



Building on Strong Foundations. Strengthening the Core.

2025 Integrated Report



Building on Strong Foundations. Strengthening the Core.

GT Capital Holdings, Inc. entered 2025 with strong momentum and a disciplined focus on long-term value creation. Anchored by leadership positions in **banking**, **automotive**, **property development**, **insurance**, and **infrastructure**, the group benefits from the strength, scale, and resilience of a diversified portfolio built to perform across market cycles.

Its **banking** business provides financial strength and broad market reach; **automotive** drives mobility and consumer demand; **property** supports urban and community development; **insurance** delivers protection and financial security; while **infrastructure** advances connectivity and economic progress. Together, these core businesses create a balanced platform for sustainable growth.

Built on decades of prudent stewardship, strategic execution, and strong global partnerships, GT Capital remains well-positioned to capture opportunities while managing risks in an evolving environment.

As the group strengthens its core through operational excellence, competitiveness, and greater synergies, it remains committed to creating shareholder value and contributing to nation-building.

With strong foundations and a clear strategic direction, GT Capital is poised to drive sustained growth and deliver enduring, meaningful value in the years ahead.

Operating Companies

GRI 2-1

GT Capital Holdings, Inc. (GT Capital) is a listed major Philippine conglomerate with interests in market-leading businesses across banking, automotive assembly, importation, dealership and financing, property development, life and general insurance, and infrastructure. Its operating companies are Metropolitan Bank & Trust Company (Metrobank), Toyota Motor Philippines Corporation (TMP), GT Capital Auto and Mobility Holdings, Inc. (GTCAM), Federal Land, Inc. (Federal Land), AXA Philippines Life and General Insurance Corporation (AXA Philippines), and Metro Pacific Investments Corporation (MPIC).



39.8%
GT Capital-Owned

Php49.7B
2025 Net Income

Metropolitan Bank & Trust Company (Metrobank) is a leading universal bank providing corporate and consumer banking products and services through its extensive nationwide branch network and its foreign branches and representative offices. The Bank reaches out to and serves a wide range of clients that includes large local and multinational corporations, middle market and small local medium enterprises, high net-worth individuals, and retail customers.



51%
GT Capital-Owned

Php19.0B
2025 Net Income

Incorporated on August 3, 1988, **Toyota Motor Philippines Corporation (TMP)** is the leading and largest automotive and mobility company in the Philippines. Established through a joint venture between GT Capital, Toyota Motor Corporation (TMC), and Mitsui & Co., Ltd. (Mitsui), TMP is engaged in the assembly, importation, and wholesale distribution of Toyota and Lexus motor vehicles in the Philippines. TMP operates a facility located at the Toyota Special Economic Zone in Santa Rosa, Laguna, where it currently assembles its top-selling Vios, Innova, and Tamaraw models. Through its wide array of vehicle models and robust sales distribution and service network, TMP achieved its 24th Triple Crown in 2025, topping the industry in passenger car, commercial vehicle, and overall vehicle sales.



100%
GT Capital-Owned

Php522M
2025 Net Income

Federal Land, Inc. (Federal Land) is a leading Philippine property developer known for its distinct design, superior customer service, and comprehensive market knowledge. With a solid track record of over 50 years, Federal Land develops innovative, well-built residential projects, commercial developments, and master planned, mixed-use communities. The company primarily caters to the luxury and upper middle-income market segments with developments in prime locations. The company's land bank, most of which is highly concentrated in key cities within the boundaries of Metro Manila, is sufficient for many years' worth of project development.



25.3%
GT Capital-Owned

Php2.5B
2025 Net Income

AXA Philippines Life and General Insurance Corporation (AXA Philippines) is one of the largest and fastest-growing insurance companies in the country, offering financial security to close to two million individuals through its group and individual life insurance products. AXA Philippines is a pioneer in the bancassurance industry and is also a market leader in variable unit-linked life insurance products. The company also offers general insurance products and services.



19.6%
GT Capital-Owned

Php29.7B
2025 Net Income

Metro Pacific Investments Corporation (MPIC) is a leading infrastructure conglomerate in the Philippines. Committed to transforming and growing its infrastructure assets, MPIC continuously seeks investment and partnership opportunities for the benefit of all its stakeholders. Metro Pacific currently manages a diverse business portfolio including power generation and distribution, toll roads, water, healthcare, light rail, real estate, and agriculture.

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About the Report

GRI 2-2, 2-3

This 2025 Integrated Report presents material financial and non-financial information on GT Capital and its aforementioned operating companies' business activities. By adopting the guiding principles and content elements laid out by the Integrated Reporting Framework, this report details how the Group manages their individual economic, environmental, social, and governance (EESG) performance and impacts.

Scope of Report

This report covers GT Capital's economic, environmental, social, and governance (EESG) performance for the calendar year from January 1 to December 31, 2025. The sustainability reporting focuses on the top five operating companies— Metropolitan Bank & Trust Company, Toyota Motor Philippines Corporation, Federal Land Inc., AXA Philippines Life and General Insurance Corporation, and Metro Pacific Investments Corporation while financial reporting includes all operating companies to provide a comprehensive view of the Group's performance and impacts.

Reporting Standards and Frameworks

This report draws upon the international Integrated Reporting Framework for guidance to provide holistic and comprehensive view of the Group's value creation story.

Data Gathering Methodology

GT Capital gathered data from its top 5 operating companies to complete this report. However, data across the operating companies may vary depending on relevance, availability, applicability, and confidentiality constraints. Each operating company also operates in its distinct sustainability journey, thereby affecting availability of information. This Integrated Report is intended to continue the establishment of a baseline upon which GT Capital can identify opportunities and targets with respect to its sustainability initiatives.

Disclaimer

This report contains forward-looking statements that are based on GT Capital's projections, analysis of trends, and strategies based on currently available information. These statements must be taken as reasonable estimates, not guarantees, on the Group's future performance. Actual outcomes may significantly differ as a result of unforeseeable changes in the external environment, risks and opportunities, and other factors outside the Group's control. These forward-looking statements may be identified by the words "intend," "estimate," "forecast," "anticipate," "believe," "can," "may," and other similar terms or expressions.

Feedback

This report was published on May 13, 2026 and is available for download at <https://www.gtcapital.com.ph/annual-reports> For feedback, inquiries, and other concerns, please send an email to our Investor Relations Department at ir@gtcapital.com.ph.

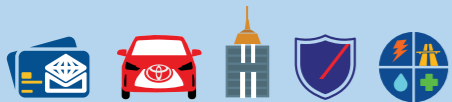


About the Company

GRI 2-1

Our Vision

To be a leading conglomerate, dominant in all sectors invested, most sought strategic partner in the Philippines, as a major contributor to the nation's sustainable development.



Our Mission

GT Capital Holdings, Inc., a Philippine conglomerate with a strategic business portfolio, has a heritage of leadership in the vital sectors of financial services, automotive assembly, distribution, and mobility, insurance, property development, and infrastructure and utilities that are essential to national development.

It has earned its stature of prominence in these key sectors by blending local ingenuity and resources with the technology and expertise of best-of-class global business partners.

Anchored on our core values of integrity, excellence, respect, and sustainable value creation, we fulfill our mission to ensure long-term value for our stakeholders by creating a synergistic business portfolio and exploring new sectors that contribute to our nation's sustainable development.

Our Corporate Values



Integrity

Above everything else, we practice consistent adherence to ethical and moral values under all circumstances both from an institutional and individual basis. Such values are embedded in our corporate culture, which has earned for us the trust and confidence of our clients, investors, and business partners.



Excellence

Each of the group subsidiaries and affiliates has a solid track record of consistently delivering excellence in all our products and services, resulting in the highest level of satisfaction to our customers and stakeholders, who account for our continued success and leadership in each of the sectors where we are present. Our human capital or workforce is highly equipped with the proper education, knowledge, and expertise to successfully carry out their respective roles and responsibilities within the Group to the best of their ability. Our excellence and capability as an organization have allowed us to become one of the most credible and trusted conglomerates in the country.



Respect

We take a special regard for the individual, for their empowerment, and for the diversity of opinions, resulting in a more balanced view of our business proposition, open to different perspectives, constantly challenging assumptions and revisiting previously set ways, within the framework of a shared vision and a shared corporate culture, with the end objective of constant improvement.



Sustainable Value Creation

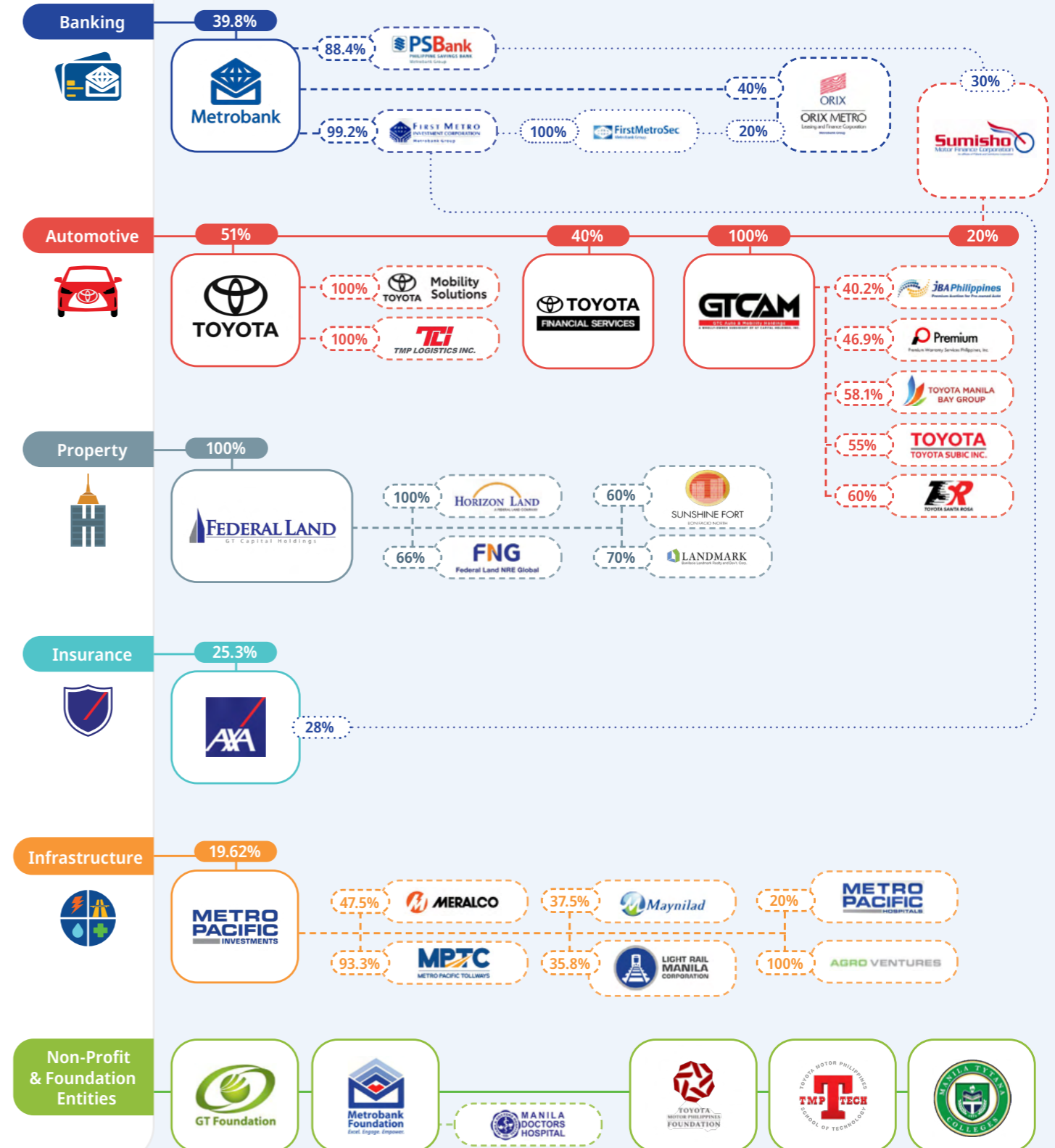
We are committed to planting the seeds today that will result in the creation of sustainable stakeholder value in the future. We believe that taking a long-term and sustainable perspective is essential to contributing to the nation's sustainable development.



Company Portfolio

GRI 2-1

— Operating companies - - - - Subsidiaries of operating companies Indirect subsidiaries





Strategic Global Partners



A top automotive company worldwide engaged in the design, manufacture, assembly, and sale of passenger cars and commercial vehicles. The wide range of vehicles the company manufactures includes compact, subcompact, mid-sized, sports utility, and hybrid cars, as well as minivans and pick-up trucks, among others. Toyota is the brand name the company uses for these vehicles, while luxury cars are under the Lexus brand. Aside from vehicles, Toyota also manufactures spare parts and offers financial services for retail and wholesale financing, retail leasing, insurance, credit cards, and housing loans. Toyota operates in over 170 countries worldwide.

range from product sales, worldwide logistics, and financing the development of major international infrastructure and other projects. It is involved in iron and steel projects, mineral and metal resources, infrastructure projects, motor vehicles, marine and aerospace, chemicals, energy, food resources, food products and services, consumer services, IT, finance and new businesses, and transportation logistics.



Primarily engaged in providing life insurance coverage, as well as property and casualty insurance. Asset management is another service that the group offers, which includes employee benefit plans, medical plans, and investment advice. The bulk of AXA's customers are in Europe, the Mediterranean, and Latin America, whereas other customers come from North America, Asia, and the United Kingdom. The organization's roots may be traced to the time when Claude Bebear decided to join the Ancienner Mutuelle insurance company—France's oldest insurance company—in Rouen, France in 1958.

A leading infrastructure conglomerate in the Philippines, MPIC's intention is to maintain and continue to develop a diverse set of infrastructure assets through its investments in water utilities, toll roads, electricity distribution, hospital operations, light rail, agriculture, and real estate. MPIC is therefore committed to investing through acquisitions and strategic partnerships in prime infrastructure assets with the potential to provide synergies with its existing operations.



One of the most diversified and comprehensive trading, investment, and service enterprises in the world. Utilizing global operating locations, network, and information resources, Mitsui is multilaterally pursuing businesses that

Wholly owned by Toyota Motor Corporation, the entity was established as a holding company for Toyota's financial subsidiaries worldwide. The TFS Group mission is to provide sound financial services that contribute to the prosperous life for Toyota customers and others. The Company has expanded its global presence, covering more than 30 countries in different regions. TFS offers a diverse range of products and services, such as motor vehicle financing, to meet the various needs of its valued customers.



Engages in non-depository credit intermediation such as leasing, installment loans, life insurance, and other related financial services. It is also involved in property development. In the automotive industry, the Company is engaged in corporate and personal leasing, rental, car sharing, and used vehicle sales. The Company's corporate financial services include lending, building lease, e-commerce, corporate pension, life and accident insurance consulting, and investment banking. ORIX also is into energy conservation, energy recycling, and electric power.

In property development, the Company offers housing, real estate investment, and building management.

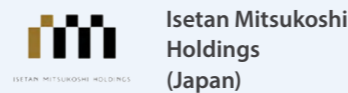


Nomura Real Estate Development (NRE) is one of Japan's largest real estate developers. Established in 1954, NRE is involved in residential development, corporate real estate brokerage, commercial property development, building leasing, and architectural design. It is a sister company of the Nomura Holdings financial conglomerate and is a part of the Nomura business group.

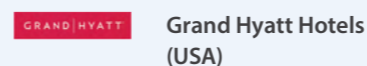


An international trading company that operates in various industries including finance, insurance, metal products, transportation and construction systems, infrastructure, mineral resources, energy, chemicals, electronics, real estate, media, and new industry development, among others.

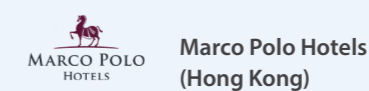
The Company also provides information technology (IT) solutions, mobile communications, and internet services, and operates TV shopping channels, supermarkets, and drugstores. It develops and imports coal, iron ore, and other minerals. The Company also engages in business development, planning, production management, processing, logistics, construction, and real estate ventures.



