deferred tax assets are recognized for all deductible temporary differences and carry forward benefit of unused tax credits from excess of minimum corporate income tax (MCIT) over the regular corporate income tax and unused net operating loss carryover (NOLCO), to the extent that it is probable that taxable income will be available against which the deductible temporary differences and carry forward benefits of MCIT and NOLCO can be utilized.

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

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

Deferred tax relating to items recognized outside of profit or loss is recognized in correlation to the underlying transaction either in other comprehensive income or directly in equity.

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

Leases

Lease liabilities

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

Short-term leases
The Parent Company applies the short-term lease recognition exemption to those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option.

Provisions
Provisions are recognized when the Parent Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Where the Parent Company expects a provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. Provisions are reviewed at each financial reporting date and adjusted to reflect the current best estimate.

Events After the Financial Reporting Date
Post year-end events that provide additional information about the Parent Company's position at the financial reporting date (adjusting events) are reflected in the parent company financial statements. Any post year-end events that are not adjusting events are disclosed in the parent company financial statements when material.

5. Material Accounting Judgments and Estimates

The preparation of the accompanying parent company financial statements in conformity with PFRS requires management to make estimates and assumptions that affect the amounts reported in the parent company financial statements and accompanying notes. The estimates and assumptions used in the parent company financial statements are based upon management's evaluation of relevant facts and circumstances as at the date of the parent company financial statements. Actual results could differ from such estimates.

Judgments and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Judgments
In the process of applying the 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 parent company financial statements:

Evaluation of impairment of financial asset
Under PFRS 9, the Parent Company reviews its financial assets portfolio to assets impairment at least on an annual basis. In determining whether ECL should be recognized in the statement of comprehensive income, the Parent Company makes judgements as to whether there is any observable data indicating that there is a measurable decrease in the estimated future cash flows from debts instruments.

In 2024 and 2023, no ECL is recognized.

Estimates and Assumptions
The key assumptions concerning the future and other key sources of estimation uncertainty at the financial reporting date, 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.

Recognition of deferred tax assets
The Parent Company reviews the carrying amounts of deferred income taxes at each reporting date and reduces deferred tax assets to the extent that it is no longer probable that sufficient taxable income will be available to allow all or part of the deferred tax assets to be utilized. However, there is no assurance that the Parent Company will generate sufficient taxable income to allow all or part of deferred tax assets to be utilized.

Temporary differences for which no deferred tax assets were recognized as of December 31, 2024 and 2023 are disclosed in Note 16 of the Parent Company financial statements.

The carrying value of unrecognized deferred tax assets as at December 31, 2024 and 2023 amounted to ₱5,244.44 million and ₱3,840.42 million, respectively (Note 16).

6. Cash and Cash Equivalents

This account consists of:

	2024	2023
Cash on hand	**₱120,000**	₱58,000
Cash in banks	**1,637,340,185**	1,706,018,640
Cash equivalents	**–**	2,386,124,696
	₱1,637,460,185	₱4,092,201,336

Cash in banks earn interest at the prevailing bank deposit rates. Cash equivalents are short-term investments that are made for varying periods of up to three months depending on the immediate cash requirements of the Parent Company and earn annual interest ranging from 0.01% to 1.00% and 0.01% to 4.25% in 2024 and 2023, respectively.

Interest earned from cash and cash equivalents amounted to ₱146.24 million and ₱128.44 million in 2024 and 2023, respectively (Note 15).

7. Other Current Assets

This account consists of:

	2024	2023
Investment at amortized cost	**₱2,198,148,537**	₱–
Input value-added tax (VAT)	**129,707,725**	₱116,341,747
Creditable withholding taxes	**37,695,128**	35,195,622
Advances to:		
Suppliers	**18,617,397**	9,082,907
Officers and employees	**96,197**	84,059
Prepaid expenses	**9,887,097**	8,762,919
Accrued interest receivable	**1,060,592**	7,653,623
	₱2,395,212,673	₱177,120,877

8. Investment at Fair Value through Other Comprehensive Income

The investment at fair value through FVOCI consists of quoted golf club shares carried at fair value which the Parent Company irrevocably elected to classify at FVOCI.

Movements of the account follows:

	2024	2023
Investment at cost		
Balance at the beginning and end of the year	**₱40,000,000**	₱40,000,000
Unrealized gain on fair value of investment		
Balance at beginning of year	**80,000,000**	65,000,000
Fair value movement during the year	**40,000,000**	15,000,000
Balance at end of year	**120,000,000**	80,000,000
	₱160,000,000	₱120,000,000

9. Investments in Subsidiaries

The Parent Company's investments in subsidiaries and the corresponding direct percentage of ownership are shown below.

		Direct Percentage of Ownership		**Amounts**	
Entity	Nature of Business	**2024**	2023	**2024**	2023
CHI	Holding	**100.00%**	100.00%	**₱12,076,600,741**	₱12,076,600,741
BC	Real Estate	**100.00**	100.00	**9,018,504,501**	9,018,504,501
CAPI	Real Estate	**100.00**	100.00	**3,933,622,394**	3,933,622,394
VRI	Real Estate	**100.00**	100.00	**2,251,401,701**	2,251,401,701
CPI	Holding	**100.00**	100.00	**1,600,771,083**	1,600,771,083
VII	Holding	**100.00**	100.00	**2,162,850**	2,162,850
VMI	Leasing	**88.34**	88.34	**33,568,807,830**	33,568,807,830
				₱62,451,871,100	₱62,451,871,100

The principal place of business and country of incorporation of the Parent Company's subsidiaries is in the Philippines, except for VII that is incorporated in Grand Cayman Island to carry on the business of an investing company.

For the years ended December 31, 2024 and 2023, the subsidiaries declared dividends amounting to ₱10,691.52 million and ₱15,754.12 million, respectively (Note 17).

10. **Property and Equipment**

The rollforward analysis of this account follows:

	2024				
	Office Furniture and Fixtures	**Leasehold Improvements**	**Service Vehicles**	**Right-of-Use Assets**	**Total**
Cost					
At January 1	**₱24,292,162**	**₱9,483,384**	**₱33,905,939**	**₱46,569,833**	**₱114,251,318**
Additions	**601,221**	**392,857**	**606,340**	–	**1,600,418**
At December 31	**24,893,383**	**9,876,241**	**34,512,279**	**46,569,833**	**115,851,736**
Accumulated Depreciation					
At January 1	**23,504,710**	**9,311,955**	**29,859,751**	**40,327,816**	**103,004,232**
Depreciation	**478,889**	**132,738**	**465,576**	**6,242,017**	**7,319,220**
At December 31	**23,983,599**	**9,444,693**	**30,325,327**	**46,569,833**	**110,323,452**
Net Book Value	**₱909,784**	**₱431,548**	**₱4,186,952**	**₱–**	**₱5,528,284**

	2023				
	Office Furniture and Fixtures	Leasehold Improvements	Service Vehicles	Right-of-Use Assets	Total
Cost					
At January 1	₱23,690,290	₱9,483,384	₱33,905,939	₱46,569,833	₱113,649,446
Additions	601,872	–	–	–	601,872
At December 31	24,292,162	9,483,384	33,905,939	46,569,833	114,251,318
Accumulated Depreciation					
At January 1	22,883,908	9,258,384	28,244,226	31,046,555	91,433,073
Depreciation	620,802	53,571	1,615,525	9,281,261	11,571,159
At December 31	23,504,710	9,311,955	29,859,751	40,327,816	103,004,232
Net Book Value	₱787,452	₱171,429	₱4,046,188	₱6,242,017	₱11,247,086

As at December 31, 2024 and 2023, no property and equipment items are pledged as security to obligations.

As at December 31, 2024 and 2023, fully depreciated assets that are still actively used amounted to ₱11.55 million and ₱12.61 million, respectively.

11. **Accounts and Other Payables**

This account consists of:

	2024	2023
Accounts payable	**₱1,111,380,639**	₱16,650,260
Accrued interest payable	**444,353,635**	658,146,838
Dividends payable (Notes 14 and 17)	**223,174,665**	128,945,029
Withholding taxes payable	**112,858,616**	81,111,710
	₱1,891,767,555	₱884,853,837

Accounts payable
Accounts payable pertains to the unpaid expenses related to operations and payable to banks related to the issuance of corporate notes.

Accrued interest payable
Accrued interest payable pertains to the unpaid interest on bank loans and notes payable. These are recognized based on the nominal interest rates. This payable is expected to be settled in the first quarter of the succeeding year.

Withholding taxes payable
Withholding taxes payable pertains to compensation and expanded taxes to be settled in the first quarter of the succeeding year.

12. **Bank Loans**

Bank loans pertain to the borrowings of the Parent Company from various local financial institutions. These bank loans are obtained to finance capital expenditures and for general corporate purposes.

The rollforward analysis of bank loans is as follows:

	2024	2023
Principal		
Balance at January 1	**₱50,255,604,482**	₱52,552,615,003
Availments*	**45,885,723,034**	38,776,525,534
Payments*	**(42,962,621,587)**	(41,073,536,055)
Balance at December 31	**53,178,705,929**	50,255,604,482
Debt issue cost		
Balance at January 1	**74,801,095**	75,315,253
Addition	**46,855,920**	34,946,237
Debt issue cost amortization	**(17,321,253)**	(35,460,395)
Balance at December 31	**104,335,762**	74,801,095
Carrying value	**53,074,370,168**	50,180,803,387
Less current portion	**17,777,847,980**	24,135,941,587
Noncurrent portion	**₱35,296,522,188**	₱26,044,861,800

**Gross of bank loans that were rolled over during the period (loans against deposit hold-outs) amounting to ₱33,356.35 million and ₱27,061.53 million in 2024 and 2023, respectively.*

Details of the bank loans follow:

