COVER SHEET

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S.E.C. Registration Number

V	I	S	T	A	M	A	L	L	S	,	I	N	C	.	(	F	O	R	M	E	R	L	Y	
S	T	A	R	M	A	L	L	S	,	I	N	C	.	)										

(Company's Full Name)

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								

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

Brian N. Edang	8571-5948
Contact Person	Registrant Telephone Number

1	2	3	1

Month *Day*
Calendar Year

20-IS Preliminary Information Statement
FORM TYPE

0	7	2	8

Month *Day*
Annual Meeting

Secondary License Type, If Applicable

MSRD

Dept. Requiring this Doc.

Amended Articles Number/Section

Total Amount of Borrowings

432*		
Total No. of Stockholders	Domestic	Foreign

**as of October 31, 2026*

To be accomplished by SEC Personnel concerned

File Number

LCU

Document I.D.

Cashier

CERTIFICATION

VISTAMALLS, INC. (the "Company") hereby certifies that, based on the documents and information in the custody of the Company, except for Ms. Camille A. Villar, none of the incumbent directors, officers and the nominees for election of directors of the Company named in the Information Statement for the Annual Meeting of its shareholders for the year 2026 are affiliated with any government agency or instrumentality.

Ms. Villar is currently a Senator of the Republic of the Philippines following the 2025 national elections. Her current position does not disqualify her from serving as a director of the Company, nor does it require any prior consent or approval under applicable laws.

Issued this 10 November 2026.

VISTAMALLS, INC.

By:

MA. NALEN SJ. ROSERO
Corporate Secretary

CERTIFICATION OF INDEPENDENT DIRECTORS

I, **Cherrylyn P. Caoile**, Filipino, of legal age and a resident of after having been duly sworn to in accordance with law do hereby declare that:

1. I have been nominated for election as independent director of **Vistamalls, Inc.**

2. I am affiliated with the following companies or organizations:

Company/ Organization	Position/ Relationship	Period of Service
Taipan Security Services, Inc.	Chairman of the Board	2015 - Present
VProperty Management, Inc.	Independent Director	2022 - Present
Vista Land & Lifescapes, Inc.	Independent Director	2023 – Present

3. I possess all the qualifications and none of the disqualifications to serve as an Independent Director of **Vistamalls, Inc.**, as provided for in Section 38 of the Securities Regulation Code, its Implementing Rules and Regulations, and other SEC issuances.

4. I am not related to any of the directors, officers or substantial shareholder of **Vistamalls, Inc.** and its subsidiaries and affiliates.

5. To the best of my knowledge, I am not the subject of any pending criminal or administrative investigation or proceeding.

6. I shall faithfully and diligently comply with my duties and responsibilities as independent director under the Securities Regulation Code.

7. I shall inform the corporate secretary of **Vistamalls, Inc.** of any changes in the abovementioned information within five days from its occurrence.

Done, this NOV 10 2026 at MANDALUYONG CITY.

CHERRYLYN P. CAOILE
Affiant

SUBSCRIBED AND SWORN to before me this NOV 10 2026 at MANDALUYONG CITY, affiant personally appeared before me and exhibited to me her

Doc. No. 219
Page No. 45
Book No. V
Series of 2026.

ATTY. CHRISTOPHER JOHN A. TORRES
NOTARY PUBLIC
UNTIL DECEMBER 31, 2027
ROLL NO. 59751
IBP Service Invoice No. 593497
PTR No. 6038126 / 5 Jan. 2026 / Mandaluyong City
MCLE Compliance No. VIII-0042448 issued dated 23 January 2026
Notarial Commission Appointment No. 0792-26
Vista Corporate Center, Upper Ground Floor
Worldwide Corporate Center, Shaw Boulevard Mandaluyong City

CERTIFICATION OF INDEPENDENT DIRECTORS

I, **Marilou O. Adea**, Filipino, of legal age and a resident of
after having been duly sworn to in accordance with law do hereby declare that:

1. I have been nominated for election as Independent Director of **Vistamalls, Inc.** and have been its Independent Director since June 2023.

2. I am currently affiliated with the following companies or organizations:

Company/ Organization	Position/ Relationship	Period of Service
FBO Management Network, Inc.	Consultant	2000 – present
VProperty Management, Inc.	Independent Director	2022 – present
Philtown Properties Inc.	Independent Director	Jan 2023 – present
Villar Land Holdings Corp.	Independent Director	Dec 2025 - present
Malarayat Rural Bank, Inc.	Chairman	Jan 2026 – present

3. I possess all the qualification and none of the disqualifications to serve as an Independent Director of **Vistamalls, Inc.**, as provided for in Section 38 of the Securities Regulation Code and its Implementing Rules and Regulations and other SEC issuances.

4. I am not related to any of the directors, officers or substantial shareholder of **Vistamalls, Inc.** and its subsidiaries and affiliates.

5. To the best of my knowledge, I am not the subject of any pending criminal or administrative investigation or proceeding.

6. I shall faithfully and diligently comply with my duties and responsibilities as independent director under the Securities Regulation Code.

7. I shall inform the corporate secretary of **Vistamalls, Inc.** of any changes in the abovementioned information within five days from its occurrence.

Done, this NOV 10 2026 at MANDALUYONG CITY.

MARILOU O. ADEA
Affiant

SUBSCRIBED AND SWORN to before me this NOV 10 2026 at _____, affiant personally appeared before me and exhibited to me her

MANDALUYONG

Doc. No. 220
Page No. 45
Book No. V
Series of 2026.

ATTY. CHRISTOPHER JOHN A. TORRES
NOTARY PUBLIC
UNTIL DECEMBER 31, 2027
ROLL NO. 59751
IBP Service Invoice No. 593497
PTR No. 6058126 / 5 Jan. 2026 / Mandaluyong City
MCLE Compliance No. VIII-0042448 issued dated 23 January 2026
Notarial Commission Appointment No. 0792-26
Vista Corporate Center, Upper Ground Floor
Worldwide Corporate Center, Shaw Boulevard Mandaluyong City

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

Notice is hereby given that the annual meeting of stockholders of **VISTAMALLS, INC.** (the "Company" or "STR") for the year 2026 will be held online on **December 23, 2026**, **Wednesday** at **10:00 a.m.** with the proceedings livestreamed and voting conducted in absentia through the Company's secure voting online facility which may be accessed through the following URL address: https://vote.vistamalls.com.ph/VSRV/Login.

The following shall be the agenda of the meeting:

1. Call to order
2. Certification of service of notice and presence of quorum
3. Approval of the minutes of the last Annual Meeting of Stockholders held on July 28, 2025
4. Presentation of the President's Report, Management Report and Audited Financial Statements for the year 2025
5. Ratification of all acts and resolutions of the Board of Directors and Management from the date of the last annual stockholders' meeting until the date of this meeting
6. Election of the members of the Board of Directors, including the Independent Directors, for the year 2026
7. Appointment of External Auditors
8. Adjournment

Minutes of the 2025 Annual Meeting of Stockholders is available at the Company's website: (https://documents.starmalls.com.ph/minutes-of-meetings.php).

Electronic copies of the Information Statement and Management Report with respect to the 2026 Annual Meeting of Stockholders of the Company, as well as the 2025 Annual Report (SEC Form 17A) and Quarterly Report for period ended 31 March 2026 (SEC Form 17Q), Quarterly Report for period ended 30 June 2026 (SEC Form 17Q), and Quarterly Report for period ended 30 September 2026 (SEC Form 17Q) of the Company, shall be available on or before 27 November 2026 on the Company's website (https://documents.starmalls.com.ph/index.php) and PSE Edge (https://edge.pse.com.ph).

The Board of Directors has fixed the close of business on 23 November 2026 as the record date for the determination of stockholders entitled to notice of, and to vote at, the Annual Stockholders' Meeting.

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

Stockholders who intend to participate in the meeting via remote communication and to exercise their vote *in absentia* must notify the Corporate Secretary by registering in advance at https://vote.vistamalls.com.ph/VSRV/Login on or before 13 December 2026. All information submitted will be subject to verification and validation by the Corporate Secretary.

Stockholders who intend to appoint the Chairman of the Meeting as their proxy should submit duly accomplished proxy forms on or before 13 December 2026 at the Office of the Corporate Secretary at UGF Worldwide Corporate Center, Shaw Boulevard, Mandaluyong City and/or by email to ir@vistamalls.com.ph.

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

Copies of the 2025 Audited Financial Statements and Interim Unaudited Financial Statements of the Company as of and for the quarters ended 31 March 2026, 30 June 2026 and 30 September 2026 with Management Discussion and Analysis shall be posted on the website of the Company (https://documents.starmalls.com.ph/index.php) on or before 27 November 2026.

A hard copy of the same Financial Statements will be provided to any requesting shareholder, free of charge, as soon as said Interim Unaudited Financial Statements become available but in no case later than 23 December 2026.

MA. NALEN SJ. ROSERO
Corporate Secretary

AGENDA DETAILS AND RATIONALE

1. **Certification of Notice and Quorum**

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

Pursuant to Sections 23 and 57 of the Revised Corporation Code and SEC Memorandum Circular No. 6, Series of 2020, the Corporation has set up a designated web address which may be accessed by the stockholders to participate and vote in absentia on the agenda items presented for resolution at the meeting.

A stockholder who votes in absentia as well as a stockholder participating by remote communication shall be deemed present for purposes of quorum.

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

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

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

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

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

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

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

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

2. **Approval of the Minutes of the last Annual Meeting of Stockholders held on July 28, 2025**

The minutes of the last Annual Meeting of Stockholders held on July 28, 2025 will be presented for approval by the stockholders, in keeping with Section 49(a) of the Revised Corporation Code.

A copy of such minutes has been uploaded on the Company's website immediately after the Annual Meeting of Stockholders for the year 2025.

https://documents.starmalls.com.ph/minutes-of-meetings.php

3. **President's Report, Management Report and Audited Consolidated Financial Statements as of and for the year ended December 31, 2025**

The audited financial statements ("AFS") of the Company as of and for the year ended December 31, 2025 (as audited by SyCip, Gorres, Velayo & Co.), a copy of which is incorporated in the Definitive Information Statement for this meeting, will be presented for approval by the stockholders.

The President and CEO of the Company, Mr. Manuel Paolo A. Villar, will deliver a report to the stockholders on the Company's performance for the year 2025 (which will include highlights from the AFS) and the outlook for 2026.

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

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

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

The Board and Management of the Company believe it is in keeping with the Company's thrust to at all times observe best corporate governance practices, that ratification of their acts and resolutions be requested from the shareholders in this annual meeting. Such ratification will be a confirmation that the shareholders approve the manner that the Board and Management run the business and affairs of the Company.

5. **Election of the members of the Board of Directors, including the Independent Directors, for the year 2026**

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

6. **Appointment of External Auditors**

The Audit Committee is endorsing to the stockholders the re-appointment of SyCip Gorres Velayo & Co. as external auditor of the Company for the fiscal year 2026.

PROXY

Stockholders who would like to be represented thereat by a proxy may choose to execute and send a proxy form to the Office of the Corporate Secretary (Atty. Ma. Nalen SJ. Rosero) at UGF Worldwide Corporate Center, Shaw Boulevard, Mandaluyong City, on or before 13 December 2026. A sample proxy form is provided below. Stockholders may likewise email a copy of the accomplished proxy form to ir@vistamalls.com.ph.

The undersigned stockholder of **VISTAMALLS, INC.** (the "Company") hereby appoints _____ or in his absence, the Chairman of the meeting, as attorney-in-fact or proxy, with power of substitution, to represent and vote all shares registered in his/her/its name as proxy of the undersigned stockholder, at the Annual Stockholders' Meeting of the Company on 23 December 2026 at 10:00 a.m. and at any adjournment thereof for the purpose of acting on the following matters:

1. Approval of the minutes of the last Annual Meeting of Stockholders held on July 28, 2025

   ☐ Yes ☐ No ☐ Abstain

2. Noting of the President's Report and Management Report and Approval of the Audited Financial Statements for the year 2025

   ☐ Yes ☐ No ☐ Abstain

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

   ☐ Yes ☐ No ☐ Abstain

4. Election of the members of the Board of Directors, including the Independent Directors for the year 2026

Name	No. of votes
Manuel B. Villar Jr.	_____
Manuel Paolo A. Villar	_____
Cynthia J. Javarez	_____
Camille A. Villar	_____
Achawin Asavabhokin	_____
Cherrylyn P. Caoile	_____
Marilou O. Adea	_____

5. Re-appointment of SGV & Co. as external auditor

   ☐ Yes ☐ No ☐ Abstain

_____
Printed name of Stockholder

_____
Signature of Stockholder / Authorized representative

_____
Date

This proxy should be received by the Corporate Secretary on or before 13 December 2026, the deadline for submission of proxies.

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

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

Notarization of this proxy is not required.

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 20-IS

INFORMATION STATEMENT PURSUANT TO SECTION 20 OF THE SECURITIES REGULATION CODE

1. Check the appropriate box:

   [✓] Preliminary Information Statement
   [ ] Definitive Information Statement

2. Name of Registrant as specified in its charter: **VISTAMALLS, INC.**

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

4. SEC Identification Number **39587**

5. BIR Tax Identification Code **000-806-396-000**

6. **Lower Ground Floor, Building B, Evia Lifestyle Center, Vista City, Daanghari, Almanza II, Las Piñas City** **1747**
   Address of principal office Postal Code

7. Registrant's telephone number, including area code **(632) 8571-5948**

8. Date, time and place of the meeting of security holders
   23 December 2026, 10:00 a.m. (via Remote Communication)

9. Approximate date on which the Information Statement is first to be sent or given to security holders
   November 27, 2026

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

Title of Each Class	Number of Shares of Common Stock Outstanding or Amount of Debt Outstanding *(as of October 31, 2026)*
Common stock	**8,425,981,156 shares**
Preferred stock	**2,350,000,000 shares**

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

    Yes [✓] No [ ]

    Name of Stock Exchange: **Philippine Stock Exchange**
    Class of securities listed: **Common Stocks**

PART I

INFORMATION STATEMENT

GENERAL INFORMATION

Date, time and place of meeting of security holders.

Date: December 23, 2026
Time: 10:00 a.m.
Place: N/A (via remote communication)

The corporate mailing address of the principal office of the Registrant is Lower Ground Floor, Building B, Evia Lifestyle Center, Vista City, Daanghari, Almanza II, Las Piñas City, Philippines.

This Information Statement may be accessed by the Company's stockholders beginning November 27, 2026 at the Company's website, https://documents.starmalls.com.ph/sec-information-statement.php.

Dissenters' Right of Appraisal

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

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

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

If within a period of sixty (60) days from the date the corporate action was approved by the stockholders, the withdrawing stockholder and the corporation cannot agree on the fair value of the shares, it shall be determined and appraised by three (3) disinterested persons, one of whom shall be named by the stockholder, another by the corporation and the third by the two thus

chosen. The findings of the majority of appraisers shall be final, and their award shall be paid by the corporation within thirty (30) days after such award is made: Provided, that no payment shall be made to any dissenting stockholder unless the corporation has unrestricted retained earnings in its books to cover such payment; and Provided, Further, That upon payment by the corporation of the agreed or awarded price, the stockholder shall forthwith transfer his shares to the corporation.

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

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

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

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

CONTROL AND COMPENSATION INFORMATION

Voting Securities and Principal Holders Thereof

(a) Number of outstanding shares as of 31 October 2026:

Common:	8,425,981,156
Preferred:	2,350,000,000

(b) Record Date: 23 November 2026

Each common share of stock of the Registrant is entitled to one (1) vote. Pursuant to Article III, Section 3 of the Registrant's Amended By-Laws, every holder of voting stock may vote during all meetings, including the Annual Stockholders' Meeting, either in person or by proxy executed in writing by the stockholder or his duly authorized attorney-in-fact.

Stockholders entitled to vote are also entitled to cumulative voting in the election of directors. Section 23 of the Corporation Code provides, in part, that: "….in stock corporations, every stockholder entitled to vote shall have the right to vote in person or by proxy the number of shares of stock standing, at the time fixed in the by-laws, in his own name on the stock books of the corporation, or where the by-laws are silent, at the time of the election; and said stockholder may vote such number of shares for as many persons as there are directors to be elected, or he may cumulate said shares and give one candidate as many votes as the number of directors to be elected multiplied by the number of his shares shall equal, or he may distribute them on the same principle among as many candidates as he shall see fit…."

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

Equity Ownership of Foreign and Local Shareholders

Foreign and local security ownership as of October 31, 2026:

Class	Filipino		Foreign		Total Shares Outstanding
	Shares	Percent of Class	Shares	Percent of Class	
Common	7,615,014,675	90.38%	810,966,481	9.62%	8,425,981,156
Preferred	2,350,000,000	100.00%	-	-	2,350,000,000
Total	**9,965,014,675**		**810,966,481**		**10,775,981,156**

Security Ownership of Certain Beneficial Owners and Management

Security ownership of certain record and beneficial owners of more than 5.0% of the Registrant's voting securities as of October 31, 2026:

Title of Class of Securities	Name/Address of Record Owners and Relationship with Us	Name of Beneficial Owner /Relationship with Record Owner	Citizenship	No. of Shares Held	% of Ownership[1]
Common	Vista Land & Lifescapes, Inc. ("VLL")[2] LGF Bldg B, Evia Lifestyle Center, Vista City, Daang Hari, Almanza II, Las Piñas City Shareholder	Record Owner is also beneficial Owner	Filipino	7,443,192,641	69.0721%
Common	Land & Houses Public Company Limited[3] Q. House, Convent Building, 4th & 5th Floors, No. 38 Convent Road, Silom, Bangkok, Thailand Shareholder	Record Owner is also beneficial Owner	Thai	808,431,465	7.5022%
Preferred	Fine Properties, Inc.[4] LGF Bldg B, Evia Lifestyle Center, Vista City, Daang Hari, Almanza II, Las Piñas City Shareholder	Record Owner is also beneficial Owner	Filipino	2,350,000,000	21.8078%

[1] Based on the total issued and outstanding shares (common and preferred) of 10,775,981,156 as of October 31, 2026

[2] VLL, through a resolution passed by the Board of Directors, usually designate its President, Manuel Paolo A. Villar, to be its authorized representative with the power to vote its shares of stock in VLL's subsidiaries

[3] Land & Houses Public Company Limited (L&H) is a foreign corporation duly organized and existing by virtue of the laws of Thailand with office address at Reg. No. 57 Q. House Convent Bldg., 3rd to 5th Floor, 38 Convent Road, Silom, Bangkok 10500 Thailand. L&H usually acts through Mr. Anant Asavabhokin or Mr. Achawin Asavabhokin in matters relating to its shares of stock in the Company.

[4] Fine Properties, Inc., through a resolution passed by the Board of Directors, usually designate its President, Cynthia J. Javarez, to be its authorized representative with the power to vote its shares of stock in the Company.

Security ownership of management as of October 31, 2026:

Title of Class	Name of Beneficial Owner	Amount & Nature of Beneficial Ownership	Citizenship	Percent of Class[7]
Common Shares	Manuel B. Villar Jr.[5]	1,000 - Direct	Filipino	.00001%
Preferred Shares	Manuel B. Villar Jr.[5]	2,350,000,000 - Indirect	Filipino	21.80802%
Common Shares	Manuel Paolo A. Villar[6]	1,000 - Direct	Filipino	.00001%
Common Shares	Cynthia J. Javarez	1,000 - Direct	Filipino	.00001%
Common Shares	Camille A. Villar	100 - Indirect	Filipino	.000001%
Common Shares	Achawin Asavabhokin	1,000 - Indirect	Thai	.00001%
Common Shares	Cherrylyn P. Caoile	1,000 - Indirect	Filipino	.00001%
Common Shares	Marilou O. Adea	1,000 – Indirect	Filipino	.00001%
-	Brian N. Edang	-	Filipino	-
-	Ma. Nalen SJ. Rosero	-	Filipino	-
-	Arbin Omar P. Cariño	-	Filipino	-
-	Rowena B. Bandigan	-	Filipino	-
-	Reymart Rodger M. Nerizon	-	Filipino	-
AGGREGATE SHAREHOLDINGS		**2,350,006,100**		**21.80802%**

[5] Mr. Manuel B. Villar Jr. holds legal title to 1,000 common shares in Vistamalls, Inc. by virtue of, and pursuant to, a Deed of Assignment and Declaration of Trust with VLL

[6] Mr. Manuel Paolo A. Villar holds legal title to 1,000 common shares in Vistamalls, Inc. by virtue of, and pursuant to, a Deed of Assignment and Declaration of Trust with VLL

[7] Based on the total issued and outstanding shares (common and preferred) of 10,775,981,156 as of October 31, 2026

Except as indicated in the table, none of the above-listed officers and management indirectly own shares of the Registrant.

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

Voting Trust Holders of 5.0% or More

As of October 31, 2026, 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 Registrant is not aware of any voting trust agreements or any other similar agreements which may result in a change in control of the Registrant. No change in control of the Registrant has occurred since the beginning of its last fiscal year.

Directors and Executive Officers of the Registrant

Term of Office

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

Background Information

The following are the names, ages and citizenship of the incumbent directors/independent directors and officers of the Registrant as of October 31, 2026:

NAME	AGE	POSITION	CITIZENSHIP	PERIOD SERVED
Manuel B. Villar Jr.	76	Chairman	Filipino	2012 to present
Manuel Paolo A. Villar	50	Director & President	Filipino	2012 to present
Cynthia J. Javarez	63	Director, Chief Risk Officer & Treasurer	Filipino	2019 to present
Camille A. Villar	41	Director	Filipino	2017 to present
Achawin Asavabhokin	51	Director	Thai	2023 to present
Cherrylyn P. Caoile	51	Independent Director	Filipino	2021 to present
Marilou O. Adea	75	Independent Director	Filipino	2023 to present

The following are the names, ages and citizenship of the Company's executive officers in addition to its executive and independent directors listed above as of October 31, 2026:

NAME	AGE	POSITION	CITIZENSHIP
Brian N. Edang	48	Chief Financial Officer & Head, Investor Relations	Filipino
Ma. Nalen SJ. Rosero	55	Chief Information Officer & Corporate Secretary	Filipino
Arbin Omar P. Cariño	45	Compliance Officer & Assistant Corporate Secretary	Filipino
Rowena B. Bandigan	49	Chief Audit Executive	Filipino
Reymart Rodger M. Nerizon	37	Chief Accountant	Filipino

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

MANUEL B. VILLAR, JR., *Chairman of the Board*. Mr. Villar was Senator of the Philippines from 2001 to June 2013. He served as Senate President from 2006 to 2008. He also served as a Congressman from 1992 to 2001 and as Speaker of the House of Representatives from 1998 to 2000. A Certified Public Accountant, Mr. Villar graduated from the University of the Philippines in 1970 with the degree of Bachelor of Science in Business Administration and in 1973 with the degree of 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 he owns the Villar Social Institute for Poverty Alleviation and Governance (SIPAG).

MANUEL PAOLO A. VILLAR, *Director, President and Chief Executive Officer*. 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 Vista Land 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 and VistaREIT, Inc. in March 2022. 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., 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.

CYNTHIA J. JAVAREZ, *Director, Chief Risk Officer and Treasurer*. 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. and Villar Land Holdings Corp.

CAMIILE A. VILLAR, *Director*. Ms. Villar graduated from Ateneo de Manila University with a Bachelor of Science in Management degree. She obtained a Master's Degree in Business Administration from the Instituto de Estudios Superiores de la Empresa (IESE) Business School in Barcelona, Spain. She is the President and CEO of AllValue. She is also a Director of Vista Land & Lifescapes, Inc., Vistamalls, Inc. (formerly Starmalls, Inc.), and Golden Bria Holdings, Inc. She served as President of AllHome until May 2019, President of Brittany Corporation from 2010 to 2013, and Head of Corporate Communications of Vista Land from 2007 to 2010. She served as Congresswoman of the Lone District of Las Piñas from 2019 to 2025. She is currently a Senator

of the Philippines, where she serves as Chairperson of the Committee on Environment, Natural Resources and Climate Change, and Chairperson of the Committee on Economic Affairs.

ACHAWIN ASAVABHOKIN, *Director.* Mr. Asavabhokin graduated Magna Cum Laude from the University of Pennsylvania with a degree of Bachelor of Science in Engineering from School of Engineering and Applied Science and a degree of Bachelor of Science in Economics from the Wharton School. He holds Fund Manager, Derivative Fund Manager and Investment Planner licenses granted by the Securities and Exchange Commission of Thailand. He has been a Director of Land and Houses Public Co., Ltd. since 2018 and currently serves as Chief Financial Officer. He has also been a Director of Quality Houses Public Co., Ltd. since 2017 and Home Product Center Public Co., Ltd. since 2014. His prior position was Chief Marketing Officer and Senior Executive Vice President at SCB Asset Management Co., Ltd.

CHERRYLYN P. CAOILE, *Independent Director.* 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, and 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. Atty. Caoile served as the legal consultant of the House of Representatives, Committee on Economic Affairs in 2019 to 2022. She is also a Legal Consultant in the Department of Health - Office of the Secretary. 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. (formerly Starmalls, Inc.), and VProperty Management, 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.

MARILOU O. ADEA, *Independent Director.* Ms. Adea is presently Chairman of the Board of Malarayat Rural Bank, Inc. She is currently Independent Director of Villar Land Holdings, Corp.; Vistamalls, Inc.; and, VProperty Management, Inc. She is also Independent Director for Philtown Properties, Inc. She is Consultant for FBO Management Network, Inc. Previously, she was the Court-Appointed Rehabilitation Receiver of Anna-Lynns, Inc.; Manuela Corporation; and, 3N2J Shipping & Trading Services, Inc. She served as Independent Director for Vista Land & Lifescapes, Inc. from 2007 – 2021. She was Project Director for Site Acquisition of Digitel Telecommunications Philippines, Inc. from 2000 – 2002; Executive Director for FBO Management Network, Inc. from 1989 – 2000 and BF Homes, Inc. in Receivership from 1988 – 1994, and Vice President for Finance and Administration for L&H Resources Management, Corp. from 1986 – 1988. In the government sector, Ms. Adea worked with the Home Development Mutual Fund (Pag-IBIG Fund) from 1978 – 1986. Ms. Adea holds a degree in Bachelor of Science in Business Administration, major in Marketing Management from the University of the Philippines.

BRIAN N. EDANG, *Chief Financial Officer and Head Investor Relations*. 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 has been 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 Chief Financial Officer and Head of Investor Relations of Vistamalls, Inc. (formerly Starmalls, Inc.) and VistaREIT, Inc.

MA. NALEN SJ. ROSERO, *Chief Information Officer and Corporate Secretary*. 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, Chief Compliance Officer and Assistant Corporate Secretary 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, Inc., 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.).

ARBIN OMAR P. CARIÑO, *Compliance Officer and Assistant Corporate Secretary*. Atty. Cariño graduated from the De La Salle University with a double degree in Bachelor of Science in Chemistry and Bachelor of Secondary Education - Major in Physics and Math. He earned his law degree from San Beda College of Law in 2008. He is currently the Legal Counsel of Household Development Corporation. He's the Corporate Secretary of VFund Management, Inc.

ROWENA B. BANDIGAN, *Chief Audit Executive*. Ms. Bandigan is a Certified Public Accountant who passed the licensure examination in 1999, shortly after earning her Bachelor of Science in Accountancy from PLM (Pamantasan ng Lungsod ng Maynila).She began her career at Deloitte Philippines, where she served as Senior Auditor until 2005. She then moved to Singapore and worked as Senior Auditor at Foo Kon Tan Grant Thornton, a member firm of Grant Thornton International, from 2005 to 2009. From 2009 to 2010, she served as Audit Manager at Moore Stephens LLP.In 2010, Ms. Bandigan joined Vistamalls, Inc. and its subsidiaries as Chief Accountant, a position she held until 2024. She also served as Chief Accountant of VistaREIT, Inc. from 2022 to 2024.She currently serves as Chief Audit Executive of Vistamalls, Inc. and VistaREIT, Inc., a role she has held since 2024.

REYMART RODGER M. NERIZON, *Chief Accountant.* Mr. Nerizon is a Certified Public Accountant. He graduated Magna Cum Laude from Adamson University with a Bachelor's Degree in Accountancy. Mr. Nerizon was an accountant at MGS Readymix, Inc., from November 2010 to February 2011. He then moved to MGS Construction, Inc., as an Accountant in February 2011. Over the years, he transitioned into the role of Finance Head from 2015 to 2024. Currently, Mr. Nerizon serves as the Chief Accountant for both Vistamalls, Inc. and VistaREIT, Inc.

Atty. Cherrylyn P. Caoile and Ms. Marilou O. Adea are the nominees for election as independent directors of the Company. Their respective business experience for the last five (5) years are as set forth above.

All of the incumbent Directors named above have a one-year term of office and all have been nominated for re-election to the Board of Directors.

The Amended By-Laws of the Registrant conforms with SRC Rule 38, as amended, with regard to the nomination of independent directors of the Registrant. Article IV, Sections 1-A and 2 of the Registrant's By-Laws provide as follows:

Section 1A. Independent Directors – The corporation shall have at least two (2) independent directors or at least twenty (20%) of the entire Board membership, whichever is lesser.

The independent directors shall have all the qualifications and none of the disqualifications set forth in Section 38 of the Securities Regulation Code and its Implementing Rules and Regulations, as the same may be amended from time to time. *(As amended on 04 October 2010)*

Section 2. Election and term – The Board of Directors shall be elected during each regular meeting of stockholders and shall hold office for one (1) year and until their successors are elected and qualified.

A Nomination Committee is hereby created which may be organized from time to time upon determination of the Board of Directors. The Nomination Committee shall be composed of at least three (3) members, one of whom shall be an independent director. The Nomination Committee shall have the following functions: (A) formulate screening policies to enable the committee to effectively review the qualification of the nominees for independent directors; and (B) conduct nominations for independent directors prior to the stockholders' meeting in accordance with the procedures set forth in Rule 38 of the Amended Implementing Rules and Regulations of the Securities Regulation Code, as the same may be amended from time to time. *(As amended on 04 October 2010)*

On the other hand, SRC Rule 38, as amended, provide in part as follows:

"8. Nomination and Election of Independent Director/s

The following rules shall be applicable to all covered companies:

A. The Nomination Committee (the "Committee") shall have at least three (3) members, one of whom is an independent director. It shall promulgate the guidelines or criteria to govern the conduct of the nomination. The same shall be properly disclosed in the Registrant's information or proxy statement or such other reports required to be submitted to the Commission.