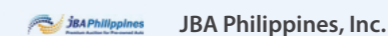
Isetan Mitsukoshi Holdings Ltd. is the Japanese parent company of world-renowned Isetan and Mitsukoshi department stores. It operates a total of 20 stores nationwide and 26 overseas stores. The Isetan Mitsukoshi Group is Japan's largest department store group with approx. 16,000 employees in Japan and encompasses four separate department store brands. 120 years since the department store declaration, the Isetan Mitsukoshi Group is enriching the lives of its customers aiming to become a retail group with a "special" department store at its core, it will continue to evolve.



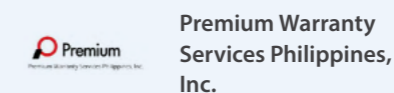
A distinguished brand of the Hyatt global hospitality company, Grand Hyatt Hotels are large-scale hotels that provide upscale accommodations in major cities. All Grand Hyatt hotels boast of dramatic, energetic lobbies, exquisite dining options, state-of-the-art technology, spas, fitness centers, and comprehensive business and meeting facilities. Located in the heart of the cities and destinations they serve, Grand Hyatt hotels combine breathtaking spaces, unforgettable experiences, and signature hospitality that create truly grand moments.



Offers a legendary blend of Asian hospitality and Western innovation served in modern, chic sophistication. Located in strategic business and cultural centers of Hong Kong, China, and the Philippines, Marco Polo Hotels provide its guests with a unique travel experience that embraces the local charm and the adventure of travel with the deeply instilled elegance and warmth of the in-house culture of the Marco Polo group. In the Visayas, Marco Polo Plaza Cebu provides a panoramic view of the city while still accessible from the shopping and business districts of cosmopolitan Cebu City. It is one of the 5-star hotels in the city, offering spacious and comfortable guest rooms and suites.

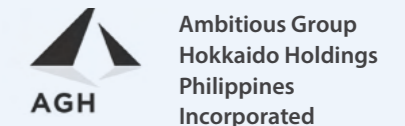


An auction house for used cars established through a strategic partnership between GT Mobility Ventures, Inc. and Japan Bike Auction Co. Ltd. JBAP utilizes an APP-based Inspection System where each vehicle undergoes a 935-point check to accomplish a Vehicle Information and Grading Sheet that summarizes the car's exterior, interior, and engine inspection results. With this uniquely transparent and fair system, JBAP provides sellers with a stable auction platform and promises buyers an exciting car purchase experience.



A wholly-owned subsidiary of Japan's largest and leading automotive warranty provider, Premium Group Co. Ltd. It is also a key strategic partner of GT Mobility Ventures, Inc. The Company serves a critical need in the used car market by providing high quality vehicle inspection services and warranty for used vehicles.

Using an extensive 200-point vehicle inspection procedure covering exteriors, interiors, engine, transmission, and electronics, the Company can certify the quality of used cars being bought and sold and can also offer warranty services for eligible vehicles. These services create a more transparent used car market in the Philippines that provides used car buyers and sellers with a clear and fair value proposition. It enhances GT Capital's footprint in the automotive value chain.



(AGHP, formerly Toyota Corolla Sapporo Philippines Holdings, Inc.)

A wholly-owned subsidiary of Ambitious Group Hokkaido Co., Ltd. one of the largest Toyota dealer groups in Japan with over 83 stores across the country (69 general stores, 2 GR garages (including satellite), 3 Lexus, 2 corporate maintenance centers, 1 Hiragishi office, 2 logistics centers, 3 techno centers, 1 delivery center). With over 50 years of experience and combined sales of over 34,000 units for new and used vehicles for 2024 alone, Ambitious Group brings a wealth of best practices, experience, and expertise into the Philippine market. As a strategic partner in Toyota Santa Rosa, Laguna, the Company's commitment is to elevate operational efficiency and to build the dealership's used car sales operations as part of GT Capital's objective to add value across the entire automotive value chain.

2025 at a Glance

January



AXA Philippines

Unites 3,500 employees and distribution partners at its 2025 Mega Kick-Off

February



Toyota Motor Philippines

Recognizes its dealer network's outstanding performance in 2024



Toyota Motor Philippines

Launches the Next Generation Tamaraw Roadshow

March



Toyota Motor Philippines

Recognized by the Philippine government for its economic and environmental contributions

April

AXA Philippines

Wins three prestigious awards at the 2025 Reader's Digest Trusted Brand Awards

Metro Pacific

Meralco's franchise gets renewed for another 25 years

May

FNG

Announces a milestone of 100% sale of Riverpark North Commercial Lots

June

GT Capital

Ranks seventh among Philippine companies in the 2025 Fortune Southeast Asia 500

July



TMP Foundation

Celebrates 35 years of impact and unveils its new "Mobility+" advocacy



FNG

Unveils The Observatory Sales Pavilion located in Mandaluyong City

AXA Philippines

Secures a double win at the 2025 Insurance Asia Awards

August



Metrobank

President Fabian S. Dee is named the Best Bank CEO in the Philippines by the Asian Banker

September



Federal Land

Dominates the Dot Property PH Awards with eight wins and cited as the Best Developer

October



GT Capital

Partners with the Ateneo de Manila University for the Riverpark Campus in Cavite

Metrobank

Recognized as the Strongest Bank in the Philippines by The Asian Banker

Metrobank Foundation

Receives Medallion of Excellence from President Ferdinand R. Marcos for 2025 Outstanding Filipinos

November



Metro Pacific

Maynilad completes its listing on the Philippine Stock Exchange



AXA Philippines

Joins forces with Toyota Financial Services to strengthen borrower protection

December



Toyota Motor Philippines

Launches the all-new ATIV Hybrid Electric Vehicle (HEV)

Awards

GT Capital prides itself in achieving noteworthy accomplishments that defined our growth and success throughout 2025. From exemplary leadership to sustained performance, these awards highlight the Group's dedication and commitment as we uphold the highest standards of quality across our businesses.



2025 Fortune Southeast Asia 500
• 61st (7th in the Philippines)



Four Golden Arrow Award
• 2024 ASEAN Corporate Governance Scorecard (ACGS) Assessment, Institute of Corporate Directors

Finance Asia: Asia's Best Companies 2025

- Gold, Best Managed - Automobiles and Components
- Bronze, Best Managed - Conglomerate

Corporate Governance Asia: 15th Asian Excellence Award

- Best Investor Relations Company (Philippines)
- Sustainable Asia Award
- Asia's Best CSR



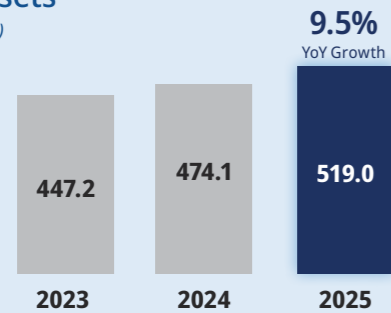
World HRD Congress: The Philippines' Best Employer Brand Awards 2025
• Awardee



Consolidated Financial Highlights

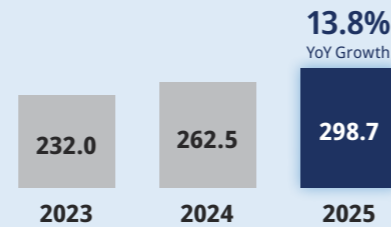
Total Assets

(in Php Billion)



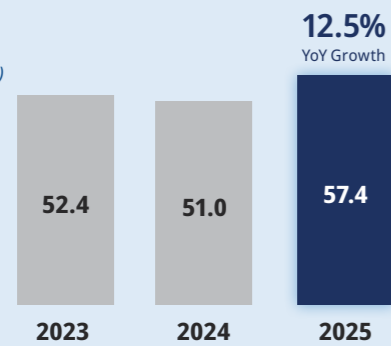
Total Equity Attributable to Equity Shareholders

(in Php Billion)



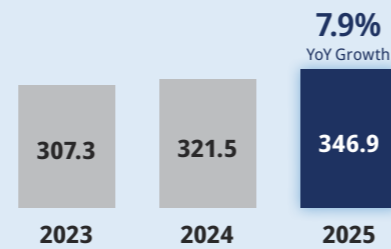
EBITDA

(in Php Billion)



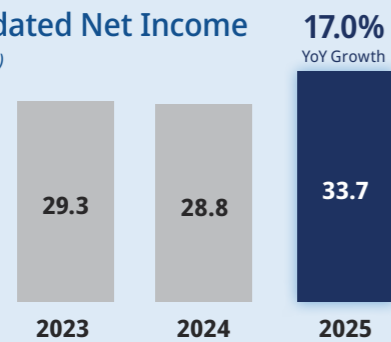
Total Revenues

(in Php Billion)



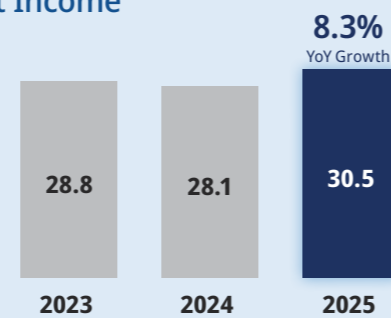
Consolidated Net Income

(in Php Billion)



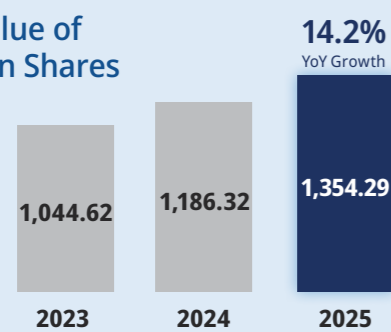
Core Net Income

(in Php Billion)



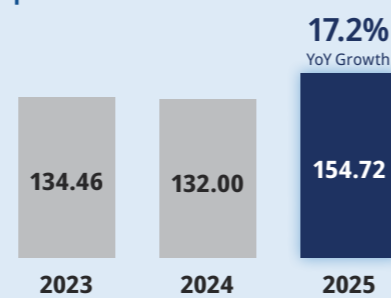
Book Value of Common Shares

(in Php)



Earnings per Share

(in Php)



All numbers in Php Billion unless otherwise stated

	2023	2024	2025
Consolidated Net Income Attributable to Parent	29.3	28.8	33.7
Core Net Income	28.8	28.1	30.5
Total Revenues	307.3	321.5	346.9
Earnings Before Interest and Taxes (EBIT)	50.2	49.3	54.6
EBITDA	52.4	51.0	57.4
EBITDA Margin	17.1%	15.9%	16.5%
Total Assets	447.2	474.1	519.0
Total Liabilities	199.4	194.2	201.7
Total Equity	247.8	279.9	317.3
Total Equity Attributable to Equity Shareholders	232.0	262.5	298.7
Earnings per Share (in Php)	134.46	132.00	154.72
Book Value of Common Shares (in Php)	1,044.62	1,186.32	1,354.29
Current Ratio	1.51	1.39	1.35
D/E Ratio	0.56	0.45	0.39
Return on Average Assets (ROAA)	6.78%	6.25%	6.78%
Return on Average Equity (ROAE)	13.52%	11.64%	12.00%

Chairman's Message and President's Report



Left
FRANCISCO C. SEBASTIAN
Chairman

Right
CARMELO MARIA LUZA BAUTISTA
President

Php30.5B
Core Net Income

Dear fellow shareholders,

In 2025, GT Capital navigated a complex and evolving economic and political landscape shaped by both opportunity and uncertainty. Global headwinds persisted, contributing to a deceleration of growth domestically. The Philippine economy faced a more mixed macroeconomic environment, with growth easing to 4.4% by year-end from 5.7% in 2024 and falling below the government's target range. Despite these headwinds, the economy remained resilient, supported by sound fundamentals and generally favorable macroeconomic indicators.

The services sector led growth in 2025, with a 5.9% expansion for the full year, while agriculture rebounded with 3.3% acceleration. Industry, however, posted only marginal expansion, reflecting a more uneven operating environment across key sectors.

The banking industry maintained its upward trajectory, with total assets of the Philippine banking system rising to nearly Php29.83 trillion by end-2025. This growth was driven by continued expansion in lending activity and investments.

The automotive industry reached a record high in 2025, with total sales rising to 491,395 units, up 3.7% from 2024. Electrified vehicles gained further momentum, while commercial vehicle sales remained robust despite a more subdued second half.

The property sector continued to show mixed conditions in 2025, with momentum shifting toward suburban, mixed-use, and mid-income developments. While the office market continued to face pressure from high vacancy, the retail and industrial segments stayed resilient, supported by strong consumption and growth in regional centers.

The infrastructure sector similarly saw uneven conditions last year, as lower public infrastructure spending tempered overall momentum. Despite this, continued investments in transport, water, healthcare, and energy underscored the enduring importance of essential services in supporting resilience and long-term competitiveness.

Despite these complexities in the economic environment, GT Capital delivered a resilient performance in 2025, driven by the underlying strength of the group's major component companies that are anchored in essential sectors of the economy.

Consolidated revenues for 2025 rose to Php346.9 billion from Php321.5 billion in 2024, while net income attributable to equity holders of the parent company increased to Php33.7 billion from Php28.8 billion the previous year. Total equity likewise expanded to Php317.3 billion from Php279.9 billion, reinforcing GT Capital's strong financial position and capacity to invest for growth while maintaining prudence in capital allocation.

These results reflect the strength of GT Capital's market-leading businesses. With exposure to industries that remain central to economic activity and national development, GT Capital is in a strong position to navigate changing market conditions while continuing to create long-term value for shareholders.

A major driver of the group's performance in 2025 was Metrobank, which delivered outstanding results for the year. The bank posted a record net income of Php49.7 billion, driven by healthy asset expansion, resilient margins, solid trading income, and contained cost growth. Pre-provision operating profit rose

17.1% to Php78.4 billion, while net interest income increased 9.2% to Php124.6 billion. Gross loans grew by 8.8%, deposits reached Php2.7 trillion, and total assets rose 10.2% to Php3.88 trillion. Metrobank's balance sheet remained robust, with strong capital, liquidity, and asset quality.

These results further reinforced our confidence in Metrobank's ability to deliver sustainable growth and long-term value. In 2025, Metrobank was again recognized by The Asian Banker as the Strongest Bank in the Philippines and Best Managed Bank.

Toyota Motor Philippines remained the country's automotive market leader in 2025, capturing a 46.7% market share and continuing to outpace industry growth. This performance was supported by the strength of the Toyota brand, its broad product lineup, disciplined operations, and wide dealership network. TMP also sustained the momentum of its local manufacturing operations, with the Next Generation Tamaraw helping lift total production to a record level of close to 64,000 units and emerging as the market leader in the pure commercial vehicle segment.

TMP's multi-pathway approach continued to prove effective in bringing diverse mobility solutions closer to Filipinos. As the nation navigates evolving fuel cost challenges, TMP remains focused on offering a full range of models—from fuel-efficient next-generation internal combustion engine vehicles to full-electric vehicles—catering varying needs and preferences.

At the same time, we continue to see strong opportunities in the Philippine automotive market, supported by the country's long-term motorization trajectory and its transition toward upper middle-income status. With car density still relatively low compared with ASEAN peers, significant room for growth remains. In this context, TMP's electrification initiatives and sustained expansion in regional areas position the company to effectively meet and capitalize on rising demand, particularly in the provinces.

Within the group's broader automotive and mobility platform, GT Capital Auto and Mobility Holdings, Inc. (GTCAM) also sustained growth in 2025. Through its Toyota dealership network and investments in the pre-owned and warranty segments, GTCAM expanded customer access, improved ownership experience, and strengthened its presence across the automotive value chain. These efforts also support GT Capital's broader goal of creating stronger synergies across related businesses while expanding its exposure to mobility-driven growth.

Federal Land continued to demonstrate resilience in a cautious property market. While sector conditions remained uneven, the company sustained momentum through continued project completions, stronger sales of ready-for-occupancy inventory,



Chairman's Message and President's Report, continued

Across our key sectors—banking, automotive, property, insurance, and infrastructure—we are deploying capital thoughtfully to support operational improvements, digital transformation, market expansion, and long-term resilience.

and the strategic advancement of its township and mixed-use developments.