Date of Availment	2024	2023	Maturity	Interest Rate	Payment Terms	Covenants/Collaterals
December 2024	**₱880,873,118**	**₱**–	December 2029	7.76%	Interest and principal payable quarterly	Current ratio of at least 1:1.00; Debt to Equity maximum of 2.50:1.00 and DSCR 1:1.00; unsecured; Guaranteed by subsidiaries
September 2024	**554,467,523**	–	September 2029	7.00%	Principal payable quarterly, interest payable upon maturity	Current ratio of at least 1:1.00; Debt to Equity maximum of 2.50:1.00 and DSCR 1:1.00; unsecured;
March 2024	**1,972,503,439**	–	March 2029	7.56%	Interest and principal payable quarterly	Current ratio of at least 1:1.00; Debt to Equity maximum of 2.50:1.00 and DSCR 1:1.00; unsecured; Guaranteed by subsidiaries
December 2023	**5,171,746,675**	6,465,053,763	December 2028	7.54%	Interest and principal payable quarterly	Current ratio of at least 1:1.00; Debt to Equity maximum of 2.50:1.00 and DSCR 1:1.00; unsecured; Guaranteed by subsidiaries
December 2023	**1,253,621,257**	1,600,000,000	December 2026	7.10%	Interest and 70% of principal payable quarterly and 30% of principal payable upon maturity	Current ratio of at least 1:1.00; Debt to Equity maximum of 2.50:1.00 and DSCR 1:1.00; unsecured; Guaranteed by subsidiaries
June 2022	**4,987,286,570**	6,974,384,611	June 2027	7.13%	Interest and principal payable quarterly	Current ratio of at least 1:1.00; Debt to Equity maximum of 2.50:1.00 and DSCR 1:1.00; unsecured
November 2022	**1,000,000,000**	1,000,000,000	Various maturities, renewed upon maturity subject to change in interest rate	8.00%	Interest payable monthly, principal payable annually upon maturity	–
June 2021	**1,497,407,324**	2,493,341,306	June 2026	4.75%	Interest and principal payable quarterly	Current ratio of at least 1:1.00; Debt to Equity maximum of 2.50:1.00 and DSCR 1:1.00; unsecured; Guaranteed by subsidiaries
June 2021	–	2,353,055,000	April 2024	6.80%	Interest and principal payable upon maturity	Secured by hold-out investments at amortized cost
May 2021	**933,958,333**	1,556,458,333	May 2026	4.75%	Interest and principal payable quarterly	Current ratio of at least 1:1.00; Debt to Equity maximum of 2.50:1.00 and DSCR 1:1.00; unsecured; Guaranteed by subsidiaries
March 2020	**263,157,895**	1,314,250,365	March 2025	5.15%	Interest and principal payable quarterly	Current ratio of at least 1:1.00; Debt to Equity maximum of 2.50:1.00 and DSCR 1:1.00; unsecured; Guaranteed by subsidiaries
April 2018	**400,000,000**	1,200,000,000	April 2025	7.36%	Interest and principal payable quarterly	Current ratio of at least 1:1.00; Debt to Equity maximum of 2.50:1.00 and DSCR 1:1.00; unsecured
October 2019	–	315,789,474	May 2024	5.54%	Interest and principal payable quarterly	Current ratio of at least 1:1.00; Debt to Equity maximum of 2.50:1.00 and DSCR 1:1.00; unsecured; Guaranteed by subsidiaries
May 2019	–	200,000,000	May 2024	7.15%	Interest and principal payable quarterly	Current ratio of at least 1:1.00; Debt to Equity maximum of 2.50:1.00 and DSCR 1:1.00; unsecured; Guaranteed by subsidiaries
Availed and/or renewed in various dates in 2024 and 2023	**34,159,348,034**	24,708,470,535	Various maturities, renewed upon maturity subject to change in interest rate	6.75% to 7.13% in 2023; 6.55% to 8.50% in 2024	Interest payable monthly and quarterly, principal payable upon maturity	Secured by hold-out of investments at amortized cost
	₱53,074,370,168	₱50,180,803,387				
Less current portion	**17,777,847,980**	25,874,160,220				
Bank loans, net of current portion	**₱35,296,522,188**	₱27,308,807,975				

In December 2024, the Company obtained a 5-year unsecured peso denominated loan amounting to ₱1.40 billion. An initial drawdown of ₱897.40 million was made, subject to a fixed annual interest of 7.76%, payable quarterly. The principal balance of the loan will be paid quarterly. This loan is guaranteed by the Parent Company's subsidiaries consisting of Brittany Corporation, Crown Asia Philippines, Inc., Camella Homes, Inc., Communities Philippines, Inc., Vistamalls, Inc., and Vista Residences, Inc. (see Note 29).

In September 2024, the Company obtained a 5-year dollar denominated loan amounting to $10,000.00 million (P557.30 million) which bears annual fixed interest of 7.00%, payable quarterly. The principal balance of the loan shall be payable in 17 equal quarterly installments, without need of notice, demand, presentment, or any other act or deed, starting on first anniversary date of initial drawdown.

In March 2024, the Parent Company signed a ₱2-billion loan deal with the Manila branch of Sumitomo Mitsui Banking Corp. to finance the property developer's capital expenditures. The loan will also be used for the Group's capital expenditures for property development, refinancing and to fund other general corporate purposes. This loan is guaranteed by the Parent Company's subsidiaries consisting of Brittany Corporation, Crown Asia Philippines Inc., Camella Homes, Inc., Communities Philippines, Inc., Vistamalls, Inc., and Vista Residences Inc.

In December 2023, the Parent Company obtained a 5-year unsecured peso denominated loan amounting to ₱6,500.00 million which bears annual fixed interest of 7.54%, payable quarterly. The principal balance of the loan will be paid in 20 equal quarterly installments commencing on the first interest payment date subject to prepayment option.

In December 2023, the Parent Company obtained a 3-year unsecured peso denominated loan amounting to ₱1,600.00 million which bears annual fixed interest of 7.10% payable quarterly. 70% of the principal amount of the loan will be paid in equal quarterly installments commencing on the second interest payment date, and the 30% balance will be paid in full on maturity date.

The Parent Company has various peso-denominated bank loans with fixed interest-rates ranging from 6.55% to 8.50% per annum and 6.75% to 7.13% per annum as of December 31, 2024 and 2023, respectively. In 2024 and 2023, these bank loans are renewable upon maturity subject to change in interest rates and/or hold-out amount of the investments at amortized cost of VII amounting to $607.07 million (₱35,115.92 million) and US$529.54 million (₱29,320.84 million) as of December 31, 2024 and 2023, respectively. No fees are charged by VII for its investments held as security.

The compliance of the Parent Company to the covenants of its bank loans is based on the balances of the consolidated financial statements of the Parent Company. Accordingly, the covenants were complied with as at December 31, 2024 and 2023.

Subsidiaries of the Parent Company namely, Brittany Corporation, Camella Homes, Inc., Crown Asia Properties, Inc., Communities Philippines, Inc., Vistamalls, Inc. (formerly Starmalls, Inc.) and Vista Residences, Inc. acted as guarantors for selected bank loans of the Parent Company. No fees are charged for these guarantee agreements.

Interest expense on bank loans amounted to ₱3,673.06 million and ₱3,017.43 million in 2024 and 2023, respectively (Note 15).

13. **Notes Payable**

This account consists of:

	2024	2023
Corporate notes facility	**₱35,918,464,901**	₱41,135,771,641
Retail bonds	**21,404,217,702**	24,348,969,861
	57,322,682,603	65,484,741,502
Less current portion	**27,767,223,233**	8,706,556,442
Noncurrent portion	**₱29,555,459,370**	₱56,778,185,060

A. Corporate Note Facility

a. ₱10,000 million Corporate Notes (Due April 2026)
On April 4, 2023, the Parent Company (the Issuer) entered into a Corporate Notes Facility Agreement for the issuance of a long-term corporate notes consisting of Three-Year Corporate Notes due 2026 amounting to ₱6,000.00 million at a fixed rate of 7.61% per annum, payable on maturity date.

On April 14, 2023, an additional issuance of Corporate Notes was made in the amount of ₱4,000.00 million due 2026, at a fixed interest of 7.63% per annum, payable on maturity date.

The proceeds of the corporate notes were used for refinancing of existing or maturing obligations of the Parent Company, and for other general corporate purposes. The issue cost amounted to ₱105.22 million. This was capitalized as debt issue cost and amortized over the life of the liability and was offset to the carrying value of the liability.

As of December 31, 2024 and 2023, the outstanding balance of the Corporate Notes is ₱ 9,952.84 million and ₱9,918.49 million, respectively.

The Corporate Notes do not provide early redemption at the option of the Issuer.

As part of the issuance of the Corporate Notes, the subsidiaries of the Parent Company that acted as guarantors, irrevocably and unconditionally are: Brittany Corporation, Camella Homes, Inc., Crown Asia Properties, Inc., Communities Philippines, Inc., Vistamalls, Inc. and Vista Residences Inc. No fees are charged for these guarantee agreements.

Covenants
The Corporate Notes requires the Issuer to maintain the pari passu ranking with all and future unsecured and unsubordinated indebtedness except for obligations mandatorily preferred or in respect of which a statutory preference is established by law.

The Issuer is also required to maintain at all times the following financial ratios: current ratio of at least 1.00, maximum debt to equity at 2.50 and debt service coverage ratio of at least 1.00. These were complied with by the Parent Company as at December 31, 2024 and 2023.

b. ₱6,000.00 million Corporate Notes (Due March 2027)
On March 28, 2022, the Parent Company (the Issuer) entered into a Corporate Notes Facility Agreement for the issuance of a long-term corporate notes consisting of Five-Year Corporate Notes due 2027 amounting to ₱4,000.00 million at a fixed rate of 6.64% per annum, payable in equal 18 quarters commencing on the second interest payment date.

On June 1, 2022, an additional issuance of Corporate Notes was made in the amount of ₱2,000.00 million due 2027, at a fixed interest of 7.24% per annum, payable in equal 18 quarters commencing on the second interest payment date.

The proceeds of the corporate notes were used for refinancing of existing or maturing obligations of the Parent Company, and for other general corporate purposes. The issue cost amounted to ₱51.36 million. This was capitalized as debt issue cost and amortized over the life of the liability and was offset to the carrying value of the liability.

As of December 31, 2024 and 2023, the outstanding balance of the Corporate Notes is ₱3,321.46 million and ₱4,643.22 million, respectively.

The Corporate Notes provide early Redemption at the option of the Issuer as follows:

Early Redemption Date	Early Redemption Amount
3rd anniversary from issue date and interest payment thereafter	102.00%
4th anniversary from issue date and interest payment thereafter	101.00%

The redemption option was assessed to be embedded derivatives that is clearly and closely related to the host contract, therefore, not required to be bifurcated.

As part of the issuance of the Corporate Notes, the subsidiaries of the Parent Company that acted as guarantors, irrevocably and unconditionally are: Brittany Corporation, Camella Homes, Inc., Crown Asia Properties, Inc., Communities Philippines, Inc., Vistamalls, Inc. and Vista Residences Inc. No fees are charged for these guarantee agreements.

Covenants
The Corporate Notes requires the Issuer to maintain the pari passu ranking with all and future unsecured and unsubordinated indebtedness except for obligations mandatorily preferred or in respect of which a statutory preference is established by law.

The Issuer is also required to maintain at all times the following financial ratios: current ratio of at least 1.00, maximum debt to equity at 2.50 and debt service coverage ratio of at least 1.00. These were complied with by the Parent Company as at December 31, 2024 and 2023.

c. ₱12,000.00 million Corporate Notes (Due December 2025)
On January 31, 2023, an additional issuance of Corporate Notes was made in the amount of ₱2,900.00 million due 2025, at a fixed interest of 7.26% per annum, payable on maturity date.

On December 28, 2022, the Parent Company (the Issuer) entered into a Corporate Notes Facility Agreement for the issuance of a long-term corporate notes consisting of Three-Year Corporate Notes due 2025 amounting to ₱8,600.00 million at a fixed rate of 7.93% per annum, payable on maturity date.

The proceeds of the corporate notes were used for refinancing of existing or maturing obligations of the Parent Company, and for other general corporate purposes. The issue cost amounted to ₱88.84 million and ₱51.77 million for the 2023 and 2022 corporate notes, respectively. These were capitalized as debt issue cost and amortized over the life of the liability and were offset to the carrying value of the liability.

As of December 31, 2024 and 2023, the outstanding balance of the Corporate Notes is ₱11,449.56 million and ₱11,402.86 million, respectively.

The Corporate Notes do not provide early redemption at the option of the Issuer.

As part of the issuance of the Corporate Notes, the subsidiaries of the Parent Company that acted as guarantors, irrevocably and unconditionally, are: Brittany Corporation, Camella Homes, Inc., Crown Asia Properties, Inc., Communities Philippines, Inc., Vistamalls, Inc. and Vista Residences Inc. No fees are charged for these guarantee agreements.

Covenants
The Corporate Notes requires the Issuer to maintain the pari passu ranking with all and future unsecured and unsubordinated indebtedness except for obligations mandatorily preferred or in respect of which a statutory preference is established by law.