B. Nomination of independent director/s shall be conducted by the Committee prior to a stockholders' meeting. All recommendations shall be signed by the nominating stockholders together with the acceptance and conformity by the would-be nominees.

C. The Committee shall pre-screen the qualifications and prepare a final list of all candidates and put in place screening policies and parameters to enable it to effectively review the qualifications of the nominees for independent director/s.

D. After the nomination, the Committee shall prepare a Final List of Candidates which shall contain all the information about all the nominees for independent directors, as required under Part IV (A) and (C) of Annex "C" of SRC Rule 12, which list, shall be made available to the Commission and to all stockholders through the filing and distribution of the Information Statement, in accordance with SRC Rule 20, or in such other reports the Registrant is required to submit to the Commission. The name of the person or group of persons who recommended the nomination of the independent director shall be identified in such report including any relationship with the nominee.

E. Only nominees whose names appear on the Final List of Candidates shall be eligible for election as Independent Director/s. No other nominations shall be entertained after the Final List of Candidates shall have been prepared. No further nominations shall be entertained or allowed on the floor during the actual annual stockholders'/memberships' meeting."

The Registrant has complied with the guidelines on the nomination and election of independent directors set forth in Rule 38 of the Amended Implementing Rules and Regulations of the Securities Regulation Code.

The nominated independent directors, namely, Ms. Marilou O. Adea and Atty. Cherrylyn P. Caoile were duly nominated by Ms. Editha Dolon, a registered shareholder of the Registrant who is not a director, officer or substantial shareholder of the Registrant and who is not related to either of the said nominees. The Nominations Committee of the Registrant is composed of Mr. Manuel B. Villar Jr., Chairman, Mr. Achawin Asavabhokin and Atty. Cherrylyn P. Caoile, members.

Attendance in Board Meetings

Attendance of each director of the Corporation in Board meetings held during the year 2025 as follows:

	May 05	***May 13***	***Jun 02***	***Jun 17***	***Jul 08***	***Jul 28***	***Aug 14***	***Nov 13***	***Dec 26***
Manuel B. Villar Jr.	P	P	P	P	P	P	P	P	P
Manuel Paolo A. Villar	P	P	P	P	P	P	P	P	P
Cynthia J. Javarez	P	P	P	P	P	P	P	P	P
Camille A. Villar	P	P	P	P	P	P	P	P	P
Achawin Asavabhokin	P	P	P	P	P	P	P	P	P
Marilou O. Adea	P	P	P	P	P	P	P	P	P
Cherrylyn P. Caoile	P	P	P	P	P	P	P	P	P

Legend: (A) Absent, (P) Present, (-) Not Applicable

Term of Office

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

Resignations/Declined Nominations

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

Significant Employees

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

Family Relationships

Mr. Manuel Paolo A. Villar and Ms. Camille A. Villar, who are both directors of the Company, are siblings, and the children of Mr. Manuel B. Villar, Jr., the Chairman of the Board. Except for the aforesaid relationship, none of the Company's Director or Executive Officer is related to the others by consanguinity or affinity within the fourth civil degree.

Certain Relationships and Related Transactions

Except as disclosed in the Annual Report of the Registrant (SEC Form 17-A) for the year ended December 31, 2025, the Registrant has not had any transaction during the last two (2) years in which any Director or Executive Officer or any of their immediate family members had a direct or indirect interest.

Appraisals and performance reports for the Board and the criteria and procedure for assessment

As of date, there is no formal appraisal or assessment process in respect of Board performance, although attendance by directors in board meetings are strictly monitored.

Compensation of Directors and Executive Officers

A. Executive Compensation

The 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 year 2024 and 2025 (actual) and 2026 (projected) are as shown below:

Names	Position	Year	Salary	Bonus
Manuel Paolo A. Villar	President			
Brian N. Edang	Chief Financial Officer & Head, Investor Relations			
Ma. Nalen SJ. Rosero	Corporate Secretary & Chief Information Officer			
Arbin Omar P. Cariño	Asst. Corporate Secretary & Compliance Officer			
Rowena B. Bandigan	Chief Audit Executive			
Aggregate executive compensation for above named officers		**Actual 2024**	**₱ 12.4 M**	**₱ 0.8 M**
		Actual 2025	**₱ 13.0 M**	**₱ 0.8 M**
		Projected 2026	**₱ 13.8 M**	**₱ 0.9 M**
Aggregate executive compensation for all other officers and directors, unnamed		**Actual 2024**	**₱ 6.8 M**	**₱ 0.5 M**
		Actual 2025	**₱ 7.2 M**	**₱ 0.5 M**
		Projected 2026	**₱ 7.5 M**	**₱ 0.5 M**

The total annual compensation paid to the above-named officers and directors was paid in cash. The annual compensation includes the basic salary, the mid-year and 13th month bonus.

B. Compensation of Directors

Standard arrangements

Other than payment of reasonable per diem of ₱50,000 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 and its subsidiaries, for any services provided as a director for 2024 and 2025.

In 2025, the Directors of the Company received remuneration as follows:

Director	Total Remuneration in 2025
Manuel B. Villar Jr.	n/a*
Manuel Paolo A. Villar	n/a*
Cynthia J. Javarez	n/a*
Camille A. Villar	n/a*
Achawin Asavabhokin	n/a*
Cherrylyn P. Caoile	₱ 368,421.05
Marilou O. Adea	₱ 368,421.05

**The remunerations of directors are made at the Ultimate Parent Company level.*

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 and its subsidiaries, during 2024 or 2025 for any service provided as a director.

Employment contract between the company and executive officers

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

Warrants and options held by the executive officers and directors

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

Significant employee

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

Certain relationships and related transactions

As of October 31, 2026, the Villar Family Companies held 89.70% of the total issued and outstanding common share capital of the Company and 91.95% 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 transactions with related parties for the year ended December 31, 2025, are discussed in the Company's 2025 Audited Financial Statements attached as Annex "C" to this Information Statement. Please see Note 20, pages 40 to 60 of the Notes to the Financial Statements accompanying the Company's 2025 Audited Financial Statements where the (a) business purpose of the arrangement; (b) identification of the related parties transacting business with the Company and nature of the relationship; and (c) any ongoing contractual or other commitments as a result of the arrangement, are stated. The transaction price for Related Party Transactions ("RPT") are as negotiated and on an arm's length basis. All material RPT with a transaction value that reaches ten percent (10%) of the Company's total assets are subject to the review and approved for fairness by the RPT Committee.

Independent Public Accountants

The auditing firm of Sycip Gorres Velayo & Company ("SGV & Co.") is being recommended for election as external auditor for the current year.

Representatives of the said firm are expected to be present at the annual stockholders' meeting and will have the opportunity to make a statement if they desire to do so and are expected to be available to respond to appropriate questions.

In 2025, the Registrant's auditors did not perform any substantial non-audit services for the Registrant.

Changes in and Disagreement with Accountants on Accounting and Financial Disclosure

There was no instance where the Registrant's public accountants resigned or indicated that they decline to stand for reelection or were dismissed nor was there any instance where the Company had any disagreement with its public accountants on any accounting or financial disclosure issue.

The 2025 audit of the Company is in compliance with paragraph (3)(b)(iv) of SRC Rule 68, as Amended, which provides that the external auditor should be rotated, or the handling partner changed, every five (5) years or earlier.

For 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, 2023, 2024, and 2025 included in this report.

Audit Committee's Approval Policies and Procedures

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

The Audit Committee of the Registrant is composed of Ms. Marilou O. Adea, *Chairman*, and Ms. Cynthia J. Javarez and Ms. Cherrylyn P. Caoile, *members*.

External Audit and Audit-Related Fees

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

	2025	2024
	(In ₱ Millions with VAT)	
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	**₱ 6.05**	₱ 5.76
All other fees	–	–
Total	**₱ 6.05**	₱ 5.76

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

Tax Fees

Except as provided above, the Registrant did not pay any tax fees and other fees to its external auditors.

OTHER MATTERS

Action with Respect to Reports

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

1. Minutes of the last Annual Meeting of Stockholders held on July 28, 2025, covering the following matters: (i) approval of the President's Report and the Annual Report for the year 2024; (ii) approval and adoption of the Audited Financial Statements for the year ended 31 December 2024; (iii) ratification of all acts of the Board of Directors and Management since the annual stockholders' meeting held in June 2024; (iv) election of the directors and independent directors of the Company for the ensuing fiscal year; and (v) appointment of the external auditor of the Company for the fiscal year 2025.

   Minutes of the 2025 Annual Meeting of Stockholders is available at the website of the Company, https://documents.starmalls.com.ph/minutes-of-meetings.php.

   The minutes contain the following information:

   (a) A description of the voting and vote tabulation procedures used in the meeting;

   (b) A description of the opportunity given to stockholders or members to ask questions and a record of the questions asked and answers given;

   (c) The matters discussed and resolutions reached;

   (d) A record of the voting results for each agenda item; and

(e) A list of the directors, officers and the percentage of outstanding and voting shares of stockholders who attended and participated in the meeting.

2. The President's Report; and

3. Audited Financial Statements for the year 2025.

Other Proposed Actions

1. Ratification of all acts and resolutions of the Board of Directors and Management from the date of the last annual stockholders' meeting until the date of this meeting as set forth in the minutes of the meetings of the Board of Directors held during the same period and in the disclosures that have been duly filed with the SEC and the PSE. These minutes cover various resolutions of the Board, including declaration of cash dividends, approval of the 2024 and 2025 Audited Financial Statements, appointment of officers, opening of bank accounts, acting as surety for the loans of the subsidiaries and guarantee for the refinancing, additional and new issuance of corporate notes of its parent company and affiliates, and appointment of authorized signatories for various transactions in the normal course of business of the Company.

2. Appointment of External Auditors.

Voting Procedures

Manner of voting

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

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

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

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

A stockholder voting electronically in absentia shall be deemed present for purposes of quorum.

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

Voting requirements

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

(b) With respect to the adoption of the Audited Financial Statements for the year ended 31 December 2025, as well as the approval or ratification of the other actions set forth under the heading "Other Proposed Actions" above, the vote of majority of the outstanding capital stock entitled to vote and represented in the meeting is required to approve such matters.

Method of counting votes

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

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

The detailed instructions for participation through remote communication are set forth in Annex "A" to the Notice of Meeting (Agenda Details and Rationale) hereof.

UPON THE WRITTEN REQUEST OF A STOCKHOLDER, THE REGISTRANT UNDERTAKES TO FURNISH SAID STOCKHOLDER A COPY OF SEC FORM 17-A AND QUARTERLY REPORTS FOR THE PERIOD ENDED 31 MARCH 2026, 30 JUNE 2026, AND 30 SEPTEMBER 2026 (SEC FORM 17-Q) FREE OF CHARGE, EXCEPT FOR EXHIBITS ATTACHED THERETO WHICH SHALL BE CHARGED AT COST. ANY WRITTEN REQUEST FOR A COPY OF SEC FORM 17-A AND SEC FORM 17-Q SHALL BE ADDRESSED AS FOLLOWS:

Vistamalls, Inc.
Lower Ground Floor, Building B, EVIA
Lifestyle Center, Vista City, Daang Hari,
Almanza II, Las Piñas City

Attention: Brian N. Edang

PART II

MANAGEMENT REPORT

I. FINANCIAL STATEMENTS

The Consolidated Financial Statements of the Company as of and for the year ended December 31, 2025, are incorporated herein in the accompanying Index to Financial Statements and Supplementary Schedules.

II. INFORMATION ON INDEPENDENT ACCOUNTANT

SGV & Co., independent certified public accountants audited the Company's consolidated financial statements without qualification as of and for the years ended December 31, 2023, 2024 and 2025, included in this report. Michael C. Sabado is the current audit partner of the Company.

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). 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.

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

	2025	2024
	(In ₱ Millions with VAT)	
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	**₱ 6.05**	₱ 5.76
All other fees	–	–
Total	**₱ 6.05**	₱ 5.76

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

III. AUDIT COMMITTEE'S APPROVAL AND PROCEDURES FOR THE SERVICES OF THE EXTERNAL AUDITOR

The scope, extent and nature of the services to be referred to, and/or rendered by the appointed external auditor of the Company has been unanimously approved by the audit committee in a meeting duly called for the purpose, including the fees to be paid for the services thus rendered and/or referred. 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.

IV. MANAGEMENT'S DISCUSSION AND ANALYSIS

REVIEW OF YEAR END 2025 VS YEAR END 2024

RESULTS OF OPERATIONS

	Years ended December 31			
(in millions)	2025	2024	**Change**	
	Audited	Audited	**In Pesos**	**In %**
REVENUES				
Rental income	12,357.95	13,326.48	(968.53)	(7.27%)
Parking fees	115.74	115.50	0.24	0.21%
Other operating income	380.04	256.67	123.36	48.06%
	12,853.73	**13,698.65**	**(844.92)**	**(6.17%)**
COSTS AND EXPENSES				
Depreciation	1,281.43	1,463.47	(182.04)	(12.44%)
Other operating and administrative	2,171.12	1,773.18	397.93	22.44%
	3,452.55	**3,236.65**	**215.90**	**6.67%**
OTHER INCOME (EXPENSE)				
Recovery of impairment loss (impairment loss) on investment in associat	(4,958.08)	838.38	(5,796.47)	(691.39%)
Interest expense and other financing charges	(4,896.50)	(3,606.60)	(1,289.90)	35.76%
Equity in net earnings of an associate	588.36	792.64	(204.28)	(25.77%)
Interest income	20.98	10.29	10.70	104.02%
Fair value loss on investment at fair value through profit or loss	(4.05)	2.89	(6.94)	(240.12%)
Proceeds from insurance claims and miscellaneous income	326.26	-	326.26	0.00%
	(8,923.04)	**(1,962.40)**	**(6,960.63)**	**354.70%**
INCOME BEFORE INCOME TAX	478.15	8,499.60	(8,021.45)	(94.37%)
PROVISION FOR INCOME TAX	1,254.96	1,592.64	(337.68)	(21.20%)
NET INCOME	**(776.81)**	**6,906.96**	**(7,683.78)**	**(111.25%)**
CORE NET INCOME	**4,851.92**	**6,865.69**	**(2,013.76)**	**(29.33%)**

Revenues

Operating revenue
Operating revenue decreased from ₱13,699 million for the year ended December 31, 2024 to ₱ 12,854 million for the year ended December 31, 2025. The 6.2% decrease in the account was primarily attributable to the following:

- Rental income decreased from ₱13,326 million for the year ended December 31, 2024 to ₱12,358 million for the year ended December 31, 2025. The 7.3% decrease was due primarily to a lower number of new fixed-term contract during the year.

- Parking fee revenue remained unchanged at ₱116 million for the year ended December 31, 2025.

- Other operating income increased from ₱257 million for the year ended December 31, 2024 to ₱380 million for the year ended December 31, 2025. The 48.1% increase was due to forfeited deposits and advance rent, as well as increase in administrative fees and advertising fees charged to tenants for the year.

Costs and Expenses

Operating Expenses
Cost and expenses increased from ₱3,237 million for the year ended December 31, 2024 to ₱ 3,453 million for the year ended December 31, 2025. The 6.7% increase in the account was primarily attributable to the increase in professional fees and salaries and employee benefits.

Other Income (Expense)

Recovery of impairment loss (impairment loss) on investment in associate shifted from a ₱838 million recovery in 2024 to a ₱4,958 million impairment loss in 2025, primarily due to the lower fair value of the investment resulting from changes in discount rate and cap rate assumptions.

Interest income increased from ₱10 million for the year ended December 31, 2024 to ₱21 million for the year ended December 31, 2025. The 104.0% increase is due primarily to the recognition of interest income from restricted cash.

Fair value on investment at fair value through profit or loss decreased by 240.1% from ₱3 million gain for the year ended December 31, 2024 to ₱4 million loss for the year ended December 31, 2025. The decrease primarily due to the unrealized loss recognize in investment from mutual fund during the year.

Equity in net earnings of an associate decreased from ₱793 million for the year ended December 31, 2024 to ₱588 million for the year ended December 31, 2025. The 25.8% decrease is due to the lower net income of VREIT for the year.

Interest expense increased by 35.8% from ₱3,607 million in the year ended December 31, 2024 to ₱4,897 million in the year ended December 31, 2025. This is due primarily to higher advances from related parties.

Miscellaneous income increased by 100.0% from nil in the year ended December 31, 2024 to ₱ 326 million in the year ended December 31, 2025. This pertains primarily to reversal of certain financial liabilities for the year.

Provision for Income Tax

Tax expense for the year ended December 31, 2025 is ₱1,255 million a decrease of 21.2% from ₱ 1,593 million for the year ended December 31, 2024. This is due primarily to lower taxable income recorded for the year.

Net Income

As a result of the foregoing, the Company's net income (loss) decreased by 111.2% from ₱6,907 million income for the year ended December 31, 2024 to ₱777 million loss for the year ended December 31, 2025. If we exclude the gain or loss on investment in associate and investment at fair value through profit or loss adjustment for the year, the Company would have recorded a core net income of ₱4,852 million for the year ended December 31, 2025.

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

Years ended December 31				
(in millions)	**2025**	**2024**	**Change**	
	Audited	**Audited**	**In Pesos**	**In %**
ASSETS				
Current Assets				
Cash	50.99	80.32	(29.33)	(36.52%)
Investment at fair value through profit or loss	24.64	28.69	(4.05)	(14.11%)
Receivables	22,232.68	14,003.79	8,228.89	58.76%
Receivable from related parties	3,164.16	3,160.16	4.00	0.13%
Real estate properties for sale	301.89	301.89	0.00	0.00%
Other current assets	2,964.66	2,797.63	167.04	5.97%
Total Current Assets	**28,739.02**	**20,372.47**	**8,366.55**	**41.07%**
Noncurrent Assets				
Investments at fair value through other comprehensive income	782.30	1,113.27	(330.97)	(29.73%)
Receivables - net of current portion	34,585.79	31,095.78	3,490.01	11.22%
Property and equipment	8.433401	12.997612	(4.56)	(35.12%)
Investment properties	45,248.85	46,333.15	(1,084.30)	(2.34%)
Investment in associate	6,037.13	10,984.24	(4,947.11)	(45.04%)
Other noncurrent assets	173.929752	315.737239	(141.81)	(44.91%)
Total Noncurrent Assets	**86,836.43**	**89,855.18**	**(3,018.75)**	**(3.36%)**

Total Assets	**115,575.45**	**110,227.65**	**5,347.80**	**4.85%**
LIABILITIES AND EQUITY				
Current Liabilities				
Accounts and other payables	6,730.43	5,651.98	1,078.46	19.08%
Security deposits and advance rent	1,150.01	1,224.75	(74.75)	(6.10%)
Payable to parent company	37,998.96	32,993.93	5,005.03	15.17%
Income tax payable	24.02	16.27	7.74	47.59%
Current portion of:				
Bank loans	460.04	448.21	11.83	2.64%
Lease liabilities	371.79	311.38	60.42	19.40%
Total Current Liabilities	**46,735.25**	**40,646.52**	**6,088.73**	**14.98%**
Noncurrent Liabilities				
Bank loans - net of current portion	346.15	815.86	(469.70)	(57.57%)
Lease liabilities - net of current portion	6,552.28	6,477.01	75.28	1.16%
(Forward)				
Pension liabilities	46.93	54.97	(8.04)	(14.63%)
Deferred tax liabilities – net	11,450.38	10,364.75	1,085.63	10.47%
Other noncurrent liabilities	545.18	510.00	35.18	6.90%
Total Noncurrent Liabilities	**18,940.93**	**18,222.58**	**718.35**	**3.94%**
Total Liabilities	**65,676.18**	**58,869.10**	**6,807.08**	**11.56%**
Equity				
Equity attributable to equity holders of the Parent:				
Capital stock	8,449.48	8,449.48	0	0.00%
Additional paid-in capital	6,389.31	6,389.31	0	0.00%
Retained earnings	39,349.18	40,489.99	8,141.70	(2.82%)
Other comprehensive income (loss)	(4,448.32)	(4,131.43)	(1,392.90)	7.67%
	49,739.66	51,197.35	6,748.80	(2.85%)
Non-controlling interest	159.61	161.20	2.6	(0.98%)
Total Equity	**49,899.27**	**51,358.55**	**(1,459.28)**	**(2.84%)**
Total Liabilities and Equity	**115,575.45**	**110,227.65**	**5,347.80**	**4.85%**

As of December 31, 2025 vs. December 31, 2024

Total assets as of December 31, 2024 were ₱110,228 million compared to ₱115,575 million as of December 31, 2025, or a 4.9% increase. This was due to the following:

- Cash and cash equivalents including short term cash investments decreased by 36.5% from ₱80 million as of December 31, 2024 to ₱51 million as of December 31, 2025 due to cash flow used in operating and financing activities for the year.

- Investment at fair value through profit or loss decreased by 14.1% from ₱29 million as of December 31, 2024 to ₱25 million as of December 31, 2025. The decrease was primarily due to the unrealized loss recognize in investment from mutual fund during the year.

- Receivables, including non-current portion increased by 26.0% from ₱45,100 million as of December 31, 2024 to ₱56,818 million as of December 31, 2025 due to the increase in accrued rental receivables.

- Property and equipment decreased by 35.1% from ₱13 million as of December 31, 2024 to ₱8 million as of December 31, 2025 due to depreciation recognized for the year.

- Investment associates decreased by 45.0% from ₱10,984 million as of December 31, 2024 to ₱6,037 million as of December 31, 2025 due primarily to the recognition of impairment loss for the year. Impairment loss in 2025 was recognized primarily due to the lower fair value of the investment resulting from changes in discount rate and cap rate assumptions.

Total liabilities as of December 31, 2025 were ₱65,676 million compared to ₱58,869 million as of December 31, 2024, or an 11.6% increase. This was due to the following:

- Accounts and other payables increased by 19.1% from ₱5,652 million as of December 31, 2024 to ₱6,730 million as of December 31, 2025 due to the increase in deferred output VAT, payable to contractors and other payables.

- Payable to parent company increased by 15.2% from ₱32,994 million as of December 31, 2024 to ₱37,999 million as of December 31, 2025 due to advances for the year.

- Income tax payable increased by 47.6% from ₱16 million as of December 31, 2024 to ₱ 24 million as of December 31, 2025 due to a higher provision for income tax current.

- Deferred tax liabilities – net posted an increase of 10.5% from ₱10,365 million as of December 31, 2024 to ₱11,450 million as of December 31, 2025 due to the increase in temporary differences for the period that will eventually result to future tax liabilities.

- Other non-current liabilities increased by 6.9% from ₱510 million as of December 31, 2024 to ₱545 million as of December 31, 2025 due to the increase in the liabilities of purchased land and security deposit.

Total stockholder's equity decreased by 2.8% from ₱51,359 million as of December 31, 2024 to ₱49,899 million as of December 31, 2025 due to the loss recorded for the year.

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

Key Performance Indicators	12/31/2025	12/31/2024
Current ratio [(a)]	0.61:1	0.50:1
Liability-to-equity ratio [(b)]	1.32:1	1.15:1
Interest coverage [(c)]	153.17	45.93
Return on assets [(d)]	(0.67%)	6.27%
Return on equity [(e)]	(1.56%)	13.45%

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 debt and equity a company is using to finance its business. It also measures a company's borrowing capacity.

(c) Interest coverage: This ratio is obtained by dividing earnings before interest, taxes depreciation and amortization (EBITDA) by the total interest paid. 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 (net of income from acquisition of subsidiary) 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 (net of income from acquisition of subsidiary) 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, 2025 increased from that of December 31, 2024 due to the increase in current assets.

The increase in liability-to-equity ratio was due to the increase in liabilities.

Interest coverage for the year ended December 31, 2025 increased because of lower interest paid for the year.

Return on assets decreased due to the net loss recorded for the year.

Return on equity decreased due the net loss recorded for the year.

Material Changes to the Company's Balance Sheet as of December 31, 2025 compared to December 31, 2024 (increase/decrease of 5% or more)

Cash and cash equivalents including short term cash investments decreased by 36.5% from ₱80 million as of December 31, 2024 to ₱51 million as of December 31, 2025 due to cash flow used in operating and financing activities for the year.

Investment at fair value through profit or loss decreased by 14.1% from ₱29 million as of December 31, 2024 to ₱25 million as of December 31, 2025. The decrease was primarily due to the unrealized loss recognize in investment from mutual fund during the year.

Receivables, including non-current portion increased by 26.0% from ₱45,100 million as of December 31, 2024 to ₱56,818 million as of December 31, 2025 due to the increase in accrued rental receivables.

Property and equipment decreased by 35.1% from ₱13 million as of December 31, 2024 to ₱8 million as of December 31, 2025 due to depreciation recognized for the year.

Investment associates decreased by 45.0% from ₱10,984 million as of December 31, 2024 to ₱6,037 million as of December 31, 2025 due primarily to the recognition of impairment loss for the year. Impairment loss in 2025 was recognized primarily due to the lower fair value of the investment resulting from changes in discount rate and cap rate assumptions.

Accounts and other payables increased by 19.1% from ₱5,652 million as of December 31, 2024 to ₱6,730 million as of December 31, 2025 due to the increase in deferred output VAT, payable to contractors and other payables.

Payable to parent company increased by 15.2% from ₱32,994 million as of December 31, 2024 to ₱37,999 million as of December 31, 2025 due to advances for the year.

Income tax payable increased by 47.6% from ₱16 million as of December 31, 2024 to ₱ 24 million as of December 31, 2025 due to a higher provision for income tax current.

Deferred tax liabilities – net posted an increase of 10.5% from ₱10,365 million as of December 31, 2024 to ₱11,450 million as of December 31, 2025 due to the increase in temporary differences for the period that will eventually result to future tax liabilities.

Other non-current liabilities increased by 6.9% from ₱510 million as of December 31, 2024 to ₱545 million as of December 31, 2025 due to the increase in the liabilities of purchased land and security deposit.

Material Changes to the Company's Statement of Income for the year ended December 31, 2025 compared to the year ended December 31, 2024 (increase/decrease of 5% or more)

Rental income decreased from ₱13,326 million for the year ended December 31, 2024 to ₱12,358 million for the year ended December 31, 2025. The 7.3% decrease was due primarily to a lower number of new fixed-term contract during the year.

Other operating income increased from ₱257 million for the year ended December 31, 2024 to ₱380 million for the year ended December 31, 2025. The 48.1% increase was due to forfeited deposits and advance rent, as well as increase in administrative fees and advertising fees charged to tenants for the year.

Cost and expenses increased from ₱3,237 million for the year ended December 31, 2024 to ₱3,453 million for the year ended December 31, 2025. The 6.7% increase in the account was primarily attributable to the increase in professional fees and salaries and employee benefits.

Recovery of impairment loss (impairment loss) on investment in associate shifted from a ₱838 million recovery in 2024 to a ₱4,958 million impairment loss in 2025, primarily due to the lower fair value of the investment resulting from changes in discount rate and cap rate assumptions.

Interest income increased from ₱10 million for the year ended December 31, 2024 to ₱ 21 million for the year ended December 31, 2025. The 104.0% increase is due primarily to the recognition of interest income from restricted cash.

Fair value on investment at fair value through profit or loss decreased by 240.1% from ₱ 3 million gain for the year ended December 31, 2024 to ₱4 million loss for the year ended December 31, 2025. The decrease primarily due to the unrealized loss recognize in investment from mutual fund during the year.

Equity in net earnings of an associate decreased from ₱793 million for the year ended December 31, 2024 to ₱588 million for the year ended December 31, 2025. The 25.8% decrease is due to the lower net income of VREIT for the year.

Interest expense increased by 35.8% from ₱3,607 million in the year ended December 31, 2024 to ₱4,897 million in the year ended December 31, 2025. This is due primarily to higher advances from related parties.

Miscellaneous income increased by 100.0% from nil in the year ended December 31, 2024 to ₱326 million in the year ended December 31, 2025. This pertains primarily to reversal of certain financial liabilities for the year.

Tax expense for the year ended December 31, 2025 is ₱1,255 million a decrease of 21.2% from ₱1,593 million for the year ended December 31, 2024. This is due primarily to lower taxable income recorded for the year.

The Company's net income (loss) decreased by 111.2% from ₱6,907 million income for the year ended December 31, 2024 to ₱777 million loss for the year ended December 31, 2025. If we exclude the gain or loss on investment in associate and investment at fair value through profit or loss adjustment for the year, the Company would have recorded a core net income of ₱4,852 million for the year ended December 31, 2025.

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 2024 VS YEAR END 2023

RESULTS OF OPERATIONS

	Years ended December 31			
(in millions)	2024	2023	**Change**	
	Audited	Audited	**In Pesos**	**In %**
REVENUES				
Rental income	13,326.48	12,673.46	653.03	5.15%
Parking fees	115.50	109.07	6.43	5.90%
Other operating income	256.67	358.03	(101.36)	(28.31%)
	13,698.65	**13,140.55**	**558.10**	**4.25%**
COSTS AND EXPENSES				
Depreciation	1,463.47	1,530.43	(66.96)	(4.38%)
Other operating and administrative	1,773.18	2,162.23	(389.04)	(17.99%)
	3,236.65	**3,692.66**	**(456.01)**	**(12.35%)**
OTHER INCOME (EXPENSE)				
Gain on reversal of impairment loss in investment in assoc.	838.38	-	838.38	-
Proceeds from insurance claims	-	1,841.16	(1,841.16)	-
Interest income	10.29	8.38	1.91	22.75%
Net gain from listing of an associate	-	-	-	-
Equity in net losses of an associate	792.64	571.66	220.98	38.66%
Fair value loss on investment at fair value through profit or loss	2.89	0.34	2.55	758.29%
Interest expense and other financing charges	(3,606.60)	(661.75)	(2,944.86)	445.01%

	(1,962.40)	**1,759.78**	**(3,722.19)**	**(211.51%)**
INCOME BEFORE INCOME TAX	8,499.60	11,207.68	(2,708.08)	(24.16%)
PROVISION FOR INCOME TAX	1,592.64	2,672.66	(1,080.02)	(40.41%)
NET INCOME	**6,906.96**	**8,535.02**	**(1,628.06)**	**(19.08%)**

Revenues

Operating revenue

Operating revenue increased from ₱13,141 million for the year ended December 31, 2023 to ₱13,699 million for the year ended December 31, 2024. The 4.3% increase in the account was primarily attributable to the following:

- Rental income increased from ₱12,673 million for the year ended December 31, 2023 to ₱13,326 million for the year ended December 31, 2024. The 5.2% increase was due to the increase in the rental rate for the year.