Among Federal Land's most important growth platforms is Riverpark in General Trias, Cavite, which continued to gain traction in 2025. Through Federal Land NRE Global, Inc. (FNG), its joint venture with Japan's Nomura Real Estate Development Co., Ltd., Riverpark North's commercial lots achieved full sell-out in May 2025. The township also continued to attract major institutional and commercial locators, including a future Ateneo de Manila University campus and the UNIQLO Logistics Facility. With its substantial landbank and the expected improvement in accessibility from the Cavite-Laguna Expressway (CALAX) interchange, Riverpark is poised to become a significant long-term value driver for GT Capital.

Federal Land also recorded key milestones across its broader portfolio, including the completion and turnover of over five towers across its projects in key cities, including Manila, Pasig, Marikina, Pasay, and Taguig. In the retail segment, the Mitsukoshi Mall enjoyed stronger tenant demand, bringing its occupancy rate to 90% in 2025. The Grand Hyatt Manila Hotel bounced back strong, registering a 34% increase in net income on the back of a 71% occupancy rate. Contributions from joint ventures remained resilient, supported by ongoing momentum from key developments in Bonifacio Global City (BGC) and Makati, including The Season's Residences and The Estate Makati—a Norman Foster-designed project in partnership with SM Development Corporation (SMDC)—which is progressing toward completion by early 2027.

AXA Philippines sustained a solid performance in 2025 and remained one of the country's largest and fastest-growing insurance providers. Guided by its purpose of protecting what matters, the company continued to expand its role beyond traditional insurance by emphasizing prevention, resilience, inclusion, and digital innovation in a market where protection gaps remain significant.

During the year, AXA Philippines broadened its product suite across life, health, investment, and general insurance, including Health Max Elite, AllShield, MSME Secure, Group Personal Accident, and new fund options under Asset Master. It also strengthened partnerships that expanded protection for underserved sectors, including gig workers, MSMEs, and borrowers. At the same time, the company continued to enhance customer engagement through its phygital strategy, supported by the Emma by AXA PH platform and the launch of the Emma DigiZone at its Makati Service Center. These initiatives earned multiple recognitions in 2025, including a double win at the Insurance Asia Awards.

Metro Pacific Investments Corporation remained a major contributor to the group in 2025. In fact, GT Capital's dividends received from Metro Pacific have doubled in the last three years alone. New opportunities for long-term growth have opened for Maynilad as it made its debut on the Philippine Stock Exchange through an initial public offering. The capital raised through the listing would be utilized for capital expenditures. Phase 1 of Meralco's MTerra Solar project has reached 65% completion, marking significant strides toward energy transition. Meanwhile, MPAV acquired Franklin Baker, a leading coconut processor and exporter, to broaden its agribusiness portfolio.

During the year, MPIC continued to expand its portfolio through key developments in transport, water, healthcare, and agribusiness, including the NLEX-C5 Northlink Section 1A Project and further growth through Metro Pacific Health, mWell, and Metro Pacific Agro Ventures. These initiatives highlight MPIC's ability to create long-term value while helping address important national needs.

Deepening ESG Integration and Strategic Oversight

In 2025, we continued to deepen the integration of Environmental, Social, and Governance (ESG) principles in the GT Capital ecosystem. We remain committed to embedding sustainability into the way we invest, operate, govern, and create long-term value. Across our core businesses, ESG has become increasingly central to decision-making, risk management, and strategic execution.

This commitment is reflected in the actions of our operating companies. TMP continued to advance its Beyond Zero initiative and the Toyota Environmental Challenge 2050 through its multi-pathway approach to electrification. It also sustained efforts to reduce emissions, optimize water usage, and strengthen circularity. Metrobank, for its part, remained aligned with its Sustainable Finance Framework, channeling capital to projects with clear environmental and developmental value. Across the portfolio, we saw continued efforts to strengthen climate resilience, improve operational efficiency, and align business growth with broader sustainability objectives.

We also remained focused on governance excellence. In 2025, GT Capital received the Four Golden Arrow Award under the ASEAN Corporate Governance Scorecard assessment, affirming the strength and maturity of the Company's governance practices. We further strengthened Board oversight by engaging more proactively with emerging risks and external disruptions affecting the operating environment, including technological developments, sustainability imperatives, regulatory shifts, and socio-political risks. We also conducted Board, President, and Chairman assessments, together with Director and Committee



self-assessments, as part of our continuing commitment to improvement and effective stewardship.

In addition, we identified cybersecurity as a key group-wide risk and took concrete steps to reinforce resilience, including the creation of a separate Information Technology & Security Department and the appointment of a Chief Information Security Officer to help coordinate minimum cybersecurity standards across the Group.

Strengthening Human Capital for Sustainable Growth

At the core of GT Capital's competitiveness is our continued investment in human capital. Our approach remains focused on attracting high-potential and experienced talent, providing competitive compensation and benefits, and fostering a workplace environment that supports professional growth, engagement, and well-being. We believe that long-term business performance is inseparable from the quality, motivation, and integrity of our people.

This philosophy is echoed across our operating companies, many of which made meaningful investments in people development during the year. Federal Land, for example, recorded the highest average training hours per employee in the Group, while AXA Philippines, TMP, and MPIC all continued to strengthen workplace well-being, learning, inclusion, and safety.

At the parent level, we remain committed to building a culture defined by accountability, excellence, and respect for human dignity. We continue to uphold diversity, inclusivity, and non-discrimination across the organization, while ensuring that our people are supported by programs and benefits that strengthen both performance and retention.

Building Long-Term Value in 2026 and Beyond

Following a strong 2025, we enter 2026 with a measured and vigilant approach while remaining alert to emerging opportunities across its business segments. Supported by a strong balance sheet and a solid company portfolio, we remain confident in our ability not only to navigate near-term headwinds but also to recover decisively and create sustained long-term value as conditions stabilize.

Across our key sectors—banking, automotive, property, insurance, and infrastructure—we are deploying capital thoughtfully to support operational improvements, digital transformation, market expansion, and long-term resilience.

Metrobank remains focused on sustaining growth through disciplined lending, balance sheet strength, and continued investments in technology to enhance customer experience,

efficiency, and risk management. TMP, meanwhile, is poised to build on its market leadership through its multi-pathway electrification approach, continued local manufacturing, and further expansion in regional markets. Federal Land will continue advancing high-impact residential, township, and mixed-use developments, with Riverpark standing out as an important long-term growth platform. AXA Philippines is expected to build further on its prevention-led, digitally enabled model by broadening protection offerings and deepening customer engagement. Metro Pacific, in turn, remains focused on expanding and strengthening its portfolio of essential infrastructure assets in ways that support both long-term value creation and national development.

Our automotive financing, dealership, and mobility-related businesses also remain aligned with this strategy. We expect these businesses to continue contributing meaningfully to performance by supporting customer access, strengthening after-sales and ownership solutions, and enhancing collaboration across the automotive ecosystem.

At the parent level, we continue to take a measured approach to capital allocation. We are preserving capacity for strategic investments, debt management, and selected new initiatives that can further strengthen the group. At the same time, we remain open to complementary opportunities for future diversification, while keeping our immediate focus on strengthening existing operations and maximizing value across our current platforms.

Our plans continue to rest on prudent capital management, using internally generated funds together with strategic financing when appropriate. This gives us the flexibility to pursue growth while remaining disciplined amid uncertainty. Above all, it keeps us aligned with our long-term goal of creating enduring value while contributing meaningfully to nation-building.

We extend our sincere thanks to our shareholders, partners, and stakeholders for your continued trust and support. With your confidence, we move forward committed to building on our progress, reinforcing our core strengths, and advancing GT Capital's next phase of growth with discipline, resilience, and purpose.

FRANCISCO C. SEBASTIAN
Chairman

CARMELO MARIA LUZA BAUTISTA
President



Our Value Creation Story

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Photo: Riverpark North (artist's rendering)



Commitment to Responsible Investment

GRI 2-22, 2-23, 2-24, IFRS S1:29, S2:9, S2:14

GT Capital is committed to creating long-term shareholder value, not only for its capital providers but also for the communities in which it operates. Its Responsible Investment Policy governs the Company's investment decisions, whereby ESG factors are given importance thus leading to better risk management, enhanced opportunities, and sustainable long-term returns. GT Capital's responsible stewardship of its resources also contributes to the nation's sustainable development.

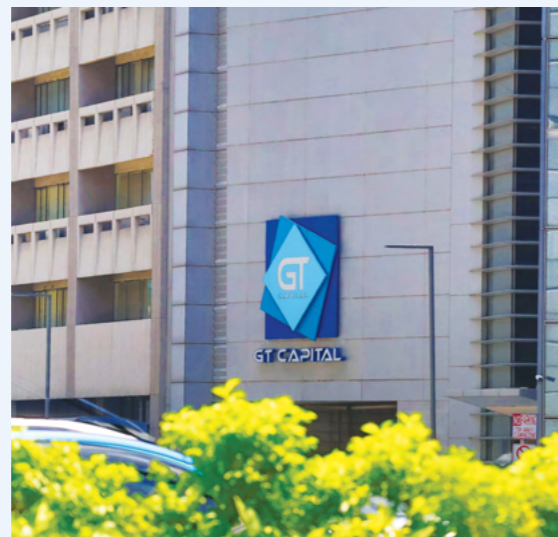
Commitment to shareholders

GT Capital is committed to protecting shareholders' long-term interests through sustainable investments that deliver lasting returns. Guided by the Principles of Responsible Investment, it invests in well-managed businesses addressing ESG risks and opportunities to create steady value over time.



Commitment to integrate ESG factors in the investment process

GT Capital integrates ESG principles into investment analysis and strategic decision-making to align with its vision, mission, and values. The Company prioritizes investments that contribute to sustainable development, address ESG risks, and support its long-term goals through strategic partnerships.



Commitment to engage with our operating companies on ESG

GT Capital collaborates with its operating companies to advance their ESG goals and collectively build a more sustainable economy. The Company remains committed to adapting evolving approaches over time, leveraging shared expertise and evolving standards to enhance its ESG journey.



Commitment to relevant, reliable, and transparent ESG disclosures for our stakeholders and investors

GT Capital is committed to providing relevant, reliable, and transparent ESG disclosures by adopting global sustainability reporting frameworks and emulating best practices. The Company actively engages its operating companies to ensure comprehensive reporting and includes updates on its Responsible Investment Policy in its annual sustainability report.



Commitment to the Exclusion List

GT Capital upholds its commitment to ethical and responsible investing by refraining from direct investments in companies or entities engaged in activities that are harmful, exploitative, or in violation of human rights and environmental laws.



Introduction to the Value Creation Model



GT Capital's strong presence in vital industries—banking, automotive and mobility, real estate, insurance, and infrastructure—clearly positions it as a leading Filipino conglomerate. This heritage of leadership is reflected in GT Capital's strategic framework in creating value for various stakeholders and, most importantly, the country. Focus is on maximizing and efficiently utilizing its capitals.

GT Capital's Value Creation Model outlines the Company's pathway to ensure profitability, stimulate inclusive economic growth, deliver better products and services to customers, generate positive impacts to communities, foster a healthy work environment for its employees, and embed sustainability issues in its operations and strategies.

The value GT Capital creates reflects how the Company values its different publics.

OUR CAPITALS

Financial Capital

Financial strength underpins growth

- GT Capital** Diversified portfolio with sustained contribution to Philippine economic growth
- GT Capital** Resilient balance sheet, stable cash flows, and disciplined capital allocation
- GT Capital** Positioned to fund future strategic investments and long-term value creation

Manufactured Capital

Presence in key industries and a strategic, nationwide footprint

- Metrobank** **AXA Philippines** Expansive branch network - 1,000 nationwide and 28 overseas
- Toyota Motor Philippines** Local assembly of Vios, Innova and Tamaraw at the Toyota Sta. Rosa Plant, a 32-hectare logistics hub in Batangas, and 75 full service dealerships nationwide
- Federal Land** Over 75 residential, retail, office, commercial, hotel, and township projects
- Metro Pacific** Vital infrastructure assets and facilities in power, toll roads, water, light rail, healthcare, real estate, and agriculture

Intellectual Capital

Local market expertise complemented by the global capabilities of best-in-class strategic partners

- GT Capital** Local expertise combined with the global strength of best-in-class brands, reflected in our operating companies for **Metrobank** 63 years **TMP** 37 years **Fed Land** 53 years **AXA** 26 years **MPIC** 19 years
- Metrobank** Banking expertise, robust risk management, sustainable financing
- Toyota Motor Philippines** Over three decades of industry experience, strong institutional capabilities anchored on the Toyota Quality Management System
- Federal Land** Over 50 years of experience; expertise in property development, master-planning, and design integration
- AXA Philippines** Expertise in insurance product design, underwriting, ESG integration, and innovation
- Metro Pacific** Strong leadership and expertise of technical and operations professionals

Human Capital

A highly capable workforce of nearly 50,000

- GT Capital** A culture of continuous learning, leadership development, and strong employee engagement
- GT Capital** Workplaces that promote employee welfare, well-being, equality, and diversity

Social and Relationship Capital

Strong, long-standing relationships with various stakeholder groups

- GT Capital** Customer trust and strong market reputation built on reliability, quality, and loyalty
- GT Capital** Investor and strategic partner confidence, built on core values of integrity and respect
- GT Capital** Community support and investments through several foundations, aided by employee volunteerism

Natural Capital

Responsible environmental stewardship through green programs and policies

- GT Capital** Responsible Investment Policy
- Metrobank** Sustainable finance and portfolio alignment with decarbonization pathways
- Toyota Motor Philippines** Broadening of electrified mobility offering across segments as part of the multi-pathway approach, promoting xEV adoption, use of renewable energy and resource-efficient processes, initiatives implemented in line with Toyota Environmental Challenge 2050 (TEC 2050)
- Federal Land** Integration of green design features and resource-efficient systems
- AXA Philippines** Managing environmental exposure through ESG investing and risk screening
- Metro Pacific** Strengthening climate resilience to ensure service continuity

BUSINESS MODEL

Vision

To be a leading conglomerate, dominant in all sectors invested, most sought strategic partner in the Philippines, as a major contributor to the nation's sustainable development.