The Issuer is also required to maintain at all times the following financial ratios: current ratio of at least 1.00, maximum debt to equity at 2.50 and debt service coverage ratio of at least 1.00. These were complied with by the Parent Company as at December 31, 2024 and 2023.

d. ₱15,000.00 million Corporate Notes (Due July 2024)
On July 15, 2019, the Parent Company (the Issuer) entered into a Corporate Notes Facility Agreement for the issuance of a long-term corporate notes consisting of Five-Year Corporate Notes due 2024 amounting to ₱14,500.00 million at a fixed rate of 6.77% per annum, payable quarterly.

On October 17, 2019, an additional issuance of Corporate Notes was made in the amount of ₱500.00 million due 2024, at a fixed interest of 6.77% per annum, payable quarterly.

The proceeds of the corporate notes were utilized for the 2019 capital expenditures for commercial property projects, and to fund other general corporate expenses of the Group. The issue cost amounted to ₱159.91 million. This was capitalized as debt issue cost and amortized over the life of the liability and was offset to the carrying value of the liability.

As of December 31, 2024, and 2023, the outstanding balance of the Corporate Notes is nil and ₱2,810.51 million, respectively.

The Corporate Notes provide early Redemption at the option of the Issuer as follows:

Early Redemption Date	Early Redemption Amount
3rd anniversary from issue date and interest payment thereafter	101.00%
4th anniversary from issue date and interest payment thereafter	100.50%

The redemption option was assessed to be embedded derivatives that is clearly and closely related to the host contract, therefore, not required to be bifurcated.

As part of the issuance of the Corporate Notes, the subsidiaries of the Parent Company that acted as guarantors, irrevocably and unconditionally, are: Brittany Corporation, Camella Homes, Inc., Crown Asia Properties, Inc., Communities Philippines, Inc., Vistamalls, Inc. (formerly Starmalls, Inc.) and Vista Residences Inc. No fees are charged for these guarantee agreements.

Covenants
The Corporate Notes requires the Issuer to maintain the pari passu ranking with all and future unsecured and unsubordinated indebtedness except for obligations mandatorily preferred or in respect of which a statutory preference is established by law.

The Issuer is also required to maintain at all times the following financial ratios: current ratio at 1.00, debt to equity at 2.50 and debt service coverage ratio of at least 1.00. These were complied with by the Parent Company as at December 31, 2024 and 2023.

e. ₱8,200.00 million Corporate Notes (Due July 2025 and 2028)
On July 11, 2018, the Parent Company (the Issuer) entered into a Corporate Notes Facility Agreement for the issuance of a long term corporate notes consisting of Seven-Year Corporate Notes due 2025 amounting to ₱1,700.00 million at a fixed rate of 7.4913% per annum, payable quarterly and Ten-Year Corporate Notes due 2028 amounting to ₱6,000.00 million at a fixed rate of 7.7083% per annum, payable quarterly.

On July 25, 2018, an additional issuance of Corporate Notes was made in the amount of ₱500.00 million due 2025, at a fixed interest of 7.4985% per annum.

The proceeds of the corporate notes were utilized for the 2018 capital expenditures for commercial property projects, and to fund other general corporate expenses of the Group. The issue cost amounted to ₱105.30 million. This was capitalized as debt issue cost and amortized over the life of the liability and was offset to the carrying value of the liability.

As of December 31, 2024, and 2023, the outstanding balance of the Corporate Notes is ₱2,763.50 million and ₱3,788.12 million, respectively.

The Corporate Notes provide early Redemption at the option of the Issuer as follows:

Seven Year Notes:

Early Redemption Date	Early Redemption Amount
5th anniversary from issue date and interest payment thereafter	101.00%
6th anniversary from issue date and interest payment thereafter	100.50%

Ten Year Notes:

Early Redemption Date	Early Redemption Amount
7th anniversary from issue date and interest payment thereafter	102.00%
8th anniversary from issue date and interest payment thereafter	101.00%
9th anniversary from issue date and interest payment thereafter	100.50%

The redemption option was assessed to be embedded derivatives that is clearly and closely related to the host contract, therefore, not required to be bifurcated.

As part of the issuance of the Corporate Notes, the subsidiaries of the Parent Company that acted as guarantors, irrevocably and unconditionally, are: Brittany Corporation, Camella Homes, Inc., Crown Asia Properties, Inc., Communities Philippines, Inc., Vistamalls, Inc. (formerly Starmalls, Inc.) and Vista Residences Inc. No fees are charged for these guarantee agreements.

Covenants
The Corporate Notes requires the Issuer to maintain the pari passu ranking with all and future unsecured and unsubordinated indebtedness except for obligations mandatorily preferred or in respect of which a statutory preference is established by law.

The Issuer is also required to maintain at all times the following financial ratios: current ratio at 1.00, debt to equity at 2.50 and debt service coverage ratio of at least 1.00. These were complied with by the Parent Company as at December 31, 2024 and 2023.

f. ₱10,000.00 million Corporate Notes (Due December 2026)
On December 28, 2016, the Parent Company (the Issuer) entered into a Corporate Notes Facility Agreement for the issuance of a long-term corporate notes with a principal amount of up to ₱8,000.00 million. On April 21, 2017, a consent solicitation was made for amendments to include among others, increasing the Corporate Notes principal amount to up to ₱10,000.00 million in respect to the second drawdown. Such amendments were consented by Note Holders representing at least fifty one percent (51%) of the outstanding Corporate Notes.

On April 27, 2017, the Issuer made such amendments to the Corporate Note Facility dated December 28, 2016. The first drawdown was at ₱5,150.00 million in 2016, at fixed interest of 6.19% per annum, payable quarterly. On May 3, 2017, the Issuer made its second drawdown at ₱4,850.00 million, at fixed interest of 6.23% per annum, payable quarterly.

The proceeds of the Corporate Notes were utilized for the 2017 capital expenditures, refinancing of existing indebtedness and to fund other general corporate expenses. The issue cost amounted to ₱38.72 million. This was capitalized as debt issue cost and amortized over the life of the liability and was offset to the carrying value of the liability.

As of December 31, 2024, and 2023, the outstanding balance of the Corporate Notes is ₱8,431.10 million and ₱8,572.57 million, respectively.

The Corporate Notes provide early Redemption at the option of the Issuer as follows:

Early Redemption Date	Early Redemption Amount
7th anniversary from issue date and interest payment thereafter	102.00%
8th anniversary from issue date and interest payment thereafter	101.00%
9th anniversary from issue date and interest payment thereafter	100.50%

The redemption option was assessed to be embedded derivatives that is clearly and closely related to the host contract, therefore, not required to be bifurcated.

As part of the issuance of the Corporate Notes, the subsidiaries of the Parent Company that acted as guarantors, irrevocably and unconditionally, are: Brittany Corporation, Camella Homes, Inc., Crown Asia Properties, Inc., Communities Philippines, Inc., Vistamalls, Inc. (formerly Starmalls, Inc.) and Vista Residences Inc. No fees are charged for these guarantee agreements.

Covenants
The Corporate Notes requires the Issuer to maintain the pari passu ranking with all and future unsecured and unsubordinated indebtedness except for obligations mandatorily preferred or in respect of which a statutory preference is established by law.

The Issuer is also required to maintain at all times the following financial ratios: current ratio at 1.00, debt to equity at 2.50 and debt service coverage ratio of at least 1.00. These were complied with by the Parent Company as at December 31, 2024 and 2023.

B. Retail Bonds

a. 2023 Fixed-rate Peso Retail Bonds
On December 6, 2023, the Parent Company issued unsecured fixed-rate Peso Retail Bonds with an aggregate principal amount of ₱6,000.0 million. The proceeds of the issuance were used for refinancing maturing loan obligations as well as for general and corporate purposes. The issue costs amounted to ₱94.27 million. This was capitalized as debt issue cost and amortized over the life of the liability and was offset to the carrying value of the liability.

The offer is comprised of 3-year Retail Bonds due on December 6, 2026 with interest rate of 7.54% per annum and 5-year Retail Bonds due on December 6, 2028 with interest rates of 7.69% per annum. This is the first tranche offered out of the shelf registration of Retail Bonds in the aggregate principal amount of up to ₱35,000.00 million to be offered within a period of three years. Interest on the Retail Bonds is payable quarterly in arrears starting on March 6, 2024 for the first interest payment date and on March 6, June 6, September 6 and December 6 each year for each subsequent payment date.

As of December 31, 2024 and 2023, the outstanding balance of the Retail Bonds is ₱5,930.35 million and ₱5,907.27 million, respectively.

Redemption at the option of the Issuer
The 3-year Retail Bonds do not provide early redemption at the option of the Issuer.

The 5-year Retail Bonds provide early redemption at the option of the Issuer. The Issuer may redeem in whole, the outstanding Retail Bonds on the following relevant dates. The amount payable to the bondholders upon the exercise of the early redemption option by the Issuer shall be calculated, based on the principal amount of Retail Bonds being redeemed, as the sum of: (i) accrued interest computed from the last interest payment date up to the relevant early redemption option date; and (ii) the product of the principal amount of the Retail Bonds being redeemed and the early redemption price in accordance with the following schedule:

i. Three (3) years from issue date at early redemption price of 101.00%
ii. Four (4) years from issue date at early redemption price of 100.50%

The redemption option was assessed to be embedded derivatives that is clearly and closely related to the host contract, therefore, not required to be bifurcated.

Covenants
The Retail Bonds provide for the Issuer to comply with covenants including, among others, incurrence or guarantee of additional indebtedness; prepayment or redemption of subordinate debt and equity; making certain investments and capital expenditures; consolidation or merger with other entities; and certain other covenants. The Retail Bonds requires the Issuer to maintain a current ratio of at least 1.00:1.00, a maximum debt-to-equity ratio of 2.50:1.00 and a DSCR of at least 1.00:100. These were complied with by the Parent Company as at December 31, 2024 and 2023.

b. 2019 Fixed-rate Peso Retail Bonds
On December 18, 2019, the Parent Company (the Issuer) issued an unsecured fixed-rate Peso Retail Bonds with an aggregate principal amount of ₱10,000.00 million. The proceeds of the issuance were used to fund the construction and completion of the various malls and condominium projects, redevelopment of existing malls, as well as for general corporate purposes. The issue costs amounted ₱91.07 million. This was capitalized as debt issue cost and amortized over the life of the liability and was offset to the carrying value of the liability.

The offer is comprised of 5-year Retail Bonds due on June 18, 2025 with interest rate of 5.70% per annum. This is the third and last tranche offered out of the shelf registration of Peso Retail Bonds in the aggregate principal amount of up to ₱20,000.00 million and initial tranche offered out of the shelf registration of Retail Bonds in the aggregate principal amount of up to ₱30,000.00 million to be offered within a period of three (3) years. Interest on the Retail Bonds is payable quarterly in arrears starting on March 18, 2020, for the first interest payment date and on June 18, September 18, December 18 each year for each subsequent payment date.

As of December 31, 2024, and 2023, the outstanding balance of the Retail Bonds is ₱9,990.38 million and ₱9,972.65 million, respectively.

Redemption at the option of the Issuer
The Issuer may redeem in whole, the outstanding Retail Bonds on the following relevant dates. The amount payable to the bondholders upon the exercise of the early redemption option by the Issuer shall be calculated, based on the principal amount of Retail Bonds being redeemed, as the sum of: (i) accrued interest computed from the last interest payment date up to the relevant early redemption option date; and (ii) the product of the principal amount of the Retail Bonds being redeemed and the early redemption price in accordance with the following schedule:

iii. Three (3) years from issue date at early redemption price of 101.00%
iv. Four (4) years from issue date at early redemption price of 100.50%

The redemption option was assessed to be embedded derivatives that is clearly and closely related to the host contract, therefore, not required to be bifurcated.