- Parking fee revenue increased from ₱109 million for the year ended December 31, 2023 to ₱116 million for the year ended December 31, 2024. The 6.0% increase was due to a higher number of vehicles using the mall parking space.

- Other operating income decreased from ₱358 million for the year ended December 31, 2023 to ₱257 million for the year ended December 31, 2024. The 28.3% decrease was due to the decrease in administrative fees and mall maintenance and advertising fees charged to tenants for the year.

Costs and Expenses

Operating Expenses

Cost and expenses decreased from ₱3,693 million for the year ended December 31, 2023 to ₱3,237 million for the year ended December 31, 2024. The 12.4% decrease in the account was primarily attributable to the following:

- Decrease in impairment loss on investment in associate by 100% amounting from ₱50 million in December 31, 2023 to nil for the year ended December 31, 2024 due to the change in the discount and cap rate which resulted to a gain in the investment fair value of VREIT.

- Decrease in repairs and maintenance by 61.5% from ₱306 million for the year ended December 31, 2023 to ₱118 million for the year ended December 31, 2024 due to lower number of repairs and maintenance incurred for the year.

- Decrease in professional fees by 27.2% from ₱29 million for the year ended December 31, 2023 to ₱21 million for the year ended December 31, 2024 as a result of lower professional fees paid in 2024.

- Decrease in advertising and promotions by 77.7% from ₱71 million for the year ended December 31, 2023 to ₱16 million for the year ended December 31, 2024 due to a shift to social media marketing.

Other Income (Expense)

Interest income increased from ₱8 million for the year ended December 31, 2023 to ₱10 million for the year ended December 31, 2024. The 22.8% increase is due to higher interest earned for cash and investment for the year.

Fair value gain (loss) on investment at fair value through profit or loss increased by 758.29% from ₱0.34 million for the year ended December 31, 2023 to ₱2.89 for the year ended December 31, 2024. The increase resulted from the higher fair value of investment at fair value through FVTPL.

Equity in net earnings of an associate increased from ₱572 million for the year ended December 31, 2023 to ₱793 million for the year ended December 31, 2024. The 38.7% increase is due to the share in the income of VREIT for the year.

Interest expense increased by 445.0% from ₱662 million in the year ended December 31, 2023 to ₱3,607 million in the year ended December 31, 2024. This is due primarily to lower capitalization rate.

Provision for Income Tax

Tax expense for the year ended December 31, 2024 is ₱1,593 million a decrease of 40.4% from ₱2,673 million for the year ended December 31, 2023. This is due primarily to lower taxable income recorded for the year.

Net Income

As a result of the foregoing, the Company's net income decreased by 19.1% from ₱8,535 million in the year ended December 31, 2023 to ₱6,907 million in the year ended December 31, 2024.

For the year ended December 31, 2024, except as discussed in *Note 27 – 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.

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

FINANCIAL CONDITION

Years ended December 31				
(in millions)	2024	2023	Change	
	Audited	Audited	In Pesos	In %
ASSETS				
Current Assets				
Cash	80.32	157.31	(76.99)	(48.94%)
Short-term cash investment	0.00	7.32	(7.32)	(100.00%)
Investment at fair value through profit or loss	28.69	25.80	2.89	11.20%
Receivables	14,003.79	9,342.51	4,661.28	49.89%
Receivable from related parties	3,160.16	3,160.16	0.00	0.00%
Real estate properties for sale	301.89	301.89	0.00	0.00%
Other current assets	2,797.63	3,043.68	(246.06)	(8.08%)
Total Current Assets	**20,372.47**	**16,038.67**	**4,333.80**	**27.02%**
Noncurrent Assets				
Investments at fair value through other comprehensive income	1,113.27	1,233.62	(120.35)	(9.76%)
Receivables - net of current portion	31,095.78	25,144.67	5,951.12	23.67%
Property and equipment	12.997612	24.481458	(11.48)	(46.91%)
Investment properties	46,333.15	46,625.55	(292.39)	(0.63%)
Investment in associate	10,984.24	9,898.57	1,085.67	10.97%
Other noncurrent assets	315.737239	308.125269	7.61	2.47%
Total Noncurrent Assets	**89,855.18**	**83,235.01**	**6,620.17**	**7.95%**
Total Assets	**110,227.65**	**99,273.68**	**10,953.97**	**11.03%**
LIABILITIES AND EQUITY				
Current Liabilities				
Accounts and other payables	5,651.98	5,321.24	330.74	6.22%
Security deposits and advance rent	1,224.75	1,155.29	69.46	6.01%
Payable to parent company	32,993.93	30,109.09	2,884.84	9.58%
Income tax payable	16.27	2.21	14.07	637.76%
Current portion of:				
Bank loans	448.21	444.85	3.36	0.76%
Lease liabilities	311.38	491.28	(179.91)	(36.62%)
Total Current Liabilities	**40,646.52**	**37,523.95**	**3,122.57**	**8.32%**
Noncurrent Liabilities				
Bank loans - net of current portion	815.86	1,275.24	(459.38)	(36.02%)
Lease liabilities - net of current portion	6,477.01	6,270.55	206.45	3.29%
(Forward)				
Pension liabilities	54.97	53.52	1.46	2.72%
Deferred tax liabilities – net	10,364.75	8,889.30	1,475.45	16.60%
Other noncurrent liabilities	510.00	386.31	123.68	32.02%
Total Noncurrent Liabilities	**18,222.58**	**16,874.92**	**1,347.66**	**7.99%**

Total Liabilities	**58,869.10**	**54,398.87**	**4,470.23**	**8.22%**
Equity				
Equity attributable to equity holders of the Parent:				
Capital stock	8,449.48	8,449.48	0	0.00%
Additional paid-in capital	6,389.31	6,389.31	0	0.00%
Retained earnings	40,489.99	33,891.74	8,141.70	19.47%
Other comprehensive income (loss)	-4,131.43	-4,016.05	(1,392.90)	2.87%
	51,197.35	44,714.49	6,748.80	14.50%
Non-controlling interest	161.20	160.32	2.6	0.55%
Total Equity	**51,358.55**	**44,874.81**	**6,483.74**	**14.45%**
Total Liabilities and Equity	**110,227.65**	**99,273.68**	**10,953.97**	**11.03%**

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

Total assets as of December 31, 2023 were ₱99,274 million compared to ₱110,227 million as of December 31, 2024, or a 11.0% increase. This was due to the following:

- Cash and cash equivalents including short term cash investments decreased by 48.9% from ₱165 million as of December 31, 2023 to ₱80 million as of December 31, 2024 due to cash flow used in operating and financing activities for the year.

- Investment at fair value through profit or loss increased by 11.2% from ₱25.80 million as of December 31, 2023 to ₱28.69 million as of December 31, 2024 due to the increase in fair value of investment through FVTPL.

- Receivables, including non-current portion increased by 30.7% from ₱34,487 million as of December 31, 2023 to ₱45,100 million as of December 31, 2024 due to the increase in trade receivables, accrued rent, receivables from related parties, advances to contractors and dividends receivables.

- Property and equipment decreased by 47.0% from ₱24 million as of December 31, 2023 to ₱13 million as of December 31, 2024 due to depreciation recognized for the year.

- Investment associates increased by 11.0% from ₱9,899 million as of December 31, 2023 to ₱10,984 million as of December 31, 2024 due primarily to the share in net earnings recorded.

- Investment properties slightly decreased by 1.0% from ₱46,626 million as of December 31, 2023 to ₱46,333 million as of December 31, 2024 due to depreciation for the year.

- Other assets including non-current portion slightly decreased by 7.1% from ₱3,352 million as of December 31, 2023 to ₱3,113 million as of December 31, 2024 due primarily to decreases in refundable deposits, prepaid expenses and creditable withholding taxes.

Total liabilities as of December 31, 2024 were ₱58,872 million compared to ₱54,399 million as of December 31, 2023, or an 8.2% decrease. This was due to the following:

- Accounts and other payables increased by 6.3% from ₱5,321 million as of December 31, 2023 to ₱5,655 million as of December 31, 2024 due to the increase in deferred output VAT, supplier and accrued expenses.

- Security deposits and advance rent increased by 6.0% from ₱1,155 million as of December 31, 2023 to ₱1,225 million as of December 31, 2024 due to the new tenants sign up for the year.

- Payable to parent company increased by 9.6% from ₱30,109 million as of December 31, 2023 to ₱32,994 million as of December 31, 2024 due to advances for the year.

- Income tax payable increased by 637.8% from ₱2 million as of December 31, 2023 to ₱16 million as of December 31, 2024 due to taxes for the year which were settled in the second quarter.

- Bank Loans, including non-current portion decreased by 26.5% from ₱1,720 million as of December 31, 2023 to ₱1,264 million as of December 31, 2024 due to settlement made during the year.

- Pension liabilities increased by 2.7% from ₱54 million as of December 31, 2023 to ₱55 million as of December 31, 2024 due to actuarial adjustments.

- Deferred tax liabilities – net posted an increase of 16.6% from ₱8,889 million as of December 31, 2023 to ₱10,365 million as of December 31, 2024 due to the increase in temporary differences for the period that will eventually result to future tax liability.

- Other non-current liabilities increased by 32.0% from ₱386 million as of December 31, 2023 to ₱510 million as of December 31, 2024 due to the increase in the liabilities of purchased land, current portion of security deposit and advance rent.

Total stockholder's equity increased by 14.4% from ₱44,875 million as of December 31, 2023 to ₱51,356 million as of December 31, 2024 to due to the earnings recorded for the year.

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)]	0.50:1	0.43:1
Liability-to-equity ratio [(b)]	1.15:1	1.21:1
Interest coverage [(c)]	48.90	100.66
Return on assets [(d)]	6.27%	8.60%
Return on equity [(e)]	13.45%	19.02%

Notes:

(f) 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.

(g) 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 debt and equity a company is using to finance its business. It also measures a company's borrowing capacity.

(h) Interest coverage: This ratio is obtained by dividing earnings before interest, taxes depreciation and amortization (EBITDA) by the total interest paid. This ratio shows whether a company is earning enough profits before interest to pay its interest cost comfortably.

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

(j) Return on equity: This ratio is obtained by dividing the Company's net income (net of income from acquisition of subsidiary) 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 increased from that of December 31, 2023 due to the increase in current assets.

The decrease in liability-to-equity ratio was due to the higher increase in total equity compared to the increase in liabilities.

Interest coverage for the year ended December 31, 2024 decreased because of higher interest for the period.

Return on asset decreased due to the higher increase in total assets compared to the decrease in net income.

Return on equity decreased due the higher increase in total assets compared to the increase in equity.

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 cash investments decreased by 48.9% from ₱165 million as of December 31, 2023 to ₱80 million as of December 31, 2024 due to cash flow used in operating and financing activities for the year.

Investment at fair value through profit or loss increased by 11.2% from ₱25.80 million as of December 31, 2023 to ₱28.69 million as of December 31, 2024 due to the increase in fair value of investment through FVTPL.

Receivables, including non-current portion increased by 30.7% from ₱34,487 million as of December 31, 2023 to ₱45,100 million as of December 31, 2024 due to the increase in trade receivables, accrued rent, receivables from related parties, advances to contractors and dividends receivables.

Property and equipment decreased by 47.0% from ₱24 million as of December 31, 2023 to ₱13 million as of December 31, 2024 due to depreciation recognized for the year.

Investment associates increased by 11.0% from ₱9,899 million as of December 31, 2023 to ₱10,984 million as of December 31, 2024 due primarily to the share in net earnings recorded.

Other assets including non-current portion slightly decreased by 7.1% from ₱3,352 million as of December 31, 2023 to ₱3,113 million as of December 31, 2024 due primarily to decreases in refundable deposits, prepaid expenses and creditable withholding taxes.

Accounts and other payables increased by 6.3% from ₱5,321 million as of December 31, 2023 to ₱5,655 million as of December 31, 2024 due to the increase in deferred output VAT, supplier and accrued expenses.

Security deposits and advance rent increased by 6.0% from ₱1,155 million as of December 31, 2023 to ₱1,225 million as of December 31, 2024 due to the new tenants sign up for the year.

Payable to parent company increased by 9.6% from ₱30,109 million as of December 31, 2023 to ₱32,994 million as of December 31, 2024 due to advances for the year.

Income tax payable increased by 637.8% from ₱2 million as of December 31, 2023 to ₱16 million as of December 31, 2024 due to taxes for the year which were settled in the second quarter.

Bank Loans, including non-current portion decreased by 26.5% from ₱1,720 million as of December 31, 2023 to ₱1,264 million as of December 31, 2024 due to settlement made during the year.

Deferred tax liabilities – net posted an increase of 16.6% from ₱8,889 million as of December 31, 2023 to ₱10,365 million as of December 31, 2024 due to the increase in temporary differences for the period that will eventually result to future tax liability.

Other non-current liabilities increased by 32.0% from ₱386 million as of December 31, 2023 to ₱510 million as of December 31, 2024 due to the increase in the liabilities of purchased land, current portion of security deposit and advance rent.

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)

Rental income increased from ₱12,673 million for the year ended December 31, 2023 to ₱13,326 million for the year ended December 31, 2024. The 5.2% increase was due to the increase in the rental rate for the year.

Parking fee revenue increased from ₱109 million for the year ended December 31, 2023 to ₱116 million for the year ended December 31, 2024. The 6.0% increase was due to a higher number of vehicles using the mall parking space.

Other operating income decreased from ₱358 million for the year ended December 31, 2023 to ₱257 million for the year ended December 31, 2024. The 28.3% decrease was due to the decrease in administrative fees and mall maintenance and advertising fees charged to tenants for the year.

Decrease in impairment loss on investment in associate by 100% amounting from ₱50 million in December 31, 2023 to nil for the year ended December 31, 2024 due to the change in the discount and cap rate which resulted to a gain in the investment fair value of VREIT.

Decrease in repairs and maintenance by 61.5% from ₱306 million for the year ended December 31, 2023 to ₱118 million for the year ended December 31, 2024 due to lower number of repairs and maintenance incurred for the year.

Decrease in professional fees by 27.2% from ₱29 million for the year ended December 31, 2023 to ₱21 million for the year ended December 31, 2024 as a result of lower professional fees paid in 2024.

Decrease in advertising and promotions by 77.7% from ₱71 million for the year ended December 31, 2023 to ₱16 million for the year ended December 31, 2024 due to a shift to social media marketing.

Interest income increased from ₱8 million for the year ended December 31, 2023 to ₱10 million for the year ended December 31, 2024. The 22.8% increase is due to higher interest earned for cash and investment for the year.

Fair value gain (loss) on investment at fair value through profit or loss increased by 758.29% from ₱0.34 million for the year ended December 31, 2023 to ₱2.89 for the year ended December 31, 2024. The increase resulted from the higher fair value of investment at fair value through FVTPL.

Equity in net earnings of an associate increased from ₱572 million for the year ended December 31, 2023 to ₱793 million for the year ended December 31, 2024. The 38.7% increase is due to the share in the income of VREIT for the year.

Interest expense increased by 445.0% from ₱662 million in the year ended December 31, 2023 to ₱3,607 million in the year ended December 31, 2024. This is due primarily to lower capitalization rate.

Tax expense for the year ended December 31, 2024 is ₱1,593 million a decrease of 40.4% from ₱2,673 million for the year ended December 31, 2023. This is due primarily to lower taxable income recorded for the year.

The Company's net income decreased by 19.1% from ₱8,535 million in the year ended December 31, 2023 to ₱6,907 million in the year ended December 31, 2024.

For the year ended December 31, 2024, except as discussed in *Note 27 – 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.

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

RESULTS OF OPERATIONS

(in ₱ millions)	Years ended December 31			
	2023	2022	Change	
	Audited	Audited	**In Pesos**	**In %**
REVENUES				
Rental income	12,673.46	11,710.84	962.62	8.22%
Parking fees	109.07	99.03	10.04	10.14%
Other operating income	358.03	332.66	25.37	7.63%
	13,140.55	12,142.52	998.03	8.22%
COSTS AND EXPENSES				
Depreciation	1,530.43	1,486.27	44.16	2.97%
Other operating and administrative	2,162.23	11,377.98	(9,215.75)	(81.00%)
	3,692.66	12,864.25	(9,171.59)	(71.30%)
OTHER INCOME (EXPENSE)				
Proceeds from insurance claims	1,841.16	-	1,841.16	-
Interest income	8.38	11.27	(2.89)	(25.63%)
Net gain from listing of an associate	-	11,155.17	-	-
Equity in net losses of an associate	571.66	610.02	(38.36)	(6.29%)
Fair value loss on investment at fair value through profit or loss	0.34	(1.41)	1.75	(123.88%)
Interest expense and other financing charges	(661.75)	(649.55)	(12.19)	1.88%
	1,759.78	11,125.49	(9,365.71)	(84.18%)
INCOME BEFORE INCOME TAX	11,207.68	10,403.77	803.91	7.73%
PROVISION FOR INCOME TAX	2,672.66	2,036.92	635.74	31.21%
NET INCOME	8,535.02	8,366.85	168.17	2.01%

Revenues

Operating revenue

Operating revenue increased from ₱12,143 million for the year ended December 31, 2022 to ₱13,141 million for the year ended December 31, 2023. The 8.2% increase in the account was primarily attributable to the following:

- Rental income increased from ₱11,711 million for the year ended December 31, 2022 to ₱12,673 million for the year ended December 31, 2023. The 8.2% increase was due to the increase in occupancy and increase in the rental rate for the year.

- Parking fee revenue increased from ₱99 million for the year ended December 31, 2022 to ₱109 million for the year ended December 31, 2023. The 10.1% increase was due to higher number of vehicles using the mall parking space.

- Other operating income increased from ₱333 million for the year ended December 31, 2022 to ₱358 million for the year ended December 31, 2023. The 7.6% increase was due to the increase in administrative fees and mall maintenance and security fees for the year.

Costs and Expenses

Operating Expenses

Cost and expenses decreased from ₱12,864 million for the year ended December 31, 2022 to ₱3,693 million for the year ended December 31, 2023. The 71.3% decrease in the account was primarily attributable to the following:

- Decrease in impairment loss on investment in associate amounting from ₱9,491 million in December 31, 2022 to ₱50 million for the year ended December 31, 2023 due to the change in the discount and cap rate which resulted to a decline in the investment fair value of VREIT.

- Increase in light and power by 53.0% from ₱265 million for the year ended December 31, 2022 to ₱405 million for the year ended December 31, 2023 due to the increase in the consumption in light and power as a result of longer mall operating hours.

- Increase in taxes, licenses and other fees by 51.8% from ₱229 million for the year ended December 31, 2022 to ₱347 million for the year ended December 31, 2023 due to higher taxes paid for the year.

- Increase in repairs and maintenance by 232.1% from ₱92 million for the year ended December 31, 2022 to ₱306 million for the year ended December 31, 2023 due to higher number of repairs and maintenance incurred for the year.

- Decrease in professional fees by 68.8% from ₱91 million for the year ended December 31, 2022 to ₱29 million for the year ended December 31, 2023 as a result of lower professional fees paid in 2023.

- Increase in advertising and promotions by 239.7% from ₱21 million for the year ended December 31, 2022 to ₱71 million for the year ended December 31, 2023 due to higher advertising fees paid for the year.

Other Income (Expense)

Interest income decreased from ₱11 million for the year ended December 31, 2022 to ₱8 million for the year ended December 31, 2023. The 25.6% decrease due to lower cash earning interest for the year.

Fair value gain (loss) on investment at fair value through profit or loss increased from a loss of ₱1 million for the year ended December 31, 2022 to a gain of ₱0.34 million for the year ended December 31, 2023. The increase resulted from the higher fair value of investment at fair value through FVTPL.

Equity in net earnings of an associate was also recorded for the year ended December 31, 2023 of ₱572 million pertaining to the share in the income of VREIT for the year.

Interest expense increased slightly by 1.9% from ₱650 million in the year ended December 31, 2022 to ₱662 million in the year ended December 31, 2023. This is due primarily to the interest pertaining to the lease liabilities recognized due to the adoption of the PFRS 16.

Provision for Income Tax

Tax expense for the year ended December 31, 2023 is ₱2,673 million, an increase of 31.2% from ₱2,037 million for the year ended December 31, 2022. This is due primarily to the higher taxable income recorded for the year.

Net Income

As a result of the foregoing, the Company's net income increased by 2.01% from ₱8,367 million in the year ended December 31, 2022 to ₱8,535 million in the year ended December 31, 2023.

For the year ended December 31, 2023, except as discussed in Note 27 – 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

	Years ended December 31			
(in ₱ millions)	2023 Audited	2022 Audited	Change In Pesos	In %
ASSETS				
Current Assets				
Cash	157.31	3,516.07	(3,358.76)	(95.53%)
Short-term cash investment	7.32	7.39	(0.07)	(0.96%)
Investment at fair value through profit or loss	25.80	25.46	0.34	1.32%
Receivables	9,342.51	8,098.40	1,244.11	15.36%
Receivable from related parties	3,160.16	2,644.76	515.39	19.49%
Real estate properties for sale	301.89	302.22	-0.33	(0.11%)
Other current assets	3,184.42	3,035.45	148.97	4.91%
Total Current Assets	16,179.41	17,629.76	(1,450.36)	(8.23%)
Noncurrent Assets				
Investments at fair value through other comprehensive income	1,233.62	1,241.14	-7.52	-0.61%
Receivables - net of current portion	25,144.67	17,545.40	7,599.27	43.31%
Property and equipment	24.481458	36.54	-12.05	-32.99%
Investment properties	46,625.55	44,899.55	1,726.00	3.84%
Investment in associate	9,898.57	9,835.64	62.93	0.64%
Other noncurrent assets	167.391209	331.39	-164.00	-49.49%
Total Noncurrent Assets	83,094.28	73,889.66	9,204.62	12.46%
Total Assets	99,273.68	91,519.42	7,754.26	8.47%
LIABILITIES AND EQUITY				
Current Liabilities				
Accounts and other payables	5,321.24	5,146.52	174.71	3.39%
Security deposits and advance rent	1,155.29	1,121.61	33.68	3.00%
Payable to parent company	30,109.09	32,696.19	(2,587.10)	(7.91%)
Income tax payable	2.21	10.82	(8.61)	(79.61%)
Dividends payable				
Current portion of:				
Bank loans	444.85	455.60	(10.75)	(2.36%)
Lease liabilities	491.28	462.05	29.24	6.33%
Total Current Liabilities	37,523.95	39,892.78	(2,368.83)	(5.94%)
Noncurrent Liabilities				
Bank loans - net of current portion	1,275.24	1,718.80	(443.56)	(25.81%)
Lease liabilities - net of current portion	6,270.55	6,255.10	15.46	0.25%
(Forward)				
Pension liabilities	53.52	49.16	4.36	8.87%
Deferred tax liabilities – net	8,889.30	6,365.04	2,524.25	39.66%

Other noncurrent liabilities	386.31	636.53	(250.22)	(39.31%)
Total Noncurrent Liabilities	16,874.92	15,024.63	1,850.29	12.32%
Total Liabilities	54,398.87	54,917.41	(518.54)	(0.94%)
Equity				
Equity attributable to equity holders of the Parent:				
Capital stock	8,449.48	8,449.48	0.0	0.00%
Additional paid-in capital	6,389.31	6,389.31	0.0	0.00%
Retained earnings	33,891.74	25,617.07	8,141.70	32.30%
Other comprehensive income (loss)	(4,016.05)	(4,011.98)	(1,392.90)	0.10%
	44,714.49	36,443.89	6,748.80	22.69%
Non-controlling interest	160.32	158.13	2.6	1.39%
Total Equity	44,874.81	36,602.02	8,272.80	22.60%
Total Liabilities and Equity	99,273.68	91,519.42	7,754.26	8.47%

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

Total assets as of December 31, 2022 were ₱91,519 million compared to ₱99,274 million as of December 31, 2023, or an 8.5% increase. This was due to the following:

- Cash and cash equivalents, including short term cash investments, decreased by 95.3% from ₱3,523 million as of December 31, 2022 to ₱165 million as of December 31, 2023 due to net cash flow used in operating and financing activities for the year.

- Receivables, including non-current portion, increased by 34.5% from ₱25,644 million as of December 31, 2022 to ₱34,487 million as of December 31, 2023 due to the increase in accrued rent, receivables from related parties, and advances to contractors.

- Property and equipment decreased by 33.0% from ₱37 million as of December 31, 2022 to ₱24 million as of December 31, 2023 due to depreciation recognized for the year.

- Investment associates slightly increased by 0.6% from ₱9,836 million as of December 31, 2022 to ₱9,899 million as of December 31, 2023 due primarily to the share in net earnings recorded.

- Investment properties increased by 3.8% from ₱44,900 million as of December 31, 2022 to ₱46,626 million as of December 31, 2023 due to the additions for the year.

- Other assets including non-current portion slightly decreased by 0.5% from ₱3,367 million as of December 31, 2022 to ₱3,352 million as of December 31, 2023 due primarily to decreases in refundable deposits and creditable withholding taxes.

Total liabilities as of December 31, 2023 were ₱54,399 million compared to ₱54,917 million as of December 31, 2022, or a 0.9% decrease. This was due to the following:

- Accounts and other payables increased by 3.4% from ₱5,147 million as of December 31, 2022 to ₱5,321 million as of December 31, 2023 due to the increase in deferred output VAT, current portion of retention payable and accrued expenses.

- Security deposits and advance rent increased by 3.0% from ₱1,122 million as of December 31, 2022 to ₱1,155 million as of December 31, 2023 due to the increase in the security deposits and advance rent for the year.

- Payable to parent company decreased by 7.9% from ₱32,696 million as of December 31, 2022 to ₱30,109 million as of December 31, 2023 due to settlements made to parent company during the year.

- Income tax payable decreased by 79.6% from ₱11 million as of December 31, 2022 to ₱2 million as of December 31, 2023 due to the settlements made during the year.

- Bank Loans, including non-current portion, decreased by 20.9% from ₱2,174 million as of December 31, 2022 to ₱1,720 million as of December 31, 2023 due to settlements made during the year.

- Pension liabilities increased by 8.9% from ₱49 million as of December 31, 2022 to ₱54 million as of December 31, 2023 due to actuarial adjustments.

- Deferred tax liabilities – net posted an increase of 39.7% from ₱6,365 million as of December 31, 2022 to ₱8,889 million as of December 31, 2023 due to the increase in temporary differences for the period that will eventually result to future tax liability.

- Other non-current liabilities decreased by 39.3% from ₱637 million as of December 31, 2022 to ₱386 million as of December 31, 2023 due to the decrease in the retention payable.

Total stockholder's equity increased by 22.6% from ₱36,602 million as of December 31, 2022 to ₱44,875 million as of December 31, 2023 to due to the earnings recorded for the year.

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)]	0.43:1	0.44:1
Liability-to-equity ratio [(b)]	1.21:1	1.50:1
Interest coverage [(c)]	100.66	64.40
Return on assets [(d)]	8.60%	9.1%
Return on equity [(e)]	19.02%	22.9%

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 debt and equity a company is using to finance its business. It also measures a company's borrowing capacity.

(c) Interest coverage: This ratio is obtained by dividing earnings before interest, taxes depreciation and amortization (EBITDA) by the total interest paid. 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 (net of income from acquisition of subsidiary) 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 (net of income from acquisition of subsidiary) 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 to the decrease in current assets and liabilities.

The decrease in liability-to-equity ratio was due to the higher increase in total equity compared to the increase in liabilities.

Interest coverage for the year ended December 31, 2023 increased because of the higher EBITDA for the year.

Return on asset decreased due to the higher increase in total assets compared to the slight increase in net income.

Return on equity decreased due the higher increase in total assets compared to the slight increase in equity.

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 cash investments decreased by 95.3% from ₱3,523 million as of December 31, 2022 to ₱165 million as of December 31, 2023 due to net cash flow used in operating and financing activities for the year.

Receivables, including non-current portion, increased by 34.5% from ₱25,644 million as of December 31, 2022 to ₱34,487 million as of December 31, 2023 due to the increase in accrued rent, receivables from related parties, and advances to contractors.

Property and equipment decreased by 33.0% from ₱37 million as of December 31, 2022 to ₱24 million as of December 31, 2023 due to depreciation recognized for the year.

Payable to parent company decreased by 7.9% from ₱32,696 million as of December 31, 2022 to ₱30,109 million as of December 31, 2023 due to settlements made to parent company during the year.

Income tax payable decreased by 79.6% from ₱11 million as of December 31, 2022 to ₱2 million as of December 31, 2023 due to the settlements made during the year.

Bank Loans, including non-current portion decreased by 20.9% from ₱2,174 million as of December 31, 2022 to ₱1,720 million as of December 31, 2023 due to settlements made during the year.

Pension liabilities increased by 8.9% from ₱49 million as of December 31, 2022 to ₱54 million as of December 31, 2023 due to actuarial adjustments.

Deferred tax liabilities – net posted an increase of 39.7% from ₱6,365 million as of December 31, 2022 to ₱8,889 million as of December 31, 2023 due to the increase in temporary differences for the period that will eventually result to future tax liability.

Other non-current liabilities decreased by 39.3% from ₱637 million as of December 31, 2022 to ₱386 million as of December 31, 2023 due to the decrease in the 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)

Rental income increased from ₱11,711 million for the year ended December 31, 2022 to ₱12,673 million for the year ended December 31, 2023. The 8.2% increase was due to the increase in occupancy and increase in the rental rate for the year.

Parking fee revenue increased from ₱99 million for the year ended December 31, 2022 to ₱109 million for the year ended December 31, 2023. The 10.1% increase was due to higher number of vehicles using the mall parking space.