Mission and Corporate Values [↔ page 08](#)

Explore new sectors to grow portfolio

Expand existing sectors to strengthen value chain

Enhance synergies to maximize ecosystem



External Environment and Outlook [↔ page 36](#)

Business Strategy [↔ page 46](#)

Risks and Opportunities [↔ page 38](#)

Business Review [↔ page 50](#)

OUR OUTPUTS & IMPACTS

Investors and Shareholders	Strong financial performance	<ul style="list-style-type: none"> GT Capital Consolidated core net income of Php30.5B; 13-year CAGR at 14.2% GT Capital Consolidated Earnings per Share of Php154.72 GT Capital GT Capital Dividend Payout of Php14.16 per share
Government	Alignment with national development and policy priorities	<ul style="list-style-type: none"> Metrobank 67% of loans aligned with SDG-related activities ↔ page 55 Federal Land Development of 600-hectare Riverpark township in General Trias, Cavite spurring local economic growth Metro Pacific Support for national energy, mobility, and water security goals
	Significant contribution to public revenues	<ul style="list-style-type: none"> GT Capital Over Php80B in taxes remitted to government by parent and core operating companies Toyota Motor Philippines Php52.5B in customs taxes and duties remitted as Top 2 Importer of Bureau of Customs (BOC) Metrobank Php4.3T generated through government securities for economic programs
	Strong regulatory compliance	<ul style="list-style-type: none"> GT Capital Metrobank Four Golden Arrows awarded by Institute of Corporate Directors (ICD) based on ASEAN Corporate Governance Scorecard (ACGS)
Businesses	Contribution to inclusive economic growth	<ul style="list-style-type: none"> Metrobank Php341B in commercial loans for trade and industry, Php36B in MSME loans Toyota Motor Philippines 17,524 units of Next Generation Tamaraw manufactured to support MSMEs and LGUs Federal Land Php1.8B in revenue from new locators AXA Philippines Launched MSME Secure, an affordable business insurance solution designed for MSMEs Metro Pacific Strengthening of sectoral ecosystems
Customers	Delivering accessible, reliable, and quality products and services	<ul style="list-style-type: none"> Metrobank Facilitated USD9.81B in remittances supporting Filipino families Toyota Motor Philippines 46.7% market share through the sale of 229,447 vehicles across 28 Toyota and 12 Lexus model offerings Federal Land Turnover of 2,027 residential units across various projects AXA Philippines 73.4% of customers onboarded on digital application, Emma by AXA Philippines Metro Pacific Expanded access to essential services
Communities	Legacy Programs	<ul style="list-style-type: none"> GT Capital Php100M annual cash donation made to GT Foundation for social development support GT Foundation Metrobank Foundation Bags of Blessing – distributed Php1,000 worth of groceries to 10,000 families Metrobank Foundation Metrobank Art & Design Excellence, Metrobank Foundation Outstanding Filipinos Award
	Education	<ul style="list-style-type: none"> GT Foundation Supported 824 scholars; 100% scholar retention; employment of 31 graduates within the Group Federal Land Support for Brigada Eskwela benefited over 700 students; Php50,000 worth of school supplies provided
	Health	<ul style="list-style-type: none"> TMP Foundation Turnover of 5 mobile clinics under the "Lab for All" initiative GT Foundation GT Capital Php10.8M funding support to Manila Doctors Hospital; assistance for 8 indigent surgical patients; Php800,000 contribution to "HeART for a Cause"
Environment	Integration of environmental considerations in business decisions, operations, and policies	<ul style="list-style-type: none"> Metrobank Php34B for sustainable water management; Php24B for energy efficiency; Php11B for renewable energy; coal-related financing reduced to 4% of loan portfolio Toyota Motor Philippines 19,516 xEV units sold; Sta. Rosa plant operating through 100% renewable energy Federal Land Sustainable design and resource efficiency; 100% RE use at Met Park Business Center Tower A AXA Philippines Reduced operational environmental footprint; planting of 4,000 trees through AXA Forest, integrates ESG considerations into its investment processes Metro Pacific Climate-resilient upgrades across infrastructure assets; advancement of energy transition
Employees	Supportive, safe, and inclusive workplace	<ul style="list-style-type: none"> GT Capital 20 average training hours per employee GT Capital Metrobank Toyota Motor Philippines At least 85% of workforce covered by Collective Bargaining Agreements (CBAs) GT Capital Metrobank Metro Pacific More than 100 million total aggregate safe man-hours GT Capital Metrobank Federal Land AXA Philippines 56% female representation across all positions
	Employer Recognitions	<ul style="list-style-type: none"> Metrobank Ranked 154th in Forbes World's Best Employers (2025) Federal Land BusinessWorld Best Places to Work 2025 AXA Philippines Great Place to Work® Certification (5 consecutive years) AXA Philippines Circle of Excellence Finalist (Wellness Company of the Year) at the 16th Asia CEO Awards 2025

Contributions to the UN SDGs

GT Capital ensures long-term value creation by putting sustainability at the forefront of its business strategies and social initiatives. It integrates ESG considerations into decision-making and strengthens its commitment to responsible and purpose-driven business practices. In the process, GT Capital massively contributes to the United Nations Sustainable Development Goals (SDGs).

GT Capital takes a dynamic approach in managing its impacts by identifying priority SDGs where its strategies and initiatives are aligned the most. It regularly evaluates and refines these focus areas based on the strengths of its operating companies, its investment priorities, and current global and local challenges. This process allows GT Capital to maximize its positive impacts while ensuring the long-term success of the business.

Metrobank



As one of the country's most trusted banks, Metrobank stimulates economic progress by enabling individuals and businesses to grow, imparting financial literacy among the populace, and centering its social responsibility programs on addressing poverty and food insecurity.

Toyota Motor Philippines



TMP continues to be the leader in the Philippine automotive industry, offering more environment-friendly products through innovation and promoting technical education while caring for the welfare of its Team Members.

Federal Land



Federal Land creates sustainable communities that elevate the Filipino lifestyle while integrating environment-friendly technologies, features, and design into its world-class properties.

AXA Philippines



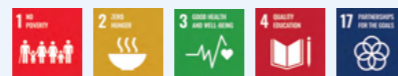
AXA Philippines empowers its customers with its broad range of insurance products while keeping inclusivity at the forefront of its social responsibility initiatives and policies.

Metro Pacific



By building essential public infrastructure, MPIC provides millions of Filipinos with reliable and efficient access to power, water, transportation, healthcare, and food—enabling economic growth and offering comfort to daily lives.

GT Foundation



GTFI is committed to uplifting communities, fostering self-reliance, and promoting social responsibility through its legacy programs, educational initiatives, grants, and outreach activities. It remains steadfast in its mission to support the less privileged and contribute to nation-building through healthcare, education, livelihood, and sustainable development.

Metrobank Foundation



MBFI advocates for excellence in public service, provides support for Philippine art, and promotes education through scholarships and teacher support. It also maintains active engagement with social development organizations to implement programs focused on health, education, livelihood, and disaster risk reduction and management. Guided by the philosophy "A Heart that Serves," the foundation continues to embody the legacy of generosity instilled by its founder, Dr. George S.K. Ty, believing that nation-building thrives when driven by selfless dedication and collective action.

Our Approach to Materiality

GRI 3-1, 3-2, 3-3, IFRS S1:17-18

GT Capital regularly conducts a materiality assessment to identify the trends and factors that impact its business environment the most. This assessment provides the Company with strategic direction to ensure that it prioritizes the most relevant economic, environmental, social, and governance (EESG) issues that affect both the business and the stakeholders. This assessment is performed every three years, with the latest round completed for 2024.

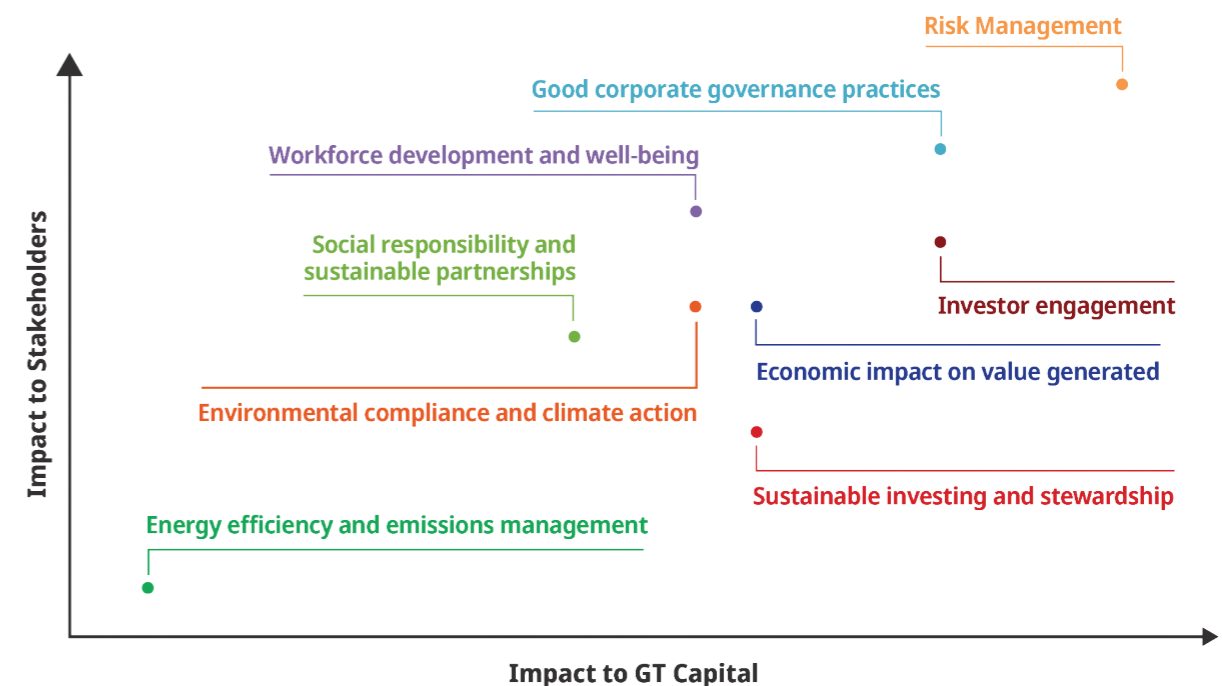
A stakeholder and employees survey was conducted to capture insights on key sustainability issues. The results were evaluated using the Double Materiality approach that identifies topics material for *financial effects* on enterprise value (outside-in) and/or *impacts* on people and the environment (inside-out).

For the 2024 assessment, GT Capital reviewed the 2021 results and used the findings as reference point for its sustainability priorities and strategies, using the United Nations Sustainable Development Goals (UN SDGs) and the Global Reporting Initiative (GRI).

The results of the Materiality Assessment and Stakeholder Engagement allows the Board through its Risk & Sustainability Committee (RSOC) to identify and prioritize key risks, and enables the prioritization of resources through informed, balanced recommendations that guide GT Capital and its operating companies toward sustainable growth. This is integral to the Company's Enterprise Risk Management process.



With the assessment, GT Capital refined its focus areas, ensuring that its sustainability strategy is data-driven and responsive to stakeholders' expectations.





Material Topics

MATERIAL TOPIC	OUR COMMITMENT	OUR APPROACH
Risk management	Ensure the long-term viability of the business by taking proactive steps to shield the company from potential losses, to maximize opportunities, and to secure its operations.	GT Capital manages risks through robust enterprise risk management policies and governance structures. Organizational, physical, and technical security measures have been put in place to ensure the stability and resilience of the company.
Good corporate governance practices	Adhere to rules, practices, and processes that ensure the company's effective direction, control, integrity, ethics, and transparency, protecting shareholders' interests and promoting sustainability.	GT Capital upholds its codes of ethics and discipline, promoting accountability, transparency, and compliance with governance standards. Integrity is the cornerstone of the company's governance framework.
Investor engagement	Cultivate a strong relationship with investors that promotes trust in, support to, and growth of the company.	GT Capital earns the trust of its investors through timely and accurate disclosures, transparent reporting, structured communication channels that respect stockholders' rights to information.
Workforce development and well-being	Foster a supportive and healthy work environment that enhances employee performance, engagement, and retention.	GT Capital attracts and retains talent by reciprocating employees' hard work with competitive compensation packages, support for professional development, and protection of employee welfare. This covers employment practices, labor relations, occupational health and safety, diversity and inclusion, and training.
Economic impact on company value generated	Ensure that economic value generated and distributed creates positive impact for all stakeholders, especially communities.	GT Capital ensures that capital is efficiently and sufficiently allocated to support its operating companies' growth by rigorously reviewing and validating their financial performance and annual budgets. It also works with independent third parties to preserve and grow financial resources. Alignment with company values, investment criteria, and risk appetite is paramount in making investment decisions, supported by regular monitoring, prudent cash management, diversification, and cost discipline.

MATERIAL TOPIC	OUR COMMITMENT	OUR APPROACH
Environmental compliance and climate action	Adhere to local laws and regulations as well as international agreements that seek to protect the environment and promote climate resilience.	GT Capital emphasizes compliance with applicable environmental laws. It integrates climate-related considerations into risk discussions and business planning, including efforts to reduce greenhouse gas emissions and enhance resilience to climate-induced impact, to manage regulatory and transition risks.
Sustainable investing and stewardship	Act as a responsible steward and prioritize investments that value environmental, social, and governance (ESG) factors to create long-term financial gain and positive societal impacts.	GT Capital integrates stewardship principles into its investment decision-making by ensuring alignment with its values, investment criteria, and risk appetite, supported by appropriate governance and oversight processes.
Social responsibility and sustainable partnerships	Be mindful of stakeholder interests, taking in consideration the company's socioeconomic, cultural, and environmental impacts on them.	GT Capital strengthens stakeholder engagement and transparency in its interactions with communities and partners. It observes ethical marketing, improves supply chain practices, ensures socioeconomic compliance, and adheres to ethical standards. By doing so, it manages social risks and builds enduring relationships.
Energy efficiency and emissions management	Optimize energy consumption from renewable and non-renewable sources while managing greenhouse gas and other air emissions.	GT Capital identifies material sources of energy use and emissions and establishes controls to monitor and manage consumption and emissions, integrating results into operational planning and governance reporting where material.

Our Stakeholders

GRI 2-6, 2-16, 2-25, 2-26, 2-29, 203-2

Stakeholders	Issues & Concerns	Mode of Engagement
Principals	<ul style="list-style-type: none"> Vision, Mission, and Values Nation Building Strategic Direction Business and Financial Performance Investment Opportunities Succession Planning 	<ul style="list-style-type: none"> Executive Committee Meetings Board and Committee Meetings
Board	<ul style="list-style-type: none"> Corporate Governance Strategic Decision Making Shareholder & Board Matters Risk Oversight Audit and Financial Performance Appointment/Election of Board Members & Officers 	<ul style="list-style-type: none"> Pre-Board, Regular, Special & Organizational Board Meetings Board and Committee Meetings Annual Stockholders Meeting Board Director & President's Assessment Forms
Investors and Analysts	<ul style="list-style-type: none"> Financial & Operating Performance Business Model & Strategy Explanation & Dissemination of Company Performance 	<ul style="list-style-type: none"> Financial & Operating Results Briefings Domestic & Foreign Investor Conferences and Roadshows One-on-One & Group Investor Meetings Investor Materials Press Releases, Presentations, Speeches, Integrated Report Annual Stockholders Meeting Special Engagements
Regulators	<ul style="list-style-type: none"> Market and Governance Transparency 	<ul style="list-style-type: none"> Disclosures & Filings Meetings Governance Hotline Comments on Exposure Drafts requested by the relevant regulators
Banks	<ul style="list-style-type: none"> Debt Management Balance Sheet 	<ul style="list-style-type: none"> Client Calls Investor Briefings ESG Surveys
Employees	<ul style="list-style-type: none"> Career Growth Financial Stability, Compensation & Benefits 	<ul style="list-style-type: none"> Townhalls and Meetings Engagement Surveys Governance Hotline
Operating Companies	<ul style="list-style-type: none"> Business Concerns Financial Performance Synergy & Strategic Direction 	<ul style="list-style-type: none"> Monthly & Quarterly Meetings Representation at the Board and Management Level
Strategic Partners	<ul style="list-style-type: none"> Existing Business and Financial Performance New Business Opportunities Synergy Initiatives 	<ul style="list-style-type: none"> Shareholder, Board, and Committee Meetings Shareholder Agreements

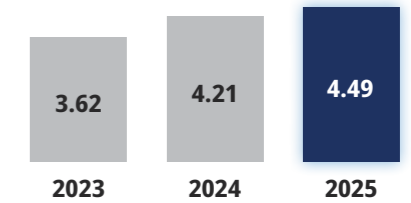
Management Response

- Ensure alignment of group-wide strategies with long-term value creation goals. [Strategy on page 46](#)
- Look for opportunities for sustainable investments in new sectors.
- Maintain a robust succession planning framework for key leadership roles.
- Strengthen governance practices through continuous board development and adherence to governance codes.
- Provide visibility to independent directors who are engaged with the Group's strategic direction and ensure their insights are integrated into the firm's plans. [Governance on page 114](#)
- Maintain transparent, timely, and fair disclosure practices following regulatory standards.
- Provide investors with clear insights into long-term strategy, performance drivers, and risk factors. [Investor Calendar on page 152](#)
- Align Corporate Governance Manual with internationally accepted best practices and standards.
- Ensure full compliance with applicable laws, regulations, and reporting requirements.
- Maintain open communication with regulators on compliance updates and new policies.
- Provide accurate financial information to support credit assessments.
- Proactively engage lenders on financing plans and risk mitigation measures.
- Implement fair and competitive reward systems.
- Promote employee engagement and professional development through training and leadership programs
- Foster a culture of integrity, excellence, respect, and sustainable value creation. [Human Capital Strategy on page 47](#)
- Strengthen group synergies through shared services, and strategic alignment.
- Conduct regular review and evaluation of the financial performance of operating companies [Strategy on page 46](#)
- Build long-term, mutually beneficial partnerships through collaborative initiatives.
- Continuously explore other opportunities for collaboration [Strategy on page 46](#)