Covenants
The Retail Bonds provide for the Issuer to comply with covenants including, among others, incurrence or guarantee of additional indebtedness; prepayment or redemption of subordinate debt and equity; making certain investments and capital expenditures; consolidation or merger with other entities; and certain other covenants. The Retail Bonds requires the Issuer to maintain a current ratio of at least 1.00:1.00, a maximum debt-to-equity ratio of 2.50:1.00 and a DSCR of at least 1.00:100. These were complied with by the Parent Company as at December 31, 2024 and 2023.

c. 2018 Fixed-rate Peso Retail Bonds

On December 21, 2018, the Parent Company (the Issuer) issued unsecured fixed-rate Peso Retail Bonds with an aggregate principal amount of ₱10,000.00 million. The proceeds of the issuance were used to fund the construction and completion of the various malls and for general corporate purposes. The issue costs amounted to ₱130.20 million. This was capitalized as debt issue cost and amortized over the life of the liability and was offset to the carrying value of the liability.

The offer is comprised of 5-year Retail Bonds due on December 21, 2023 with interest rate of 8.00% per annum and 7-year Retail Bonds due on December 21, 2025 with interest rates 8.25% per annum. This is the second tranche offered out of the shelf registration of Retail Bonds in the aggregate principal amount of up to ₱20,000.00 million to be offered within a period of three (3) years. Interest on the Retail Bonds is payable quarterly in arrears starting on March 21, 2019 for the first interest payment date and on March 21, June 21, September 21 and December 21 each year for each subsequent payment date.

As of December 31, 2024, and 2023, the outstanding balance of the Retail Bonds is ₱3,491.86 million and ₱3,484.25 million, respectively.

Redemption at the option of the Issuer

The Issuer may redeem in whole, the outstanding Retail Bonds on the following relevant dates. The amount payable to the bondholders upon the exercise of the early redemption option by the Issuer shall be calculated, based on the principal amount of Retail Bonds being redeemed, as the sum of: (i) accrued interest computed from the last interest payment date up to the relevant early redemption option date; and (ii) the product of the principal amount of the Retail Bonds being redeemed and the early redemption price in accordance with the following schedule:

a) 5-year Bonds:
   i. Three (3) years from issue date at early redemption price of 101.00%
   ii. Four (4) years from issue date at early redemption price of 100.50%
b) 7-year Bonds:
   i. Five (5) years from issue date at early redemption price of 101.00%
   ii. Six (6) years from issue date at early redemption price of 100.50%

The redemption option was assessed to be embedded derivatives that is clearly and closely related to the host contract, therefore, not required to be bifurcated.

Covenants

The Retail Bonds provide for the Issuer to comply with covenants including, among others, incurrence or guarantee of additional indebtedness; prepayment or redemption of subordinate debt and equity; making certain investments and capital expenditures; consolidation or merger with other entities; and certain other covenants. The Retail Bonds requires the Issuer to maintain a current ratio of at least 1.00:1.00, a maximum debt-to-equity ratio of 2.50:1.00 and a DSCR of at least 1.00:100. These were complied with by the Parent Company as at December 31, 2024, and 2023.

d. 2017 Fixed-rate Peso Retail Bonds

On August 8, 2017, the Parent Company (the Issuer) issued unsecured fixed-rate Peso Retail Bonds with an aggregate principal amount of ₱5,000.00 million. The proceeds of the issuance were used to partially finance certain commercial development projects and for general corporate purposes. The issue costs amounted to ₱64.87 million. This was capitalized as debt issue cost and amortized over the life of the liability and was offset to the carrying value of the liability.

The offer is comprised of 7-year Retail Bonds due on August 8, 2024 with interest rate of 5.75% per annum and 10-year Retail Bonds due on August 9, 2027 with interest rate of 6.23% per annum. This is the initial tranche offered out of the shelf registration of Retail Bonds in the aggregate principal amount of up to ₱20,000.00 million to be offered within a period of three (3) years. Interest on the Retail Bonds is payable quarterly in arrears starting on November 8, 2017 for the first interest payment date and on February 8, May 8, August 8 and November 8 each year for each subsequent payment date.

As of December 31, 2024, and 2023, the outstanding balance of the Retail Bonds is ₱1,991.63 million and ₱4,984.80 million, respectively.

Redemption at the option of the Issuer

The Issuer may redeem in whole, the outstanding Retail Bonds on the following relevant dates. The amount payable to the bondholders upon the exercise of the early redemption option by the Issuer shall be calculated, based on the principal amount of Retail Bonds being redeemed, as the sum of: (i) accrued interest computed from the last interest payment date up to the relevant early redemption option date; and (ii) the product of the principal amount of the Retail Bonds being redeemed and the early redemption price in accordance with the following schedule:

a) 7-year Bonds:
   i. Five (5) years and six (6) months from issue date at early redemption price of 101.00%
   ii. Six (6) years from issue date at early redemption price of 100.50%

b) 10-year Bonds:
   i. Seven (7) years from issue date at early redemption price of 102.00%
   ii. Eight (8) years from issue date at early redemption price of 101.00%
   iii. Nine (9) years from issue date at early redemption price of 100.50%

The redemption option was assessed to be embedded derivatives that is clearly and closely related to the host contract, therefore, not required to be bifurcated.

Covenants

The Retail Bonds provide for the Issuer to comply with covenants including, among others, incurrence or guarantee of additional indebtedness; prepayment or redemption of subordinate debt and equity; making certain investments and capital expenditures; consolidation or merger with other entities; and certain other covenants. The Retail Bonds requires the Issuer to maintain a current ratio of at least 1.00:1.00, a maximum debt-to-equity ratio of 2.50:1.00 and a DSCR of at least 1.00:100. These were complied with by the Parent Company as at December 31, 2024 and 2023.

The rollforward analysis of notes payable is as follows:

	2024	2023
Principal		
Balance at January 1	**₱65,887,464,867**	₱59,804,139,800
Drawdown	**–**	18,900,000,000
Principal payments	**(8,329,174,934)**	(12,816,674,933)
Balance at December 31	**57,558,289,933**	65,887,464,867
Debt issue cost		
Balance at January 1	**402,723,365**	287,122,950
Addition	**-**	288,335,915
Debt issue cost amortization	**(167,116,036)**	(172,735,500)
Balance at December 31	**235,607,329**	402,723,365
Carrying value	**57,322,682,603**	65,484,741,502
Less current portion	**27,767,223,233**	8,706,556,442
Noncurrent portion	**₱29,555,459,370**	₱56,778,185,060

Interest expense on notes payable amounted to ₱4,491.20 million and ₱4,856.60 million in 2024 and 2023, respectively (Note 15).

14. Equity

This account consists of:

	2024	2023	2022
Common			
Authorized shares	**17,900,000,000**	17,900,000,000	17,900,000,000
Par value per share	**₱1.00**	₱1.00	₱1.00
Issued shares	**13,114,136,376**	13,114,136,376	13,114,136,376
Outstanding shares	**11,945,799,461**	11,945,799,461	11,945,799,461
Value of shares issued	**₱13,114,136,376**	₱13,114,136,376	₱13,114,136,376
Preferred Series 1			
Authorized shares	**8,000,000,000**	8,000,000,000	8,000,000,000
Par value per share	**₱0.01**	₱0.01	₱0.01
Issued and outstanding shares	**3,300,000,000**	3,300,000,000	3,300,000,000
Value of shares issued	**₱33,000,000**	₱33,000,000	₱33,000,000
Preferred Series 2			
Authorized shares	**200,000,000**	200,000,000	200,000,000
Par value per share	**₱0.10**	₱0.10	₱0.10
Issued and outstanding shares	**30,000,000**	–	–
Value of shares issued	**₱3,000,000**	₱–	₱–

Preferred Series 1
Voting, non-cumulative, non-participating, non-convertible and non-redeemable. The BOD may determine the dividend rate which shall in no case be more than 10.00% per annum.

Preferred Series 2
On June 17, 2019, the Stockholders approved the reclassification of the unissued preferred capital stock of the Parent Company to create Two Hundred Million (200,000,000) non-voting, cumulative, non-participating, non-convertible and redeemable Series 2 preferred shares with par value of ₱0.10 each and the corresponding amendment of the Articles of Incorporation of the Parent Company. The Board likewise approved the shelf registration and listing of such redeemable preferred series 2 shares.

On October 4, 2024, the Company issued 30,000,000 preferred series 2 shares at an issue price of ₱100.00 per share. The SEC approved the registration statement and issued a permit to sell on September 13, 2024.

The preferred series 2 shares were issued in two subseries, Subseries 2A and Subseries 2B, which are Peso-denominated, perpetual, cumulative, non-participating, non-voting, redeemable, and non-convertible.

The Company has the redemption option starting on the fourth and seventh year and every dividend payment thereafter, with a "step-up" rate effective on the fourth and seventh year, respectively, if the shares are not redeemed. Dividend rates are 7.9892% and 8.400% per annum for subseries 2A and subseries 2B preferred series 2 shares, respectively.

Registration Track Record
On July 26, 2007, the Parent Company launched its follow-on offer where a total of 8,538,740,614 common shares were offered at an offering price of ₱6.85 per share. The registration statement was approved on June 25, 2007.

Below is the summary of the Parent Company's track record of registration of securities with the SEC as of December 31, 2024 and 2023:

	Number of Shares Registered	Number of holders of securities as of year end
December 31, 2022	13,114,136,376	934
Add/(Deduct) Movement		(4)
December 31, 2023	13,114,136,376	930
Add/(Deduct) Movement		(8)
December 31, 2024	13,114,136,376	**922**

Treasury Shares
Treasury shares totaling 416,128,700 of the Parent Company amounting to ₱2,361.98 million as of December 31, 2024 and 2023, represents the shares of stock held by the Parent Company, while treasury shares amounting to ₱5,378.28 million as of December 31, 2024 and 2023, respectively, is attributable to the 752,208,215 shares issued by the Parent Company to MC during the acquisition of Vistamalls Group (formerly, Starmalls Group) in 2015. MC still holds the Parent Company shares as of December 31, 2024 and 2023. These treasury shares are recorded at cost. Total number of treasury shares as of December 31, 2024, 2023 and 2022 is 1,168,336,915.

On November 5, 2018, the BOD of the Parent Company approved the extension of the Share Buyback Program up to November 5, 2020 subject to the prevailing market price at the time of the buyback over a 24-month period but subject to periodic review by the management. There were no movement in the number and balance of treasury shares since 2021.

Retained Earnings

After reconciling items the Parent Company's retained earnings available for dividend declaration as at December 31, 2024 amounted to ₱10,405.59 million.

The Parent Company's retained earnings that is restricted to payments of dividends to the extent of cost of treasury shares amounted ₱2,361.98 million as at December 31, 2024 and 2023.

The BOD of the Parent Company approved the declaration of regular cash dividend amounting to ₱1,337.93 million or ₱0.112 per share, ₱740.65 million or ₱0.0620 per share and ₱348.36 million or ₱0.0292 per share on November 14, 2024, September 29, 2023 and September 30, 2022, respectively. The dividend declarations are in favor of all stockholders of record as of November 28, 2024, October 16, 2023 and October 14, 2022 and paid on December 12, 2024, October 31, 2023 and October 28, 2022, respectively.

As at December 31, 2024 and 2023, the Parent Company's dividends payable amounted to ₱223.17 million and ₱128.95 million, respectively.

Capital Management

The primary objective of the Parent Company's capital management policy is to ensure that debt and equity capital are mobilized efficiently to support business objectives and maximize shareholder value. The Parent Company establishes the appropriate capital structure for each business line that properly reflects its premier credit rating and allows it the financial flexibility, while providing it sufficient cushion to absorb cyclical industry risks.