Other operating income increased from ₱333 million for the year ended December 31, 2022 to ₱358 million for the year ended December 31, 2023. The 7.6% increase was due to the increase in administrative fees and mall maintenance and security fees for the year.

Increase in light and power by 53.0% from ₱265 million for the year ended December 31, 2022 to ₱405 million for the year ended December 31, 2023 due to the increase in the consumption in light and power as a result of longer mall operating hours.

Increase in taxes, licenses and other fees by 51.8% from ₱229 million for the year ended December 31, 2022 to ₱347 million for the year ended December 31, 2023 due to higher taxes paid for the year.

Increase in repairs and maintenance by 232.1% from ₱92 million for the year ended December 31, 2022 to ₱306 million for the year ended December 31, 2023 due to higher number of repairs and maintenance incurred for the year.

Decrease in professional fees by 68.8% from ₱91 million for the year ended December 31, 2022 to ₱29 million for the year ended December 31, 2023 as a result of lower professional fees paid in 2023.

Increase in advertising and promotions by 239.7% from ₱21 million for the year ended December 31, 2022 to ₱71 million for the year ended December 31, 2023 due to higher advertising fees paid for the year.

Interest income decreased from ₱11 million for the year ended December 31, 2022 to ₱8 million for the year ended December 31, 2023. The 25.6% decrease due to lower cash earning interest for the year.

Tax expense for the year ended December 31, 2023 is ₱2,673 million, an increase of 31.2% from ₱2,037 million for the year ended December 31, 2022. This is due primarily to the higher taxable income recorded for the year.

The Company's net income increased by 2.01% from ₱8,367 million in the year ended December 31, 2022 to ₱8,535 million in the year ended December 31, 2023. For the year ended December 31, 2023, except as discussed in Note 27 – 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.

Significant Subsidiaries

1. Masterpiece Asia Properties Inc. (MAPI)

The table below presents MAPI's information on revenues, net income and financial soundness indicators, all before elimination of intercompany transactions, as of and for the years ended December 31, 2025, 2024, and 2023.

MAPI						
	For the years ended December 31			As a % of STR Group's		
	2023	2024	2025	2023	2024	2025
		(millions)			(%)	
Gross revenues	11,474.73	12,164.43	11,499.02	92.55%	87.32%	73.31%
Net income	6,925.40	6,402.24	-130.56	88.69%	81.14%	83.16%

MAPI			
	For the years ended December 31		
	2023	2024	2025
Current ratio[1]	2.00	2.62	3.42
Liability to Equity ratio[2]	2.57	2.20	2.46
Net income margin[3]	60.35%	52.63%	(1.14%)
Return on Equity[4]	29.53%	21.66%	(0.45%)
Return on Asset[5]	8.27%	6.78%	(0.13%)

1. Current ratio = Current Assets divided by Current Liabilities
2. Liability to Equity ratio = Total Liabilities divided by Total Equity
3. Net Income Margin = Net Income divided by Revenue
4. Return on Equity = Net Income divided by Total Equity
5. Return on Asset = Net Income divided by Total Asset

2. Manuela Corporation (MC)

The table below presents MC's information on revenues, net income and financial soundness indicators, all before elimination of intercompany transactions, as of and for the years ended December 31, 2025, 2024, and 2023.

MC						
	For the years ended December 31			As a % of STR Group's		
	2023	2024	2025	2023	2024	2025
		(millions)			(%)	
Gross revenues	1,665.50	1,533.58	1,353.77	7.45%	12.67%	26.69%
Net income	1,544.50	572.76	-647.55	11.31%	18.10%	16.84%

MC			
	For the years ended December 31		
	2023	2024	2025
Current ratio[1]	5.16	4.16	4.67
Liability to Equity ratio[2]	0.61	0.62	0.61
Net income margin[3]	92.74%	37.35%	(47.83%)
Return on Equity[4]	11.57%	4.15%	(5.05%)
Return on Asset[5]	7.20%	2.56%	(3.14%)

1. Current ratio = Current Assets divided by Current Liabilities
2. Liability to Equity ratio = Total Liabilities divided by Total Equity
3. Net Income Margin = Net Income divided by Revenue
4. Return on Equity = Net Income divided by Total Equity
5. Return on Asset = Net Income divided by Total Asset

COMMITMENTS AND CONTINGENCIES

The Group is contingently liable with respect to lease contracts and other transactions arising in the ordinary course of business.

The Group has 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. The estimate of the probable cost for the resolution of any contingency has been developed in consultation with legal counsel. In the opinion of the management and its legal counsel, the eventual liability under these lawsuits or claims, if any, may impact the Group's consolidated financial position and results of operations. Accordingly, provision for any liability has been made in the financial statements (Note 26).

On disclosures required by PAS 37, Provisions, Contingent Liabilities and Contingent Assets, these are not provided as it may prejudice the Group's position and it may affect the outcome of the contingency.

IV. NATURE AND SCOPE OF BUSINESS

Vistamalls Inc. (the "Company"), formerly Starmalls, Inc., was incorporated in Metro Manila, Philippines on October 16, 1969 originally to pursue mineral exploration. After obtaining SEC approval in 2004, the Company changed its primary business and is now presently engaged in investment and real estate business.

On May 3, 2016, by a majority vote of the BOD and on June 27, 2016, as approved by the Stockholders, the Company shall exist for another period of fifty (50) years from October 25, 2019. On the same dates, the BOD and Stockholders approved that the place where the principal office of the Company is to be established at the Lower Ground Floor, Building B, EVIA Lifestyle Center, Vista City, Daang Hari, Almanza II, Las Piñas City. The SEC approved the Company's application for the following amendments on September 30, 2016.

On May 02, 2019, the Company's BOD authorized the change in name of the Company from Starmalls, Inc. to Vistamalls, Inc. The SEC approved the Company's application for the change in name on September 17, 2019.

The Company's subsidiaries include the following:

- ***Masterpiece Asia Properties Inc. (MAPI)***. MAPI is currently in the operations and development of commercial properties for lease.

- ***Manuela Corporation (MC)***. MC is currently in the operations and development of commercial properties for lease.

The Company and its subsidiaries are hereinafter collectively referred to as the Group. All subsidiaries were incorporated in the Philippines.

The Company's principal place of business is at the Lower Ground Floor, Building B, EVIA Lifestyle Center, Vista City, Daanghari, Almanza II, Las Piñas City.

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

Market Information

The Company's common shares are listed with the Philippine Stock Exchange. The high and low sales prices for each quarter within the last three fiscal years as traded on the Philippine Stock Exchange are as follows:

Quarter	2026			2025			2024		
	High	Low	Close	High	Low	Close	High	Low	Close
1st	1.44	1.03	1.03	1.69	1.49	1.69	2.41	2.29	2.40
2nd	1.15	1.00	1.02	1.99	1.39	1.50	2.35	2.10	2.13
3rd	1.02	1.02	1.02	1.59	1.20	1.24	2.30	1.78	1.84
4th				1.30	1.00	1.25	1.92	1.52	1.62

The market capitalization of STR as of December 31, 2025, based on the closing price of ₱1.25 per share, was approximately ₱10.53 billion.

As of June 01, 2026, STR's market capitalization stood at ₱8.59billion based on the ₱1.02 per share closing price.

Price Information as of the Latest Practicable Trading Date

Trading Date	High	Low	Close
01 June 2026	1.02	1.02	1.02

Stockholders

Common Shares

There are approximately 432 holders of common equity security of the Company as of October 31, 2026 (based on the number of accounts registered with the Stock Transfer Agent). As of October 31, 2026, the following are the top 20 holders of the common securities of the Company:

	Stockholders Name	No. of Common Shares	Percentage (of Common Shares)[7]
1.	VISTA LAND & LIFESCAPES, INC.[8]	7,443,192,641	88.34%
2.	LAND AND HOUSES PUBLIC COMPANY LIMITED	808,431,465	9.59%
3.	FINE PROPERTIES, INC.[7]	114,877,955	1.36%
4.	PCD NOMINEE CORPORATION (FILIPINO)	51,470,338	0.61%
5.	PCD NOMINEE CORPORATION (FOREIGN)	2,448,458	0.03%
6.	PETER O. TAN	1,798,000	0.02%
7.	PETER TAN &/OR MARILOU TAN	1,524,000	0.02%
8.	ORION-SQUIRE CAPITAL, INC.	82,000	0.00%
9.	ORION-SQUIRE SEC., INC.	77,900	0.00%
10.	CUA, ANG & CHUA SECURITIES INC.	66,000	0.00%
11.	DEES SECURITIES CORP.	60,715	0.00%
12.	PAIC SECURITIES CORPORATION	60,400	0.00%
13.	TANSENGCO & CO., INC.	56,000	0.00%
14.	ANSALDO, GODINEZ & CO., INC.	54,286	0.00%
15.	FINVEST SEC. CO., INC.	50,000	0.00%
16.	MARIO OSMENA JR.	50,000	0.00%
17.	BENITO PENALOSA	50,000	0.00%
18.	GILBERT M. TIU	40,000	0.00%
19.	OH SIONG YU	39,942	0.00%
20.	BABES OJALES	39,000	0.00%
	Total	**8,424,469,100**	**99.98%**
	Others	1,512,056	0.02%

[7] *based on the total shares issued of 8,425,981,156*

[8] *Lodged under PCD Nominee Corporation (Filipino)*

	Total issued and outstanding common shares as of October 31, 2026	**8,425,981,156**	**100.00%**

Preferred Shares

As of October 31, 2026, there is only one (1) holder of the preferred shares of the Company:

	Stockholders Name	No. of Preferred Shares	Percentage (of Preferred Shares)
1.	Fine Properties, Inc.	2,350,000,000	100.00%
	Total issued and outstanding preferred shares as of October 31, 2026	**2,350,000,000**	**100.00%**

Dividends

₱0.0433 per share Regular Cash Dividend
Declaration Date: December 29, 2025
Record date: January 15, 2026
Payment date: February 05, 2026

₱0.0365 per share Regular Cash Dividend
Declaration Date: November 13, 2024
Record date: November 28, 2024
Payment date: December 12, 2024

₱0.0306 per share Regular Cash Dividend
Declaration Date: September 28, 2023
Record date: October 13, 2023
Payment date: October 27, 2023

Dividend Policy

Under the Registrant's existing By-Laws, dividends shall be declared at such time and in such percentages as the Board of Directors may determine, but no dividends shall be declared or paid except from the surplus of profits arising from the business, nor shall any dividends be declared that will impair the capital of the Registrant. Stock dividends shall be declared in accordance with law.

The Registrant's Board is authorized to declare dividends. A cash dividend declaration does not require any further approval from the Registrant's shareholders. A stock dividend declaration requires the further approval of shareholders representing not less than two-thirds of the Registrant'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 Registrant 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 a company must have a record date not less than 10 nor more than 30 days from the date the cash dividends are declared. With respect to stock dividends, the record date is to be not less than 10 or more than 30 days from the date of shareholder approval, provided however, that the set record date is not to be less than 10 trading days from receipt by the PSE of the notice of declaration of stock dividend. In the event that a stock dividend is declared in connection with an increase in authorized capital stock, the corresponding record date is to be fixed by the Philippine SEC.

Recent Sale of Unregistered Securities

There have been no sales of unregistered securities in the past three years.

Stock Options

None.

VI. COMPLIANCE WITH LEADING PRACTICE ON CORPORATE GOVERNANCE

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

Ultimate responsibility and oversight of the Company's adherence to superior corporate governance practices rests with the Board of Directors. As a policy matter, the Board will hold monthly meetings, at which any number of relevant corporate governance issues may be raised for discussion.

Practical oversight of the Company's corporate governance standards is exercised through the Board's Corporate Governance Committee.

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

As of the date of this report, there are no known material deviations from the Company's Manual of Corporate Governance. The Company is taking further steps to enhance adherence to principles and practices of good corporate governance.

PART III

SIGNATURE PAGE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth on this Report is true, complete, and correct. This Report is signed in Mandaluyong City on 10th November 2026.

By:

BRIAN N. EDANG
CFO & Head of Investor Relations

Date: November 10, 2026

VISTAMALL

STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR CONSOLIDATED FINANCIAL STATEMENTS

The management of **Vistamalls, 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, 2025, 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 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 _____ day of OCT 0 8 2026 2026.

MANUEL B. VILLAR, JR.
Chairman of the Board

MANUEL PAOLO A. VILLAR
President

BRIAN N. EDANG
Chief Financial Officer and Head Investor Relations

SUBSCRIBED AND SWORN, to before me this OCT 0 8 2026 at MANDALUYONG CITY, affiants exhibiting to me their respective Passports, to wit:

Name	Passport No.	Date and Place of Issue
Manuel B Villar, Jr.		
Manuel Paolo A. Villar		
Brian N. Edang		

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. 393
Page No. 80
Book No. XXIV
Series of 2026.

ATTY. ARBIN OMAR P. CARINO
NOTARY PUBLIC
For City of Mandaluyong
UNTIL DECEMBER 31, 2026
ROLL No. 57146
IBP Lifetime Member No. 018537
PTR No. 6038125 / 05 Jan. 2026 / Mandaluyong City
MCLE Compliance No. VIII-0028169 issued dated 16 April 2025
Notarial Commission Appointment No. 0368-25
Vista Corporate Center, Upper Ground Floor,
Worldwide Corporate Center, Shaw Blvd., Mandaluyong City

COVER SHEET

for

AUDITED FINANCIAL STATEMENTS

SEC Registration Number

C	S	0	0	0	0	3	9	5	8	7

COMPANY NAME

V	I	S	T	A	M	A	L	L	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	G	F	,		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 C F S	S E C	N / A

COMPANY INFORMATION

Company's Email Address	Company's Telephone Number	Mobile Number
www.starmalls.com.ph	8571-5948	N/A

No. of Stockholders	Annual Meeting (Month / Day)	Fiscal Year (Month / Day)
431	Every last Monday of June	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	0917-801-0637

CONTACT PERSON's ADDRESS

LGF, 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 Stockholders and the Board of Directors
Vistamalls, Inc.
LGF, Building B, Evia Lifestyle Center
Vista City, Daanghari, Almanza II, Las Piñas City

Opinion

We have audited the consolidated financial statements of Vistamalls, Inc. and its subsidiaries (the Group), which comprise the consolidated statements of financial position as at December 31, 2025 and 2024, 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, 2025, 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, 2025 and 2024 and its consolidated financial performance and its consolidated cash flows for each of the three years in the period ended December 31, 2025 in accordance with Philippine Financial Reporting Standards (PFRS) Accounting Standards.

Basis for Opinion

We conducted our audits in accordance with Philippine Standards on Auditing (PSAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the *Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the Code of Ethics for Professional Accountants in the Philippines (Code of Ethics), as applicable to the audits of the financial statements of public interest entities, together with the ethical requirements that are relevant to our audit of the financial statements of public interest entities 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.

Recoverability of investment in associate

Under PFRS Accounting Standards, the Group is required to test the recoverability of nonfinancial assets when indicators of impairment exist. As at December 31, 2025, the investee company's market capitalization is significantly below the net book value of the Group's investment in associate. This is an impairment indicator that requires an assessment of the recoverability of the Group's investment in associate. Accordingly, the related investment in associate with an aggregate cost of ₱19,697.40 million as of December 31, 2025 before beginning allowance for impairment losses of ₱8,702.19 million, which is significant to the consolidated financial statements, were tested for impairment, resulting to the additional allowance for impairment loss amounting to ₱4,958.08 million in 2025. The management's impairment assessment process requires significant judgment and is based on assumptions which are subject to higher level of estimation uncertainty, specifically the revenue growth, cost ratios and discount rates.

The Group's disclosures about the investment in associate are included in Notes 1 and 8 to the consolidated financial statements.

Audit response

We obtained an understanding of the Group's impairment assessment process. We involved our internal specialist in evaluating the reasonableness of the fair value computations, valuation methodology adopted and the underlying assumptions in connection with the valuations of investment properties of the Company as of December 31, 2025. These key assumptions include discount rates, growth rates and free cash flows. In addition, we assessed whether the discount rates used are within the acceptable range with the assistance from our internal valuation specialist and performed a certain sensitivity analysis. We evaluated the competence and independence of the external valuer engaged by the Company. We also reviewed the Group's disclosures about those assumptions to which the outcome of the impairment test is more sensitive, specifically those that have the most significant effect on the determination of the recoverable amount of the investment in associate.

Provision for expected credit losses

The Group applies simplified approach in calculating expected credit loss (ECL) of its receivable from tenants including related party rental receivables. The Group recognized allowance for credit losses and provision for credit losses amounting to ₱929.50 million and ₱284.67 million as of and for the year ended December 31, 2025, 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 guarantee, 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 losses 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 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; and (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.

For related party rental receivables, we tested the completeness and accuracy of the underlying data by tracing balances to accounting records and assessed the aging of the outstanding receivables for indicators of impairment. We evaluated the support provided by Fine Properties, Inc., the Ultimate Parent Company, by inspecting supporting documents for properties offered as security to guarantee the recoverability of the related party rental receivables. We also obtained and inspected appraisal reports for certain properties to determine the fair value and assessed whether the fair value of the properties offered as security were sufficient to cover the related party rental receivables. Also, we evaluated the competence and capabilities of the independent appraisers engaged by the Group. We assessed the reasonableness of the significant assumptions used in the valuation by comparing these to available market data.

Further, we compared the data used in the ECL models, such as the historical aging analysis and recovery data, to the financial reporting systems.

We performed recalculation of the ECL on a sample basis and evaluated the disclosures made in the consolidated financial statements.

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, 2025 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, 2025 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.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the 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, August 24, 2026, valid until August 23, 2029
SEC Partner Accreditation No. 89336-SEC (Group A
Valid to cover audit of 2023 to 2027 financial statements
SEC Firm Accreditation No. 0001-SEC (Group A)
Valid to cover audit of 2021 to 2025 financial statements
BIR Accreditation No. 08-001998-073-2023, October 23, 2023, valid until October 22, 2026
PTR No. 10765122, January 2, 2026, Makati City

October 8, 2026

VISTAMALLS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	December 31	
	2025	2024
ASSETS		
Current Assets		
Cash (Notes 7, 23 and 24)	**₱50,989,872**	₱80,322,163
Investment at fair value through profit or loss (Notes 8, 23 and 24)	**24,638,950**	28,687,647
Receivables (Notes 9, 23, 24 and 26)	**22,232,681,514**	14,003,786,976
Receivable from related parties (Notes 20, 23 and 24)	**3,164,157,971**	3,160,157,971
Real estate properties for sale	**301,890,413**	301,890,413
Other current assets (Note 11)	**2,964,662,128**	2,797,626,393
Total Current Assets	**28,739,020,848**	20,372,471,563
Noncurrent Assets		
Investments at fair value through other comprehensive income (Notes 8, 20, 23 and 24)	**782,296,543**	1,113,268,158
Receivables - net of current portion (Notes 9, 23 and 24)	**34,585,792,840**	31,095,784,872
Property and equipment	**8,433,401**	12,997,612
Investment in associate (Note 8 and 20)	**6,037,126,233**	10,984,239,934
Investment properties (Notes 10 and 14)	**45,248,853,319**	46,333,154,145
Other noncurrent assets (Note 11)	**173,929,752**	315,737,239
Total Noncurrent Assets	**86,836,432,088**	89,855,181,960
	₱115,575,452,936	₱110,227,653,523
LIABILITIES AND EQUITY		
Current Liabilities		
Accounts and other payables (Notes 12, 23 and 24)	**₱6,730,433,052**	₱5,651,977,327
Advance rent and security deposits (Note 13)	**1,150,008,713**	1,224,754,919
Payable to related parties (Notes 20, 23 and 24)	**37,998,958,525**	32,993,926,318
Income tax payable	**24,019,016**	16,274,611
Current portion of:		
Bank loans (Notes 10, 14, 23 and 24)	**460,038,866**	448,211,186
Lease liabilities (Notes 23, 24 and 25)	**371,794,884**	311,377,601
Total Current Liabilities	**46,735,253,056**	40,646,521,962
Noncurrent Liabilities		
Bank loans - net of current portion (Notes 10, 14, 23 and 24)	**346,153,138**	815,855,809
Lease liabilities - net of current portion (Notes 23, 24 and 25)	**6,552,282,149**	6,477,006,298
Pension liabilities	**46,933,210**	54,973,243
Deferred tax liabilities - net (Note 19)	**11,450,379,966**	10,364,747,758
Other noncurrent liabilities (Note 15)	**545,176,988**	509,997,197
Total Noncurrent Liabilities	**18,940,925,451**	18,222,580,305
Total Liabilities	**65,676,178,507**	58,869,102,267

(Forward)

	December 31	
	2025	2024
Equity (Note 16)		
Equity attributable to equity holders of the Parent Company:		
Capital stock	**₱8,449,481,156**	₱8,449,481,156
Additional paid-in capital	**6,389,314,354**	6,389,314,354
Retained earnings	**39,349,180,587**	40,489,986,916
Other comprehensive loss	**(4,448,316,347)**	(4,131,433,332)
	49,739,659,750	51,197,349,094
Non-controlling interest (Note 21)	**159,614,679**	161,202,162
Total Equity	**49,899,274,429**	51,358,551,256
	₱115,575,452,936	₱110,227,653,523

See accompanying Notes to Consolidated Financial Statements.

VISTAMALLS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Years Ended December 31		
	2025	2024	2023
REVENUE			
Rental income (Notes 10 and 25)	**₱12,357,954,529**	₱13,326,484,074	₱12,673,455,590
Parking fees	**115,740,384**	115,500,043	109,067,402
Other operating income (Note 17)	**380,035,069**	256,670,862	358,028,442
	12,853,729,982	13,698,654,979	13,140,551,434
COSTS AND EXPENSES			
Depreciation (Note 10)	**1,281,428,688**	1,463,466,553	1,530,431,525
Provision for expected credit losses (Notes 9 and 24)	**632,551,243**	205,333,195	239,615,169
Light and power	**370,436,075**	397,869,905	405,206,876
Salaries and employee benefits	**292,280,668**	279,359,418	272,732,118
Outside services	**247,778,057**	246,015,911	244,012,591
Taxes, licenses and other fees	**219,333,856**	255,670,963	347,111,687
Repairs, maintenance and loss from asset retirement (Note 10)	**112,848,681**	117,911,330	305,852,749
Insurance	**75,982,181**	73,946,426	69,254,131
Professional fees	**34,775,115**	20,774,916	28,550,255
Advertising and promotions	**13,132,663**	15,781,014	70,848,667
Rentals	**4,438,099**	7,493,726	7,417,205
Other operating expenses	**167,562,541**	153,027,376	121,912,180
	3,452,547,867	3,236,650,733	3,642,945,153
OTHER INCOME (EXPENSES)			
Recovery of impairment loss (impairment loss) on investment in associate (Note 8)	**(4,958,084,323)**	838,381,338	(49,714,974)
Interest expense and other financing charges (Notes 18 and 25)	**(4,896,502,640)**	(3,606,603,802)	(661,748,756)
Equity in net earnings of an associate (Note 8)	**588,357,946**	792,642,839	571,660,787
Interest income (Notes 7, 8, 11 and 18)	**20,984,584**	10,285,435	8,379,481
Fair value (loss) gain on investment at fair value through profit or loss (Notes 8 and 26)	**(4,048,697)**	2,889,399	336,645
Proceeds from insurance claims and miscellaneous income (Notes 10, 17 and 26)	**326,257,367**	–	1,841,156,398
	(8,923,035,763)	(1,962,404,791)	1,710,069,581
INCOME BEFORE INCOME TAX	**478,146,352**	8,499,599,455	11,207,675,862
PROVISION FOR INCOME TAX (Notes 19, 22 and 26)	**1,254,959,079**	1,592,636,768	2,672,655,536
NET INCOME (LOSS)	**(776,812,727)**	6,906,962,687	8,535,020,326
NET INCOME ATTRIBUTABLE TO:			
Equity holders of the Parent Company	**(775,715,491)**	6,905,906,750	8,532,813,246
Non-controlling interest (Note 21)	**(1,097,236)**	1,055,937	2,207,080
NET INCOME (LOSS)	**(₱776,812,727)**	₱6,906,962,687	₱8,535,020,326
BASIC/DILUTED (LOSS) EARNINGS PER SHARE (Note 21)	**(₱0.092)**	₱0.820	₱1.013

	Years Ended December 31		
	2025	2024	2023
NET INCOME (LOSS)	**(₱776,812,727)**	₱6,906,962,687	₱8,535,020,326
OTHER COMPREHENSIVE (LOSS) INCOME			
Other comprehensive (loss) income not to be reclassified to profit or loss in subsequent periods:			
Unrealized fair value loss on equity investment at fair value through other comprehensive income (Note 8)	**(330,971,615)**	(120,353,315)	(7,522,082)
Remeasurement gain on pension liabilities	**18,131,137**	6,388,655	4,586,573
Income tax effect (Note 19)	**(4,532,784)**	(1,597,164)	(1,146,643)
	(317,373,262)	(115,561,824)	(4,082,152)
TOTAL COMPREHENSIVE (LOSS) INCOME	**(₱1,094,185,989)**	₱6,791,400,863	₱8,530,938,174
TOTAL COMPREHENSIVE (LOSS) INCOME ATTRIBUTABLE TO:			
Equity holders of the Parent Company	**(₱1,092,598,506)**	₱6,790,518,613	₱8,528,747,251
Non-controlling interest (Note 21)	**(1,587,483)**	882,250	2,190,923
	(₱1,094,185,989)	₱6,791,400,863	₱8,530,938,174

See accompanying Notes to Consolidated Financial Statements.

VISTAMALLS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Capital Stock (Note 16)						
	Preferred Stock	**Common Stock**	**Additional Paid-in Capital** (Note 16)	**Retained Earnings** (Note 16)	**Other Comprehensive Income** (Note 16)	**Non-Controlling Interest** (Note 21)	**Total**
Balances as at January 1, 2025	**₱23,500,000**	**₱8,425,981,156**	**₱6,389,314,354**	**₱40,489,986,916**	**(₱4,131,433,332)**	**₱161,202,162**	**₱51,358,551,256**
Net loss	–	–	–	**(775,715,491)**	–	**(1,097,236)**	**(776,812,727)**
Other comprehensive loss	–	–	–	–	**(316,883,015)**	**(490,247)**	**(317,373,262)**
Total comprehensive loss for the year	–	–	–	**(775,715,491)**	**(316,883,015)**	**(1,587,483)**	**(1,094,185,989)**
Cash dividend declared	–	–	–	**(365,090,838)**	–	–	**(365,090,838)**
Balances as at December 31, 2025	**₱23,500,000**	**₱8,425,981,156**	**₱6,389,314,354**	**₱39,349,180,587**	**(₱4,448,316,347)**	**₱159,614,679**	**₱49,899,274,429**
Balances as at January 1, 2024	₱23,500,000	₱8,425,981,156	₱6,389,314,354	₱33,891,742,283	(₱4,016,045,195)	₱160,319,912	₱44,874,812,510
Net income	–	–	–	6,905,906,750	–	1,055,937	6,906,962,687
Other comprehensive loss	–	–	–	–	(115,388,137)	(173,687)	(115,561,824)
Total comprehensive (loss) income for the year	–	–	–	6,905,906,750	(115,388,137)	882,250	6,791,400,863
Cash dividend declared	–	–	–	(307,662,117)	–	–	(307,662,117)
Balances as at December 31, 2024	₱23,500,000	₱8,425,981,156	₱6,389,314,354	₱40,489,986,916	(₱4,131,433,332)	₱161,202,162	₱51,358,551,256
Balances as at January 1, 2023	₱23,500,000	₱8,425,981,156	₱6,389,314,354	₱25,617,070,581	(₱4,011,979,200)	₱158,128,989	₱36,602,015,880
Net income	–	–	–	8,532,813,246	–	2,207,080	8,535,020,326
Other comprehensive loss	–	–	–	–	(4,065,995)	(16,157)	(4,082,152)
Total comprehensive (loss) income for the year	–	–	–	8,532,813,246	(4,065,995)	2,190,923	8,530,938,174
Cash dividend declared	–	–	–	(258,141,544)	–	–	(258,141,544)
Balances as at December 31, 2023	₱23,500,000	₱8,425,981,156	₱6,389,314,354	₱33,891,742,283	(₱4,016,045,195)	₱160,319,912	₱44,874,812,510

See accompanying Notes to Consolidated Financial Statements.