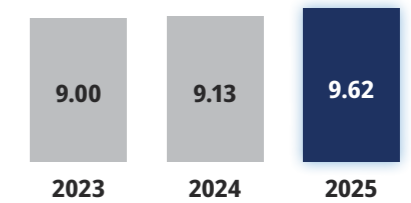
GT Capital's Economic Value Distributed to Stakeholders

(In Php Billion)

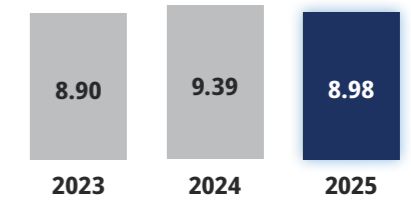
Employee Wages and Benefits



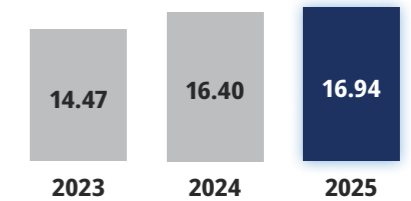
Payments to Government



Payments to Investors and Loan Providers

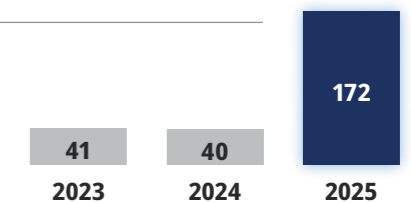


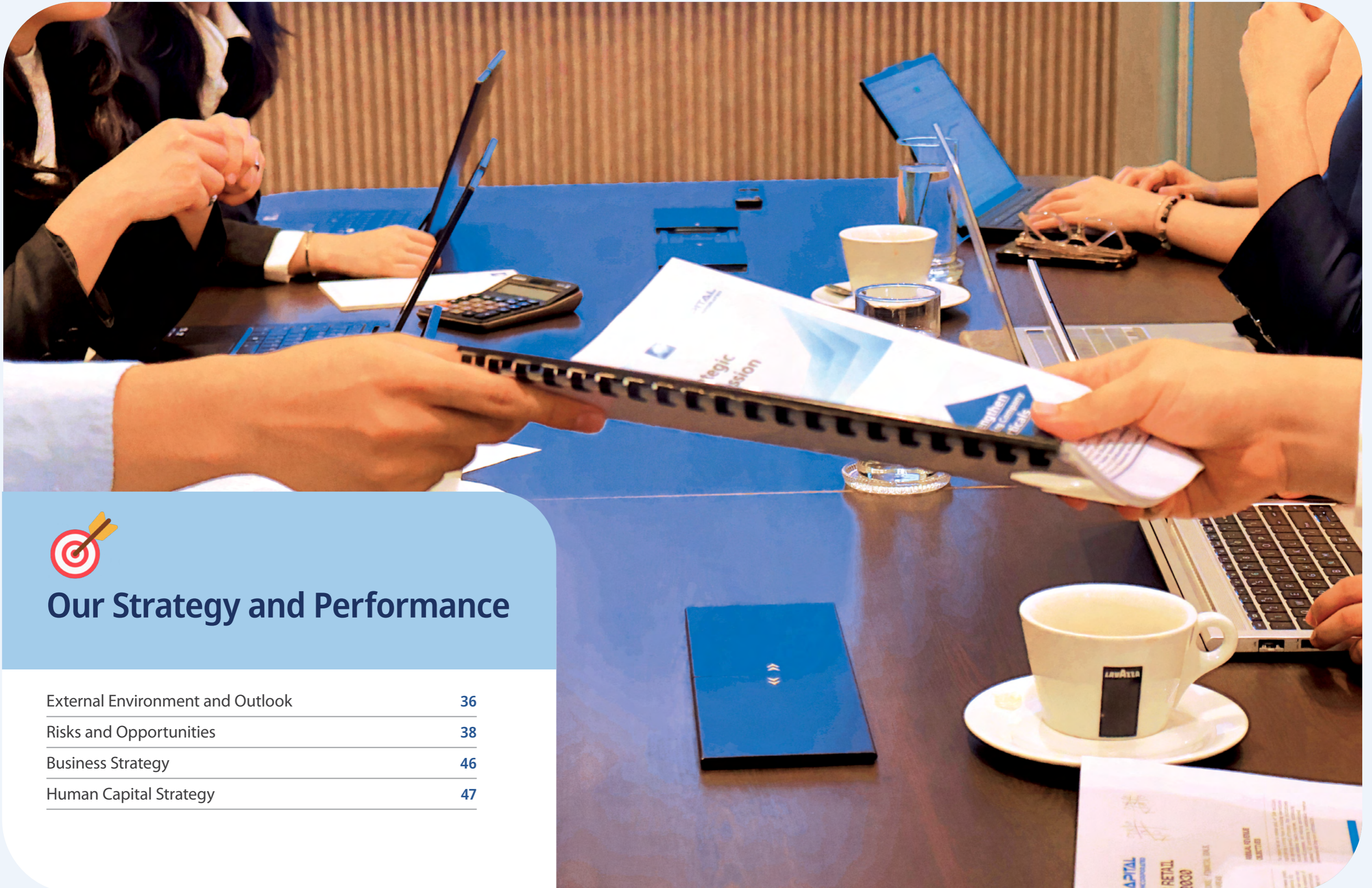
Payments to Suppliers, Other Operating Costs



Community Investments

(in Php million)





Our Strategy and Performance

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External Environment and Outlook



GT Capital has always exhibited resilience despite challenges posed by the ever-evolving environment. It adapts to the demands of the times, actively monitoring emerging trends and adjusting its strategies to navigate local and global developments. Anchored by its strong foundation, GT Capital continues to create value for stakeholders.



Macroeconomic Conditions

GDP growth slowed to 4.4% in 2025, weighed down by the flood control scandal that compelled the government to reduce public spending. This was aggravated by a series of natural disasters that hit the country during the latter part of the year. Nevertheless, compared to the global average of 2.9% and the ASEAN average of 3.8%, the country's performance still proved resilient, especially as fundamentals remained intact. Inflation eased to a 9-year low of 1.7% in 2025; however, the developing war in the Middle East has driven oil prices up, making the inflation rate likely to rise.

The Philippine economy is still seen to continue expanding, albeit with moderated expectations. The government's commitment to fiscal discipline and improved execution of public investments would be crucial. Moving forward, consumption is expected to continue being the primary growth driver on the back of stable remittances and the expanding IT-BPM sector.



Competition Risk and Industry Trends

Industry trends and developments are creating opportunities for GT Capital to maximize. Environmental considerations, coupled by the volatility of oil prices, are increasingly making electric vehicles (EV) an attractive option for Filipino motorists. While Chinese brands are trying to expand their foothold in the EV market, TMP continues to protect its market share through its commitment to quality and its wide range of models that suit different consumer needs. Diversification is proving effective for Federal Land as it remains resilient amid the challenges of the real estate sector. Oversupply issues linger over residential condominiums and office spaces, but bright spots in the commercial, retail, and hospitality segments sustain growth. Federal Land's strategic portfolio positions it for continued value creation.

Geopolitical Landscape

The Philippines' resilience is being tested by the prevailing political climate. A widespread corruption scandal involving flood control projects was unearthed in mid-2025, weakening business and investor confidence, undermining governance credibility, and dampening confidence in near-term growth. Economic losses from the mess were estimated between PHP42.3 billion and PHP118.5 billion annually from 2023 to 2025, according to the Department of Finance.

Across the globe, geopolitical tensions are intensifying. The conflict between Iran and the US & Israel led to a series of military attacks in the first quarter of 2026, causing serious disruption in the global supply chain and prices of oil. This presents a "triple whammy" for the Philippines, as it is almost entirely dependent on imported fuel (approximately 95–98% sourced from the Middle East), relies heavily on oil-based transportation, and remains significantly exposed through remittances from the Middle East region. Uncertainty around the timing and outcome of a resolution continues to weigh on the country's macroeconomic outlook as the conflict persists.

The Philippines' territorial dispute with China over the West Philippine Sea also continues to threaten national security and create a structural drag on growth. The ongoing cross-strait tension between China and Taiwan and the strategic rivalry between China and the US warrant continuous monitoring as escalation could result in serious impacts. Shifts in the Trump administration's trade and climate policies highlight the need for businesses in the country to strengthen their operational and climate resilience.



Regulatory Requirements

To fulfil the country's commitment under the Paris Agreement, Congress is working on the Low Carbon Economy bill that would prompt businesses to significantly reduce their emissions through a carbon-emission pricing framework. Once passed, this would require companies to monitor their emissions and establish decarbonization plans and reduction targets. It would also incentivize low-carbon investments, projects, and technologies.

Meanwhile, the Securities and Exchange Commission has issued new guidelines for publicly listed companies and large non-listed firms to align their disclosures with international standards. The aforementioned companies shall be required to adopt the Philippine Financial Reporting Standards 1 (General Sustainability Disclosure) and 2 (Climate-related Disclosures) starting 2026. Beyond compliance, this move encourages firms to prioritize their sustainability impacts and integrate climate risks into their strategies.

The Board of Investments recently announced that payments for the participants of the Comprehensive Automotive Resurgence Strategy (CARS) program are being processed. Enrollees to the program, including Toyota Motor Philippines, could expect to receive their tax payment certificates by 2027. The CARS program offered incentives to automotive firms who locally manufactured at least 200,000 units of an enrolled vehicle model (in TMP's case, the Vios) within the program period.



Technological Advancements

Reports show that the Philippines remains highly vulnerable to cybersecurity risks. As digital adoption booms, incidents of cyberattacks, data breaches, and digital fraud increase. Financial institutions lost PHP5.82 billion—which represents about

1.8% of the total income of the country's largest banks—from cyberattacks in 2024. Frequency of incidents also increased 150% over 3 years from around 16,246 incidents in 2022 to 40,780 in 2024. The 2025 Cybersecurity Readiness Index by Cisco also revealed that only 6% of Philippine firms are "cyber-mature." These figures reveal the country's vulnerability in the cyber space, necessitating urgent action.

A proposed cybersecurity bill would oblige companies to report cyberattacks and enforce new security and monitoring requirements. It would also mandate owners of Critical Information Infrastructure to report data breaches and create an incident reporting playbook to secure the data under their care. Furthermore, the Anti-Financial Account Scamming Act was passed into law to protect consumers from scams targeting banks, e-wallets, and other digital platforms. It imposes clearer obligations on banks and financial institutions to strengthen their IT security and diligently report suspicious transactions.



Natural Disasters and Climate Change

For 21 consecutive years, the World Risk Report has named the Philippines as the most disaster-prone country in the world. This highlights the urgent need to strengthen the country's coping and adaptive capacities.

Frequent typhoons and floods pull the GDP down by approximately 0.2% to 0.3% annually due to damages to agriculture and its resulting inflationary pressures. According to a study by the Asian Development Bank, the Philippines may lose 6% of its GDP annually by 2100 if climate risks are not mitigated well.

A magnitude 7.2 earthquake is feared to hit Metro Manila and adjacent provinces, possibly resulting in around 51,500 casualties and 100,000 injuries. The World Bank estimates that this quake could cause USD 48 billion (PHP 2.3 trillion) in economic losses.

Risks and Opportunities

GRI 2-25, IFRS S1:44, S2:25

Risk Management in Context

The risk-taking of a holding company is linked to and largely driven by the risk exposures of its operating companies, which are the primary source of revenue. GT Capital's Risk Management practice is designed to anticipate potential risks in the various businesses it invests in, identifying risks in the business landscape. The Risk Taxonomy of the organization covers the external risk drivers which influences the exposure to certain types of risks the company has identified as material. External drivers are classified under (a) Economic (b) Regulatory (c) Industry Specific Developments (d) Geopolitical (e) Environmental or Climate Risk and (f) Digital Economy. The process cultivates a forward-looking and proactive mindset for risk managers within the group.

Risk Universe and Taxonomy

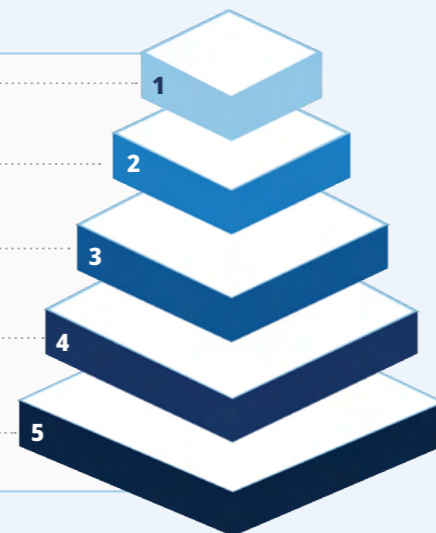


Risk Management Building Blocks

GT Capital's risk management recognizes the importance of establishing a solid foundation for different areas of risk management practice. In order to promote strong and effective risk management, the following building blocks are key focus areas.

Building Blocks of Enterprise Risk Management (ERM)

1. Risk Governance & Oversight
2. Risk Appetite & Strategy
3. Risk Management Practices, Policies & Processes
4. Risk Management Function
5. Risk Culture



Risk Management Workshop for Toyota Santa Rosa

Enterprise Risk Management Standards

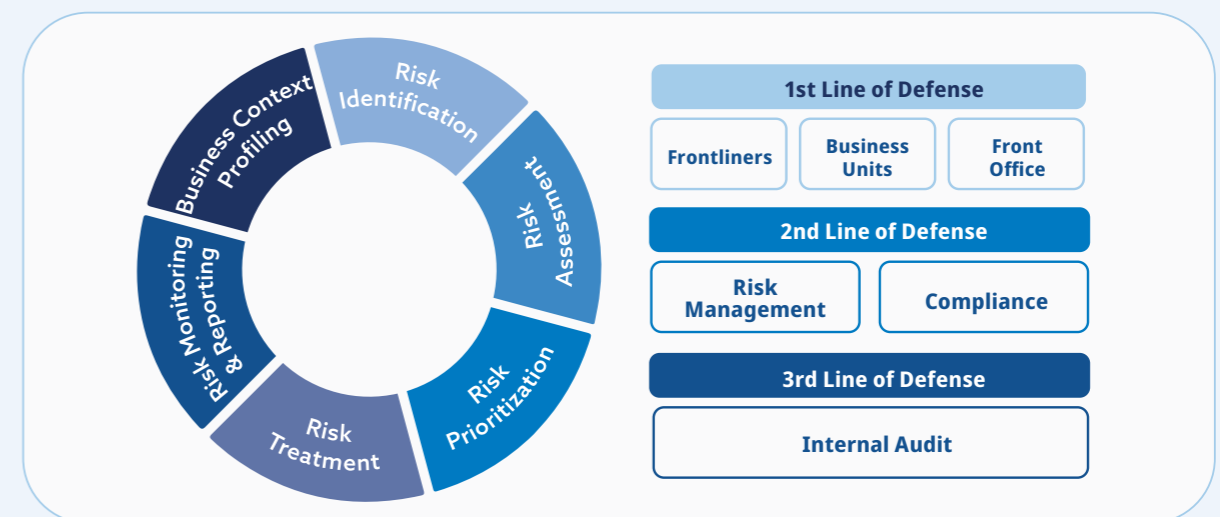
GT Capital has adopted an Enterprise Risk Management ("ERM") Policy and Framework for the promotion of risk awareness, minimization of GT Capital's exposure to financial losses, and boosting shareholder confidence. GT Capital seeks to maintain an effective risk management process, designed to meet the requirements of good corporate governance.

The goal of the enterprise risk management process is to apply a consistent methodology to identify, assess, and manage business risks across GT Capital. GT Capital undertakes regular assessment of its risks using methodologies aligned with global risk management standards - ISO 31000 and COSO Framework.