The Parent Company considers debt as a stable source of funding. The Parent Company lengthened the maturity profile of its debt portfolio and makes it a point to spread out its debt maturities by not having a significant percentage of its total debt maturing in a single year.

As at December 31, 2024 and 2023, the Parent Company had complied with all the externally imposed capital requirements (Notes 12 and 13). No changes were made in the objectives, policies or processes for managing capital during the years ended December 31, 2024 and 2023.

The Parent Company manages its capital structure and makes adjustments to it, in the light of changes in economic conditions. It monitors capital using leverage ratios on both a gross debt and net debt basis.

The following table shows the component of the Parent Company's equity which it manages as capital as at December 31, 2024 and 2023:

	2024	2023
Paid-up capital	**₱65,257,226,579**	₱62,311,722,738
Retained earnings	**15,127,868,940**	14,346,762,458
Other comprehensive income	**136,855,664**	97,639,316
Treasury shares	**(2,361,975,653)**	(2,361,975,653)
	₱78,159,975,530	₱74,394,148,859

Financial risk assessment
The Parent Company's financial condition and operating results would not be materially affected by the current changes in liquidity, credit, interest and market conditions.

Liquidity risk is addressed with long-term funding already locked in, while funds are placed on a short-term placement.

Credit risks continue to be managed through defined credit policies and continuing monitoring of exposure to credit risks. The Parent Company's base of counterparties remains diverse. As such, it is not exposed to large concentration of credit risk.

Exposure to changes in interest rates is reduced by regularly availing of short-term loans in order to cushion the impact of potential increase in loan interest rates.

15. Interest Income and Interest Expense

Interest income consists of:

	2024	2023
Cash and cash equivalents (Note 6)	**₱146,243,959**	₱128,435,681
Short-term cash investments	**–**	20,639
	₱146,243,959	₱128,456,320

Interest expense consist of:

	2024	2023
Notes payable (Note 13)	**₱4,491,197,315**	₱4,856,598,462
Bank loans (Note 12)	**3,673,059,807**	3,017,431,199
Lease liabilities (Notes 17 and 19)	**268,815**	1,133,233
	₱8,164,525,937	₱7,875,162,894

16. Income Tax

This account consists of the following:

	2024	2023
Current		
MCIT	**₱484,076**	₱353,579
Final	**31,999,122**	24,428,328
	32,483,198	24,781,907
Deferred	**1,183,928**	404,817
	₱33,667,126	₱25,186,724

The components of the Parent Company's net deferred tax liabilities follow:

	2024	2023
Deferred tax liabilities on:		
Actuarial gain on pension liability	**₱4,951,888**	₱4,233,996
Right-of-use assets	**–**	1,560,505
	4,951,888	5,794,501
Deferred tax asset on lease liabilities	**–**	2,026,541
	₱4,951,888	₱3,767,960

The Parent Company has deductible temporary differences that are available for offset against future taxable income or income tax payable for which no deferred tax assets have been recognized as follows:

	2024	2023
NOLCO	**₱20,898,708,070**	₱15,348,579,888
Unrealized foreign exchange loss	**68,450,224**	8,148,500
MCIT	**6,132,843**	902,669
Accrual of retirement cost	**1,117,610**	1,331,224

As of December 31, 2024, the Company has incurred NOLCO which can be claimed as deduction from the regular taxable income for the next three (3) consecutive taxable years, as follows:

Year Incurred	Amount	Expired	Balance	Expiry Year
2024	₱5,550,128,182	₱–	₱5,550,128,182	
2023	4,337,672,379	–	4,337,672,379	2026
2022	3,644,920,761	–	3,644,920,761	2025
	₱13,532,721,322	₱–	₱13,532,721,322	

On September 30, 2020, the BIR issued Revenue Regulations No. 25-2020 implementing Section 4(bbbb) of "Bayanihan to Recover As One Act" which states that the NOLCO incurred for taxable years 2020 and 2021 can be carried over and claimed as a deduction from gross income for the next five (5) consecutive taxable years immediately following the year of such loss.

As of December 31, 2024 and 2023, the Company has incurred NOLCO in taxable year 2021 and 2020 which can be claimed as deduction from the regular taxable income for the next five (5) consecutive taxable years pursuant to the Bayanihan to Recover As One Act, as follows:

Year Incurred	Amount	Expired	Balance	Expiry Year
2021	₱2,919,111,401	₱–	₱2,919,111,401	2026
2020	4,446,875,347	–	4,446,875,347	2025
	₱7,365,986,748	₱–	₱7,365,986,748	

As at December 31, 2024 and 2023, the details of the Parent Company's MCIT which are available for offset against future taxable income follow:

Year Incurred	Amount	Expired	Balance	Expiry Year
2024	₱484,076	₱–	₱484,076	2027
2023	353,579	–	353,579	2026
2022	279,955	–	279,955	2025
2021	269,135	269,135	–	2024
	₱1,386,745	₱269,135	₱1,117,610	

The reconciliation of the income tax computed at the statutory income tax rate to the provision for income tax in profit or loss follows:

	2024	2023
Income tax at statutory income tax rate	**₱533,613,917**	₱1,841,889,506
Tax effects of:		
Changes in unrecognized deferred tax assets	**1,414,587,963**	1,085,066,903
Nondeductible expenses	**768,144,993**	1,043,972,789
Expired NOLCO and MCIT	**269,135**	474,498
Interest income already subjected to final tax	**(10,067,710)**	(7,685,752)
Dividend income exempt from income tax	**(2,672,881,172)**	(3,938,531,220)
	₱33,667,128	₱25,186,724

On June 20, 2023, the Bureau of Internal Revenue issued Revenue Memorandum Circular (RMC) No. 69-2023 reverting the Minimum Corporate Income Tax (MCIT) rate to 2% of gross income effective July 1, 2023 pursuant to Republic Act (RA) No. 11534, otherwise known as the "Corporate Recovery and Tax Incentives for Enterprises (CREATE)" Act. MCIT rate was previously reduced from 2% to 1% effective July 1, 2020 to June 30, 2023 upon the effectivity of CREATE Act in 2021.

Consequently, the Company recognized MCIT using the effective rate of 1.5% in 2023 in accordance with RMC 69-2023.

17. Related Party Transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party in making financial and operating decisions or the parties are subject to common control or common significant influence. Entities under common control are those entities that are related parties of Fine Properties, Inc. Related parties may be individuals or corporate entities.

The Company in its regular conduct of business has entered into transactions with related parties principally consisting of nontrade transaction from advances and reimbursement of expenses and purchase and sale of real estate properties.

The Parent Company statements of financial position include the following amounts resulting from transactions with related parties as at December 31, 2024 and 2023:

		December 31, 2024			
	Nature of Transaction	**Volume**	**Amount Receivable (Payable)**	**Terms**	**Conditions**
Lease liabilities					
Subsidiary	**a) Rental of office spaces (Note 19)**	**₱8,106,171**	**₱–**	**Noninterest-bearing; Payable monthly**	**Unsecured**
Interest expense					
Subsidiary	**a) Rental of office spaces (Notes 15 and 19)**	**268,815**	**–**	**Noninterest-bearing**	**Unsecured**
Receivables from related parties					
Subsidiaries	**b) Advances and sharing of expenses**	**(299,213,712)**	**123,789,365,472**	**Noninterest-bearing; Due and demandable**	**Unsecured; No impairment**
	c) Management Income	**23,520,000**	**–**	**Noninterest-bearing; Receivable monthly**	**Unsecured; No impairment**
	d) Dividend Income	**10,691,524,688**	**–**		
			₱123,789,365,472		
Dividends Declared/Payable					
Stockholders	**e) Dividends**	**₱1,337,929,540**	**₱223,174,665**		

		December 31, 2023			
	Nature of Transaction	Volume	Amount Receivable (Payable)	Terms	Conditions
Lease liabilities					
Subsidiary	a) Rental of office spaces (Note 19)	₱10,900,526	(₱8,106,171)	Noninterest-bearing; Payable monthly	Unsecured
Interest expense					
Subsidiary	a) Rental of office spaces (Notes 15 and 19)	1,133,233	–	Noninterest-bearing	Unsecured
Receivables from related parties					
Subsidiaries	b) Advances and sharing of expenses	15,064,338,151	124,088,579,183	Noninterest-bearing; Due and demandable	Unsecured; No impairment
	c) Management Income	23,520,000	–	Noninterest-bearing; Receivable monthly	Unsecured; No impairment
	d) Dividend Income	15,754,124,881	–		
			₱124,088,579,183		
Dividends Declared/Payable					
Stockholders	e) Dividends	₱740,652,549	₱128,945,029		

Outstanding balances at year-end are unsecured, interest free and unless otherwise stated, settlement occurs in cash. As at December 31, 2024 and 2023, the Company has not made any provision for impairment loss relating to amounts owed by related parties. This assessment is undertaken each financial year by examining the financial position of the related party and the market in which the related party operates.

The significant transactions with related parties follow:

a) The Parent Company has lease agreements with its subsidiary, Manuela Corporation for the lease of its office spaces (Note 19). The rental due is based on prevailing market conditions.

   In 2024 and 2023, interest expense pertaining to the accretion of lease liabilities amounted to ₱0.27 million and ₱1.13 million, respectively (Note 15).

b) The Parent Company in its regular conduct of business has entered into transactions with subsidiaries, ultimate parent and other entities under common control principally consisting of noninterest bearing advances for working capital requirements and sharing of expenses which are due and demandable. The Parent Company's policy is to settle its intercompany receivables and payables on a net basis.

c) The Parent Company charges its subsidiaries fixed management fees for services rendered with an aggregate amount of ₱23.52 million for the years ended December 31, 2024 and 2023.

d) The Parent Company approved that the subsidiaries be allowed to offset or apply their dividends declared and payable to the Parent Company amounting to ₱10,691.52 million and ₱15,754.12 million in 2024 and 2023, respectively, against the noninterest bearing advances from subsidiaries during the year.

e) Details of dividends declared to stockholders are discussed in Note 14.

In addition, the Parent Company served as the guarantor of the following borrowings entered into by its related parties without a guarantee fee:

US$220.00 million Notes (Due July 2027)
On May 17, 2021, VII (the Issuer) issued US$170.00 million notes ("Notes") with a term of six years from initial drawdown date. The interest rate is 7.25% per annum, payable semi-annually in arrears on January 20 and July 20 of each year beginning on January 20, 2022. The Notes were used to refinance existing debt as a result of liability management exercise and excess proceeds were used to refinance existing debt and for general corporate purposes. There are no properties owned by the Group that were pledged as collateral to this note. As of December 31, 2024 and 2023, outstanding balance of the note amounted to US$172.18 million (₱9,959.98 million) and US$172.60 million (₱9,556.63 million), respectively.

On June 1, 2021, VII issued an additional US$50.00 million unsecured note, with similar terms and conditions as the above notes. There are no properties owned by the Group that were pledged as collateral to this note. As of December 31, 2024 and 2023, outstanding balance of the note amounted to US$50.64 million (₱2,929.41 million) and US$50.76 million (₱2,810.78 million), respectively.

US$200.00 million Notes (Due July 2027)
On July 20, 2020, VII (the Issuer) issued US$ 200.00 million notes ("Notes") with a term of seven years from initial drawdown date. The interest rate is 7.25% per annum, payable semi-annually in arrears on January 20 and July 20 of each year beginning on January 20, 2021. The Notes were used to refinance existing debt as a result of liability management exercise and excess proceeds were used to refinance existing debt and for general corporate purposes. There are no properties owned by the Group that were pledged as collateral to this note. As of December 31, 2024 and 2023, outstanding balance of the note amounted to US$198.98 million (₱11,510.15 million) and US$198.62 million (₱10,997.85 million), respectively.