VISTAMALLS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF CASH FLOWS

	Years Ended December 31		
	2025	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES			
Income before income tax	**₱478,164,352**	₱8,499,599,455	₱11,207,675,862
Adjustments for:			
Interest expense and other financing charges (Notes 18, 25 and 26)	**4,896,502,640**	3,606,603,802	661,748,756
Depreciation (Note 10)	**1,281,428,688**	1,463,466,553	1,530,431,525
Provision for impairment losses – net of recoveries (Notes 9 and 24)	**632,551,243**	205,333,195	239,615,169
Retirement expense	**10,091,104**	9,611,728	8,945,576
Loss on asset retirement	**–**	–	164,649,301
Fair value (gain) loss on investment at fair value through profit or loss (Notes 8 and 26)	**4,048,697**	(2,889,399)	(336,645)
Realized gross profit on real estate properties sale	**–**	–	(1,794,514)
Proceeds from insurance claims and miscellaneous income (Notes 10, 17 and 26)	**(461,315,757)**	–	(1,841,156,398)
Interest income (Note 18)	**(20,984,584)**	(10,285,435)	(8,379,481)
Share in equity earnings from investment in associate (Note 8)	**(588,357,946)**	(792,642,839)	(571,660,788)
Provision (recovery) of impairment loss on investment in associate (Note 8)	**4,958,084,323**	(838,381,338)	49,714,974
Operating income before working capital changes	**11,190,194,760**	12,140,415,722	11,439,453,337
Decrease (increase) in:			
Receivables	**(12,351,453,749)**	(12,315,564,871)	(12,078,670,188)
Other current assets	**(167,035,735)**	263,358,360	(146,770,619)
Increase (decrease) in:			
Accounts and other payables (Note 12)	**1,219,466,055**	1,033,397,807	263,415,004
Advance rent and security deposits (Note 13)	**60,312,184**	122,468,117	70,418,901
Other noncurrent liabilities	**35,179,791**	(1,449,681)	(296,785,534)
Net cash flows generated from (used for) operations	**(13,336,694)**	1,242,625,454	(748,939,099)
Income taxes paid (including applied creditable withholding taxes)	**(163,335,516)**	(104,733,626)	(157,943,178)
Interest received on cash in banks and restricted cash, net of final tax	**12,009,550**	109,623	1,068,194
Net cash flows provided by (used in) operating activities	**(164,662,660)**	1,138,001,451	(905,814,083)
CASH FLOWS FROM INVESTING ACTIVITIES			
Decrease (increase) in receivables from related parties (Note 26)	**573,387,324**	545,350,320	(59,892,115)
Proceeds from insurance companies	**–**	–	1,841,156,398
Interest received on receivable from tenants	**6,195,300**	10,194,016	7,093,468
Acquisitions of:			
Property and equipment (Note 26)	**(7,606,224)**	(6,972,949)	(19,845,083)
Investment property (Notes 10 and 26)	**(111,381,798)**	(290,062,646)	(427,625,817)
Disposals of (additions to) other noncurrent assets	**141,807,487**	(7,611,970)	163,999,618
Additions to (payments of) liabilities for purchased land	**69,087,989**	(11,818,260)	(64,550,895)
Net cash flows from investing activities	**671,490,078**	239,078,511	1,440,335,574

(Forward)

	Years Ended December 31		
	2025	2024	2023
CASH FLOWS FROM FINANCING ACTIVITIES			
Payments of:			
Lease liabilities (Note 26)	**(₱375,408,905)**	(₱312,208,894)	(₱462,046,337)
Interest and other financing charges (including capitalized borrowing cost) (Note 26)	**(79,982,169)**	(281,612,921)	(127,010,040)
Dividends	**–**	(31,678,735)	(26,864,584)
Bank loans	**(462,500,000)**	(462,500,000)	(462,500,000)
Increase (decrease) in payables to related parties (Note 26)	**381,731,365**	(366,067,977)	(2,814,861,919)
Net cash flows used in financing activities (Note 26)	**(536,159,709)**	(1,454,068,527)	(3,893,282,880)
NET DECREASE IN CASH	**(29,332,291)**	(76,988,565)	(3,358,761,389)
CASH AT BEGINNING OF YEAR	**80,322,163**	157,310,728	3,516,072,117
CASH AT END OF YEAR (Note 7)	**₱50,989,872**	₱80,322,163	₱157,310,728

See accompanying Notes to Consolidated Financial Statements.

1. Corporate Information

Vistamalls, Inc. (the Parent Company, or VMI) was incorporated in the Republic of the Philippines and duly registered with the Philippine Securities and Exchange Commission (SEC) on October 16, 1969, originally to pursue mineral exploration. After obtaining Philippine SEC approval, the Parent Company later changed its primary business and is now presently engaged in holding investments in shares of stock and real estate business.

The Parent Company is the holding company of Vistamalls Group (the Group or VMI Group) which is engaged in leasing of retail malls and Business Process Outsourcing ("BPO") commercial centers. The Group has a wholly owned subsidiary, Masterpiece Asia Properties, Inc. (MAPI) and a 99.85% owned subsidiary, Manuela Corporation (MC).

The Parent Company is 88.34% owned by Vista Land & Lifescapes, Inc. (VLLI) and the rest by the public. VLLI is a publicly-listed investment holding company which is 65.05% and 65.84% owned by Fine Properties, Inc., (Ultimate Parent Company) and the rest by the public, as of December 31, 2025 and 2024. The Parent Company's shares of stock are listed at the Philippine Stock Exchange (PSE).

The Parent Company's accounting and administrative functions are handled by its subsidiaries, MC and MAPI (Note 10).

The Parent Company's registered office and principal place of business is located at LGF, Building B, EVIA Lifestyle Center, Vista City, Daanghari, Almanza II, Las Piñas City.

As of December 31, 2025 and 2024, VMI Group owns 38.88% of VREIT through MAPI and MC.

2. 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 (FVOCI) and fair value through profit or loss (FVTPL), 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 unless otherwise indicated all amounts are rounded to the nearest Philippine Peso.

Statement of Compliance
The consolidated financial statements of the Group have been prepared in compliance with 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, 2025 and 2024, and for each of the three years in the period ended December 31, 2025.

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 using uniform accounting policies for like transactions and other similar events. 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 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		
	2025	2024	2023
Manuela Corporation	**99.85%**	99.85%	99.85%
Masterpiece Asia Properties, Inc.	**100.00%**	100.00%	100.00%

Non-controlling Interests

Non-controlling interests represent the portion of profit or loss and net assets not owned, directly or indirectly, by the Group. Noncontrolling interests are presented separately in the consolidated statement of comprehensive income, and within equity in the consolidated statement of financial position, separately from parent shareholder's equity. Profit or loss and each component of OCI are attributed to the equity holders of the Parent Company and to the NCI, even if this results in the NCI 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.



As at December 31, 2025 and 2024, percentage of non-controlling interests pertaining to Manuela Corporation is 0.15%. The voting rights held by the non-controlling interest are in proportion of their ownership interest.

The Parent Company and the subsidiaries are all domiciled and incorporated in the Philippines and are in the business of leasing commercial spaces and buildings.

3. **Changes in Accounting Policies**

New Standards, Interpretations and Amendments

The accounting policies adopted in the preparation of the consolidated financial statements of the Group are consistent with those of the previous financial year, except for the adoption of new standards effective in 2025. 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 this Amendments to PAS 21, *Lack of exchangeability* which became effective in 2025, did not have an impact on the consolidated financial statements of the Group. The amendments specify how an entity should assess whether a currency is exchangeable and how it should determines a spot exchange rate when exchangeability is lacking.

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, 2026

- Amendments to Illustrative Examples on PFRS 7, PFRS 18, PAS 1, PAS 8, PAS 26 and PAS 37, *Disclosures about Uncertainties in the Financial Statements*
- Amendments to PFRS 9 and PFRS 7, *Classification and Measurement of Financial Instruments*
- Amendments to PFRS 9 and PFRS 7, *Contracts Referencing Nature-dependent Electricity*
- Annual Improvements to PFRS Accounting Standards—Volume 11
  - Amendments to PFRS 1, *Hedge Accounting by a First-time Adopter*
  - Amendments to PFRS 7, *Gain or Loss on Derecognition*
  - Amendments to PFRS 9, *Lessee Derecognition of Lease Liabilities* and *Transaction Price*
  - Amendments to PFRS 10, *Determination of a 'De Facto Agent'*
  - Amendments to PAS 7, *Cost Method*

Effective beginning on or after January 1, 2027

- PFRS 17, *Insurance Contracts*
- PFRS 18, *Presentation and Disclosure in Financial Statements*
  The standard replaces PAS 1, Presentation of Financial Statements, and responds to investors' demand for better information about companies' financial performance. The new requirements include:
  - Required totals, subtotals and new categories in the statement of profit or loss
  - Disclosure of management-defined performance measures
  - Guidance on aggregation and disaggregation

  The Group is currently assessing the impact of adopting this standard

- PFRS 19, *Subsidiaries without Public Accountability*
- Amendments to PAS 21*, Translation to a Hyperinflationary Presentation Currency*

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 Policy Information

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 by the Group.

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

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

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

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorized within the fair value hierarchy 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
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, fair value through other comprehensive income (OCI), and fair value through profit or loss.

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 four categories:

- Financial assets at amortized cost (debt instruments)
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (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 fair value through profit or loss

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
- 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, short-term cash investments, receivables (except for advances to contractors), receivables from related parties and restricted cash. Restricted cash is presented in 'Other current assets' and 'Other noncurrent assets'.

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 instrument classified as financial assets designated at FVOCI includes investment in VLLI (Note 8).

Financial assets at fair value though profit or loss
Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value.

Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortized cost or at fair value through OCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at FVTPL are carried in the statement of financial position at fair value with net changes in fair value recognized in the statement of profit or loss.

The Group's investment at FVTPL comprises of investment in mutual funds (Note 8).

Financial liabilities
Initial recognition and measurement
Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include accounts and other payables (except for deferred output VAT and other statutory payables), payable to VLLI, liabilities for purchased land, retention payable, bank loans and lease liabilities.

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 (except for deferred output VAT and other statutory payables), payable to VLLI, liabilities for purchased land, retention payable, bank loans and lease liabilities presented in the consolidated statements of financial position.

Impairment of Financial Assets

The Group recognizes expected credit losses (ECL) for the following financial assets that are not measured at FVTPL:

- debt instruments that are measured at amortized cost and FVOCI;
- 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, and restricted cash, 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 Company uses simplified approach method in calculating its ECL for receivables. Under the simplified approach, the Company does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix for trade receivables that is based on its historical credit loss experience, adjusted for forward-looking factors (i.e. inflation, GDP growth rate) specific to the debtors and the economic environment.

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 frolm 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. Upon determination that based on sufficient supporting evidence that the related obligations are no longer enforceable and settlement is no longer probable, the financial liability is derecognized and reported as miscellaneous income in the consolidated statement of comprehensive income. The derecognition and reversal are subject to management approval. 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 consolidated 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.

Real Estate Properties for Sale
Real estate inventories consist of subdivision land and residential houses and lots 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 and residential houses and lots; and
- Planning and design costs, cost of site preparation, professional fees, property transfer taxes, construction materials, construction overheads and other related costs.

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.

Advances to Contractors
Advances to contractors are advance payments in relation to the Group's construction activities and are recouped through reduction against progress billings as the construction progresses. Recoupments occur within one to five years from the date the advances were made.

Creditable Withholding Tax
Creditable withholding tax pertains to taxes withheld on income payments and may be applied against income tax due. The balance of taxes withheld is recovered in future period.

Prepaid Expenses
Prepaid expenses are carried at cost less the amortized portion. These typically comprise prepayments for marketing fees, taxes and licenses, rentals and insurance.

Restricted Cash
Cash restricted for use are bank 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.

Refundable Deposits
Refundable deposits are measured at amortized cost. These pertain to deposits on utility subscriptions, rental deposits and security deposits which shall be applied against unpaid utility expenses and rent expenses upon termination of the contracts.



Investment in Associate
Investment in associates are accounted for under the equity method of accounting.

An associate is an entity in which the Group has significant influence, and which is neither a subsidiary nor a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not in control or in joint control over those policies.

Under the equity method, the investments in the investee companies are carried in the consolidated statement of financial position at cost plus post-acquisition changes in the Group's share in the net assets of the investee companies, less any impairment in values. The consolidated statement of comprehensive income reflects the share of the results of the operations of the investee companies. The Group's share of post-acquisition movements in the investee's equity reserves is recognized directly in equity. Profits and losses resulting from transactions between the Group and the investee companies are eliminated to the extent of the interest in the investee companies and for unrealized losses to the extent that there is no evidence of impairment of the asset transferred. Dividends received are treated as a reduction of the carrying value of the investment.

The Group discontinues applying the equity method when their investments in investee companies are reduced to zero. Unless otherwise, additional losses are not recognized when the Group has guaranteed certain obligations of the investee companies. When the investee companies subsequently report net income, the Group will resume applying the equity method but only after its share of that net income equals the share of net losses not recognized during the period the equity method was suspended.

The reporting dates of the investee companies and the Group are identical and the investee companies' accounting policies conform to those used by the Group for like transactions and events in similar circumstances.

Investment Properties
Investment properties comprise completed property and property under construction or re-development that are held to earn rentals or for capital appreciation or both. 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 estimated useful lives 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	3 to 30 years

Investment properties are derecognized when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gain or loss on the retirement or disposal of an investment property is recognized in 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 they do not change the cost of the property for measurement or for disclosure purposes.

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.

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.

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.

Equity
Capital stock is measured at par value for all shares subscribed, issued and outstanding. When the shares are sold at premium, the difference between the proceeds at 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.

Revenue Recognition
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.

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 ownership of an investment property. Rental income arising from operating leases on investment property 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 'Accrued rental receivables' under 'Receivables' in the consolidated statement of financial position.

Amounts received from tenants to terminate leases or to compensate for dilapidations are recognized in the statement of comprehensive income when the right to received 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.

Parking Fees, Other Operating Income and Other Income
Parking fees, other operating income and other income are recognized when earned.

Cost and Expenses
Cost and expenses pertain to expenses incurred in relation to rental of investment properties and administering the business. These are recognized when a decrease in future economic benefits related to a decrease in an asset or an increase of a liability has arisen than can be measured reliably. These are recognized when incurred and measured at the amount paid or payable.

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 by 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 using the liability method on temporary differences, 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, with certain exceptions. Deferred tax liabilities shall be recognized for all taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures when the timing of reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in foreseeable future. Otherwise, no deferred tax liability is set up.

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 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 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 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 outside profit or loss in the consolidated statement of comprehensive income. Deferred tax items recognized in correlation to the underlying transaction either in other comprehensive income 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 (included in “Investment properties” account in the consolidated statement of financial position). All other borrowing costs are expensed in the period in which they 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 finance 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.

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

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

Lease 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 of ₱0.25 million and below when new. 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 accrued rental receivable which is the effect of straight-line calculation of rental income and is charged against rental income in the 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.

For the years ended December 31, 2025, 2024 and 2023, the Group has no potential dilutive common shares (see Note 21).

Segment Reporting
The Group's business is primarily leasing of retail malls and BPO commercial centers which are all located in the Philippines and treated as one segment. The segmentation is the basis of the chief operating decision market's internal reports allocation resources, and the evaluation of performance.

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 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 accompanying consolidated financial statements in compliance with PFRS Accounting Standards require management to make estimates and assumptions 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:

Determination of the lease term
The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

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).

Evaluation of significant influence
The Group determines that it exercises significant influence over its associate by considering, among others, representation in the Board of Directors (BOD) and participation on BOD sub-committees, and other contractual terms.

The Group has 38.88% ownership interest in VREIT as of December 31, 2025 and 2024. The Group has assessed that it has significant influence over VREIT.

The Sponsors, as consented by VLLI, collectively agree on the following:

- Full cooperation with each other in respect of any matter concerning VREIT. For this purpose, the Sponsors shall consult and confer with each other before exercising their respective shareholders rights and implementing any decision or action relating to or affecting the business, governance, and operations of VREIT;
- Voting jointly on any corporate decision or action of VREIT requiring shareholders' consideration and approval under applicable laws; and,
- Conferring with each other and agree on any election of directors in VREIT.

In reference to the by-laws of VREIT, the corporate powers of the BOD include, among others, the participation in the policy-making process on relevant activities, including participation in decisions about dividends or other distributions.

Based on the above indicators, the Group accounted for its investment in VREIT as an investment in associate.

Management's Use of Estimates and Assumptions
The key 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.

Provision for expected credit losses on financial assets and receivables from related parties
The Group reviews its financial assets at amortized cost at each reporting date to assess whether a provision for ECL should be recognized in the Group's consolidated statement of comprehensive income.

If there is objective evidence that an impairment loss on financial assets, other than cash in bank, has been incurred, the carrying amount of the asset shall be reduced either directly or through the use of an allowance account. The amount of the loss shall be recognized in the Group's consolidated statement of comprehensive income.

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 level of allowance is evaluated by management based on factors that affect the collectability of the accounts. These factors include, but are not limited to, the length of the Group's relationship with the debtor, the debtor's payment behavior and known market forces. The Group reviews the age and status of receivables and identifies accounts that are to be provided with allowances on a continuous basis.

The Group has receivables from related parties amounting ₱5,050.54 million as of December 31, 2025 and 2024, and accounts receivable from tenants, including accrued rental receivable amounting to ₱46,492.36 million and ₱34,786.45 million as of December 31, 2025 and 2024, respectively. The management expects settlement of these related party receivables either through cash or transfer of property holdings and other assets.

In addition, Fine Properties, Inc, the Company's ultimate Parent Company, offers appropriate support and makes available its property holdings and other assets in relation to the recoverability of the related party receivables. As such, the Company believes that the related party receivables are recoverable.

Further details are provided in Note 20.

Cash in banks and receivable from related parties
The Group reviews its financial asset at amortized cost at each reporting date to assess whether a provision for ECL should be recognized in the Group's consolidated statement of comprehensive income.

If there is objective evidence that an impairment loss on the financial assets, other than cash in bank, has been incurred, the carrying amount of the asset shall be reduced either directly or through the use of an allowance account. The amount of the loss shall be recognized in the Group's consolidated statement of comprehensive income.

Further details are provided in Note 20.

The Ultimate Parent Company, Fine Properties, Inc. offers appropriate support and make available its property holdings and other assets in relation to the recoverability of related party transactions and related balances. As at December 31, 2025 and 2024, the Group has not made any provision for impairment loss relating to amounts owed by related parties. The related party' receivables are due and demandable, and legally enforceable. 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. In the analysis, the assessment has been extended to determine if available property holdings and other assets are enough to cover the amounts receivable from related parties.

Receivables (except for advances to contractors, suppliers and brokers) and Accrued rental receivable
For third-party receivable from tenants and related accrued rental receivables, the Group uses a provision matrix to calculate ECLs. The changes in the loss allowance balance are recognized in profit or loss as an impairment gain or loss. The provision matrix is initially based on the Group's historical observed default rates. The Group calibrates 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 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.

For related party receivables from tenants, including the accrued 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 support to these related parties and common control entities by Fine Properties, Inc. and the assessment of the latter's capacity to make available its property holdings and other assets.

The carrying value of the Group's accounts receivables from tenants amounted to ₱13,931.42 million and ₱7,338.25 million as of December 31, 2025 and 2024, respectively. The Group has recognized provision for expected credit losses on receivables amounting to ₱284.67 million and ₱205.33 million in 2025 and 2024, respectively (see Note 9)

Further details are provided in Note 9.

Determining the fair value of investment properties
The Group's investment properties consist of land and buildings (malls and office buildings) and other building improvements held for leasing and land held for capital appreciation. For land and buildings and building improvements held for leasing, the fair values were determined by external appraisers using discounted cash flow method or income approach. For land held for capital appreciation, the fair values were determined by management using market value approach which is based on comparable prices adjusted for specific market factors such as nature, location and condition of the property. Further details are provided in Note 10.

The fair value of the investment properties assigned by the Sponsors to VREIT was used as measurement basis in the recognition of 'Investment in associate', which pertains to the shares issued by VREIT to MAPI and MC. Significant inputs used in the determination of the fair values were discussed in Note 10.

Assessment of Recoverability of Investment in Associate
The Group assesses at the end of each reporting period whether there is any indication that its investments in associates may be impaired. In making this assessment, management considers relevant internal and external factors, including the financial performance and financial position of the associates, their future business prospects, prevailing economic and market conditions, and other factors that may adversely affect the recoverability of the investments.

When indicators of impairment are identified, management estimates the recoverable amount of the investment, which is the higher of its value in use and fair value less costs of disposal, in accordance with PAS 36, *Impairment of Assets*, as applied to investments in associates under PAS 28, *Investments in Associates and Joint Ventures*.

The determination of the recoverable amount requires significant judgment and estimation, particularly in assessing the future operating performance and cash flows of the associates and selecting the appropriate assumptions used in the valuation. Where applicable, management uses the discounted cash flow method to estimate the recoverable amount, taking into consideration the projected cash flows attributable to the investment, the expected growth in revenues and operating

results, the long-term growth assumptions, and the discount rate reflecting the risks associated with the investment.

These estimates are based on management's assessment of the associates' historical financial performance, approved business plans, expected market conditions, and other available information as of the reporting date. Actual results may differ from these estimates, and changes in the underlying assumptions may materially affect the estimated recoverable amount and the amount of any impairment loss recognized in the financial statements.

Management considers the recoverability assessment to be an area of significant judgment and estimation uncertainty because of the sensitivity of the valuation to changes in the assumptions used. The carrying amounts of investments in associates are reviewed in light of changes in the associates' operating performance, financial condition, business prospects, and other relevant circumstances.

In estimating the recoverable amount, management used projected cash flows over the forecast period and a discount rate that reflects the time value of money and the risks specific to the investment. The projections and valuation assumptions involve significant estimation uncertainty, as they are affected by assumptions regarding future revenues, operating margins, the timing and amount of future cash flows, and the long-term prospects of the associate. Management considers these assumptions reasonable based on the information available at the reporting date; however, reasonably possible changes in these assumptions could affect the estimated recoverable amount and may result in the recognition of an impairment loss in future reporting periods.

Recognition of deferred tax assets
The Group 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 Group will generate sufficient taxable income to allow all or part of deferred tax assets to be utilized. The Group looks at its projected performance in assessing the sufficiency of future taxable income.

Further details are provided in Note 19.

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 Company has assessed whether it has any uncertain tax position. The Company applies significant judgment in identifying uncertainties over its income tax treatments. The Company 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.

6. Segment Information

The Group’s shopping malls and commercial centers are all located in the Philippines and are treated as one operating segment. The real estate development of MC is very minimal to the overall operations and financial position of the Group as of December 31, 2025 and 2024. These were not treated as a separate segment by the chief operating decision maker for its review, evaluation and allocation of resources.

Rental income amounting to ₱11,035.76 million or 89.30% of the total, ₱10,744.61 million or 80.63% of the total, and ₱10,174.22 million or 80.28% of the total rental income of the Group was

generated from anchor tenants as defined in Note 20 for the years ended December 31, 2025, 2024 and 2023, respectively.

There is no cyclicality in the Group's operations.

7. Cash

This account consists of:

	2025	2024
Cash on hand	**₱517,625**	₱662,500
Cash in banks (Notes 23 and 24)	**50,472,247**	79,659,663
	₱50,989,872	₱80,322,163

Cash in banks earns interest at the prevailing bank deposit rates. Annual interest rate ranges from 0.01% to 0.25%, 0.01% to 0.40%, 0.06% to 0.40% for 2025, 2024 and 2023, respectively.

Interest earned from cash in banks for the years ended December 31, 2025, 2024, and 2023 amounted to ₱0.10 million, ₱0.09 million, and ₱1.08 million, respectively (see Note 18).

8. Investments

Investment at Fair Value Through Profit or Loss
The investment at fair value through FVTPL of the Group comprises of investment in mutual funds.

The movement of the accounts follows:

	2025	2024
Balances at beginning of year	**₱28,687,647**	₱25,798,248
Unrealized fair value (loss) gain during the year	**(4,048,697)**	2,889,399
Balances at end of year	**₱24,638,950**	₱28,687,647

Investment at Fair Value Through OCI
The investment at fair value through FVOCI consists of VLLI shares carried at fair value which the Group irrevocably elected to classify as FVOCI.

The movement of the accounts follows:

	2025	2024
Balances at beginning of year	**₱1,113,268,158**	₱1,233,621,473
Unrealized fair value loss during the year	**(330,971,615)**	(120,353,315)
Balances at end of year	**₱782,296,543**	₱1,113,268,158

Investment in Associate

This account pertains to the Group's investment in VREIT. VREIT was incorporated in the Philippines and registered with the Philippine SEC in August 2020 primarily 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). VREIT was listed in the Philippine Stock Exchange through an initial public offering (IPO) as a REIT entity on June 15, 2022.

The movement of the account follows:

	2025	2024
Costs		
At January 1	**₱18,883,396,302**	₱18,883,396,302
Accumulated Equity on Net Income		
At January 1	**803,036,164**	555,743,645
Equity share in net income[1]	**588,357,946**	792,642,839
Less: Dividend income	**(577,387,324)**	(545,350,320)
	814,006,786	803,036,164
	19,697,403,088	19,686,432,466
Accumulated Impairment Losses		
At January 1	**(8,702,192,532)**	(9,540,573,870)
Recovery (provision)	**(4,958,084,323)**	838,381,338
	(13,660,276,855)	(8,702,192,532)
Carrying Value	**₱6,037,126,233**	₱10,984,239,934

[1]*Net loss is inclusive of fair value change in investment properties. The Group's equity share is excluding the fair value change.*

The Company recognized an impairment loss on its investment in associate amounting to ₱4,958.08 million in 2025 and a reversal of impairment of ₱838.38 million in 2024. The recoverable amount of the investment was based on value-in-use calculations using cash flow projections approved by management covering a five-year period. The discount rate applied to the cash flow projections is 10.87% to 11.26% in 2025 and 8.40% in 2024. Cash flows beyond the five-year period are extrapolated using capitalization rates ranging from 4.00% to 5.00%, which do not exceed that of its industry peers.

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 based on existing customer contracts, rental growth rate per annum, inflation rate, and discount rate. The discount rate used in the valuation is 10.87% to 11.26% in 2025 and 8.40% in 2024. 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 an opposite change in the long-term vacancy rate and discount rate. As of December 31, 2025 and 2024, VREIT has real properties at fair value amounting ₱15,719.64 million and ₱28,451.50 million, respectively.

The summarized statements of financial position of VREIT follow:

	2025	2024
Current assets	**₱2,977,273,492**	₱3,576,183,424
Noncurrent assets	**17,405,622,012**	30,042,195,233
Current liabilities	**2,177,401,195**	2,503,620,920
Noncurrent liabilities	**69,609,863**	32,303,261
Equity	**18,135,884,446**	31,082,454,476

The summarized statements of comprehensive (loss) income of VREIT follows:

	2025	2024
Revenue	**₱2,172,529,713**	₱2,675,848,345
Fair value change in investment properties	**(12,976,254,241)**	2,941,483,159
Cost and expenses	**(641,743,619)**	(601,855,032)
Other expense	**8,833,742**	(139,624)
Net income (loss)	**(11,436,634,405)**	5,015,336,848
Provision for income tax	**(25,010,628)**	(32,707,184)
Total comprehensive (loss) income	**(₱11,461,645,033)**	₱4,982,629,664
Group's equity share in total comprehensive income[1]	**₱588,357,946**	₱792,642,839

[1]*Net income is inclusive of fair value change in investment properties. The Group's equity share is excluding the fair value change.*

Below is the reconciliation with the carrying amount of the investment in the consolidated financial statements:

	2025	2024
Net assets at beginning of year	**₱24,056,624,889**	₱23,988,953,934
Additions to net assets during the year	**2,709,971,330**	67,670,955
Share in net assets	**10,406,852,610**	9,353,215,757
Equity share in net earnings	**588,357,946**	792,642,839
Impairment (loss) recovery on investment in associate	**(4,958,084,323)**	838,381,338
Carrying value of investment in associate as at year-end	**₱6,037,126,233**	₱10,984,239,934

The fair value of the Group's investment in associate amounted to ₱3,820.28 million at ₱1.31 per share as at December 31, 2025 and ₱5,453.00 million at ₱1.87 per share as at December 31, 2024.

9. **Receivables**

This account consists of:

	2025	2024
Trade receivables (Note 20)	**₱47,874,748,800**	₱35,787,886,831
Advances to contractors (Note 20)	**4,878,352,327**	4,895,505,620
Receivable from related parties (Note 20)	**5,050,542,342**	5,050,542,342
Other receivables	**285,521,256**	123,191,636
	58,089,164,725	45,857,126,429
Less allowance for impairment losses	**(1,270,690,371)**	(757,554,581)
	56,818,474,354	45,099,571,848
Less noncurrent portion	**(34,585,792,840)**	(31,095,784,872)
	₱22,232,681,514	₱14,003,786,976

Trade receivables
Trade receivables comprise of accounts receivables from tenants and accrued rental receivable. Accounts 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' and advance rental paid by the lessees, both equivalent to two to four months rental. This includes both the 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 rental receivable pertains to future billings beyond 12 months from reporting date. As of December 31, 2025 and 2024, accounts receivable from tenants amounted to ₱13,931.42 million and ₱7,338.25 million while accrued rental receivable amounted to ₱33,943.33 million and ₱28,449.63 million, respectively (see Note 20).

Advances to contractors
Advances to contractors are advance payments in relation to the Group's construction activities and are recouped through reduction against progress billings as the construction progresses. Recoupment occurs within one to five years from the date the advances were made. In 2025, the provision for expected credit losses amounted to ₱314.06 million (nil in 2024).

Provision for expected credit losses
The following is the rollforward analysis of impaired receivables:

	2025			
	Receivables from Tenants	**Advances to Contractors**	**Others**	**Total**
Balance at January 1, 2025	**₱757,554,581**	**₱–**	**₱–**	**₱757,554,581**
Provision during the year	**284,673,081**	**314,056,137**	**27,137,863**	**625,867,081**
Write off	**(112,731,291)**	**–**	**–**	**(112,731,291)**
Balance at December 31, 2025	**₱929,496,371**	**₱314,056,137**	**₱27,137,863**	**₱1,270,690,371**

	2024			
	Receivables from Tenants	Advances to Contractors	Others	Total
Balance at January 1, 2024	₱893,921,027	₱–	₱–	₱893,921,027
Provision during the year	205,333,195	–	–	205,333,195
Recovery	280,936	–	–	280,936
Write off	(341,980,577)	–	–	(341,980,577)
Balance at December 31, 2025	₱757,554,581	₱–	₱–	₱757,554,581

Receivables amounting to ₱8.91 million were written down in 2025 (nil in 2024). No allowance for expected credit losses had been recognized for these receivables prior to their write-down.

No receivables are used to secure the obligations of the Company (see Note 14).

In 2025, the Group recognized impairment losses on rental receivables amounting to ₱271.67 million while generally impaired receivables amounted to ₱13.00 million. In 2024, the Group recognized impairment losses on rental receivables amounting to ₱187.21 million while generally impaired receivables amounted to ₱18.12 million.

For the accounts receivable from related party tenants, the expected credit loss from the impairment exercise using a provision matrix is zero. The Group also considers settlement of the related party receivables through property holdings and other assets. Also, the Ultimate Parent Company, Fine Properties, Inc. offers appropriate support and makes available its property holdings and other assets in relation to the recoverability of the related party receivables (see Note 5).

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 rent equivalent to three months and a security deposit equivalent to three months rental to cover any breakages after the rental period, with the excess returned to the tenant.

Receivables from Related Parties
In March 2023, June 2023, September 2023 and March 2024, Deeds of Assignment were entered among (1) the Group as lessor; (2) various related party tenants under AllValue Holdings Corp. (AVHC) (Assignors) and (3) AVHC (Assignee), being the parent company, for the Assignors to assign, transfer and convey to AVHC as the Assignee, all the Assignors' rental payables to the Group aggregating to ₱7,811.66 million.