Enterprise Risk Management Process

The company follows the three lines of defense model integrating risk management in the day-to-day activities of the business. All employees are trained and expected to participate and be responsible in the implementation of the Enterprise Risk Management Process which is comprised of the following steps. Moreover, risk management is included in the investment due diligence process in ensuring that the proper risks are accounted for before any potential investments.

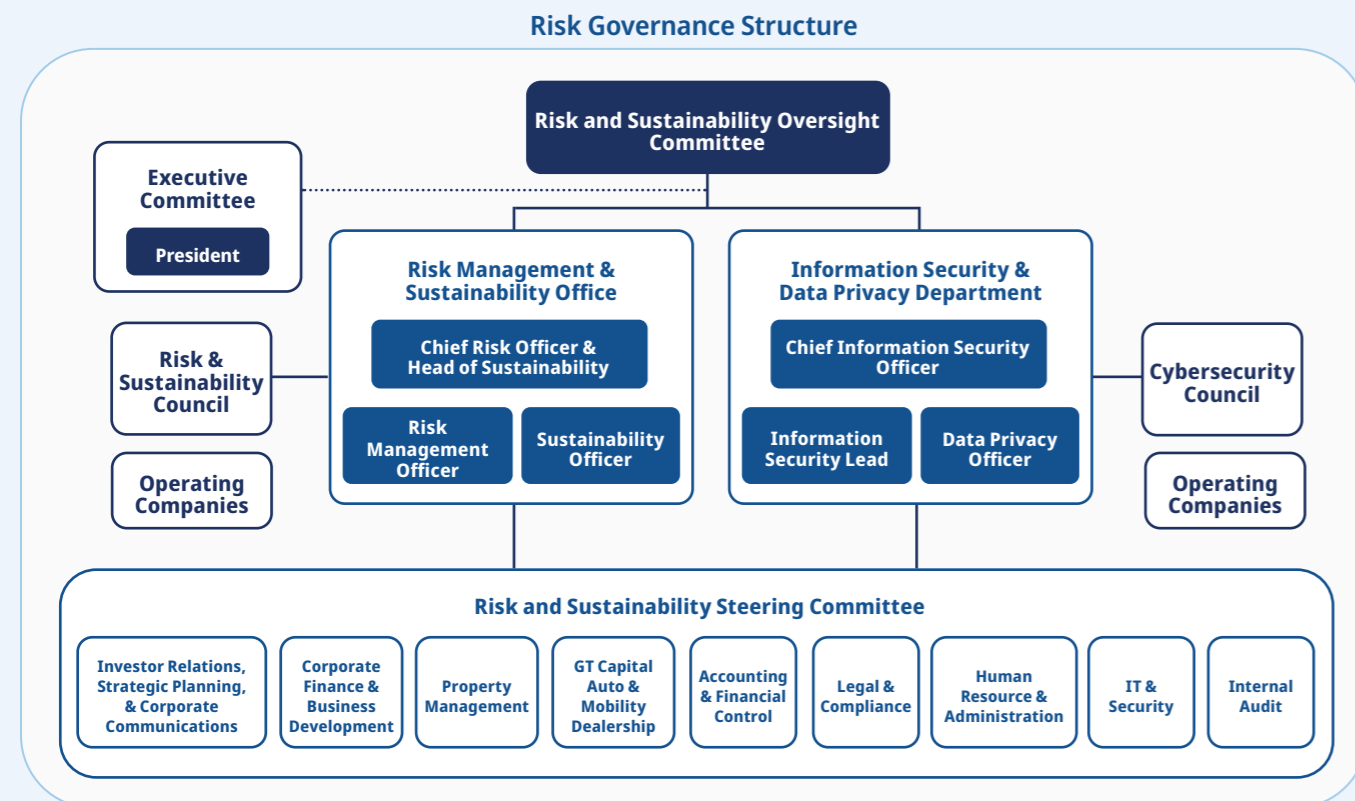
Risk Management Process



Risks and Opportunities, continued

Risk Governance Structure

GT Capital's risk governance structure ensures that risk management is not the sole responsibility of one individual but rather occurs and is supported at all levels in the Corporation. The effectiveness of the risk governance structure and process is supported by well-defined risk management roles and responsibilities and periodic review conducted by the Internal Audit Department. The Risk and Sustainability Oversight Committees ("RSOC") meetings are performed on a quarterly basis covering the group's risk exposures including its operating companies.



The Board of Directors, through the Risk and Sustainability Oversight Committee ("RSOC"), has the ultimate oversight role over the Corporation's risk management activities, and approves risk management-related policies, procedures, and parameters that govern the management of risks.

The Board of Directors, with guidance from the Executive Committee, determines the strategic direction of GT Capital and creates the environment and the structures to properly align risk management with strategic objectives.

The Chief Risk Officer ("CRO") is the enterprise-wide risk advocate who facilitates the execution of the ERM process. The primary responsibility is to own, develop, implement, and continuously improve the ERM process. He is assisted by a full-time risk management officer.

The Risk & Sustainability Steering Committee ("RSSC") members are composed of heads of departments at the parent level who are responsible for the oversight of risk exposures across the group and the strategic risk management for the portfolio of investments.

The Risk Management Council members are composed of representatives from the operating companies who serve as champions for the identification, assessment, and monitoring of key risks, and the establishment of countermeasures in collaboration with the business units.

The Internal Audit Department provides an independent assurance of the effectiveness of the risk management process. In accordance with the Risk Management Charter, the risk management system is subjected to regular internal audits to identify any gaps in the performance of the process. The audit results are reported to Senior Management, the Audit Committee, and the Risk & Sustainability Oversight Committee, and are addressed accordingly.

In December 2024, the Internal Audit Department (IAD) performed an audit on the Enterprise Risk Management Framework's implementation and controls which resulted in an overall rating of satisfactory indicating that controls are in place and performing as designed. Furthermore, a joint statement is signed and approved by the Board on the adequacy and effectiveness of the Corporation's internal controls and risk management system. The enterprise risk management process is expected to be audited once every two years based on the internal audit's risk assessment.

Risk Appetite & Strategy

Risk Management's goal is to provide reasonable assurance regarding the company's achievement of its core objectives of optimizing risk and return. To be value creating and effective, Risk Management must be embedded in and connected directly to the enterprise's strategic planning process and execution. Aligned to this, the Risk Appetite Statements, with specific guiding thresholds and key metrics are reviewed and approved by the RSSC and RSOC on an annual basis.

VISION STATEMENT		
To be a leading conglomerate, dominant in all sectors invested, most sought strategic partner in the Philippines, as a major contributor to the nation's sustainable development.		
RISK APPETITE STATEMENTS		
Strategic Driver	Risk Types	Risk Appetite Statement
Diversification and Synergy, Sustainability	Strategic Risk	Maintain a stable, synergistic portfolio of strategic partnerships that creates, delivers, and captures value to our stakeholders towards sustainable nation-building.
Earnings, Liquidity	Profitability Risk	Maintain stable earnings and growth able to withstand foreseen risks in extreme but plausible scenarios.
Operational Risk	Liquidity Risk	Always ensure stable and efficient access to funding and liquidity.
	Operational Risk	Maintain operational stability within business operating capacity.
	Business Continuity Risk	To ensure resilience and continuity of critical operations and quickly recover during and after disruptions.
	Cybersecurity Risk	Actively monitor and manage cyber risks that may cause operational disruption, financial loss, exposure of sensitive information, or regulatory or legal consequences.
	People Risk	To engage, retain and develop talent by fostering a culture of growth, satisfaction, and excellence to drive collective success
Regulatory	Regulatory Risk	Maintain a positive brand reputation to uphold stakeholder confidence at all times.
Reputation	Reputational Risk	Maintain the highest-level standards of corporate governance.

Risk Management Culture

Creating and promoting a risk culture that requires the highest standards of ethical behavior among all personnel is a must. This is achieved through the following:

- Transparent and consistent policies aligned with the risk appetite statements
- Pro-active engagement of first line of defense in risk management actions
- Promoting awareness among employees via culture building activities
- Onboarding process for employees
- Risk management KPIs in employee performance review
- Continuing education for all levels of the organization including the Senior Management and the Risk and Sustainability Oversight Committee members
- Synergize learning opportunities across the Group for risk management

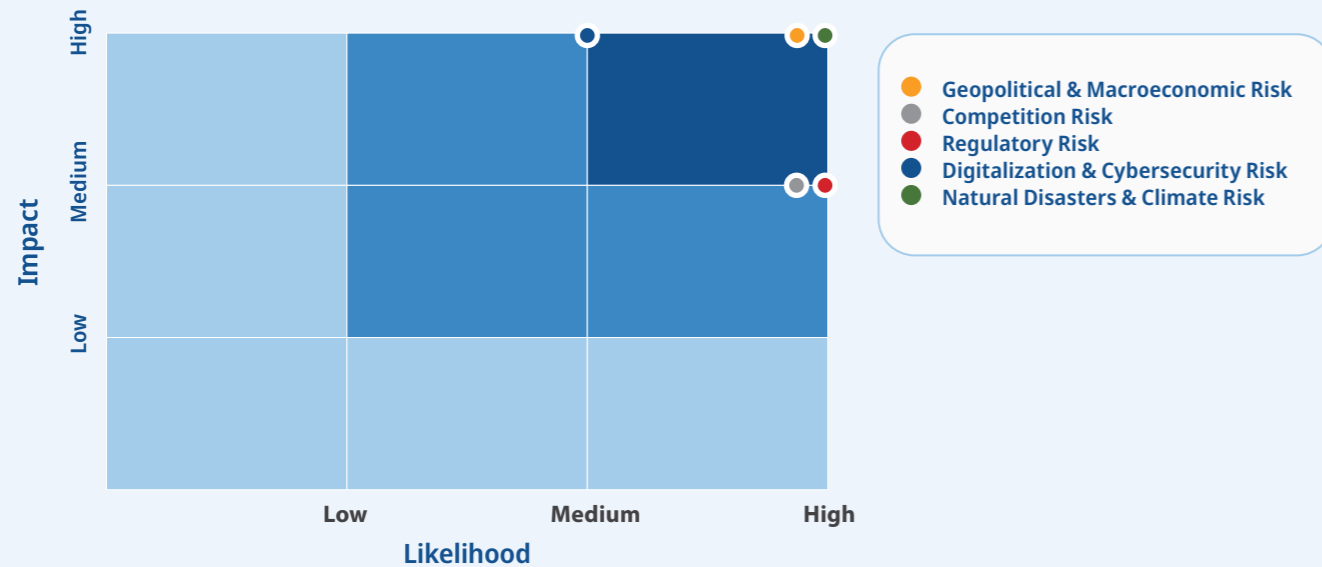


Risks and Opportunities, continued

IFRS S1:17-18, S1:30-42, S2:10

Risks and Opportunities

A testament to its strength and resilience, GT Capital identifies, monitors, and mitigates risks that may affect the company's future performance. The Company has always been proactive in addressing risks, ensuring that it could continue delivering value to stakeholders despite challenges. GT Capital has determined the following risks to be the most relevant to its businesses.



Geopolitical Risks / Macroeconomic Risks

	RISK DRIVER	MITIGATION AND OPPORTUNITIES
Time Horizon <input checked="" type="checkbox"/> Short-Term <input checked="" type="checkbox"/> Medium-Term <input type="checkbox"/> Long-Term Risk Score Impact <input checked="" type="checkbox"/> High <input type="checkbox"/> Medium <input type="checkbox"/> Low Likelihood <input checked="" type="checkbox"/> High <input type="checkbox"/> Medium <input type="checkbox"/> Low Source of Risk <input type="checkbox"/> Internal <input checked="" type="checkbox"/> External	<p>Philippine context</p> <p>Allegations of systemic corruption in flood control and infrastructure projects have triggered significant public unrest and frequent protests. There are also reports that these issues are being leveraged to support a potential destabilization plot against the current government.</p> <p>Global context</p> <p>Other significant geopolitical risks that warrant monitoring include the ongoing maritime tensions in the West Philippine Sea, as well as the strategic rivalry among the US, China, Taiwan, and the Middle East tensions. These developments present potential security and operational challenges for the group's business interests and value chain.</p> <p>The flood control mess led to lower GDP growth and a decline in investor confidence. The passage of the 2026 national budget and the government's demonstration of fiscal discipline and recovery measures will be critical to restoring investor confidence that contributes to retaining the country's investment grade status among credit rating agencies.</p>	<p>→ Explore strategic investments. Pursue diversification strategies by exploring business opportunities beyond the Philippines through partnerships with Japan, and broadening sector exposure by pursuing identified key growth industries health, renewables, data centers.</p> <p>→ Strengthen operational resilience. Maintain a close monitoring of geopolitical conflicts to understand and anticipate any potential impact on the group's business operations and value chain. Improve operational resilience and business continuity plans and implementation to include strategies for responding to emerging risks.</p> <p>→ Conduct Scenario Analysis and Stress Testing. Continue to conduct scenario analyses and stress tests—including impact of geopolitical and macroeconomic shocks—to assess liquidity contingencies across GT Capital and its operating companies.</p> <p>→ Continue to strengthen operational resilience and enforcing good governance and internal controls across the organization.</p>
Impact to Capital Financial		

Competition Risk

	RISK DRIVER	MITIGATION AND OPPORTUNITIES
Time Horizon <input checked="" type="checkbox"/> Short-Term <input checked="" type="checkbox"/> Medium-Term <input type="checkbox"/> Long-Term Risk Score Impact <input type="checkbox"/> High <input checked="" type="checkbox"/> Medium <input type="checkbox"/> Low Likelihood <input checked="" type="checkbox"/> High <input type="checkbox"/> Medium <input type="checkbox"/> Low Source of Risk <input type="checkbox"/> Internal <input checked="" type="checkbox"/> External	<p>Heightened competition is seen from Chinese manufacturers and the accelerating shift towards electric vehicles, potentially leading to reduced market share, downward pressure on pricing, and lower profitability within Toyota's existing product portfolio.</p> <p>Over the years, several automotive assembly plants have shut down in the Philippines due to intense competition in the ASEAN region's automotive manufacturing sector.</p>	<p>→ Position Toyota's electrified models on the strength of the brand's proven quality, reliability, comprehensive service and parts availability, and consistently high resale value in the local market. Promote HEVs via higher sales targets and discounts. Expanded electrified vehicle portfolio with the launch of the Yaris Cross SE HEV in August 2025, ATIV in October 2025, and the first all-electric bZ4X in November 2025, complementing its existing HEVs (Corolla Cross, Altis, Camry, RAV4, Zenix). Introduce BEV and PHEV variants as part of Toyota's multi-pathway approach responsive to customer readiness and market needs.</p> <p>→ Invested heavily in the production of the Next Generation Tamaraw, which with its multiple configurations, can cater to the diverse needs of small businesses.</p>
Impact to Capital Financial Manufactured Intellectual		

Regulatory Risks

	RISK DRIVER	MITIGATION AND OPPORTUNITIES
Time Horizon <input checked="" type="checkbox"/> Short-Term <input checked="" type="checkbox"/> Medium-Term <input checked="" type="checkbox"/> Long-Term Risk Score Impact <input type="checkbox"/> High <input checked="" type="checkbox"/> Medium <input type="checkbox"/> Low Likelihood <input checked="" type="checkbox"/> High <input type="checkbox"/> Medium <input type="checkbox"/> Low Source of Risk <input type="checkbox"/> Internal <input checked="" type="checkbox"/> External	<p>ESG and sustainability regulations are becoming more prevalent and stringent. Punitive and incentive mechanisms are being issued. The Philippine government is studying the possibility of imposing carbon taxes and cap & trade mechanisms to promote sustainable business activities and/or penalize unsustainable ones.</p> <p>Starting 2026, the Securities and Exchange Commission will require publicly listed companies and large non-listed firms to adopt the Philippine Financial Reporting Standards (PFRS 1 and 2) to enhance sustainability reporting.</p>	<p>→ Continue to build capacity, enhance baseline data, and implement its sustainability roadmap, which delivers strategic value to the Group's stakeholders by embedding ESG as a strategy.</p> <p>→ Continuously monitor shifts in global and local regulatory environments while collaborating closely with the government and peer companies to ensure the alignment of corporate goals with national strategies.</p>
Impact to Capital Financial Manufactured Intellectual Human Social & Relationship Natural		

Risks and Opportunities, continued

Technological Risks (Digitalization and Cybersecurity)

	RISK DRIVER	MITIGATION AND OPPORTUNITIES
Time Horizon ✓ Short-Term ✓ Medium-Term ○ Long-Term Risk Score Impact ✓ High ○ Medium ○ Low Likelihood ○ High ✓ Medium ○ Low Source of Risk ✓ Internal ✓ External	Threat actors are using emerging technologies to conduct cyberattacks. Smaller companies may lack resources necessary to manage potential risks which could lead to reputational damage for the group. The proposed Cybersecurity Act (HB 3193) institutionalizes mandatory requirements for reporting data breaches, malware infections, and other cyber incidents especially for entities defined as part of the country's Critical Information Infrastructure such as banking & finance, broadcast media, emergency services, energy, health, telecommunications, transportation, and water. They would be required to adopt internationally recognized security standards (e.g. ISO/IEC 27001, ISO 22301, ISO/IEC 27701), implement robust cyber-incident response, and comply with risk-management, reporting, and audit obligations.	→ Strengthen operational resiliency in the conglomerate by pursuing the institutionalization of cybersecurity measures under the direction of the CISO, overseen by the RSOC/IT Committee, and supported by the GT Cybersecurity Council. → Institutionalize cybersecurity policies and establish minimum standards for cybersecurity that all operating companies should adhere to. → Explore cost-sharing for cybersecurity investments through group engagements with cybersecurity providers (e.g., shared vendors for centralized MSOC) → Accelerate investments in modern IT systems and AI-powered security tools, in collaboration with leading technology partners. → Launch continuous awareness and advocacy campaigns to foster a culture of cybersecurity across the organization. → Institute a risk appetite statement on the cybersecurity risk to set the tone from the top on the implementation of initiatives.