US$350.00 million Notes (Due November 2024)
On November 28, 2017, VII (the Issuer) issued US$350.00 million notes ("Notes") with a term of seven years from initial drawdown date. The interest rate is 5.75% per annum, payable semi-annually in arrears on May 28 and November 28 of each year beginning on November 28, 2017. The Notes were used to refinance existing debt as a result of liability management exercise and excess proceeds were used to refinance existing debt and for general corporate purposes. There are no properties owned by the Group that were pledged as collateral to this note. As of December 31, 2024, and 2023, outstanding balance of the note amounted to nil and US$348.54 million (₱19,298.78 million), respectively.

Compensation of key management personnel by benefit type follows:

	2024	2023
Short-term employee benefits	**₱55,471,000**	₱54,001,000
Post-employment benefits	**7,581,876**	7,488,272
	₱63,052,876	₱61,489,272

18. Financial Asset and Liabilities

The Parent Company uses the following three-level hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1*:* Quoted (unadjusted) prices in active markets for identical assets or liabilities;
- Level 2*:* Valuation techniques involving inputs other than quoted prices included in level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3*:* Valuation techniques involving inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The following methods and assumptions were used to estimate the fair value of each class of financial instrument for which it is practicable to estimate such value:

Cash and cash equivalents, short-term cash investments, accrued interest receivable and receivables from related parties:
Due to the short-term nature of the account, the fair value of the accounts approximate the carrying amounts in the statements of financial position.
Investment at FVOCI: Fair values of golf club shares are based on quoted market prices.

Accounts and other payables (excluding statutory obligations):
The fair values of accounts and other payables (excluding statutory obligations) approximate their carrying amounts in the statement of financial position due to the short-term nature of the transactions.

Bank loans and notes payable:
Estimated fair values of bank loans and notes payable are based on the discounted value of future cash flows using the applicable rates for similar types of loans. Interest rates used in discounting cash flows ranges from 6.96% to 7.69% and 6.42% to 7.50% in 2024 and 2023 using the remaining terms to maturity.

The following table provides the fair value measurement hierarchy of the Parent Company's financial assets and liabilities recognized as of December 31, 2024 and 2023:

	December 31, 2024				
		Fair Value			
	Carrying values	**Total**	**Quoted prices in active markets for identical assets (Level 1)**	**Significant offer observable inputs (Level 2)**	**Significant unobservable inputs (Level 3)**
Assets					
Financial assets measured at fair value:	**₱160,000,000**	**₱160,000,000**	**₱160,000,000**	**₱–**	**₱–**
Investments at FVOCI (Note 8)					
Liabilities					
Financial liabilities for which fair values are disclosed					
Bank loans (Note 12)	**53,074,370,168**	**53,074,370,168**	**–**	**–**	**53,074,370,168**
Notes payable (Note 13)	**57,322,682,603**	**57,322,682,603**	**–**	**–**	**57,322,682,603**

	December 31, 2023				
		Fair Value			
		Total	Quoted prices in active markets for identical assets (Level 1)	Significant offer observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets					
Financial assets measured at fair value:					
Investments at FVOCI (Note 8)	₱120,000,000	₱120,000,000	₱120,000,000	₱–	₱–
Liabilities					
Financial liabilities for which fair values are disclosed					
Bank loans (Note 12)	50,180,803,387	51,557,612,316	–	–	51,557,612,316
Notes payable (Note 13)	65,484,741,502	66,832,523,839	–	–	66,832,523,839

In 2024 and 2023, there were no transfers between Level 1 and Level 2 fair value measurements. No transfers between any levels of the fair value hierarchy took place in the equivalent comparative period.

Description of significant unobservable inputs to valuation:

Account	Valuation Technique	Significant Unobservable Inputs
Bank loans	Discounted cash flow analysis	Discount rate
Notes payable	Discounted cash flow analysis	Discount rate

Financial Risk Management and Objectives

Financial risk

The Parent Company's principal financial instruments are cash and cash equivalents, short-term cash investments, receivables from related parties, accrued interest receivable, bank loans, notes payable, and accounts and other payables which arise directly from the conduct of its operations. The main risks arising from the use of financial instruments are credit risk, foreign exchange risk and liquidity risk.

Exposure to liquidity and credit risks arise in the normal course of the business activities. The main objectives of the financial risk management are as follows:

- to identify and monitor such risks on an ongoing basis;
- to minimize and mitigate such risks; and
- to provide a degree of certainty about costs.

The BOD reviews and agrees with policies for managing each of these risks. The exposures to risk and how they arise, as well as the objectives, policies and processes for managing the risk and the methods used to measure the risk did not change from prior years.

The risk management policies are summarized below. The exposures to risk and how they arise, as well as the objectives, policies and processes for managing the risk and the methods used to measure the risk did not change from prior years.

Interest rate risk

The Parent Company's exposure to market risk for changes in interest rates, relates primarily to its financial assets and liabilities that are interest-bearing. The Parent Company's policy is to manage its interest cost by entering into fixed rate debts.

The table below shows the financial assets and liabilities that are interest-bearing for the years 2024 and 2023:

	December 31, 2024	
	Effective Interest Rate	**Amount**
Financial assets		
Fixed rate		
Cash and cash equivalents (excluding cash on hand)	**0.01% to 1.00%**	**₱1,637,460,185**
Financial liabilities		
Fixed rate		
Bank loans	**6.96% to 7.69%**	**₱53,074,370,168**
Notes payable	**6.96% to 7.69%**	**₱57,322,682,603**
Lease liabilities	-	-
		₱115,673,651,060

	December 31, 2023	
	Effective Interest Rate	Amount
Financial assets		
Fixed rate		
Cash and cash equivalents (excluding cash on hand)	0.01% to 4.25%	₱4,092,143,336
Financial liabilities		
Fixed rate		
Bank loans	6.42% to 7.50%	₱50,180,803,387
Notes payable	6.42% to 7.50%	65,484,741,502
Lease liabilities	7.21%	8,106,171
		₱115,673,651,060

Credit risk
The credit risks are primarily attributable to cash and cash equivalents (excluding cash on hand), short-term cash investments, accrued interest receivable and receivables from related parties.

To manage credit risks, the Parent Company maintains defined credit policies and monitors on a continuous basis exposure to credit risks.

The credit risk of the Parent Company arises from cash and cash equivalents (excluding cash on hand), short-term cash investments and accrued interest receivable. The exposure to credit risk arises from default of the banks holding these assets. The Parent Company manages its cash and cash equivalents, short-term cash investments and accrued interest receivable by maintaining accounts with banks which have demonstrated financial soundness for several years.

The Parent Company's receivables are concentrated to its subsidiaries, being a holding company. Credit risk arising from receivables from related parties is minimal as they have a low risk of default and have a strong capacity to meet their contractual cash flows in the near term.

The Parent Company statement of financial position shows the maximum exposure to credit risk for the components of the statement of financial position as of December 31, 2024 and 2023.

Applying the expected credit risk model did not result in the recognition of an impairment loss for all financial assets at amortized cost in 2024 and 2023.

Liquidity risk
The Parent Company monitors its cash flow position, debt maturity profile and overall liquidity position in assessing its exposure to liquidity risk. The Parent Company maintains a level of cash deemed sufficient to finance its cash requirements. Operating expenses and working capital requirements are sufficiently funded through cash collections. The Parent Company's bank loans and notes payable maturity profile is regularly reviewed to ensure availability of funding through adequate credit facilities with banks and other financial institutions. The extent and nature of exposures to liquidity risk and how they arise as well as the Parent Company's objectives, policies and processes for managing the risk and the methods used to measure the risk are the same for 2024 and 2023.

The tables below summarize the maturity profile of the Parent Company's financial liabilities as of December 31, 2024 and 2023 based on undiscounted contractual payments including interest payable.

	2024				
	On demand	**1 to 3 months**	**3 to 12 months**	**More than 1 year to 5 years**	**Total**
Financial Liabilities					
Other financial liabilities					
Accounts and other payables (excluding statutory obligations)	**₱223,174,665**	**₱1,668,592,890**	–	–	**₱1,891,767,555**
Bank loans	–	**5,501,256,533**	**12,276,016,447**	**35,401,432,949**	**53,178,705,929**
Notes payable	–	**641,665,533**	**26,833,311,600**	**29,699,979,467**	**57,174,956,600**
Lease liabilities	–	–	–	–	–
	₱223,174,665	**₱7,811,514,956**	**₱39,109,328,047**	**₱65,101,412,416**	**₱112,245,430,084**

	2023				
	On demand	1 to 3 months	3 to 12 months	More than 1 year to 5 years	Total
Financial Liabilities					
Other financial liabilities					
Accounts and other payables (excluding statutory obligations)	₱128,945,029	₱670,817,129	₱–	₱–	₱799,762,158
Bank loans	–	2,692,756,659	24,447,955,270	27,999,334,385	55,140,046,314
Notes payable	410,818,667	2,724,417,407	10,097,174,606	63,198,178,817	76,430,589,497
Lease Liabilities	–	4,153,453	4,139,196	–	8,292,649
	₱539,763,696	₱6,092,144,648	₱34,549,269,072	₱91,197,513,202	₱132,378,690,618

19. **Leases**

The Parent Company entered into a non-cancellable lease agreement with a related party covering its office spaces that has a term of five years commencing August 15, 2019 and ending August 14, 2024. The lease agreement includes escalation rate of 5% per annum.

Rental due is based on prevailing market conditions.

The following are the amounts recognized in statements of comprehensive income:

	2024	2023
Depreciation expense of right-of-use assets included in property and equipment (Note 10)	**₱6,242,017**	₱9,281,261
Interest expense on lease liabilities (Notes 15 and 17)	**268,815**	1,133,233
Expenses relating to short-term leases (included in operating expenses)	**8,320,312**	3,487,333
Total amount recognized in statement of comprehensive income	**₱14,831,144**	₱13,901,827

The rollforward of this account is as follows:

	2024	2023
Balances at beginning of year	**₱8,106,171**	₱19,006,697
Interest expense (Note 15)	**268,815**	1,133,233
Payments	**(8,374,986)**	(12,033,759)
Balances at end of year	**₱–**	8,106,171

The Group's lease contracts include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Group's business needs.

In 2023 (nil in 2024), the undiscounted lease payments amounted to ₱8.11 million.

Upon expiration of the lease term, the Parent Company entered into a new lease agreement with a related party for a period of one year starting August 15, 2024.