In 2024, ₱874.48 million worth of parcels of land were transferred. As of December 31, 2024, the cumulative parcels of land valued at ₱2,761.12 million were transferred by AVHC to the as a form of settlement of the assigned receivables and these were recorded under "Investment properties" in the consolidated statement of financial position (see Notes 9, 18 and 26). There were no similar transfers in 2025.

The remaining ₱5,050.54 million are expected to be settled through cash or transfer of land holdings and other assets.

Offsetting Arrangements
Starting December 2023, MC and MAPI as the Sponsors, entered into an agreement with VREIT (associate) to offset the Sponsors' dividends receivable with its payable to VREIT. Accordingly, dividends receivable of ₱577.39 million and ₱545.35 million was offset against payable to VREIT in 2025 and 2024, respectively (see Notes 20 and 26).

10. Investment Properties

The rollforward analysis of this account follows:

	December 31, 2025				
	Land and Land Development	**Building and Building Improvements**	**Construction in Progress**	**Right-of-use Assets**	**Total**
Cost					
Balances at beginning of year	**₱17,376,167,314**	**₱31,708,862,167**	**₱2,444,329,920**	**₱6,204,139,050**	**₱57,733,498,451**
Additions	**686,900**	**120,083,817**	**61,698,357**	**–**	**182,469,074**
Reclassification	**–**	**497,849,700**	**(497,849,700)**	**–**	**–**
Balances at end of year	**17,376,854,214**	**32,326,795,684**	**2,008,178,577**	**6,204,139,050**	**57,915,967,525**
Accumulated Depreciation					
Balances at beginning of year	**–**	**10,135,284,370**	**–**	**1,265,059,936**	**11,400,344,306**
Depreciation	**–**	**1,035,011,394**	**–**	**231,758,506**	**1,266,769,900**
Balances at end of year	**–**	**11,170,295,764**	**–**	**1,496,818,442**	**12,667,114,206**
Net Book Value	**₱17,376,854,214**	**21,156,499,920**	**₱2,008,178,577**	**₱4,707,320,608**	**₱45,248,853,319**

	December 31, 2024				
	Land and Land Development	Building and Building Improvements	Construction in Progress	Right-of-use Assets	Total
Cost					
Balances at beginning of year	₱16,494,441,679	₱30,438,689,072	₱3,486,940,853	₱6,194,161,324	₱56,614,232,928
Additions	881,725,635	44,439,788	189,736,779	9,977,726	1,125,879,928
Retirement	–	(72,258,230)	–	–	(72,258,230)
Reclassification	–	1,297,991,537	(1,232,347,712)	–	65,643,825
Balances at end of year	17,376,167,314	31,708,862,167	2,444,329,920	6,204,139,050	57,733,498,451
Accumulated Depreciation					
Balances at beginning of year	–	8,958,683,900	–	1,030,001,793	9,988,685,693
Depreciation	–	1,209,218,820	–	235,058,143	1,444,276,963
Reclassification	–	39,639,880	–	–	39,639,880
Retirement	–	(72,258,230)	–	–	(72,258,230)
Balances at end of year	–	10,135,284,370	–	1,265,059,936	11,400,344,306
Net Book Value	₱17,376,167,314	₱21,573,577,797	₱2,444,329,920	₱4,939,079,114	₱46,333,154,145

Investment properties consist mainly of land and commercial centers. These include properties, currently being leased out for future leasing. The commercial centers include retail malls, Vistamalls and Starmalls that are located in key cities and municipalities in the Philippines. These also include office spaces for lease.

Rental income earned from investment properties amounted to ₱12,357.95 million, ₱13,326.48 million, and ₱12,673.46 million in 2025, 2024 and 2023, respectively. Repairs and maintenance costs incurred arising from the investment properties amounted to ₱112.85 million, ₱117.91 million, and ₱141.20 million for the years ended December 31, 2025, 2024 and 2023, respectively. Cost of property operations amounted to ₱2,617.66 million, ₱2,857.52 million and ₱3,088.22 million for the years ended December 31, 2025, 2024 and 2023, respectively. For the terms and conditions on the lease, refer to Note 25.

As of December 31, 2025 and 2024, the aggregate fair values of investment properties amounted to ₱90,252.72 million and ₱77,875.15 million, respectively, using Level 3 (significant unobservable inputs).

In the determination of fair values in 2025 and 2024, market value approach method was used for land, income approach method was used for completed and substantially completed malls and office buildings for rent and cost approach method was used for construction in progress under early stage of construction and 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 rates and discount rates. The discount rate used in the valuation are of 8.88% and 8.43% in 2025 and 2024, 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 an opposite change in the long-term vacancy rate and discount rate.

The parcels of land are located in cities and municipalities like Mandaluyong City, Las Piñas City, Taguig City, Naga City, Dasmariñas, Bacoor, Imus, San Jose del Monte, Sta. Rosa City, Muntinlupa City, Kawit, Talisay City, Sto. Tomas, Silang. The fair value measurement using unobservable data in active market is Level 3 of the fair value hierarchy. The market price per square meter of the parcels of land ranges between ₱6,000 to ₱388,000 in Mega Manila, ₱1,000 to ₱75,000 in Luzon, ₱16,000 to ₱70,000 in Visayas, and ₱3,500 to ₱61,557 in Mindanao.

The fair value measurement using unobservable data in active market is Level 3 of the fair value hierarchy.

The estimated useful life of the investment properties other than land is 10 to 40 years.

The total contractual obligations to either purchase or construct or develop investment properties or for repairs, maintenance and enhances amounted to ₱1,154.60 million and ₱1,130.93 million as of December 31, 2025 and 2024, respectively.

Investment properties with carrying value of ₱370.56 million are used to secure the bank loans of the Group as of December 31, 2025 and 2024 (see Note 14). The fair value of the investment properties used as collateral amounted to ₱4,707.57 million and ₱5,626.72 million under market approach as of December 31, 2025 and 2024, respectively.

There is no borrowing cost capitalized to investment properties for the years ended December 31, 2025 and 2024 (see Note 18). Amortization expense related to right-of-use asset amounted to ₱231.76 million and ₱235.06 million for the years ended December 31, 2025 and 2024, respectively. Right-of-use asset is amortized over a period of 3 to 30 years.

On January 8, 2022, a fire hit Star Mall Alabang in Muntinlupa City in which the Group received additional insurance proceeds in 2023 amounting to ₱1,841.16 million which was reported as Proceeds from insurance claim in the 2023 consolidated statement of comprehensive income.

11. **Other Assets**

This account consists of:

	2025	2024
Input value-added tax (VAT)	**₱2,906,520,757**	₱2,750,967,224
Refundable deposits	**164,178,707**	160,142,510
Restricted cash	**9,751,045**	155,594,729
Prepaid expenses	**39,430,956**	25,853,347
Creditable withholding taxes	**5,994,556**	6,465,791
Others	**12,715,859**	14,340,031
	3,138,591,880	3,113,363,632
Other noncurrent assets:		
Refundable deposits	**164,178,707**	160,142,510
Restricted cash	**9,751,045**	155,594,729
	173,929,752	315,737,239
Current Assets	**₱2,964,662,128**	₱2,797,626,393

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.

Refundable deposits pertain to deposits on utility subscriptions, rental deposits and security deposits. These deposits shall be applied against unpaid utility expenses and rent expenses upon termination of the contracts. These deposits are necessary for the continuing construction and development of the Group's commercial centers.

Restricted cash 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 restricted cash amounted to ₱14.69 million, ₱4.32 million, and ₱3.60 million in 2025, 2024 and 2023, respectively (see Note 18).

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, 2025, and 2024, creditable withholding taxes applied against income tax payable amounted to ₱58.57 million and ₱77.28 million, respectively (see Note 26).

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.

12. **Accounts and Other Payables**

This account consists of:

	2025	2024
Accounts payable:		
Supplier	**₱1,386,122,234**	₱1,933,295,280
Contractors (Note 20)	**1,554,675,065**	1,403,697,418
Accrued expenses	**326,853,726**	350,182,931
Deferred output VAT	**1,881,970,819**	1,113,806,859
Current portion of liabilities for purchased land	**175,375,425**	106,287,436
Current portion of retention payable	**404,251,019**	396,017,891
Other payables (Notes 22 and 26)	**1,001,184,764**	348,689,512
	₱6,730,433,052	₱5,651,977,327

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 the year.

Accounts payable - suppliers
Accounts payable - suppliers represent agency fees, construction materials, marketing collaterals, office supplies and property and equipment ordered and delivered but not yet due. These are expected to be settled within the year.

Deferred output VAT
Deferred output VAT pertains to the output VAT on receivables from the Group's leasing operations. This amount is presented as output VAT upon collection of the receivables.

Current portion of 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 year end date are presented in 'Other noncurrent liabilities' (see Note 15).

Current portion of retention payable
Retention payable pertains to 10.00% retention from the contractors' progress billings which will be released after the completion of contractors' project. 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 are payable beyond one year from year end date are presented in 'Other noncurrent liabilities' (see Note 15).



Accrued expenses
Details of accrued expenses follow:

	2025	2024
Real property taxes	**₱77,984,086**	₱114,039,741
Utilities	**75,824,345**	82,746,834
Repairs and maintenance and licenses	**32,749,690**	29,938,917
Security services	**27,138,482**	21,762,817
Agency services	**20,109,425**	15,550,021
Janitorial services	**18,827,742**	15,567,072
Advertising	**15,595,588**	14,839,698
Professional fees	**13,022,732**	11,947,344
Interest (Notes 18 and 25)	**9,423,312**	14,808,063
Rental	**888,129**	471,954
Others	**35,290,195**	28,510,470
	₱326,853,726	₱350,182,931

Other payables
Other payables include dues from remittance to Social Security System, Philippine Health Insurance Corporation, Home Development Mutual Fund, withholding taxes, output tax and various payables. These are noninterest-bearing and are normally settled within one year. In 2025, this account also includes provisions amounting to ₱81.56 million (Notes 22 and 26).

In 2025, upon management determination that based on sufficient supporting evidence certain financial liabilities are no longer enforceable and settlement is no longer probable, the Company derecognized and reversed financial liabilities amounting to ₱326.26 million (see Notes 17 and 26).

13. Advance Rent and Security Deposits

This account consists of:

	2025	2024
Advance rent	**₱788,867,084**	₱829,788,275
Security deposits	**587,664,586**	606,992,964
	1,376,531,670	1,436,781,239
Less noncurrent portion:		
Advance rent (Note 15)	**(72,065,976)**	(78,059,297)
Security deposits (Note 15)	**(154,456,981)**	(133,967,023)
	(226,522,957)	(212,026,320)
Current portion	**₱1,150,008,713**	₱1,224,754,919

Advance rent
Advance rent includes three-month advance rent 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 applied within one year from financial reporting date.

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. Current portion are those to be applied within one year from financial reporting date.

In 2025, upon management determination that based on sufficient supporting evidence certain security deposits are no longer enforceable and settlement is no longer probable, the Company derecognized and reversed financial liabilities amounting to ₱135.06 million (see Notes 17 and 26).

14. **Bank Loans**

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:

	December 31, 2025	December 31, 2024
Principal		
Balance at the beginning of year	**₱1,271,875,000**	₱1,734,375,000
Payment	**(462,500,000)**	(462,500,000)
Balance at end of year	**809,375,000**	1,271,875,000
Debt issue cost		
Balance at the beginning of the year	**7,808,005**	14,288,814
Amortizations	**(4,625,009)**	(6,480,809)
Balance at end of the year	**3,182,996**	7,808,005
Carrying value	**806,192,004**	1,264,066,995
Less current portion	**460,038,866**	448,211,186
Noncurrent portion	**₱346,153,138**	₱815,855,809

Details of the bank loans as at December 31, 2025 and 2024 follow:

Loan Type	Date of Availment	2025	2024	Maturity	Interest Rate	Payment Terms	Covenants/Collaterals
MAPI							
Bank loan	July 2017	**₱109,375,000**	₱171,875,000	June 2027	6.23%	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; Guaranteed by VMI
		109,375,000	171,875,000				
MC							
Bank loan	October 2022	**696,817,004**	1,092,191,995	July 2027	7.55%	Interest and principal payable quarterly	With land collateral in Alabang
		696,817,004	1,092,191,995				
		806,192,004	1,264,066,995				
Less noncurrent portion		**346,153,138**	815,855,809				
		₱460,038,866	₱448,211,186				

Interest expense on bank loans amounted to ₱83.05 million, ₱119.03 million and ₱153.99 million in 2025, 2024 and 2023, respectively (see Note 18).

The Group has complied with the covenants required by the bank loans as at December 31, 2025 and 2024. The compliance of MAPI and MC to the covenants of their respective bank loans are based on their standalone financial statement balances.

As disclosed in Note 10, certain investment properties are used as collateral to bank loans.

15. Other Noncurrent Liabilities

This account consists of long-term portion of:

	2025	2024
Retention payable - net of current portion (Note 12)	**₱93,807,765**	₱109,857,044
Liabilities for purchased land - net of current portion (Note 12)	**224,805,388**	183,248,035
Security deposits - net of current portion (Note 13)	**154,456,981**	133,967,023
Advance rent - net of current portion (Note 13)	**72,065,976**	78,059,297
Other payables (Note 12)	**40,878**	4,865,798
	₱545,176,988	₱509,997,197

16. Equity

Capital Stock

The details of the Parent Company's capital stock as at December 31, 2025 and 2024 follow:

Preferred	
Authorized shares	10,000,000,000
Par value per share	₱0.01
Issued and outstanding shares	2,350,000,000
Value of shares issued	₱23,500,000
Common	
Authorized shares	16,900,000,000
Par value per share	₱1.00
Issued and outstanding shares	8,425,981,156
Value of shares issued	₱8,425,981,156

Registration Track Record

On November 13, 1970, the SEC approved the listing of the Parent Company's common shares totaling 1,000,000,000 shares. The shares were initially issued at an offer price of ₱0.01 per share.

After listing in 1970, there had been subsequent issuances covering a total of 7,425,981,156 shares.

Below is the summary of the Parent Company's track record of registration of securities with the SEC as at December 31, 2025:

	Number of Shares Registered	Number of holders of securities as of year end
December 31, 2023	8,425,981,156	432
Add/(Deduct) Movement	–	(1)
December 31, 2024	8,425,981,156	431
Add/(Deduct) Movement	–	–
December 31, 2025	**8,425,981,156**	**431**

Retained Earnings

In accordance with Revised Securities Regulation Code Rule 68, the Parent Company's retained earnings available for dividend declaration as at December 31, 2025, after reconciling items, amounted to ₱5,447.44 million.

Retained earnings include the accumulated equity in undistributed earnings of consolidated subsidiaries of ₱38,575.62 million and ₱38,895.73 million in 2025 and 2024, respectively. These are not available for dividends until declared by the subsidiaries.

The BOD of the Parent Company approved the declaration of regular cash dividend amounting to ₱365.09 million or ₱0.0433 per share, ₱307.66 million or ₱0.0365 per share and ₱258.14 million or ₱0.0306 per share on December 26, 2025, November 13, 2024 and September 28, 2023, respectively. The dividend declarations are in favor of all stockholders of record as of January 15, 2026, December 12, 2024 and October 13, 2023. The unpaid declared dividends are lodged under "Payable to VLLI" account (see Note 26).

As at December 31, 2025 and 2024, unpaid dividends amounted to ₱47.06 million and ₱4.48 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 may lengthen the maturity profile of its debt portfolio in order 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 the light of changes in economic conditions. It monitors capital using leverage ratios on both a gross debt and net debt basis.

As at December 31, 2025, 2024 and 2023, the Group had the following ratios:

	2025	2024	2023
Current ratio	**0.61**	0.50	0.43
Debt-to-equity ratio	**1.32**	1.15	1.21
Net debt-to-equity ratio	**0.02**	0.02	0.03
Asset-to-equity ratio	**2.32**	2.15	2.21

As at December 31, 2025, 2024 and 2023, the Group had complied with all externally imposed capital requirements (see Note 14). No changes were made in the objectives, policies or processes for managing capital during the years ended December 31, 2025, 2024 and 2023.

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 at December 31, 2025, 2024 and 2023:

	2025	2024	2023
Total paid-up capital	**₱14,838,795,510**	₱14,838,795,510	₱14,838,795,510
Retained earnings	**39,349,180,587**	40,489,986,916	33,891,742,283
Other comprehensive income	**(4,448,316,347)**	(4,131,433,332)	(4,016,045,195)
	₱49,739,659,750	₱51,197,349,094	₱44,714,492,598

Other comprehensive income attributable to Parent Company consists of the following:

	Unrealized fair value loss on equity investment at FVOCI	Remeasurement gain in pension liabilities	Total
OCI as at January 1, 2023	(₱4,051,993,143)	₱40,013,943	(₱4,011,979,200)
Movement during the year	(7,510,799)	3,444,804	(4,065,995)
OCI as at December 31, 2023	(₱4,059,503,942)	₱43,458,747	(₱4,016,045,195)
OCI as at January 1, 2024	(₱4,059,503,942)	₱43,458,747	(₱4,016,045,195)
Movement during the year	(120,172,785)	4,784,648	(115,388,137)
OCI as at December 31, 2024	(₱4,179,676,727)	₱48,243,395	(₱4,131,433,332)
OCI as at January 1, 2025	**(₱4,179,676,727)**	**₱48,243,395**	**(₱4,131,433,332)**
Movement during the year	**(330,475,158)**	**13,592,143**	**(316,883,015)**
OCI as at December 31, 2025	**(₱4,510,151,885)**	**₱61,835,538**	**(₱4,448,316,347)**

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 the outstanding balance of selected related parties are provided with support by Fine Properties, Inc., Ultimate parent company as it makes available its property holdings and other assets to support the related party receivables.

As discussed in Note 6, out of the total rental income in 2025, 89.30% comes from anchor tenants of the Group which are related parties.

17. Other Operating Income

This account consists of:

	2025	2024	2023
Administrative fees	**₱147,271,001**	₱139,023,036	₱206,658,556
Forfeited deposits and advances rent (Note 26)	**135,058,390**	–	1,734,873
Mall maintenance and security fees	**73,155,510**	97,611,660	114,547,492
Advertising fees	**17,012,062**	15,623,919	19,128,512
Penalties and surcharges	**412,956**	3,519,259	3,681,449
Miscellaneous	**7,125,150**	892,988	12,277,560
	₱380,035,069	₱256,670,862	₱358,028,442

In 2025, upon management determination that based on sufficient supporting evidence certain financial liabilities are no longer enforceable and settlement is no longer probable, the Company derecognized and reversed financial liabilities amounting to ₱326.26 million (see Notes 17 and 26).

18. Interest Income and Expense

Interest income consists of:

	2025	2024	2023
Interest income from cash and restricted cash (Note 7, 8 and 11)	**₱14,789,284**	₱4,414,231	₱4,679,888
Interest income from tenants	**6,195,300**	5,871,204	3,699,593
	₱20,984,584	₱10,285,435	₱8,379,481

Interest expense and other financing charges consist of:

	2025	2024	2023
Bank loans (Note 14)	**₱83,049,014**	₱119,027,575	₱153,991,691
Lease liabilities (Notes 25)	**511,102,039**	512,123,706	506,740,223
Payable to related parties (Note 20)	**4,300,793,423**	2,974,924,624	–
Bank charges	**1,558,164**	527,897	1,016,842
	₱4,896,502,640	₱3,606,603,802	₱661,748,756

19. **Income Tax**

Provision for income tax consists of:

	2025	2024	2023
Current:			
RCIT	**₱171,079,921**	₱118,765,883	₱149,330,503
Final	**2,779,734**	18,204	217,819
Deferred	**1,081,099,424**	1,473,852,681	2,523,107,214
	₱1,254,959,079	₱1,592,636,768	₱2,672,655,536

The components of the Group's deferred tax assets (liabilities) follow:

	2025	2024
Deferred tax assets on:		
Lease liabilities	**₱1,731,019,259**	₱1,697,095,975
Allowance for impairment	**290,158,791**	189,388,645
Accrual of retirement costs	**11,733,302**	13,743,310
	2,032,911,352	1,900,227,930
Deferred tax liabilities on:		
Straight lining of rent income	**(8,485,832,344)**	(7,112,408,012)
Capitalized interest and other expenses	**(3,353,702,040)**	(3,450,632,962)
Right-of-use assets	**(1,176,830,153)**	(1,234,769,779)
Difference in tax basis of depreciation expense	**(460,289,100)**	(460,289,100)
Excess of book basis over tax basis of deferred gross profit on real estate sales	**(6,637,681)**	(6,875,835)
	(13,483,291,318)	(12,264,975,688)
	(₱11,450,379,966)	(₱10,364,747,758)

The movement in net deferred tax liabilities was booked as movement in OCI amounting to ₱4.53 million, ₱1.60 million and ₱1.15 million in 2025, 2024 and 2023, respectively.

As of December 31, 2025, the Group did not recognize deferred tax asset amounting to ₱27.51 million pertaining to allowance for expected credit loss since management believes that sufficient taxable income will not be available in the future to allow the carryforward benefits of deferred tax assets to be utilized.

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.

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:

	2025	2024	2023
Provision for income tax at statutory income tax rate	**25.00%**	25.00%	25.00%
Tax effects of:			
Nondeductible expense	**3.24%**	0.41%	–
Dividend income	**(30.19%)**	(1.60%)	–
Change in unrecognized deferred tax asset	**5.75%**	–	–
Nontaxable loss (recovery)	**258.66%**	(2.47%)	–
Others	**–**	(2.60%)	(1.15%)
Provision for income tax	**262.46%**	18.74%	23.85%

20. **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.

The Parent Company and its subsidiaries 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 Securities Regulation Code 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, and purchase and sale of real estate properties. Except as otherwise indicated, the outstanding accounts with related parties shall be settled in cash. As a policy and when applicable, the Group allows settlement of RPTs through transfer of property holdings and other assets. The transactions are made at terms and prices agreed upon by the parties.

The consolidated statements of financial position include the following amounts resulting from the foregoing transactions which represent amounts receivable (payable) with related parties as of December 31, 2025 and 2024:

2025

	Nature of Transaction	Volume	Receivable (Payable)	Terms	Conditions
Receivables from tenants and accrued rental receivables (Note 9)					
Ultimate Parent Company	a) Rental of office spaces	₱–	₱3,577,888	Due and demandable; Noninterest bearing	Unsecured; no impairment
VLLI	a) Rental of office spaces	(14,163,646)	–	Due and demandable; Noninterest-bearing	Unsecured; no impairment
Entities under common control	a) Rental of commercial spaces	11,858,274,400	46,644,722,369	Due and demandable; Noninterest-bearing	Certain receivables with letter of support from Fine Properties Inc., no impairment
			₱46,648,300,257		
Receivables from related parties (Note 9)					
Entities under common control	a) Assignment of receivables	₱–	₱5,050,542,342	Due and demandable; Noninterest-bearing Noninterest-bearing	Certain receivables with letter of support from Fine Properties Inc., no impairment
Investments at fair value through OCI (Note 8)					
VLLI	b) Investments in VLLI shares	(₱330,971,615)	₱782,296,543	Not held for trading; subject to fair value changes	Unsecured; no impairment
Receivables from related Parties					
Ultimate Parent Company	e) Dividend	(₱4,977,567)	₱–		
Entities under common control	c) Advances	4,000,000	3,164,157,971	Due and demandable; Noninterest-bearing Noninterest-bearing	Unsecured; no impairment
			₱3,164,157,971		
Advances (Note 9)					
Affiliates	c) Contractors	(₱4,783,923)	₱4,072,948,097	Due and demandable; Noninterest-bearing Noninterest-bearing	Certain receivables with letter of support from Fine Properties Inc., no impairment
	c) Other receivables	4,000,000	29,636,480	Due and demandable; Noninterest-bearing Noninterest-bearing	Certain receivables with letter of support from Fine Properties Inc., no impairment
			₱4,102,584,577		
Dividends					
VistaREIT, Inc.	h) Dividends	₱577,387,324	₱–	Noninterest-bearing	Unsecured
Investment in associate					
VistaREIT, Inc.	h) Investment in associate	(₱4,947,113,701)	₱6,037,126,233	Noninterest-bearing	Unsecured; with impairment

	Nature of Transaction	Volume	Receivable (Payable)	Terms	Conditions
Payables to related parties					
Parent Company	c) Advances	(₱3,407,386,346)	(₱33,698,165,102)	Due and demandable; Noninterest-bearing Noninterest-bearing	Unsecured
	e) Dividend	(322,507,419)	–	–	–
Entity under common control	h) Interest	(1,325,868,799)	(4,300,793,423)	Due and demandable; Noninterest-bearing Noninterest-bearing	Unsecured
			₱37,998,958,525		
Accounts and Other Payables (Note 12)					
Affiliates	c) Contractors	(₱54,696,859)	(₱173,631,707)	Due and demandable; Noninterest-bearing Noninterest-bearing	Unsecured
	c) Suppliers	(354,246,466)	(541,326,310)	Due and demandable; Noninterest-bearing Noninterest-bearing	Unsecured
	c)Retention	(900,888)	(411,772,804)	Due and demandable; Noninterest-bearing Noninterest-bearing	Unsecured
	c)Other payables	(1,500,000)	(12,412,991)	Due and demandable; Noninterest-bearing Noninterest-bearing	Unsecured
			(₱1,139,143,812)		
Lease liabilities (Note 25)					
Ultimate parent company	d) Rental of parcels of land	₱343,477,229	(₱173,053,969)	Scheduled lease payments	Unsecured
Entities under common control	d) Rental of parcels of land	3,959,227,309	(1,989,089,374)	Scheduled lease payments	Unsecured
			(₱2,162,143,343)		
Dividends payable (Note 16)					
Other stockholders	e) Dividend	(₱37,605,848)	(₱47,064,856)	Due and demandable; noninterest-bearing	Unsecured

2024

	Nature of Transaction	Volume	Receivable (Payable)	Terms	Conditions
Receivables from tenants and accrued rental receivables (Note 9)					
Ultimate Parent Company	a) Rental of office spaces	₱–	₱3,577,888	Due and demandable; Noninterest-bearing Noninterest-bearing	Unsecured; no impairment
VLLI	a) Rental of office spaces	15,584,982	14,163,646	Due and demandable; Noninterest-bearing Noninterest-bearing	Unsecured; no impairment
Entities under common control	a) Rental of commercial spaces	12,123,457,889	34,786,447,969	Due and demandable; Noninterest-bearing Noninterest-bearing	Certain receivables with letter of support from Fine Properties Inc., no impairment
			₱34,804,189,503		
Receivables from related parties *(Note 9)*					
Entities under common control	a) Assignment of receivables	₱1,832,102,342	₱5,050,542,342	Due and demandable; Noninterest-bearing Noninterest-bearing	Certain receivables with letter of support from Fine Properties Inc., no impairment
Investments at fair value through OCI *(Note 8)*					
VLLI	b) Investments in VLLI shares	(₱120,353,315)	₱1,113,268,158	Not held for trading; subject to fair value changes	Unsecured; no impairment
Receivables from related Parties					
Ultimate Parent Company	e) Dividend	(₱4,194,597)	₱–		
Entities under common control	c) Advances	4,000,000	3,160,157,971	Due and demandable; Noninterest-bearing Noninterest-bearing	Unsecured; no impairment
			₱3,160,157,971		
Advances (Note 9)					
Affiliates	c) Contractors	₱–	₱4,077,732,021	Due and demandable; Noninterest-bearing Noninterest-bearing	Unsecured
	c) Other receivables	–	8,100,879	Due and demandable; Noninterest-bearing Noninterest-bearing	Unsecured
			₱4,085,832,900		
Dividends					
VistaREIT, Inc.	h) Dividends	₱545,396,118	₱–	Noninterest-bearing	Unsecured
Investment in associate					
VistaREIT, Inc.	h) Investment in associate	₱1,085,673,857	₱10,984,239,934	Noninterest-bearing	Unsecured; with impairment
Payables to related parties					
Parent Company	c) Advances	₱361,861,657	(₱30,019,001,694)	Due and demandable; Noninterest-bearing Noninterest-bearing	Unsecured
	e) Dividend	(271,777,062)	–	–	–
Entity under common control	h) Interest	(2,974,924,624)	(2,974,924,624)	Due and demandable; Noninterest-bearing Noninterest-bearing	Unsecured
			₱32,993,926,318		
Accounts and other payables (Note 12)					
Affiliates	c) Contractors	₱–	(₱118,934,849)	Due and demandable; Noninterest-bearing Noninterest-bearing	Unsecured
	c) Supplies	–	(187,079,844)	Due and demandable; Noninterest-bearing Noninterest-bearing	Unsecured
	c) Retention	–	(410,871,915)	Due and demandable; Noninterest-bearing Noninterest-bearing	Unsecured
	c) Other payables	–	(10,912,990)	Due and demandable; Noninterest-bearing Noninterest-bearing	Unsecured
			₱727,799,598		



2024	Nature of Transaction	Volume	Receivable (Payable)	Terms	Conditions
Lease liabilities *(Note 25)*					
Ultimate parent company	d) Rental of parcels of land	₱92,863,908	(₱170,423,260)	Scheduled lease payments	Unsecured
Entities under common control	d) Rental of parcels of land	9,309,874	(1,970,137,936)	Scheduled lease payments	Unsecured
			(₱2,140,561,196)		
Dividends payable *(Note 16)*					
Other stockholders	e) Dividend	(₱31,690,458)	(₱4,483,177)	Due and demandable; noninterest-bearing	Unsecured

Outstanding balances at year-end are unsecured, interest free and unless otherwise stated, settlement occurs generally in cash. The Group also expects settlement of these related party transactions and balances through transfer of property holdings and other assets. The Ultimate Parent Company, Fine Properties, Inc. also offers appropriate support and makes available its property holdings and other assets to guarantee the recoverability of the related party receivables. The related party receivables are due and demandable and legally enforceable.

As at December 31, 2025 and 2024, the Group 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. In the analysis, the assessment has been extended to determine if available property holdings and other assets are enough to cover the amounts recoverable from related parties.

The significant transactions with related parties follow:

a) The 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. Rental income and receivables including the effect of straight-line calculation from related parties amounted to ₱11,035.76 million and ₱46,648.30 million, respectively, as of December 31, 2025, ₱12,123.46 million and ₱34,786.45 million, respectively, as of December 31, 2024. These receivables from related parties which are recognized as 'Accounts receivable from tenants' and 'Accrued rent receivable' under 'Receivables' are not impaired (see Note 9).