Impact to Capital **Financial** **Manufactured** **Intellectual** **Social & Relationship**

Climate Risks and Natural Disasters

	RISK DRIVER	MITIGATION AND OPPORTUNITIES
Time Horizon ✓ Short-Term ✓ Medium-Term ✓ Long-Term Risk Score Impact ✓ High ○ Medium ○ Low Likelihood ✓ High ○ Medium ○ Low Source of Risk ○ Internal ✓ External	<p>Higher Physical Climate Risk</p> The lack of adequate flood control infrastructure, as well as the implementation of substandard projects, increased the country's vulnerability to physical and climate-related risks. This also leads to a higher risk premium in areas where severe flooding is impacted. <p>Potential Transition Climate Risk</p> The proposed Low Carbon Economy Investment Act (HB 7705) will require enterprises with significant greenhouse gas (GHG) emissions to develop decarbonization plans with clear milestones and targets, aligned with limiting global temperature rise to below 2°C. The proposed bill introduces a carbon pricing mechanism for emissions exceeding set thresholds, and establishes a decarbonization fund to support low-carbon projects. <p>Disaster Risk</p> The Philippine Institute of Volcanology and Seismology is anticipating The Big One, a magnitude-7.2 earthquake that could result in tens of thousands of casualties and injuries.	→ Strengthen operational resiliency in the conglomerate by institutionalizing enterprise risk management, business continuity management, and third-party supplier resilience requirements. Leverage the Risk Management Council and operating companies needing assistance through GT Capital to institutionalize risk management and embed business continuity practices across all operating companies towards organization-wide resilience and preparedness. → Continue to pursue investment opportunities that support the country's transition to Low Carbon Economy including adding Renewable Energy in the business portfolio. Maintain support for Toyota's journey towards carbon neutrality by 2050, which includes sales of its electrified product strategy. Through Metrobank, continue offering green financing that supports renewable energy, clean transportation, energy efficiency, green buildings, pollution prevention and control, and water and waste management to accelerate the country's transition to low carbon economy. → Ramp up climate adaptation and resilience investments—including climate-proofed facilities, diversified supply chains, renewable energy, and risk-based planning—which can protect long-term value and improve competitiveness as climate regulation and stakeholder expectations tighten.

Impact to Capital **Financial** **Manufactured** **Human** **Social & Relationship** **Natural**

Emerging Risks

GT Capital exercises prudent risk management by monitoring and preparing for emerging risks. The Company classifies risks as "emerging" if they demonstrate two determining characteristics: 1) they arise externally from factors beyond the Company's control, and 2) trends point to these risks getting increasingly important. Their significant effects may or may not be felt in the next three to five years, but some consequences may already start to manifest. This drives GT Capital to be proactive in addressing these risks.

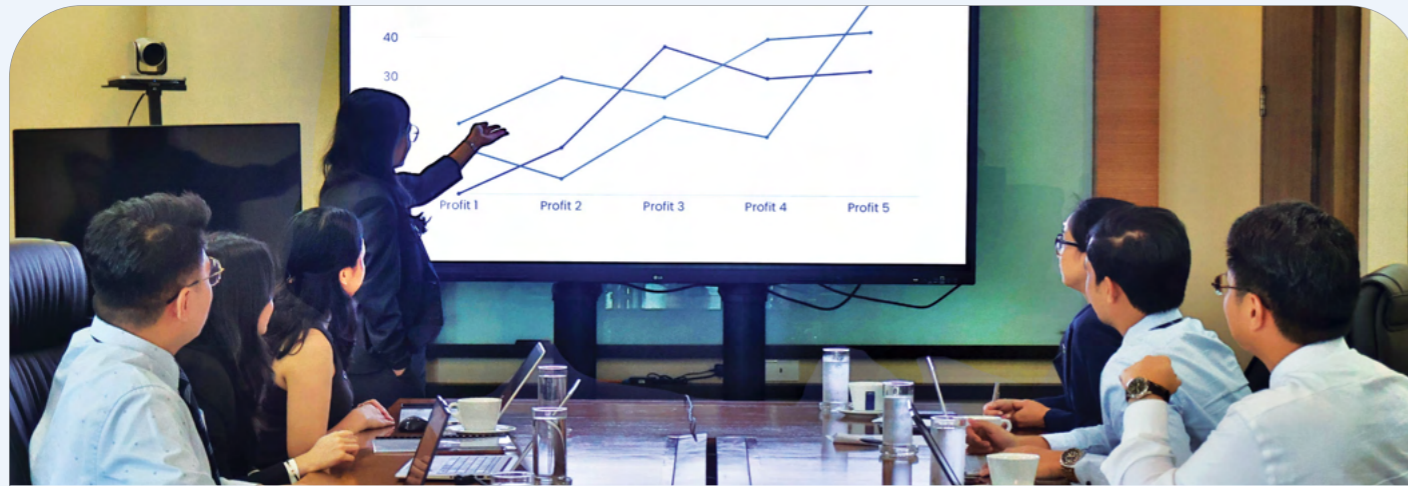
Digital Transformation and Artificial Intelligence

CONTEXT	OUR RESPONSE
The use of artificial intelligence (AI) is drastically progressing in diverse industries, with governments and businesses embracing AI and integrating it into their operations. Top executives in the Philippines advocate for adoption; in fact, a PwC Philippines survey revealed that 68% of CEOs are factoring in AI in their business plans, while 60% have already started utilizing it. Innovations in AI help enhance productivity, revenue, and customer engagement, among others. On the flip side, it could also be used for spreading misinformation and/or disinformation through AI-generated content and deepfakes.	→ Strengthening the Group's capacity to leverage technology through the modernization of internal legacy systems, application of automation processes, development of mobile applications and utilizing analytics to enhance overall efficiency and customer experience.



Business Strategy

IFRS S1:29, S2:9, S2:14



Strategy	Capitals	Strategic Objectives	KPIs and Targets
Explore new sectors	Financial	<ul style="list-style-type: none"> Invest in new businesses that are in underpenetrated sectors, give the potential to establish market dominance with a strategic partner, and provide synergy opportunities with existing operating companies 	→ Higher customer base
	Intellectual		→ Higher sales volume
	Human		→ Higher customer retention
	Social & Relationship		
Expand existing sectors	Financial	<ul style="list-style-type: none"> Continue growing existing businesses under the GT Capital Group Grow operating companies organically 	→ Return on Equity
	Manufactured		→ Internal Rate of Return
	Intellectual		→ Earnings Per Share accretion
	Human		→ Return on Investment
	Social & Relationship		→ Net Income Targets
	Natural		→ Number of new business partnerships established
Enhance synergies	Intellectual	<ul style="list-style-type: none"> Identify cross-selling opportunities within the Group and engage with operating companies to establish such connections Measure the wallet sizes of the business Consolidate synergy wish lists Limit leakages from transactions Maximize cross-selling within the GT Capital ecosystem Link existing digital platforms of operating companies 	→ Increase penetration within operating companies
	Human		→ Lower leakage
	Social & Relationship		→ Higher sales

Human Capital Strategy

GRI 403-5, 403-6, 403-7, 404-2, 406-1

As a leading conglomerate, GT Capital builds a solid foundation for success through an outstanding workforce, nurtured in a culture of excellence and an empowering work environment. At the heart of this strategy is the commitment to create a workplace that fosters professional growth, job satisfaction, and high employee engagement. From talent acquisition to development, engagement, and retention, GT Capital strives to bring out the best in every employee while ensuring they feel valued and well supported. The Human Resources and Administration Department (HRAD) is responsible for these vital people-focused functions.



GT Capital Culture Building Session

Talent Acquisition

GT Capital recruits candidates with strong potential, relevant expertise, and the capability to thrive in a high-performing organization. Beyond the assessment of hiring managers, the selection process is strengthened through empirical data and objective insights generated by assessment tools and third-party assessment and development centers. Through these partners, HR conducts comprehensive competency evaluations to determine organizational fit, retention risk, leadership potential, and each candidate's key strengths and development areas.

Employee Benefits

To attract and retain top talent, GT Capital and its operating companies offer competitive compensation packages complemented by benefits that often go beyond statutory requirements. These may include:

-  **Leave Benefits**
vacation leave, sick leave, emergency leave, extended vacation leave (convertible to cash or available for carryover), medical leave, calamity leave, bereavement leave, solo parent leave, gynecological leave, maternity leave, paternity leave, and study leave with pay.
-  **Health and Wellness**
Mental health support services and the Get Tracking Plus Wellness Program, which encourages healthy habits by monitoring daily steps, personal wellness goals, and improvements in blood chemistry indicators.
-  **Work Flexibility**
Flexible work schedules and other employee-friendly work arrangements or accommodations.
-  **Financial Assistance**
Emergency and housing loan programs at preferential rates.
-  **Mobility Benefits**
Car plan programs with cost-sharing arrangements for middle managers, as well as company-assigned vehicles for executives.

Onboarding

To ensure that employees uphold the values and standards of GT Capital, new hires undergo a comprehensive onboarding and compliance training program. This equips them with the knowledge, tools, and expectations needed to perform effectively and integrate smoothly into the organization from day one.

The program covers essential topics such as the company's Vision, Mission, and Corporate Values; organizational structure; operating companies and strategic partners within the conglomerate; governance principles; HR policies and employee benefits; applicable labor regulations and Department of Labor and Employment (DOLE) guidelines; Code of Discipline; information security and cybersecurity awareness; data privacy; and key work processes relevant to each employee's role.

Employees are also introduced to the company's talent management programs, which support continuous learning, career development, succession planning, and long-term growth, as well as employee engagement initiatives that promote collaboration, wellness, inclusion, and a strong sense of belonging.

Continuous Learning and Development

The strength of any organization lies in the capability of its people. Guided by this principle, GT Capital consistently provides employees with opportunities to learn, grow, and further develop their skills. Each employee is supported through an Individual Development Plan (IDP) tailored to their competencies, development needs, and career aspirations.

To reinforce a culture of lifelong learning, GT Capital established the Development and Engagement of Employees Program (DEEP), which offers a wide range of continuing education opportunities, including certifications, diploma programs, and postgraduate degrees. Learning is delivered through multiple channels such as in-house professional development programs, e-learning platforms, and external classroom training with reputable educational institutions and industry organizations.

Human Capital Strategy , continued

Even contractual employees pursuing undergraduate degrees may receive support, helping improve their readiness for future regularization opportunities.

The company also promotes echo sessions, where employees who attend external training programs share key learnings with colleagues. This practice strengthens knowledge transfer, improves learning retention, and builds communication and presentation skills.

GT Capital likewise implements a secondment program, giving employees the opportunity to take on assignments in new environments or business units. This broadens their experience, develops cross-functional capabilities, and helps identify both technical and leadership competency gaps. It also plays an important role in strengthening the organization's leadership pipeline.

Leadership Development

GT Capital's leadership development initiatives use customized, evidence-based assessments to identify critical skill gaps, leadership potential, and readiness levels of future leaders. Based on these insights, personalized development plans are created to prepare high-potential employees for more advanced roles within the organization.

Mentorship is also institutionalized to promote the transfer of knowledge, experience, and leadership wisdom from senior executives to emerging talent—ensuring continuity, growth, and a strong succession bench.

Employee Engagement and Social Responsibility

To foster employee engagement beyond day-to-day work, GT Capital established the Employee Network for Growth and Engagement (ENGage) Team, a group of volunteer employees who help design and implement programs that strengthen workplace culture, camaraderie, and morale.

These initiatives include celebrations and community-building activities such as the New Year's Toast, Chinese New Year, Valentine's Day, summer outing and team building, anniversary

"Through the Hapag Pasko, we were able to understand the challenges that the community faces in requesting and receiving medical aid and disaster relief. This experience taught me that merely giving donations or gifts is not enough to uplift the spirit of an underserved community. To truly help a community as unique as the Deaf and Mute Unhoused persons of Malate, it is necessary to at least try to communicate with them in a language that they understand to help them feel seen and heard."

Atty. Paula Beatriz L. Azurin,
Legal and Compliance Department
Participated in the Hapag Pasko
Program



outreach programs, bowling and game nights, Mooncake Festival, Trick-or-Treat, and the annual Christmas party.

In 2025, through the Purple Hearts Club, the company also rolled out meaningful social impact initiatives that deepened employee involvement and strengthened community connections. These included a feeding program for 50 young nursing mothers and children aged 0–3 at Our Lady Queen of Peace Parish in Cavite; Brigada Eskwela and National Teachers' Month activities at Santiago Elementary School in the LRA Relocation Site; and the Adopt a Surgical Patient from the Province medical mission and HeART for a Cause campaign in partnership with Manila Doctors Hospital and Metrobank where donations were made in lieu of corporate giveaways.

GT Capital likewise launched a Values and Leadership Development Program for 50 college scholars from Payatas, Quezon City, helping nurture future leaders grounded in character and purpose. Through sessions on values formation, emotional intelligence, communication skills, and mentorship from GT Capital employee volunteers, the program promoted empathy, resilience, and servant leadership.

"At first, I wasn't sure how I could help since I'm not a medical professional. But when we arrived and simply talked to the beneficiaries—asking how they were and checking on their recovery—I realized how meaningful our presence was. Even small conversations made them happy, and you could truly feel their gratitude. Seeing their smiles and hearing their "thank you"s made the experience very fulfilling. It reminded me how lucky we are and how even small acts of kindness can bring hope and comfort to others."

Erika T. Dayao,
Participated in a medical mission
jointly organized by GT Capital and
the Manila Doctors Hospital



"As I reflect on the CSR activity, I realize more and more how much the experience can transform each and every one of us. First, I realized that our work at GT does not only impacts us, but communities as well. Second, alms need to come from a good and charitable heart, not a desire to look good. Or just compliance, for that matter. For us who have done the CSRs, we should not look at the experience as just a way to check PAM boxes, or to make ourselves look good on social media. The CSR should be done out of the goodness of our hearts, and heard."