20. Notes to Statements of Cash Flows

Details of the movement in cash flows from financing activities in 2024 and 2023 follow:

			Non-cash change			
	January 1, 2024	**Cash Flows**	**Dividends declared**	**Movements in debt issue costs**	**Interest expense during the year**	**December 31, 2024**
Dividends payable	**₱128,945,029**	**(₱1,243,699,904)**	**₱1,337,929,540**	**₱–**	**₱–**	**₱223,174,665**
Bank loans	**50,180,803,387**	**2,923,101,448**	**–**	**(29,534,667)**	**–**	**53,074,370,168**
Notes payable	**65,484,741,502**	**(8,329,174,935)**	**–**	**167,116,036**	**–**	**57,322,682,603**
Lease liabilities	**8,106,171**	**(8,374,986)**	**–**	**–**	**268,815**	**–**
Interest payable	**658,146,838**	**(8,240,468,956)**	**–**	**(137,581,369)**	**8,164,257,122**	**444,353,635**
Issuance of shares (net of issuance cost)	**–**	**2,945,503,841**	**–**	**–**	**–**	**2,945,503,841**
Total liabilities from financing activities	**₱116,460,742,927**	**(₱11,953,113,492)**	**₱1,337,929,540**	**₱–**	**₱8,164,525,937**	**₱114,010,084,912**

			Non-cash change			
	January 1, 2023	Cash Flows	Dividends declared	Movements in debt issue costs	Interest expense during the year	December 31, 2023
Dividends payable	₱12,573,341	(₱624,280,861)	₱740,652,549	₱–	₱–	₱128,945,029
Bank loans	52,477,299,750	(2,297,010,521)	–	514,158	–	50,180,803,387
Notes payable	59,517,016,850	6,083,325,067	–	(115,600,415)	–	65,484,741,502
Lease liabilities	19,006,697	(12,033,759)	–	–	1,133,233	8,106,171
Interest payable	513,076,746	(7,844,045,826)	–	115,086,257	7,874,029,661	658,146,838
Total liabilities from financing activities	₱112,538,973,384	(₱4,694,045,900)	₱740,652,549	₱–	₱7,875,162,894	₱116,460,742,927

The Parent Company's noncash investing and financing activities pertain to the following:

a) The Parent Company presented in the statements of cash flow the availments and payments, net of bank loans that were rolled over during the period (loans against deposit hold-out) amounting to ₱33,356.35 million and ₱27,061.53 million in 2024 and 2023, respectively.
b) Dividend receivables were offset against payable of the Parent Company to its subsidiaries amounting ₱10,691.52 million and ₱15,754.12 million as of December 31, 2024 and 2023, respectively.
c) Amortization of system development cost reported in "Depreciation expense" amounted to ₱1.31 million and ₱1.49 million in 2024 and 2023, respectively. The carrying value of system development cost is included under "Other noncurrent asset" in the statement of financial position.

21. Subsequent Events

New loan availment
On May 2, 2025, VLL International, Inc. (VII), a subsidiary of the Parent Company, has obtained a US$150 million syndicated term loan facility at a rate of 6.40509% per annum. The obligations of VII under the loan facility are guaranteed by the Parent Company and its subsidiaries namely Brittany Corporation, Crown Asia Properties, Inc., Camella Homes, Inc., Communities Philippines, Inc., Vistamalls, Inc., and Vista Residences, Inc. The proceeds of the term loan facility will be used for financing, refinancic

22. Approval of the Financial Statements

The financial statements of the Parent Company for the years ended December 31, 2024 and 2023 were authorized for issue by the Board of Director on May 15, 2025.

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Building a better working world

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1226 Makati City
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INDEPENDENT AUDITOR'S REPORT

The Board of Directors and Stockholders
Vista Land and Lifescapes, Inc.
Lower Ground Floor, Building B
Evia Lifestyle Center, Vista City
Daanghari, Almanza II, Las Piñas City

We have audited the accompanying parent company financial statements of Vista Land and Lifescapes, Inc. (the Parent Company) as at December 31, 2024 and for the year then ended, on which we have rendered the attached report dated May 15, 2025.

In compliance with Revised Securities Regulation Code Rule 68, we are stating that the above Parent Company has seven hundred ninety-nine (799) stockholders owning one hundred (100) or more shares each.

SYCIP GORRES VELAYO & CO.

Michael C. Sabado
Partner
CPA Certificate No. 89336
Tax Identification No. 160-302-865
BOA/PRC Reg. No. 0001, April 16, 2024, valid until August 23, 2026
BIR Accreditation No. 08-001998-073-2023, October 23, 2023, valid until October 22, 2026
PTR No. 10465376, January 2, 2025, Makati City

May 15, 2025

VISTA LAND & LIFESCAPES, INC. AND SUBSIDIARIES
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INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY SCHEDULES

The Board of Directors and Stockholders
Vista Land and Lifescapes, Inc.
Lower Ground Floor, Building B
Evia Lifestyle Center, Vista City
Daanghari, Almanza II, Las Piñas City

We have audited in accordance with Philippine Standards on Auditing, the parent company financial statements of Vista Land and Lifescapes, Inc. (the Parent Company) as at and for the years ended December 31, 2024 and 2023 and have issued our report thereon dated May 15, 2025. Our audits were made for the purpose of forming an opinion on the basic parent company financial statements taken as a whole. The schedules listed in the Index to the Supplementary Schedules are the responsibility of the management of the Parent Company. These schedules are presented for purposes of complying with the Revised Securities Regulation Code Rule 68, and are not part of the basic parent company financial statements. These schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, fairly state, in all material aspects, the financial information required to be set forth therein in relation to the basic parent company financial statements taken as a whole.

SYCIP GORRES VELAYO & CO.

Michael C. Sabado
Partner
CPA Certificate No. 89336
Tax Identification No. 160-302-865
BOA/PRC Reg. No. 0001, April 16, 2024, valid until August 23, 2026
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May 15, 2025

VISTA LAND & LIFESCAPES, INC.

SUPPLEMENTARY SCHEDULE OF RETAINED EARNINGS AVAILABLE FOR DIVIDEND DECLARATION

AS OF DECEMBER 31, 2024

Unappropriated Retained Earnings, beginning of reporting period		₱11,985,191,622
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	1,337,929,540	
Retained Earnings appropriated during the reporting period	–	
Effect of restatements or prior-period adjustments	–	
Others	–	1,337,929,540
Unappropriated Retained Earnings, as adjusted		10,647,262,082
Add/Less: Net Income (loss) for the current year		2,119,036,015
Less: Category C.1: Unrealized income recognized in the profit or loss during the reporting period (net of tax)		
Equity in net income of associate/joint venture, net of dividends Declared	–	
Unrealized foreign exchange gain, except those attributable to cash and cash equivalents	–	
Unrealized fair value adjustment (mark-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	–	
Unrealized fair value gain of Investment Property	–	
Other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS	–	
Sub-total		–
Add: Category C.2: Unrealized income recognized in the profit or loss in prior reporting periods but realized in the current reporting period (net of tax)		
Realized foreign exchange gain, except those attributable to Cash and cash equivalents	–	
Realized fair value adjustment (mark-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	–	
Realized fair value gain of Investment Property	–	
Other realized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS	–	
Sub-total		**–**

Add: Category C.3: Unrealized income recognized in profit or loss in prior periods but reversed in the current reporting period (net of tax)		
Reversal of previously recorded foreign exchange gain, except those attributable to cash and cash equivalents	–	
Reversal of previously recorded fair value adjustment (mark-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	–	
Reversal of previously recorded fair value gain of Investment Property	–	
Reversal of other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS, previously recorded	–	
Sub-total		–
Adjusted Net Income/Loss		12,766,298,098
Add: Category D: Non-actual losses recognized in profit or loss during the reporting period (net of tax)		
Depreciation on revaluation increment (after tax)	–	
Sub-total		–
Add/Less: Category E: Adjustments related to relief granted by the SEC and BSP		
Amortization of the effect of reporting relief	–	
Total amount of reporting relief granted during the year	–	
Others	–	
Sub-total		–
Add/Less: Category F: Other items that should be excluded from the determination of the amount of available for dividends distribution		
Net movement of treasury shares (except for reacquisition of redeemable shares)	–	
Net movement of deferred tax asset not considered in the reconciling items under the previous categories	–	
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	1,183,928	
Adjustment due to deviation from PFRS/GAAP - gain (loss)	–	
Others	–	
Sub-total		1,183,928
Total Retained Earnings, end of the reporting period available for dividend declaration		₱12,767,482,026

VISTA LAND & LIFESCAPES, INC.

SCHEDULE A: FINANCIAL ASSETS

DECEMBER 31, 2024

Name of issuing entity and association of each issue	Number of shares or principal amount of bonds and notes	Amount shown in the balance sheet	Value based on market quotation at end of reporting period	Income received and accrued
Cash and cash equivalents	N/A	₱1,637,460,185	₱1,637,460,185	₱127,996,487
Short-term cash investments	N/A	–	–	–
Receivable from related parties	N/A	123,789,365,472	123,789,365,472	–
Accrued interest receivable	N/A	1,060,592	1,060,592	–
Investment at fair value through other comprehensive income	100 Units	160,000,000	160,000,000	–
Total Financial Assets		₱125,587,886,249	₱125,587,886,249	₱127,996,487

See Notes 6, 7 and 17 of the Parent Company Financial Statements

VISTA LAND & LIFESCAPES, INC.

SCHEDULE B: AMOUNTS RECEIVABLE FROM DIRECTORS, OFFICERS, EMPLOYEES, RELATED PARTIES AND PRINCIPAL STOCKHOLDER (OTHER THAN RELATED PARTIES)

DECEMBER 31, 2024

Designation of debtor	Balance at beginning of period	Additions	Amounts collected	Amounts written off	Current	Not current	Balance at end of period
Officers	₱–	₱2,314,205	₱2,253,008	₱–	₱61,197	₱–	₱61,197
Employees	84,059	521,718	570,778	–	35,000	–	35,000
	₱84,059	₱2,835,923	₱2,823,786	₱–	₱96,197	₱–	₱96,197

See Note 7 of the Parent Company Financial Statements

VISTA LAND & LIFESCAPES, INC.

SCHEDULE C: AMOUNTS RECEIVABLES/PAYABLES FROM/TO RELATED PARTIES WHICH ARE ELIMINATED DURING THE CONSOLIDATION OF FINANCIAL STATEMENTS

DECEMBER 31, 2024

Name and Designation of Debtor	Balance at Beginning of Period	Additions	Amounts Collected	Amounts Converted to APIC/Capital Stock	Current	Noncurrent	Balance at end of period

Not Applicable

VISTA LAND & LIFESCAPES, INC.

SCHEDULE D: LONG TERM DEBT

DECEMBER 31, 2024

Title of issue and type of obligation	Amount authorized by indenture	Amount shown under caption "Current portion of long-term debt" in related balance sheet	Amount shown under caption "Long-term debt" in related balance sheet	Interest rates	Amount	Number of periodic installments	Maturity date
Notes payable 1	₱5,150,000,000	₱103,000,000	₱4,239,014,476	6.19%	₱4,342,014,476	Quarterly interest payments; 0.5% principal payment for 36 quarter and 82% principal on maturity date	December 2026
Notes payable 2	4,850,000,000	97,000,000	3,992,081,594	6.23%	4,089,081,594	Quarterly interest payments; 1% principal payment for the 1st quarter following the issuance, .5% and 82% principal on maturity date	December 2026
Notes payable 3	6,000,000,000	666,659,200	1,824,931,305	7.71%	2,491,590,505	Quarterly interest payments; 4.1667% principal payment 1 year after issuance for 24 quarters	July 2028
Notes payable 4	1,700,000,000	210,113,343	–	7.49%	210,113,343	Quarterly interest payments; 4.1667% principal payment 1 year after issuance for 24 quarters	July 2025
Notes payable 5	500,000,000	61,798,042	–	7.50%	61,798,042	Quarterly interest payments; 4.1667% principal payment 1 year after issuance for 24 quarters	July 2025
Notes payable 6	4,000,000,000	888,888,889	1,325,419,326	6.64%	2,214,308,215	Quarterly interest payments; 5.56% principal payment 3 quarter after issuance for 18 quarters	March 2027
Notes payable 7	2,000,000,000	444,444,445	662,709,662	7.24%	1,107,154,107	Quarterly interest payments; 5.56% principal payment 2 quarter after issuance for 18 quarters	March 2027
Notes payable 8	8,600,000,000	8,562,280,563	–	7.93%	8,562,280,563	Quarterly interest payments; principal payable upon maturity	December 2025
Notes payable 9	2,900,000,000	2,887,280,655	–	7.26%	2,887,280,655	Quarterly interest payments; principal payable upon maturity	December 2025
Notes payable 10	6,000,000,000	–	5,971,706,040	7.61%	5,971,706,040	Quarterly interest payments; principal payable upon maturity	April 2026