   Included in the related party tenants are the AllValue Holdings Corp. Group of companies (AllValue Group), an anchor tenant, which is comprised of AllHome Corp., AllDay Marts, Inc., AllDay Retail Concepts, Inc., Family Shoppers Unlimited, Inc., CM Star Management, Inc., Marks Fitness Place Inc., Parallax Incorporated and The Village Server, Inc. AllValue Group is engaged in retail businesses covering supermarkets, retail of apparel, construction materials and home/building appliances and furnishings. The lease agreements are renewable and contains escalation clauses.

   Rental income and receivables from All-Value Group including the effect of future lease rate escalation amounted to ₱10,995.43 million and ₱46,382.38 million, respectively, as of December 31, 2025 and ₱10,744.61 million and ₱32,746.60 million , respectively, as of December 31, 2024. These receivables from AllValue Group which are recognized as 'Accounts receivable from tenants' and 'Accrued rent receivable' under 'Receivables' are not impaired (see Note 9).

   Rental income and receivables from All Value Group without the effect of future escalation amounted to ₱5,472.12 million and ₱12,493.69 million, respectively, as of December 31, 2025 and ₱4,655.39 million and ₱7,147.91 million , respectively, as of December 31, 2024. These receivables from All-Value Group are recognized as 'Accounts receivable from tenants' under 'Receivables' (see Note 9). These receivables are due and demandable and legally enforceable.

Outstanding rent receivables with the effect of future escalation amounting to ₱46,382.38 million and are supported by Fine Properties, Inc. as of December 31, 2025. In 2024, outstanding rent receivables with the effect of future escalation amounting to ₱32,746.60 million are financially supported by Fine Properties, Inc.

Receivables from Related Parties

In March 2023, June 2023, September 2023 and March 2024, Deeds of Assignment were entered among (1) the Company 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 the Company amounting to ₱7,811.66 million.

In 2024, ₱874.48 million worth of parcels of land were transferred. As of December 31, 2024, the cumulative parcels of land valued at ₱2,761.12 million were transferred by AVHC to the Company as a form of settlement of the assigned receivables and these were recorded under "Investment properties" in the statement of financial position (see Notes 9 and 18). There were no similar transfers in 2025.

The remaining ₱5,050.54 million is expected to be settled through cash or transfer of land holdings and other assets.

In 2022, the 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 follow:

i. Extension of lease term by another 30 years commencing from the lease modification date; and
ii. From variable rent based on agreed percentage of sales to annual fixed rent of ₱2,000 with 10% annual escalation.

In May and November 2019, the Group amended certain lease contracts with AllValue Group. The amendments of the lease contracts follow:

i. Extension of the lease term by 10-15 years commencing from the lease modification date; and
ii. From annual fixed rent to variable rent based on agreed percentage on gross sales or agreed minimum guaranteed rent (MGR) with annual escalation, whichever is higher

The Ultimate Parent Company also has lease agreements with the Group for the lease of its office spaces. The rental due is based on prevailing market conditions.

As discussed in Note 9, various related party tenants under AVHC (Assignors) assigned their rental payables to AVHC (Assignee), being its parent company. Accordingly, AVHC transferred parcels of land to the Group as a form of settlement of the assigned rental payables.

b) In 2016, MC invested in 752.21 million shares of VLLI at ₱7.15 per share amounting to ₱5,378.29 million. Investment in VLLI is recorded as investment in quoted equity securities carried at fair value through OCI by the Group.

c) The Group in its regular conduct of business has entered into transactions with ultimate parent company, parent company and other related parties under common control principally consisting of noninterest bearing advances for working capital requirements and capital expenditures which

have no stated date of repayment. Other related party transactions consist mainly of construction services, procurement of supplies and others. The Group's policy is to settle its intercompany receivables and payables on a net basis.

Offsetting Agreement
Commencing in December 2023, MAPI and MC, as the Sponsors, entered into an offsetting agreement with VREIT to offset any financial obligations owed to each other under the terms of existing agreements between the parties and shall apply to all present and future financial obligations including but not limited to dividends, loans, advances and any other monetary transactions.

The following table represents the recognized financial instruments that are offset as of December 31, 2025 and 2024 and shows in the 'Net' column the net impact on the Group's statements of financial position as a result of the offsetting rights.

	December 31, 2025		
Financial Instruments Offsetting	**Gross Amount**	**Offsetting**	**Net Amount**
Payable to related parties	**(₱39,205,101,763)**	**₱–**	**(₱39,205,101,763)**
Receivables from land lease	**–**	**13,968,746**	**13,968,746**
Dividend receivables (Note 9)	**–**	**577,387,324**	**577,387,324**
Receivables from related parties	**–**	**614,787,168**	**614,787,168**
	(₱39,205,101,763)	**₱1,206,143,238**	**(₱37,998,958,525)**

	December 31, 2024		
Financial Instruments Offsetting	Gross Amount	Offsetting	Net Amount
Payable to related parties	(₱34,449,790,123)	₱–	(₱34,449,790,123)
Receivables from land lease	–	13,927,942	13,927,942
Dividend receivables (Note 9)	–	545,396,118	545,396,118
Receivables from related parties	–	896,539,745	896,539,745
	(₱34,449,790,123)	₱1,455,863,805	(₱32,993,926,318)

d) The Group entered into lease agreements pertaining to parcels of land wherein the Group's commercial centers are situated with Fine Properties, Inc. and other related parties under common control of which includes Brittany Corporation, Communities Bulacan, Inc., Communities Naga, Inc., Communities Cebu, Inc., Crown Asia Properties, Inc. and Household Development Corporation. These leases have terms ranging from 20 to 25 years, with rental escalation clauses and renewal options.

e) Details of dividends declared to stockholders are discussed in Note 16.

f) Details of the offsetting agreement of MC and MAPI as the Sponsors, with VREIT are discussed in Note 9.

g) Details of the investment in associate are discussed in Note 8.

h) VLLI has extended a loan to Vista Land International, Inc. (VII). VII allocates a portion of the interest burden attributable to said loan to MAPI and MC, based on their respective utilization of the proceeds or economic benefit received and pursuant to an internal agreement among related parties.

The Group agrees to assume and pay interest due on the VLLI loan as of December 31, 2025 and recognized interest expense amounting to ₱4,300.79 million in 2025 and ₱2,974.92 million in 2024. These remains unpaid as of December 31, 2025 and 2024 and are recognized under "Payable to related parties" in the statement of financial position.

In addition, the Parent Company served as the guarantor for the following borrowings entered into by its related parties which the Parent Company unconditionally and irrevocably guaranteed. No fees are charged for these guarantee agreements.

A. Dollar Denominated Bonds

a. US$150 million Notes (Due April 2028)

On May 2, 2025, VLL International, Inc. (VII), a subsidiary of VLLI, obtained a US$150 million syndicated term loan facility at a rate of 6.41% 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.

As of December 31, 2025, outstanding balance of the Notes amounted to US$150 million (₱8,818.50 million).

b. US$220.00 million Notes (Due July 2027)

On May 17, 2021, VII (the Issuer) issued US$170.00 million 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 Notes.

As of December 31, 2025 and 2024, outstanding balance of the Notes amounted to US$169.49 million (₱9,964.51 million) and US$172.18 million (₱9,959.98 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 Notes.

As of December 31, 2025 and 2024, outstanding balance of the Notes amounted to US$49.85 million (₱2,930.74 million) and US$50.64 million (₱2,929.41 million), respectively.

c. US$200.00 million Notes (Due July 2027)

On July 20, 2020, VII issued US$ 200.00 million Notes with a term of seven years from initial drawdown date. 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.

As of December 31, 2025 and 2024, outstanding balance of the Notes amounted to US$199.37 million (₱11,730.84 million) and US$198.98 million (₱11,510.15 million), respectively.

The Parent Company acted as one of the guarantors of the VLLI on the above loan, and no fees are charged for this guarantee agreement.

B. Corporate Note Facility

a. ₱13,610 million Corporate Notes (Due December 2030)

On December 11, 2025, VLLI (the Issuer) entered into an Omnibus Notes Facility and Security Agreement for the issuance of long-term corporate notes, consisting of Five-Year Corporate Notes due in 2030, in the aggregate amount of ₱13,610.00 million at a fixed interest rate of 7.50%, to be drawn in three tranches.

The first drawdown was made on December 26, 2025, whereby VLLI obtained a loan amounting to ₱7,279.25 million, with principal repayments payable quarterly starting March 2027.

The proceeds of the Corporate Notes were used to refinance existing or maturing obligations of VLLI, as well as to pay various fees, expenses, and taxes incurred in connection with the issuance of the facility. The issue costs amounted to ₱202.00 million. These were capitalized as debt issue costs and are being amortized over the life of the Corporate Notes and are offset against the carrying value of the Corporate Notes.

As of December 31, 2025, the outstanding balance of the Corporate Notes amounted to ₱7,077.24 million.

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 VLLI 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, 2025.

b. ₱10,000 million Corporate Notes (Due April 2026)

On April 4, 2023, VLLI (the Issuer) entered into a Corporate Notes Facility Agreement for the issuance of 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 VLLI, 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 corporate Notes and was offset to the carrying value of the Corporate Notes.

As of December 31, 2025 and 2024, the outstanding balance of the Corporate Notes is ₱9,990.15 million and ₱9,952.84 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 VLLI 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, 2025 and 2024.

c. ₱6,000.00 million Corporate Notes (Due March 2027)

On March 28, 2022, the VLLI (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 17 quarters.

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 VLLI, 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 Corporate Notes and was offset to the carrying value of the Corporate Notes. As of December 31, 2025 and 2024, the outstanding balance of the Corporate Notes is ₱1,995.95 million and ₱3,321.46 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 VLLI 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, 2025 and 2024.

d. ₱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 VLLI (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 VLLI, 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.

In 2025, the outstanding balance of the Corporate Notes amounting to ₱11,500.00 million was settled. As of December 31, 2024, the outstanding balance of the Corporate Notes amounted to ₱11,449.56 million.

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 VLLI 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.

e. ₱8,200.00 million Corporate Notes (Due July 2025 and 2028)

On July 11, 2018, the VLLI (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.

In 2025, the outstanding balance of Corporate Notes amounting to ₱2,774.96 million was settled. As of December 31, 2025 and 2024, the outstanding balance of the Corporate Notes amounted to ₱2,774.96 and ₱2,763.50 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 VLLI 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 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, 2025 and 2024.

f. ₱10,000.00 million Corporate Notes (Due December 2026)

On December 28, 2016, VLLI 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, VLLI made such amendments to the Corporate Note Facility dated December 28, 2016. The first drawdown was at ₱5,150.00 million in 2016. On May 3, 2017, VLLI made its second drawdown at ₱4,850.00 million, 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, 2025 and 2024, the outstanding balance of the Corporate Notes is ₱8,190.02 million and ₱8,431.10 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 VLLI 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 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, 2025 and 2024.



C. Peso-denominated Loan

a. 2024 Fixed-rate Peso Denominated Loan (Due December 2029)
On December 27, 2024, VLLI obtained a five-year unsecured Peso Denominated Loan amounting to ₱1,400.00 million. An initial drawdown of ₱897.40 million was obtained, subject to a fixed annual interest of 7.76%, payable quarterly. The principal balance of the loan will be paid quarterly. The second drawdown was made on February 28, 2025, whereby the Parent Company obtained a loan amounting to ₱502.60 million.

This loan is guaranteed by the VLLI subsidiaries consisting of Brittany Corporation, Crown Asia Philippines, Inc., Camella Homes, Inc., Communities Philippines, Inc., Vistamalls, Inc., and Vista Residences, Inc.

As of December 31, 2025, VLLI opted for the early repayment of this loan. The outstanding balance of the Peso Denominated Loan amounting to ₱1,400.00 million was settled. As of December 31, 2024, the outstanding balance of the Peso Denominated Loan amounted to ₱880.88 million.

b. 2023 Fixed-rate Peso Denominated Loan (due December 2026)
On December 22, 2023, VLLI obtained a three-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.

As of December 31, 2025 and 2024, the outstanding balance of the Peso Denominated Loan is ₱810.81 million and ₱1,253.62 million, respectively.

Covenants
VLLI is required to maintain at all times the following financial ratios: current ratio of at least 1.00; maximum debt to equity not 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, 2025 and 2024.

The compliance of the VLLI 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, 2025 and 2024.

Subsidiaries of the VLLI namely, Brittany Corporation, Camella Homes, Inc., Crown Asia Properties, Inc., Communities Philippines, Inc., Vistamalls, Inc. and Vista Residences, Inc. acted as guarantors for selected bank loans of the Parent Company. No fees are charged for these guaranteed agreements.

c. 2023 Fixed-rate Peso Denominated Loan (due December 2028)
On December 20, 2023, the VLLI obtained a five-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.

As of December 31, 2025 and 2024, the outstanding balance of the Peso Denominated Loan is ₱3,878.81 million and ₱5,171.75 million, respectively.



Covenants
VLLI is required to maintain at all times the following financial ratios: current ratio of at least 1.00; maximum debt to equity not 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, 2025 and 2024.

The compliance of the VLLI to the covenants of its bank loans is based on the balances of the consolidated financial statements of the VLLI. Accordingly, the covenants were complied with as at December 31, 2025 and 2024.

Subsidiaries of VLLI namely, Brittany Corporation, Camella Homes, Inc., Crown Asia Properties, Inc., Communities Philippines, Inc., Vistamalls, Inc. and Vista Residences, Inc. acted as guarantors for selected bank loans of the Parent Company. No fees are charged for these guaranteed agreements.

d. 2023 Fixed-rate Peso Retail Bonds (due December 2026 and December 2028)
On December 6, 2023, the VLLI 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 three-year Retail Bonds due on December 6, 2026 with interest rate of 7.54% per annum and five-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, 2025 and 2024, the outstanding balance of the Retail Bonds is ₱5,955.47 million and ₱5,930.35 million, respectively.

Redemption at the option of the Issuer
The three-year Retail Bonds do not provide early redemption at the option of the Issuer.

The five-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, 2025 and 2024.

e. 2022 Fixed-rate Peso Denominated Loan (due June 2027)
On June 1, 2022, VLLI obtained a five-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.

As of December 31, 2025 and 2024, the outstanding balance of the Peso Denominated Loan is ₱2,995.21 million and ₱4,987.29 million, respectively.

Covenants
VLLI is required to maintain at all times the following financial ratios: current ratio of at least 1.00; maximum debt to equity not 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, 2025 and 2024.

The compliance of the VLLI to the covenants of its bank loans is based on the balances of the consolidated financial statements of the VLLI. Accordingly, the covenants were complied with as at December 31, 2025 and 2024.

Subsidiaries of VLLI namely, Brittany Corporation, Camella Homes, Inc., Crown Asia Properties, Inc., Communities Philippines, Inc., Vistamalls, Inc. and Vista Residences, Inc. acted as guarantors for selected bank loans of the Parent Company. No fees are charged for these guaranteed agreements.

f. 2021 Fixed-rate Peso Denominated Loan (due June 2026)
On June 1, 2021, VLLI obtained a five-year unsecured peso denominated loan amounting to ₱5,000.00 million which bears annual fixed interest of 4.75%, payable quarterly. The principal balance of the loan will be paid in 20 equal quarterly installments commencing on the second interest payment date subject to prepayment option.

As of December 31, 2025 and 2024, the outstanding balance of the Peso Denominated Loan is ₱499.53 million and ₱1,497.41 million, respectively.

Covenants
VLLI is required to maintain at all times the following financial ratios: current ratio of at least 1.00; maximum debt to equity not 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, 2025 and 2024.

The compliance of VLLI to the covenants of its bank loans is based on the balances of the consolidated financial statements of VLLI. Accordingly, the covenants were complied with as at December 31, 2025 and 2024.



Subsidiaries of VLLI namely, Brittany Corporation, Camella Homes, Inc., Crown Asia Properties, Inc., Communities Philippines, Inc., Vistamalls, Inc. and Vista Residences, Inc. acted as guarantors for selected bank loans of the Parent Company. No fees are charged for these guaranteed agreements.

g. 2019 Fixed-rate Peso Retail Bonds (due December 2025)
On December 18, 2019, VLLI (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 five-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.

In 2025, the outstanding balance of the Retail Bonds amounting to ₱10,000.00 million was settled. As of December 31, 2024, the outstanding balance of the Retails Bonds amounted to ₱9,990.38 million.

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 VLLI as at December 31, 2025 and 2024.

h. 2018 Fixed-rate Peso Retail Bonds (due December 2025)
On December 21, 2018, VLLI (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 five-year Retail Bonds due on December 21, 2023 with interest rate of 8.00% per annum and seven-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.

In 2025, the outstanding balance of the Retail Bonds amounting to ₱3,500.00 million was settled. As of December 31, 2024, the outstanding balance of the Retails Bonds amounted to ₱3,491.86 million.

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) Five-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) Seven-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 VLLI as at December 31, 2024.

i. 2017 Fixed-rate Peso Retail Bonds (due August 2027)
On August 8, 2017, the VLLI (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 seven-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, 2025 and 2024, the outstanding balance of the Retail Bonds is ₱1,994.70 million and ₱1,991.63 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) Seven-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, 2025 and 2024.

D. Bank Loans

a. ₱5,000.00 million Bank Loan (Due December 2028)
In December 2025, VLLI availed of a ₱5,000.00 million three-year loan which bears annual interest rate of 7.37% payable quarterly. This Bank Loan is secured by real estate mortgages over several parcels of land, including one (1) parcel located at Lot 7063, Barangay Salawag,

Dasmariñas City, Cavite, and registered under the name of Fine Properties Incorporated; one (1) parcel located at Lot 7038, Barangay Salawag, Dasmariñas City, Cavite, and registered under the name of Chalgrove Properties Inc. (formerly Althorp Hotel Ventures, Inc.); and five (5) parcels of land located at Lots 5795-D-11, 5795-D-10, 5795-D-9, 5795-D-8-B, and 5795-D-7, Barangay Molino IV, Bacoor City, Cavite, all registered under the name of Althorp Land Holdings, Inc. No fees are charged by related parties for the use of properties as security to loans payable.

As of December 31, 2025, outstanding balance of the loan amounted to ₱4,938.55 million.

This loan is guaranteed by VLLI's subsidiaries consisting of Brittany Corporation, Crown Asia Philippines, Inc., Camella Homes, Inc., Communities Philippines, Inc., Vistamalls, Inc., and Vista Residences, Inc

b. ₱700.00 million Bank Loan (Due May 2028)
In May 2025, the Parent Company availed of a ₱700.00 million three-year loan with an annual interest rate of 7.02% payable quarterly, which is secured by a Continuing Suretyship Agreement executed by the Company's subsidiaries. The suretyship serves as security for the prompt and full payment of the loan when due.

The subsidiaries include Brittany Corporation, Camella Homes, Inc., Crown Asia Philippines, Inc., Communities Philippines, Inc., Vista Residences, Inc., and Vistamalls, Inc. No fees are charged by related parties for the suretyship as security to loans payable. As of December 31, 2025, outstanding balance of the loan amounted to ₱583.33 million.

c. ₱8,300.00 million Bank Loan (Due April 2030)
In April 2025, VLLI obtained a ₱8,300.00 million 5-year loan secured by registered real estate mortgage over four (4) parcels of land located at SITE 1 - Lot 5783-NEW (Interior Lot), Brgy. Salawag, Bacoor City, Cavite, Site 2 - Lot 7045 (Interior Lot), Brgy. Paliparan 1, Dasmarinas City, Cavite, and SITE 4 Lots 7062-A & 7062-B (Interior Lot) Brgy. Salawag, Dasmarinas City, Cavite and registered under the name of Fine Properties, Inc. The loan is subject to an annual interest rate of 8.37% payable quarterly. No fees are charged by Fine Properties, Inc. for the use of properties as security to loans payable.

This loan is guaranteed by VLLI's subsidiaries consisting of Brittany Corporation, Crown Asia Philippines, Inc., Camella Homes, Inc., Communities Philippines, Inc., Vistamalls, Inc., and Vista Residences, Inc. As of December 31, 2025, outstanding balance of the loan amounted to ₱7,795.13 million.

d. ₱2,000.00 million Bank Loan (Due March 2029)
In March 2024, VLLI signed a ₱2,000.00 million 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 VLLI's subsidiaries consisting of Brittany Corporation, Crown Asia Philippines Inc., Camella Homes, Inc., Communities Philippines, Inc., Vistamalls, Inc., and Vista Residences Inc. No fees are charged by related parties for the provision of guarantees on the loans payable.

As of December 31, 2025 and 2024, the outstanding balance of the Bank Loan is ₱1,508.80 million and ₱1,972.50 million, respectively.

Covenants
VLLI is required to maintain at all times the following financial ratios: current ratio of at least 1.00; maximum debt to equity not 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, 2025 and 2024

The compliance of VLLI to the covenants of its bank loans is based on the balances of the consolidated financial statements of the VLLI. Accordingly, the covenants were complied with as at December 31, 2025 and 2024.

Compensation of Key Management Personnel
The Parent Company's accounting and administrative functions are handled by its subsidiaries, MC and MAPI, and as such, the compensation of its key management personnel is paid by its subsidiaries at no cost to the Parent Company. Hence, the disclosure of compensation for key management personnel, as required by PAS 24, *Related Party Disclosures*, is included in the financial statements of such related parties.

The compensation of key management personnel by benefit type follows:

	2025	2024	2023
Short-term employee benefits	**₱23,916,113**	₱26,647,685	₱30,063,586
Post-employment benefits	**14,722,754**	14,021,670	13,353,971
	₱38,638,867	₱40,669,355	₱43,417,557

21. Earnings Per Share and Noncontrolling Interest

Earnings Per Share
The following table presents information necessary to compute the EPS:

	2025	2024	2023
Net profit attributable to equity holders of Parent Company	**(₱775,715,491)**	₱6,905,906,750	₱8,532,813,246
Weighted average common shares	**8,425,981,156**	8,425,981,156	8,425,981,156
Basic/Diluted EPS	**(₱0.092)**	₱0.820	₱1.013

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, 2025, 2024 and 2023.

Noncontrolling Interest

The Group's noncontrolling interest arises from MC. The summarized financial information of MC is provided below. The information is based on amounts before inter-company eliminations.

	2025	2024	2023
Assets	**₱20,602,215,645**	₱22,335,918,115	₱21,464,611,844
Liabilities	**7,773,396,106**	8,532,712,463	8,118,379,811
Equity	**12,828,819,539**	13,803,205,652	13,346,232,033
Total comprehensive income (loss)	**(974,386,113)**	456,973,619	1,533,732,495
Attributable to:			
Equity holders of VMI	**(972,798,630)**	456,091,368	1,531,541,572
Non-controlling interest	**(1,587,483)**	882,250	(2,190,923)

As of December 31, 2025, 2024 and 2023, the accumulated balances of non-controlling interest and net income attributable to non-controlling interests follows:

	2025	2024	2023
Accumulated balances	**₱159,614,679**	₱161,202,162	₱160,319,912
Net (loss) income	**(1,097,236)**	1,055,937	2,207,080
Other comprehensive (loss) income	**(1,587,483)**	882,250	2,190,923

22. **Contingencies**

The Group is contingently liable with respect to lease contracts and other transactions arising in the ordinary course of business.

The Group has 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. The estimate of the probable cost for the resolution of any contingency has been developed in consultation with legal counsel. In the opinion of the management and its legal counsel, the eventual liability under these lawsuits or claims, if any, may impact the Group's consolidated financial position and results of operations. Accordingly, provision for any liability has been made in the financial statements (Note 26).

On disclosures required by PAS 37*, Provisions, Contingent Liabilities and Contingent Assets*, these are not provided as it may prejudice the Group's position and it may affect the outcome of the contingency.

23. **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, short-term cash investments, restricted cash, accounts receivable from tenants, other receivables, receivables from related parties, accounts and other payables (except for deferred output VAT and other statutory payables) and payable to VLLI: Due to the short-term nature of the accounts, the fair values approximate the carrying amounts in the consolidated statements of financial position except for the carrying value of the noncurrent portion of restricted cash which represents its fair value as it carries interest rate that are prevailing market rates for similar type of instrument.

Investments at FVTPL and FVOCI
Fair values of equity securities are based on quoted market prices.

Bank loans
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 ranges from 7.85% to 8.09% in 2025 and 7.49% to 7.98% in 2024 using the remaining terms to maturity.

Liabilities for purchased land and retention payable
Estimated fair value are based on the discounted value of future cash flows using the prevailing interest rates for similar types of instruments as of the reporting date using the remaining terms of maturity. The discount rate used ranged from 6.37% to 6.53% in 2025 and 7.52% to 7.59% in 2024 using the remaining terms to maturity.

The following table provides the fair value measurement hierarchy of the Group's financial assets and liabilities recognized as at December 31, 2025 and 2024:

	2025				
	Carrying Value	**Quoted prices in active markets for identical assets (Level 1)**	**Significant offer observable inputs (Level 2)**	**Significant unobservable inputs (Level 3)**	**Total**
Assets					
Financial assets measured at fair value :					
Investments at FVTPL	**₱24,638,950**	**₱24,638,950**	**₱–**	**₱–**	**₱24,638,950**
Investments at FVOCI	**782,296,543**	**782,296,543**	**–**	**–**	**782,296,543**
Liabilities					
Financial liabilities for which fair values are disclosed:					
Bank loans	**806,192,004**	**–**	**–**	**806,192,004**	**806,192,004**
Liabilities for purchased land	**400,180,813**	**365,086,569**	**–**	**–**	**365,086,569**
Retention payable	**498,058,784**	**496,311,475**	**–**	**–**	**496,311,475**

	2024				
	Carrying Value	Quoted prices in active markets for identical assets (Level 1)	Significant offer observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Assets					
Financial assets measured at fair value :					
Investments at FVTPL	₱28,687,647	₱28,687,647	₱–	₱–	₱28,687,647
Investments at FVOCI	1,113,268,158	1,113,268,158	–	–	1,113,268,158
Liabilities					
Financial liabilities for which fair values are disclosed:					
Bank loans	1,264,066,995	–	–	1,264,066,995	1,264,066,995
Liabilities for purchased land	289,535,471	285,933,612	–	–	285,933,612

	2024				
	Carrying Value	Quoted prices in active markets for identical assets (Level 1)	Significant offer observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Retention payable	505,874,935	481,186,122	–	–	481,186,122

In 2025 and 2024, 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 bank loans, liabilities for purchased land and retention payable.

Description of significant unobservable inputs to valuation:

Account	Valuation Technique	Significant Unobservable Inputs
Bank loans	Discounted cash flow analysis	Discount rate
Liabilities for purchased land	Discounted cash flow analysis	Discount rate
Retention payable	Discounted cash flow analysis	Discount rate

24. Financial Assets and Liabilities

Financial Risk Management Objectives and Policies

Financial risk
The Group's principal financial liabilities comprise of accounts and other payables (except for deferred output VAT and other statutory payables), payable to VLLI, liabilities for purchased land, lease liabilities, retention payable and bank loans. 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 cash, short-term cash investments, receivables (except for advances to contractors), receivables from related parties, restricted cash, investment at FVTPL and investment at FVOCI which arise directly from its operations. The main risks arising from the use of financial instruments are credit risk and liquidity risk.

The BOD reviews and approves the 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 arise, 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.

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 from receivables from tenants and from its investing activities primarily from short-term cash investments 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.

With respect to credit risk arising from the other financial assets of the Group, which are comprised of cash in banks, short-term cash investments, receivables from tenants, accrued rent receivable, receivables from related parties, restricted cash, investment at FVTPL and investment at FVOCI, the Group's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments. The Group manages its cash by maintaining cash accounts with banks which have demonstrated financial soundness for several years.

The Group evaluates the concentration of risk with respect to receivables from third party tenants 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 (refer to Note 20). The related parties have a strong capacity to meet their contractual cash flows and Fine Properties, Inc. offers its available property holdings and other assets to support the recoverability of the related party receivables.

Credit risk arising from receivable from third party tenants 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 3-months lease payment to cover any defaulting amounts and advance rent also equivalent to 3-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. The Group also considers settlement of the related party receivables through real estate properties. Also, the Ultimate Parent Company, Fine Properties, Inc. offers its property holdings and other assets to guarantee the recoverability of the related party receivables.

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, 2025 and 2024 is equal to the carrying values of its financial assets.

As of December 31, the credit quality per class of financial assets follows:

	2025					
	Neither Past Due nor Impaired					
	High Grade	Standard	Substandard Grade	Past due but not Impaired	Impaired	Total
Cash in banks	₱50,472,247	₱–	₱–	₱–	₱–	₱50,472,247
Investment at FVTPL	24,638,950	–	–	–	–	24,638,950
Investment at FVOCI	782,296,543	–	–	–	–	782,296,543
Receivables from tenants and accrued rent receivable	2,393,103,747	–	–	44,552,148,682	929,496,371	47,874,748,800
Receivable from related parties[1]	5,050,542,342	–	–	–	–	5,050,542,342
Other receivables[2]	–	–	–	260,439,312	–	260,439,312
Restricted cash	9,751,045	–	–	–	–	9,751,045
Receivable from related parties	3,164,157,971	–	–	–	–	3,164,157,971
	₱11,474,962,845	₱–	₱–	₱44,812,587,994	₱929,496,371	₱57,217,047,210

[1] *These pertain to assigned receivables to AVHC (see Note 9).*
[2] *Net of other receivables which are nonfinancial assets amounting to ₱25,081,944*

	2024					
	Neither Past Due nor Impaired					
	High Grade	Standard	Substandard Grade	Past due but not Impaired	Impaired	Total
Cash in banks	₱79,659,663	₱–	₱–	₱–	₱–	₱79,659,663
Investment at FVTPL	28,687,647	–	–	–	–	28,687,647
Investment at FVOCI	1,113,268,158	–	–	–	–	1,113,268,158
Receivables from tenants and accrued rent receivable	2,041,608,728	–	–	32,988,723,522	757,554,581	35,787,886,831
Receivable from related parties[1]	5,050,542,342	–	–	–	–	5,050,542,342
Other receivables[2]	–	–	–	98,089,513	–	98,089,513
Restricted cash	155,594,729	–	–	–	–	155,594,729
Receivable from related parties	3,160,157,971	–	–	–	–	3,160,157,971
	₱11,629,519,238	₱–	₱–	₱33,086,813,035	₱757,554,581	₱45,473,886,854

[1] *These pertain to assigned receivables to AVHC (see Note 9).*
[2]*Net of other receivables which are nonfinancial assets amounting to ₱25,102,123*

The Group'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. High-grade receivables from tenants and accrued rent 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 at fair value through profit or loss and through other comprehensive income are considered by the Group to be of high quality.