(Forward)

Title of issue and type of obligation	Amount authorized by indenture	Amount shown under caption "Current portion of long-term debt" in related balance sheet	Amount shown under caption "Long-term debt" in related balance sheet	Interest rates	Amount	Number of periodic installments	Maturity date
Notes payable 11	4,000,000,000	₱–	₱3,981,137,360	7.63%	3,981,137,360	Quarterly interest payments; principal payable upon maturity	April 2026
Notes Payable 12	5,000,000,000	–	1,991,627,746	6.23%	1,991,627,746	Quarterly interest payments; principal payable upon maturity	August 2027
Notes Payable 13	10,000,000,000	3,491,858,974	–	8.25%	3,491,858,974	Quarterly interest payments; principal payable upon maturity	December 2025
Notes Payable 14	10,000,000,000	9,990,376,824	–	5.70%	9,990,376,824	Quarterly interest payments; principal payable upon maturity	June 2025
Notes Payable 15	6,000,000,000	–	3,136,107,781	7.54%	3,136,107,781	Quarterly interest payments; principal payable upon maturity	December 2026
		–	2,794,246,377	7.69%	2,794,246,377	Quarterly interest payments; principal payable upon maturity	December 2028
Bank Loans	Not Applicable	17,777,847,980	35,296,522,188	4.75% to 8.50%	53,074,370,168	Various payment terms (i.e., monthly and quarterly) of interest and principal	Various dates

See Notes 12 and 13 of the Parent Company Financial Statements

VISTA LAND & LIFESCAPES, INC.

SCHEDULE E: INDEBTEDNESS TO RELATED PARTIES

DECEMBER 31, 2024

Name of related party	Balance at beginning of period	Balance at end of period

Not Applicable

VISTA LAND & LIFESCAPES, INC.

SCHEDULE F: GUARANTEES OF SECURITIES OF OTHER ISSUERS

DECEMBER 31, 2024

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 of owned by person for which statement is filed	Nature of guarantee
VLL International, Inc.	Dollar-denominated bonds due June 2027	₱ 11,510,146,977	₱ 11,510,146,977	Guaranteed principal payments of the notes
VLL International, Inc.	Dollar-denominated bonds due June 2027	12,889,387,322	12,889,387,322	Guaranteed principal payments of the notes
VLL International, Inc.	Dollar-denominated bonds due June 2029	25,707,576,319	25,707,576,319	Guaranteed principal payments of the notes
		₱50,107,110,618	₱50,107,110,618	

VISTA LAND & LIFESCAPES, INC.

SCHEDULE G: CAPITAL STOCK

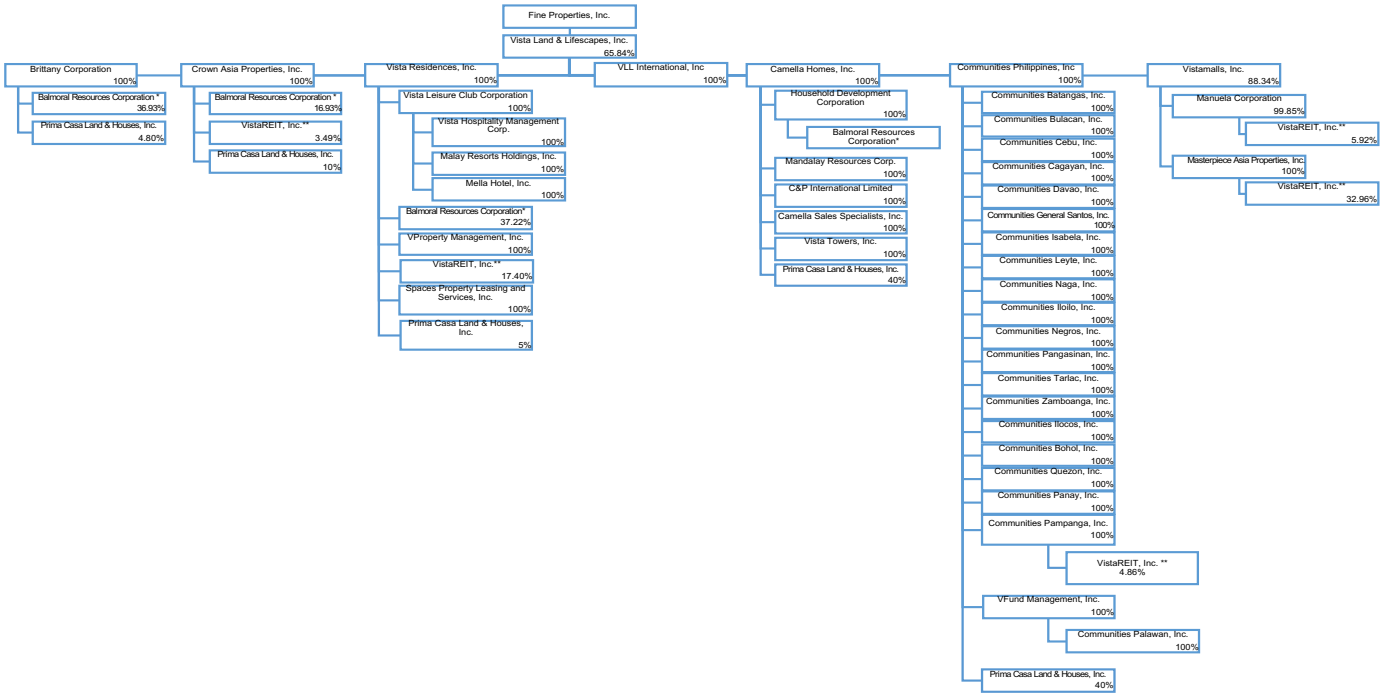
DECEMBER 31, 2024

Title of issue	Number of shares authorized	Number of shares issued and outstanding at shown under related balance sheet caption	Number of shares reserved for options, warrants, conversion and other rights	Number of shares held by		
				Related parties	Directors, officers and employees	Others
Common Stock, ₱1 par value	17,900,000,000	13,114,136,376 shares issued; 11,945,799,461 shares outstanding	–	9,113,046,142	516,778,325	3,068,183,209
Preferred Series 1, ₱0.01 par value	8,000,000,000	3,300,000,000 shares issued and outstanding	–	3,300,000,000	–	–
Preferred Series 2, ₱0.10 par value	200,000,000	30,000,000 shares issued and outstanding	–	–	10,000	29,990,000

See Note 14 of the Parent Company Financial Statements.

VISTA LAND & LIFESCAPES, INC. AND SUBSIDIARIES
GROUP STRUCTURE

Below is the map showing the relationship between and among group and its Ultimate parent company, and its subsidiaries as of December 31, 2024.



**The Group effectively owns 100% of Balmoral Resources Corporation through Brittany, CAPI, VRI and HDC.*

***The Group effectively owns 60.09% and 98.94% of VistaREIT, Inc. (formerly Vista One, Inc.) through MC, MAPI, Communities Pampanga, Inc., CAPI and VRI and the rest are owned by individual shareholders, as of December 31, 2023 and 2022, respectively.*

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INDEPENDENT AUDITOR'S REPORT ON COMPONENTS OF FINANCIAL SOUNDNESS INDICATORS

The Board of Directors and Stockholders
Vista Land and Lifescapes, Inc.
Lower Ground Floor, Building B
Evia Lifestyle Center, Vista City
Daanghari, Almanza II, Las Piñas City

We have audited in accordance with Philippine Standards on Auditing, the parent company financial statements of Vista Land & Lifescapes, Inc. (the Parent Company) as at December 31, 2024 and 2023, and for the years then ended, and have issued our report thereon dated May 15, 2025. Our audits were made for the purpose of forming an opinion on the parent company 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 Parent Company's management. These financial soundness indicators are not measures of operating performance defined by Philippine Financial Reporting Standards (PFRS) Accounting Standards and may not be comparable to similarly titled measures presented by other companies. This schedule is presented for the purpose of complying with the Revised Securities Regulation Code Rule 68 issued by the Securities and Exchange Commission and is not a required part of the basic parent company financial statements prepared in accordance with PFRS Accounting Standards. The components of these financial soundness indicators have been traced to the parent company financial statements as at December 31, 2024, and for the years then ended and no material exceptions were noted.

SYCIP GORRES VELAYO & CO.

Michael C. Sabado
Partner
CPA Certificate No. 89336
Tax Identification No. 160-302-865
BOA/PRC Reg. No. 0001, April 16, 2024, valid until August 23, 2026
BIR Accreditation No. 08-001998-073-2023, October 23, 2023, valid until October 22, 2026
PTR No. 10465376, January 2, 2025, Makati City

May 15, 2025

SCHEDULE OF FINANCIAL SOUNDNESS INDICATORS

VISTA LAND & LIFESCAPES, INC.
AS OF DECEMBER 31, 2024 AND 2023

Ratios	Formula	December 31, 2024	December 31, 2023
Current ratio	Current assets / Current liabilities	**2.69**	3.80
Acid test ratio	Quick asset[1] / Current liabilities	**2.64**	3.80
Solvency ratio	Net income + Depreciation and amortization / Total liabilities	**0.02**	0.06
Debt-to-equity ratio	Interest bearing debt[2] / Total equity	**1.41**	1.55
Asset to equity ratio	Total assets / Total equity	**2.44**	2.57
Interest service coverage ratio	EBITDA / Total interest paid	**1.22**	1.96
Return on equity	Net income / Total equity	**0.03**	0.10
Return on assets	Net income / Average total assets	**0.01**	0.04
Net profit margin	Net income / Net revenue[3]	**0.20**	0.47

Figures used in the computation	December 31, 2024	December 31, 2023
Current assets	**₱127,822,038,330**	₱128,357,901,396
Current liabilities	**47,436,838,768**	33,735,458,037
Quick asset[1]	**125,427,886,249**	128,188,434,142
Net income + Depreciation and amortization	**2,127,668,994**	7,355,431,083
Interest bearing debt[2]	**110,397,052,771**	115,665,544,889
Total assets	**190,453,486,527**	190,956,421,716
Total liabilities	**112,293,510,997**	116,562,272,857
Total equity	**78,159,975,530**	74,394,148,859
EBITDA[4]	**10,179,618,098**	15,127,324,381
Total interest paid	**8,378,050,325**	7,728,959,569
Net income	**2,119,036,022**	7,342,371,299
Net revenue[3]	**10,715,728,495**	15,777,696,800
Average total assets	**190,704,954,122**	185,707,502,639

[1]Includes Cash and Cash Equivalents, Short-term Investments, Receivable from Related parties and Accrued Interest Receivable
[2]Includes Bank loans and Notes Payable
[3]Includes Dividend Income and Miscellaneous Income
[4]EBITDA less Interest Income

VISTA LAND & LIFESCAPES, INC. AND SUBSIDIARIES

Supplementary Schedule of External Auditor Fee-Related Information
As at December 31, 2024

	2024	2023
Total Audit Fees	**₱44,861,504**	₱41,517,928
Non-audit services fees:		
Other assurance services	**28,435,000**	16,636,429
Tax services	**–**	–
All other services	**–**	–
Total non-audit fees	**28,435,000**	16,636,429
Total audit and non-audit fees	**₱73,296,504**	₱58,154,357