Cash in banks, short-term cash investments and restricted cash 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, the aging analyses of the Group's receivables are as follow:

	2025						
		Past due but not impaired					
	Current	**1 to 30 days**	**31 to 60 days**	**61 to 90 days**	**Over 90 days**	**Impaired**	**Total**
Accrued rent receivable	**₱33,943,329,378**	**₱–**	**₱–**	**₱–**	**₱–**	**₱–**	**₱33,943,329,378**
Receivables from tenants	**1,625,917,305**	**200,327,054**	**2,619,608,503**	**147,057,088**	**8,409,013,101**	**929,496,371**	**13,931,419,422**
Receivables from related parties	**5,050,542,342**	**–**	**–**	**–**	**–**	**–**	**5,050,542,342**
Installment contracts receivables	**–**	**–**	**–**	**–**	**47,180,967**	**–**	**47,180,967**
Receivables from related parties	**–**	**–**	**–**	**–**	**3,164,157,971**	**–**	**3,164,157,971**

	2024						
		Past due but not impaired					
	Current	1 to 30 days	31 to 60 days	61 to 90 days	Over 90 days	Impaired	Total
Accrued rent receivable	₱28,449,632,048	₱–	₱–	₱–	₱–	₱–	₱28,449,632,048
Receivables from tenants	991,756,803	162,422,817	1,009,205,549	204,426,696	4,212,888,337	757,554,581	7,338,254,783
Receivables from related parties	5,050,542,342	–	–	–	–	–	5,050,542,342
Installment contracts receivables	–	–	–	–	48,873,770	–	48,873,770
Receivables from related parties	–	–	–	–	3,160,157,971	–	3,160,157,971

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:

	2025					
	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	**21.26%**	**9.26%**	**25.59%**	**16.67%**	**20.48%**	**19.37%**
Amount of exposure at default net of advance rent and security deposits	**₱35,884,629**	**₱52,798,721**	**₱25,704,131**	**₱33,991,282**	**₱338,428,738**	**₱486,807,501**
Expected credit loss	**₱7,627,293**	**₱5,077,178**	**₱6,576,831**	**₱5,666,045**	**₱69,326,212**	**₱94,273,559**

	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	14.90%	20.34%	36.83%	46.205	57.03%	49.25%
Amount of exposure at default net of advance rent and security deposits	₱46,379,305	₱19,767,913	₱16,461,059	₱10,793,064	₱103,959,672	₱150,981,708
Expected credit loss	₱6,909,600	₱4,021,204	₱6,062,748	₱4,986,219	₱59,293,008	₱81,272,779

On a noncumulative basis, the average expected credit loss rate applied to generally impaired receivables range from 2% to 4%.

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 ₱284.67 million in 2025 and ₱205.33 million in 2024.

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 for 2025 and 2024.

Maturity Profile of Financial Liabilities

The tables below summarize the maturity profile of the Group's financial liabilities as at December 31, 2025 and 2024 based on undiscounted contractual payments, including interest payable.

	2025				
	On Demand	**1 to 3 Months**	**3 to 12 Months**	**More than 1 year**	**Total**
Financial Liabilities					
Financial liabilities at amortized cost					
Bank loans	**₱–**	**₱115,625,000**	**₱346,875,000**	**₱346,875,000**	**₱809,375,000**
Lease liabilities	**–**	**135,016,310**	**424,067,260**	**12,706,690,535**	**13,265,774,105**
Accounts and other payables*	**47,064,856**	**4,121,272,075**	**433,207,605**	**473,070,134**	**5,074,614,670**
Payable to VLLI	**37,998,958,525**	**–**	**–**	**–**	**37,998,958,525**
	₱38,046,023,381	**₱4,371,913,385**	**₱1,204,149,865**	**₱13,526,635,669**	**₱57,148,722,300**

**Excluding deferred output VAT, other payables and including security deposit*

	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	₱–	₱115,625,000	₱346,875,000	₱809,375,000	₱1,271,875,000
Lease liabilities	–	126,986,161	399,550,191	13,290,950,327	13,817,486,679
Accounts and other payables*	4,483,177	4,490,341,234	473,025,941	427,072,102	5,394,922,454
Payable to VLLI	32,993,926,318	–	–	–	32,993,926,318
	₱32,998,409,495	₱4,732,952,395	₱1,219,451,132	₱14,527,397,429	₱53,478,210,451

25. **Leases**

The Group as a 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, 2025 and 2024 follow:

	2025	2024
Within one year	**₱6,242,583,453**	₱5,905,821,762
More than 1 year to 2 years	**6,473,627,456**	6,268,560,376
More than 2 years to 3 years	**7,021,236,024**	6,449,992,745
More than 3 years to 4 years	**7,606,827,937**	6,962,958,122
More than 4 years to 5 years	**8,134,915,972**	7,584,302,796
More than five years	**203,937,363,496**	212,254,766,499
	₱239,416,554,338	₱245,426,402,300

Rental income included in the consolidated statements of comprehensive income for the years ended December 31, 2025, 2024 and 2023 amounted to ₱12,357.95 million, ₱13,326.49 million and ₱12,673.46 million, respectively.

Contingent rent included in rental income for the years ended December 31, 2025, 2024 and 2023 amounted to ₱1,244.78 million, ₱1,303.51 million, and ₱1,240.61 million, respectively.

The Group as a Lessee

The Group, as lessee, has lease contracts for parcels of land where its commercial centers are situated with the lease term of 2 - 25 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 statement of comprehensive income:

	2025	2024
Depreciation expense of right-of-use assets included in investment properties	**₱231,758,506**	₱235,058,143
Interest expense on lease liabilities	**511,102,039**	512,123,706
Expenses relating to short-term leases (included in operating expenses)	**4,438,099**	7,493,726
Total amount recognized in statement of comprehensive income	**747,298,644**	₱754,675,575

The rollforward analysis of lease liabilities follows:

	2025	2024
Balance at the beginning of the year	**₱6,788,383,899**	₱6,761,837,682
Additions and lease modification	**–**	9,977,726
Interest expense (Note 18)	**511,102,039**	512,123,706
Reclassification	**–**	(183,346,321)
Payments	**(375,408,905)**	(312,208,894)
Balance at the end of the year	**6,924,077,033**	6,788,383,899
Less current portion	**371,794,884**	311,377,601
Noncurrent portion	**₱6,552,282,149**	₱6,477,006,298

The Group has no lease contract that contains variable payments.

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:

	2025	2024
Within 1 year	**₱559,083,570**	₱526,536,352
More than 1 year to 2 years	**588,870,136**	559,536,511
More than 2 years to 3 years	**642,144,895**	607,148,174
More than 3 years to 4 years	**663,054,322**	624,813,913
More than 4 years to 5 years	**706,378,739**	663,598,011
More than 5 years	**10,106,242,443**	10,835,853,718
	₱13,265,774,105	₱13,817,486,679

26. Notes to Consolidated Statements of Cash Flows

Details of the movement in cash flows from financing activities follow:

			Non-cash Changes						
	January 1, 2025	Cash Flows	Amortization of debt issue cost	Lease liabilities	Declaration of dividends	Receivable from ultimate parent company	Payable to parent company	Interest and other financing charges (including capitalized borrowing cost)	December 31, 2025
Payables to related parties	**₱32,993,926,318**	**₱381,731,365**	**₱–**	**₱–**	**₱–**	**₱–**	**₱322,507,419**	**₱4,300,793,423**	**₱37,998,958,525**
Dividends payable	**4,483,177**	**–**	**–**	**–**	**365,090,838**	**–**	**(322,507,419)**	**–**	**47,066,596**
Bank loans	**1,264,066,995**	**(462,500,000)**	**4,625,009**	**–**	**–**	**–**	**–**	**–**	**806,192,004**
Interest payable	**14,808,063**	**(79,982,169)**	**(4,625,009)**	**–**	**–**	**–**	**–**	**84,607,178**	**14,808,063**
Lease liabilities	**6,788,383,899**	**(375,408,905)**	**–**	**–**	**–**	**–**	**–**	**511,102,039**	**6,924,077,033**
Total liabilities from financing activities	**₱41,065,668,452**	**(₱536,159,709)**	**₱–**	**₱–**	**₱365,090,838**	**₱–**	**₱–**	**₱4,896,502,640**	**₱45,791,102,221**

			Non-cash Changes						
	January 1, 2024	Cash Flows	Amortization of debt issue cost	Lease liabilities	Declaration of dividends	Receivable from ultimate parent company	Payable to parent company	Interest and other financing charges (including capitalized borrowing cost)	December 31, 2024
Payables to related parties	₱30,109,086,289	(₱338,568,744)	₱–	₱–	₱–	₱–	₱275,983,382	₱2,947,425,391	₱32,993,926,318
Dividends payable	303,675	(59,177,968)	–	–	307,662,117	31,678,735	(275,983,382)	–	4,483,177
Bank loans	1,720,086,186	(462,500,000)	6,480,809	–	–	–	–	–	1,264,066,995
Interest payable	19,810,350	(281,612,921)	(6,480,809)	–	–	–	–	283,091,443	14,808,063
Lease liabilities	6,761,837,682	(312,208,894)		(173,368,595)	–	–	–	512,123,706	6,788,383,899
Total liabilities from financing activities	₱38,611,124,182	(₱1,454,068,527)	₱–	(₱173,368,595)	₱307,662,117	₱31,678,735	₱–	₱3,742,640,540	₱41,065,668,452

The Group's noncash operating and investing activities pertain to the following:

a) Recognition of mark-to-market loss and mark-to-market gain amounting to ₱4.05 million and ₱2.89 million in 2025 and 2024, respectively. Recognition of unrealized fair value loss of investment held at fair value through OCI amounting to ₱330.97 million and ₱120.35 million in 2025 and 2024, respectively.
b) Dividend income from VREIT amounting to ₱577.39 million and ₱545.35 million in 2025 and 2024 respectively, were reported as offset against payable to VREIT.
c) Application of dividends against outstanding receivable from and payable to VLLI amounted to ₱322.51 million in 2025 and ₱271.78 million in 2024.
d) As at December 31, 2025 and 2024, unpaid investment properties amounted to ₱749.49 million and ₱678.40 million, respectively.
e) As at December 31, 2025 and 2024, unpaid property and equipment amounted to ₱4.47 million and ₱7.56 million, respectively.
f) In 2025, the Group reversed and derecognized certain payables that are no longer due amounting to ₱326.26 million (nil in 2024; see Note 17)
g) In 2025, the Group derecognized and reversed security deposits and advance rent amounting to ₱135.06 million (nil in 2024).
h) As at December 31, 2025 and 2024, the Group applied creditable withholding taxes amounting to ₱58.57 million and ₱77.27 million, respectively. In 2025, other payables include provisions amounting to ₱81.56 million.
i) Settlement of accounts receivable – tenants via dacion amounted to ₱874.48 million in 2024 (nil in 2025), respectively (see Notes 9 and 20).
j) Consolidated accretion interest expense on lease liabilities amounting ₱511.10 million in 2025 and ₱512.12 million in 2024.
k) The Group recognized interest expense on the VLLI loan amounting to ₱4,300.79 million in 2025 and ₱2,974.92 million in 2024. These balances were presented under Payables to VLLI in the statements of financial position.

27. Other Matters and Subsequent Events

New Loan Availment
On May 6, 2026, VLLI obtained a ₱3,000.00 million loan at an annual interest rate of 7.35%, payable quarterly. The loan will mature on October 30, 2026. The loan is guaranteed by VLLI's subsidiaries consisting of Brittany Corporation, Crown Asia Philippines, Inc., Camella Homes, Inc., Communities Philippines, Inc., Vistamalls, Inc., and Vista Residences, Inc. There are no guarantee fees from the subsidiaries.

Dividend Declaration
On May 11, 2026, the BOD of VREIT approved the declaration of regular cash dividends amounting to ₱285.00 million or ₱0.04 per share. The dividend declarations are in favor of all stockholders of record as of May 25, 2026 and are expected to be paid on May 29, 2026.

Disposal of Assets
Subsequent to the reporting date, the Group entered into agreements for the disposal of various assets consisting of investment properties. The disposals are part of the Group's continuing portfolio management and capital optimization initiatives. The aggregate consideration under the disposal agreements is subject to the terms and conditions of the respective agreements and these are subject to customary closing and contractual conditions.

28. Approval of the Financial Statements

The consolidated financial statements of the Group as of December 31, 2025 and 2024 and for each of the three years in the period ended December 31, 2025 were authorized for issue by the BOD on October 8, 2026.

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INDEPENDENT AUDITOR'S REPORT ON THE SUPPLEMENTARY SCHEDULES

The Stockholders and the Board of Directors
Vistamalls, Inc. and Subsidiaries
LGF, Building B, Evia Lifestyle Center
Vista City, Daanghari, Almanza II
Las Piñas City

We have audited in accordance with Philippine Standards on Auditing, the accompanying consolidated financial statements of Vistamalls, Inc. and its subsidiaries (the Group) as at December 31, 2025, and for each of the three years in the period ended December 31, 2025, and have issued our report thereon dated October 8, 2026. 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 audit procedures applied in the audit of the basic consolidated financial statements, and in our opinion, fairly states, in all material respects, the financial information required to be set forth therein in relation to the basic consolidated financial statements taken as a whole.

SYCIP GORRES VELAYO & CO.

Michael C. Sabado
Partner
CPA Certificate No. 89336
Tax Identification No. 160-302-865
BOA/PRC Reg. No. 0001, August 24, 2026, valid until August 23, 2029
SEC Partner Accreditation No. 89336-SEC (Group A
Valid to cover audit of 2023 to 2027 financial statements
SEC Firm Accreditation No. 0001-SEC (Group A)
Valid to cover audit of 2021 to 2025 financial statements
BIR Accreditation No. 08-001998-073-2023, October 23, 2023, valid until October 22, 2026
PTR No. 10765122, January 2, 2026, Makati City

October 8, 2026

VISTAMALLS, INC.

SUPPLEMENTARY SCHEDULE OF RETAINED EARNINGS AVAILABLE FOR DIVIDEND DECLARATION

DECEMBER 31, 2025

Unappropriated Retained Earnings, beginning of reporting period		₱5,512,566,593
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	365,090,838	
Retained Earnings appropriated during the reporting period	–	
Effect of restatements or prior-period adjustments	–	
Others	–	365,090,830
Unappropriated Retained Earnings, as adjusted		5,147,475,763
Add/Less: Net Income (loss) for the current year		310,439,257
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)	(4,048,697)	
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		(4,048,697)
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		306,390,560
Add: <u>Category D</u>: 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: <u>Category E</u>: 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: <u>Category F</u>: Other items that should be excluded from the determination of the amount of available for dividends distribution		
Net movement of treasury shares (except for reacquisition of redeemable shares)	–	
Net movement of deferred tax asset not considered in the reconciling items under the previous categories	–	
Net movement in deferred tax asset and deferred tax liabilities related to same transaction, e.g., set up of right of use of asset and lease liability, set-up of asset and asset retirement obligation, and set-up of service concession asset and concession payable	–	
Adjustment due to deviation from PFRS/GAAP – gain (loss)	–	
Others	–	
Sub-total		–
Total Retained Earnings, end of the reporting period available for dividend declaration		₱5,453,866,315

VISTAMALLS, INC. AND SUBSIDIARIES
INDEX TO SUPPLEMENTARY SCHEDULES

Report of Independent Auditors on Supplementary Schedules

I. Schedule of Financial Soundness Indicators (Part 1, Annex 68-E)

II. Reconciliation of Retained Earnings Available for Dividend Declaration (Part 1, Annex 68-D)

III. Supplementary schedules required by Annex 68-J

1. Financial Assets (Current Marketable Equity and Debt Securities and Other Short-Term Cash Investments)
2. Amounts Receivable from Directors, Officers, Employees, Related Parties and Principal Stockholders (Other than Related Parties)
3. Amounts Receivable from Related Parties which are Eliminated during the Consolidation of Financial Statements
4. Long-term Debt
5. Indebtedness to Related Parties
6. Guarantees of Securities of Other Issuers
7. Capital Stock

IV. Map of the relationships of the companies within the group

V. External Auditor Fee - Related Information

VISTAMALLS, INC. AND SUBSIDIARIES

SCHEDULE A: FINANCIAL ASSETS

DECEMBER 31, 2025

Name of issuing entity and association of each issue	Number of shares or principal amount of bonds and notes	Amount shown in the balance sheet	Value based on market quotation at end of reporting period	Income received and accrued
Cash (excluding cash on hand)	N/A	₱50,472,247	₱50,472,247	₱100,227
Accounts receivables from tenants and accrued rent receivable	N/A	47,874,748,800	47,874,748,800	7,085,909
Installment contracts receivables	N/A	47,180,967	47,180,967	–
Investments in mutual funds	N/A	24,638,950	24,638,950	–
Investments in quoted equity shares (VLL)	N/A	782,296,543	782,296,543	–
Restricted cash	N/A	9,751,045	9,751,045	13,798,448
Total financial assets		₱48,789,088,552	₱48,789,088,552	₱20,984,584

See Note 7, 8, 9 and 11 of the Consolidated Financial Statements

VISTAMALLS, INC. AND SUBSIDIARIES

SCHEDULE B: AMOUNTS RECEIVABLE FROM DIRECTORS, OFFICERS, EMPLOYEES, RELATED PARTIES AND PRINCIPAL STOCKHOLDER (OTHER THAN RELATED PARTIES)

DECEMBER 31, 2025

Name and Designation of debtor	Balance at beginning of period	Additions	Amounts liquidated	Amounts written off	Current	Not current	Balance at end of period
Receivable from employees	₱25,102,123	₱52,523,716	₱52,543,895	₱–	₱25,081,944	₱–	₱25,081,944

See Note 9 of the Consolidated Financial Statements

VISTAMALLS, INC. AND SUBSIDIARIES

SCHEDULE C: AMOUNTS RECEIVABLES/PAYABLES FROM/TO RELATED PARTIES WHICH ARE ELIMINATED DURING THE CONSOLIDATION OF FINANCIAL STATEMENTS

DECEMBER 31, 2025

Name and Designation of Debtor/Creditor	Balance at Beginning of Period	Additions	Amounts Liquidated	Amounts Converted to APIC/Capital Stock	Current	Noncurrent	Balance at end of period
Vistamalls, Inc.	₱35,523,770,812	₱576,200,477	(₱235,575,023)	₱–	₱35,864,396,266	₱–	₱35,864,396,266
Manuela Corporation	8,861,265,397	95,797,766	(216,384,472)	–	8,740,678,691	–	8,740,678,691
Masterpiece Asia Properties, Inc.	(44,385,036,209)	342,957,157	(562,995,905)	–	(44,605,074,957)	–	(44,605,074,957)

VISTAMALLS, INC. AND SUBSIDIARIES

SCHEDULE D: LONG TERM DEBT

DECEMBER 31, 2025

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
Bank loan 1	₱500,000,000	₱62,500,000	₱46,875,000	6.23%	₱109,375,000	Quarterly interest and principal payment	June 2027
Bank loan 2	2,000,000,000	397,358,867	397,538,867	7.55%	696,817,004	Quarterly interest and principal payment	July 2027
	₱2,500,000,000	₱460,038,867	₱346,153,137		₱806,192,004		

See Note 14 of the Consolidated Financial Statements

VISTAMALLS, INC. AND SUBSIDIARIES

SCHEDULE E: INDEBTEDNESS TO RELATED PARTIES

DECEMBER 31, 2025

Name of related party	Balance at beginning of period	Balance at end of period
Payable to related parties	₱32,993,926,318	₱37,998,958,525

See Note 20 of the Consolidated Financial Statements

VISTAMALLS, INC. AND SUBSIDIARIES

SCHEDULE F: GUARANTEES OF SECURITIES OF OTHER ISSUERS

DECEMBER 31, 2025

Name of issuing entity of securities guaranteed by the Group 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	₱8,818,500,000	₱8,818,500,000	Guaranteed principal payments of the securities
VLL International, Inc.	Dollar-denominated bonds	12,895,242,477	12,895,242,477	Guaranteed principal payments of the securities
VLL International, Inc.	Dollar-denominated bonds	11,720,838,034	11,720,838,034	Guaranteed principal payments of the securities
Vista Land and Lifescapes, Inc.	Corporate notes facility	7,077,246,287	7,077,246,287	Guaranteed principal payments of the securities
Vista Land and Lifescapes, Inc.	Corporate notes facility	9,990,145,426	9,990,145,426	Guaranteed principal payments of the securities
Vista Land and Lifescapes, Inc.	Corporate notes facility	1,995,952,682	1,995,952,682	Guaranteed principal payments of the securities
Vista Land and Lifescapes, Inc.	Corporate notes facility	8,190,019,336	8,190,019,336	Guaranteed principal payments of the securities
Vista Land and Lifescapes, Inc.	Peso-denominated loan	810,810,628	810,810,628	Guaranteed principal payments of the securities
Vista Land and Lifescapes, Inc.	Peso-denominated loan	3,878,810,006	3,878,810,006	Guaranteed principal payments of the securities
Vista Land and Lifescapes, Inc.	Peso-retail bonds	5,955,474,742	5,955,474,742	Guaranteed principal payments of the securities
Vista Land and Lifescapes, Inc.	Peso-denominated loan	2,995,206,600	2,995,206,600	Guaranteed principal payments of the securities
Vista Land and Lifescapes, Inc.	Peso-denominated loan	499,529,021	499,529,021	Guaranteed principal payments of the securities
Vista Land and Lifescapes, Inc.	Peso-retail bonds	1,994,698,200	1,994,698,200	Guaranteed principal payments of the securities
Vista Land and Lifescapes, Inc.	Bank loan	4,938,553,472	4,938,553,472	Guaranteed principal payments of the securities
Vista Land and Lifescapes, Inc.	Bank loan	583,333,333	583,333,333	Guaranteed principal payments of the securities
Vista Land and Lifescapes, Inc.	Bank loan	7,795,133,888	7,795,133,888	Guaranteed principal payments of the securities
Vista Land and Lifescapes, Inc.	Bank loan	1,508,789,344	1,508,789,344	Guaranteed principal payments of the securities
		₱91,648,283,476	₱91,648,283,476	

See Note 20 of the Consolidated Financial Statements

VISTAMALLS, INC. AND SUBSIDIARIES

SCHEDULE G: CAPITAL STOCK

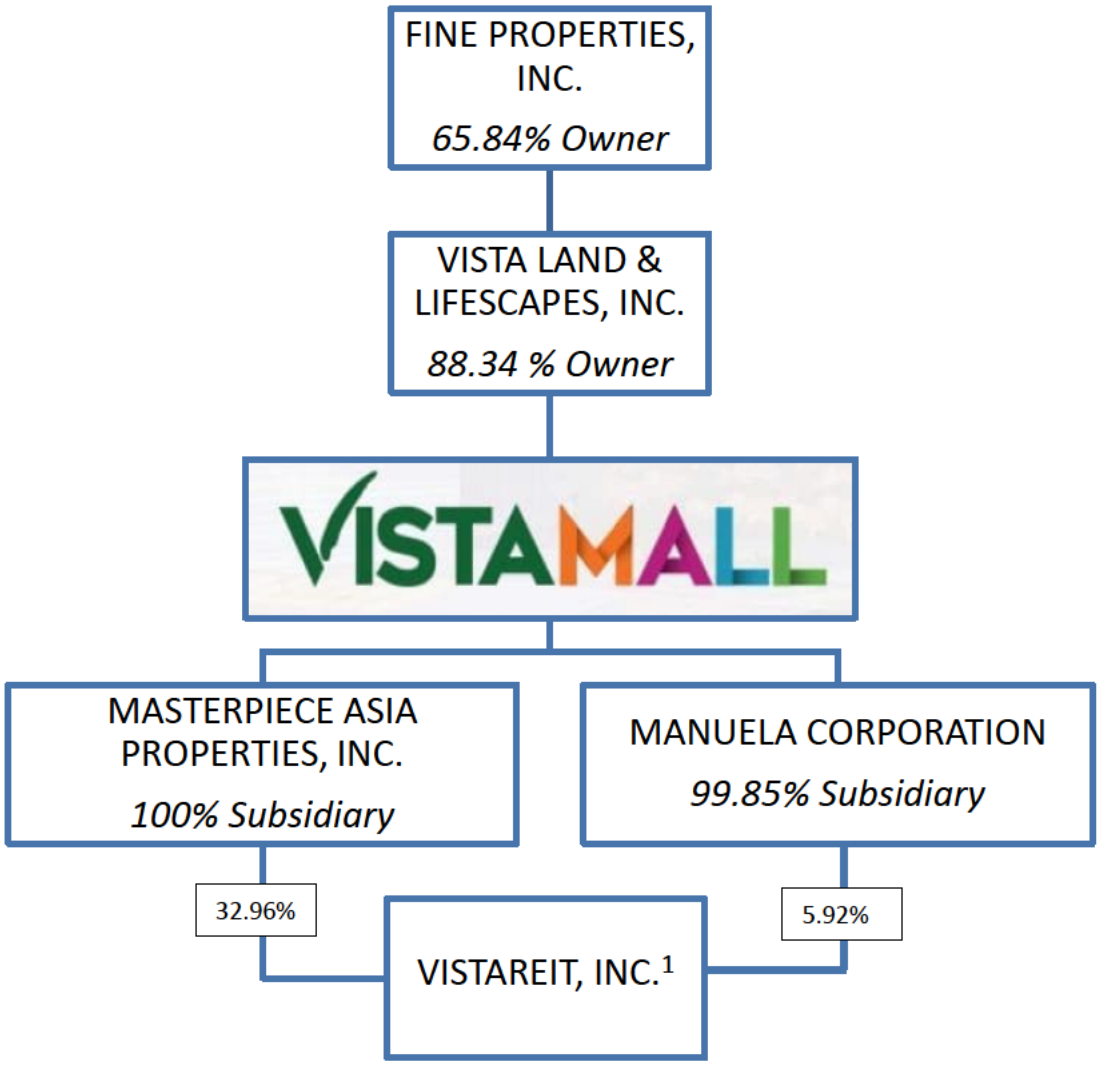
DECEMBER 31, 2025

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	16,900,000,000	8,425,981,156 shares issued; and outstanding	–	7,558,070,596	6,100	867,904,460
Preferred Stock, ₱0.01 par value	10,000,000,000	2,350,000,000 shares issued and outstanding	–	2,350,000,000	–	–

See Note 16 of the Consolidated Financial Statements

VISTAMALLS, INC. AND SUBSIDIARIES
GROUP STRUCTURE

Below is the map showing the relationship between and among the Group and its Parent Company, and its subsidiaries as of December 31, 2025.



[1] *Communities Pampanga, Inc., Crown Asia Properties, Inc. and Vista Residences, Inc., wholly-owned subsidiaries of the Parent Company, own 4.86%, 3.49% and 17.40%, respectively. Remaining 35.29% are owned by the public and the remaining by individual shareholders.*

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INDEPENDENT AUDITOR'S REPORT
ON COMPONENTS OF FINANCIAL SOUNDNESS INDICATORS

The Stockholders and the Board of Directors
Vistamalls, Inc. and Subsidiaries
LGF, Building B, Evia Lifestyle Center
Vista City, Daanghari, Almanza II
Las Piñas City

We have audited in accordance with Philippine Standards on Auditing, the accompanying consolidated financial statements of Vistamalls, Inc. and its subsidiaries (the Group) as at December 31, 2025, and for each of the three years in the period ended December 31, 2025, and have issued our report thereon dated October 8, 2026. 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, 2025, and no material exceptions were noted.

SYCIP GORRES VELAYO & CO.

Michael C. Sabado
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Valid to cover audit of 2021 to 2025 financial statements
BIR Accreditation No. 08-001998-073-2023, October 23, 2023, valid until October 22, 2026
PTR No. 10765122, January 2, 2026, Makati City

October 8, 2026

SCHEDULE OF FINANCIAL SOUNDNESS INDICATORS

VISTAMALLS, INC. AND SUBSIDIARIES
AS OF DECEMBER 31, 2025, 2024 AND 2023

Below are the financial ratios that are relevant to the Group for the years ended December 31, 2025, 2024 and 2023.

		2025	2024	2023
Current ratio	Current assets / Current liabilities	**0.61**	0.50	0.44
Acid test ratio	Quick asset[1] / Current liabilities	**0.61**	0.49	0.43
Solvency ratio	Net income + Depreciation / Total liabilities	**0.01**	0.14	0.18
Debt ratio	Interest bearing debt[2] / Total assets	**0.01**	0.01	0.02
Asset to equity ratio	Total assets / Total equity	**2.31**	2.15	2.5
Interest service coverage ratio	EBITDA[3] / Total interest paid	**153.17**	45.93	107.78
Return on equity	Net income / Total equity	**(0.01)**	0.13	0.23
Return on assets	Net income / Average total assets	**(0.01)**	0.07	0.10
Net profit margin	Net income / Net revenue	**(0.05)**	0.50	0.69

[1]Includes Cash, Short-term investments, Investment at FVTPL, Current receivables, Receivable from related parties and Other current asset
[2]Includes current and noncurrent portion of Bank loans
[3]Includes impairment in Investment in associate and Investment at FVTPL

VISTAMALLS, INC. AND SUBSIDIARIES

EXTERNAL AUDITOR FEE-RELATED INFORMATION
DECEMBER 31, 2025

	2025	2024
Total Audit Fees	₱6,047,169	₱5,759,209
Non-audit services fees:		
Other assurance services	–	–
Tax services	–	–
All other services	–	–
Total Non-Audit Fees	–	–
Total Audit and Non-Audit Fees	₱6,047,169	₱5,759,209