Atty. Philip Joseph C. Padlan,
Legal and Compliance Department,
Participated in the Hapag Pasko
Program



During the Christmas season, employee volunteers also led Hapag Handog, distributing Noche Buena bags to 420 beneficiaries, including 100 deaf and hard-of-hearing homeless individuals in Ermita, Manila; 120 college scholars; and 200 persons with disabilities and fisherfolk families in Malolos, Bulacan.

Beyond professional development, GT Capital provides employees with opportunities to find deeper purpose through its charitable and corporate social responsibility programs. Participation in these initiatives creates meaningful experiences and a different kind of learning—one that renews passion, compassion, and commitment while creating a positive impact on the communities it serves.

In 2025, GT Capital conducted its biennial Employee Engagement Survey to better understand employee sentiment, workplace satisfaction, and opportunities for continuous improvement. The results reflected a workforce that remains proud to be part of the organization and strongly aligned with the company's culture, values, and strategic direction. Employees likewise expressed appreciation for the professional work environment, collaborative relationships, and leadership support.

The survey also provided valuable insights on areas where employees seek further progress, particularly in compensation and benefits, work-life balance, career development, and systems efficiency. Feedback was constructive and forward-looking, demonstrating a high level of trust and engagement among employees who are invested in helping the organization improve and succeed.

These findings provide management with a clear roadmap for people-focused initiatives that will further enhance employee experience, strengthen retention, and sustain a high-performing and engaged workforce.

Labor Management

GT Capital recognizes the importance of transparency and open communication to strengthen the trust between the company and its workforce. Hence, as a Group-wide policy, employees are notified about operational changes well in advance, adhering to a standard 30-day notice period prior to implementation. GT Capital also encourages feedback through regular meetings, focus group discussions, town hall meetings, and surveys. This proactive approach allows employees to prepare for changes, voice any concerns, and feel valued and heard.

Diversity, Inclusion, Non-discrimination

GT Capital and its operating companies are committed to creating a workplace where equal opportunities are provided to all. GT Capital ensures that it is free from any kind of discrimination based on gender, sexual orientation, age, marital status, pregnancy, political beliefs, ethnicity, religious beliefs, disability, or any other characteristics irrelevant to job performance. This also means the company is taking steps to eliminate pay disparities between male and female employees. GT Capital also strives to protect its employees from harassment, violence, and intimidation.

Workplace Safeguards

To safeguard the rights and welfare of employees, GT Capital and its operating companies have established their Whistleblowing Policy. It enables employees to anonymously report violations and misconduct—such as threats to health and safety—without fear of retaliation. Under GT Capital's Whistleblowing Policy, reports are managed by the Chief Audit Executive, who oversees investigations, appoints investigating officers, and decides whether cases should be managed by a Special Task Force or escalated to the Discipline, Ethics, and Value Committee. Furthermore, GT Capital provides comprehensive training and resources to educate employees about their rights and the channels available for reporting inappropriate behavior.

Human Rights

GT Capital adheres to strict human rights policies and procedures, implemented by the HRAD and Legal and Compliance Department. Employees receive comprehensive training on the matter. Additionally, the company also considers human rights track record as a significant factor in its investment decisions.

GT Capital's Code of Discipline outlines its strong commitment to anti-corruption and ethical business conduct. Employees must always embody honesty and integrity and observe professionalism, ethical standards, and discipline. Practices such as bribery and the acceptance of personal gains in official dealings are strictly prohibited, with violations leading to severe penalties, including dismissal. The Internal Audit Department conducts a biennial review of the Code of Discipline.

The GT Capital HR Council

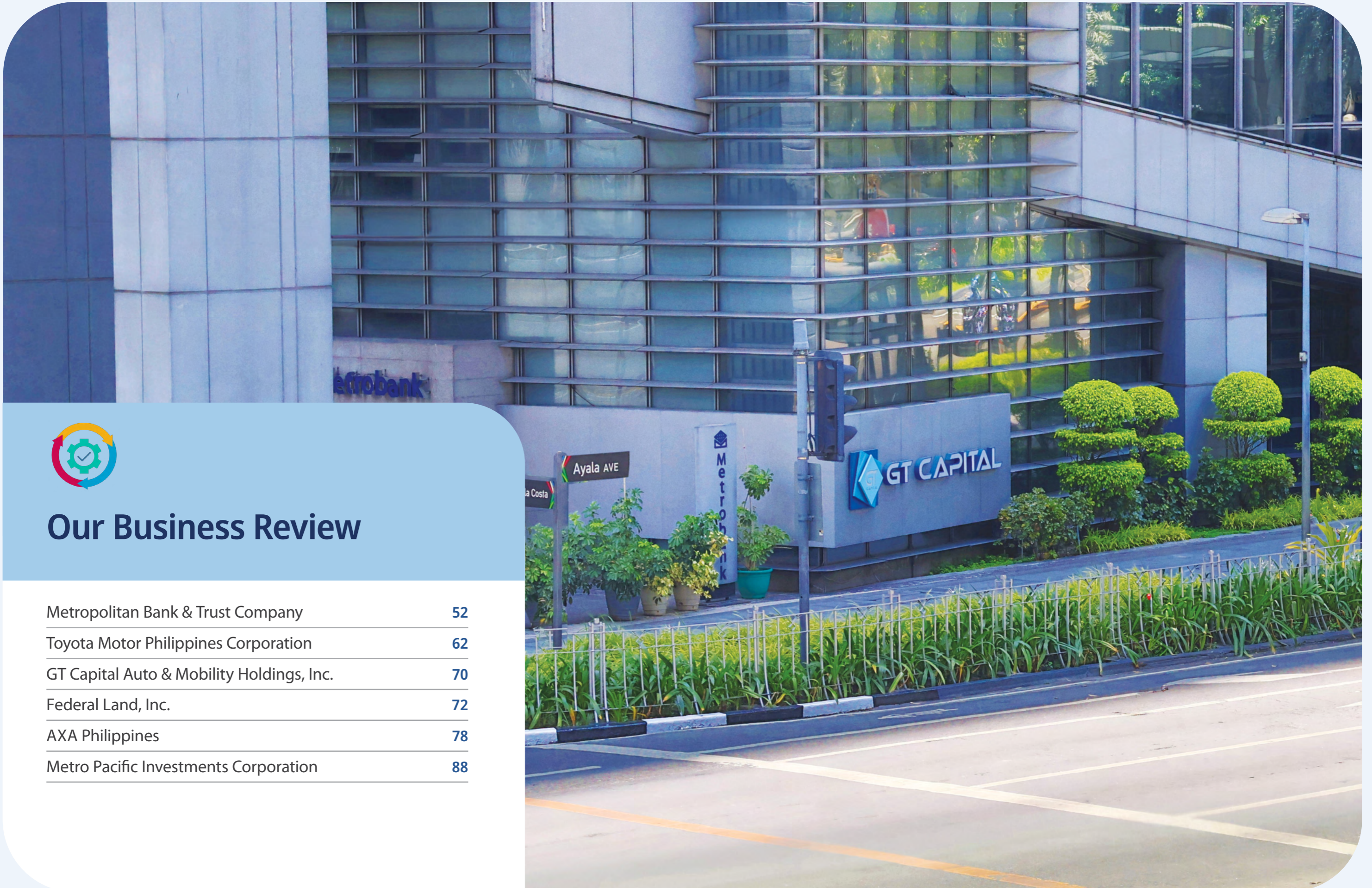
In 2022, GT Capital established the HR Council to strengthen collaboration across the Group in the areas of employee engagement, talent acquisition and development, and future readiness. Composed of HR leaders from its operating companies and foundations, the Council serves as a strategic platform for synergy, knowledge sharing, and collaboration.

The GT Capital HR Council drives three major initiatives:

Heads Up, HR! A learning and insights platform where respected industry experts are invited to share emerging trends, market developments, and leading HR practices with the Group's HR community. Through these sessions, HR leaders gain fresh perspectives and practical ideas that help future-proof their organizations.

HR Sparks. An internal best-practice exchange of practices that highlights successful people programs within the GT Capital Group. HR leaders from operating companies are encouraged to showcase innovative initiatives that may be adapted or replicated across sister companies, accelerating learning and organizational excellence.

One Group, One Market. A business synergy platform that allows operating companies to showcase products and services made exclusively available to the Group's 40,000-strong workforce. It promotes cross-selling, cross-brand patronage, and employee loyalty by giving employees preferential access to the featured products and services from across the GT Capital ecosystem.



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Our Business Review



Metropolitan Bank & Trust Company (Metrobank)



The Metrobank Center in BGC

About the Business

Metropolitan Bank & Trust Company (Metrobank) is the primary banking arm of GT Capital Holdings, Inc. Alongside its corporate, commercial, and consumer banking services, as well as investment and trust banking, Metrobank offers insurance, leasing, and remittance services through its subsidiaries and affiliates, including First Metro Investment Corporation (FMIC), ORIX METRO Leasing and Finance Corporation (OMLF), Philippine Savings Bank (PSBank), and AXA Philippines Life and General Insurance Corporation (AXA Philippines).



The bank remains committed to supporting the financial goals of its diverse clientele, including multinational corporations, small and medium-sized enterprises, retail customers, high-net-worth individuals, and ultra-high-net-worth individuals. This commitment is anchored in its brand promise, *"You're in Good Hands with Metrobank,"* which is upheld through customer-centric strategies across its operations and channels.

2025 in Numbers

Php49.7B

Net Income
Record performance achieved

Php3.9T

Total Assets
Up by 10.2% year-on-year

Php2.7T

Total Deposits
Php1.6 trillion of which are
CASA Deposits

Php2.0T

Gross Loans and Receivables
With an NPL cover of 140.8%



Arthur V. Ty
Chairman

Fabian S. Dee
President

How Metrobank Creates Value

Living up to its brand promise of *"You're in Good Hands,"* Metrobank anchors its strategic pillars in customer centricity, guiding its objectives and efforts to strengthen its operations, workforce, and risk management. This customer-centric approach goes beyond delivering enhanced financial products and services; it positions the Bank as a trusted partner to clients throughout their financial journeys.

These strategies and key initiatives are exercised across the Parent company and its subsidiaries to ensure unified sustainable growth for the Metrobank Group. In 2025, its business units continued to work together to enhance solutions and processes in alignment with the Bank's overall strategy.

- 1. Growth.** Metrobank consistently strives to expand its customer base by reviewing and enhancing its products to better meet the evolving needs of both existing and new customers, including those across emerging markets.
- 2. Customer Experience.** Customer experience initiatives are anchored on valuing client feedback and strengthening responsiveness to requests and complaints. To support this, the Bank has invested in a Customer Feedback Management platform that enables more efficient monitoring and analysis of customer insights, which it uses to enhance its products, services, and processes.
- 3. Operational Efficiency.** In 2025, Metrobank contained its operating cost growth at 3.3%, keeping total expenses at Php79.7 billion, which improved cost-to-income ratio to 50.7%, down from 53.8%.

4. Digital Initiatives. As Metrobank advances its technological capabilities, it ensures that clients remain at the center of innovation. Digitalization efforts focus on boosting client engagement throughout our channels. The Bank continues to enhance the Metrobank Online App (MBOA) and Metrobank Business Online Solutions (MBOS) by developing new platforms and features that provide clients with easier access to a wider range of financial services and greater transparency in financial information.

5. Corporate Governance and Compliance & Risk Management. Metrobank upholds good corporate governance to preserve a culture of integrity across the organization. At the same time, it consistently improves its risk management amidst the rapidly evolving business environment. Part of strengthening its governance and risk management is staying abreast of developments in the regulatory landscape to ensure compliance and considering sustainable development in business operations and relationships.

6. People Development. The Bank continues to invest in the professional growth of its employees through targeted training and development programs, including communication and presentation skills, critical and analytical thinking, product and project management, and leadership development. It also nurtures future leaders through structured mentorship and succession planning initiatives. To ensure alignment with organizational priorities, Metrobank is enhancing its Key Result Areas (KRAs) to assess employee performance and contributions against its objectives.

At Metrobank, sustainability is about advancing inclusive and lasting progress. It supports people and businesses as they pursue opportunities today, while strengthening the foundations of long-term national prosperity. Through its financial solutions, Metrobank empowers individuals, enables enterprises, and helps communities thrive. Beyond addressing immediate needs, it integrates economic, environmental, and social considerations into decision-making, ensuring that growth today does not come at the expense of tomorrow.



Metrobank receives Best Managed Bank and Best CEO Awards from The Asian Banker

Our Business Review /
Metropolitan Bank & Trust Company, continued

IFRS S1:30-42, S2:10, S1:46-52, S2:27-37

Industry Risks and Future Outlook

Metrobank identifies key sustainability, climate, nature, and social risks and related opportunities across short-, medium-, and long-term horizons, embedding these factors into governance, risk appetite, and enterprise risk management to protect asset quality and support resilient growth.

Risk Category	Time Horizon	Key Risks to the Bank	Strategic Opportunities
Climate Physical Risks Risks from extreme weather and long-term climate change, including typhoons, floods, droughts, heatwaves, and rising sea levels. Potential Impact These risks can increase credit and market exposure through asset damage and collateral decline, while disrupting branches, systems, and third-party providers. Management Approach Metrobank strengthens resilience by integrating climate risk into credit and portfolio monitoring, enhancing business continuity planning, improving energy efficiency, and using climate-informed tools to protect operations.	Short	Severe weather events damage collateral, branch facilities, and other Bank assets.	Stronger operational resilience through climate-informed business continuity planning, expanded digital banking, and improved facility preparedness.
	Medium	More frequent and intense climate events disrupt borrower operations, branch availability, systems, and third-party providers.	Growth in climate-resilient and adaptation-focused financing, supported by stronger climate-informed credit monitoring.
	Long	Persistent physical climate impacts increase credit risk and create sustained operational strain.	Long-term capital deployment into climate-resilient and adaptation financing that strengthens balance sheet resilience.
Climate Transition Risks Financial and operational risks from regulatory, technological, and market shifts linked to the low-carbon transition. Potential Impact Transition risks may affect asset values, portfolio quality, and reputation, while increasing compliance costs and operational exposure. Management Approach Metrobank aligns financing with national climate and energy roadmaps, reduces exposure to high-carbon sectors, expands renewable and transition financing, and closely monitors market developments and emerging regulations.	Short	New climate and environmental regulations increase legal and compliance exposure.	Stronger climate data governance and regulatory tracking improve compliance and disclosure readiness.
	Medium	Financing misaligned with climate pathways heightens regulatory and reputational risk.	Portfolio realignment through expanded sustainable finance and transition initiatives reduces exposure to carbon-intensive sectors.
	Long	Ongoing exposure to carbon-intensive assets may lead to value erosion as net-zero policies accelerate.	Low-carbon facility upgrades and energy-efficient investments generate long-term cost savings and align with national decarbonization goals.
Biodiversity and Nature Risks Risks from deforestation, pollution, land-use change, and over-extraction of natural resources. Potential Impact Nature-related risks may increase credit exposure in resource-dependent sectors and create regulatory, operational, and supply chain disruptions. Management Approach Metrobank integrates biodiversity into due diligence, applies exclusion criteria for harmful activities, monitors	Short	Non-compliance with environmental regulations and permit requirements increases regulatory and operational risk.	Stronger environmental compliance through capacity building and improved oversight reduces penalties and disruptions.
	Medium	Financing linked to ecosystem degradation heightens reputational exposure.	Expanded lending for pollution control, waste management, and resource efficiency supports improved client performance.
	Long	Declining natural capital increases credit risk in resource-intensive sectors.	Nature-linked and conservation financing enables long-term value creation and sustainable growth.
Social Risks Risks related to labor practices, human rights, community relations, data privacy, social stability, and cyber threats. Potential Impact These risks may increase credit and reputational exposure through borrower disruptions and regulatory sanctions, while affecting operations due to labor disputes, unrest, or cybersecurity incidents. Management Approach Metrobank integrates social risk into due diligence, apply exclusion criteria, strengthen compliance monitoring, and embed social considerations into operational risk and business continuity planning.	Short	Non-compliance with labor, data privacy, and consumer protection laws may lead to penalties and sanctions.	Stronger oversight of labor practices, data privacy, and cybersecurity reduces financial and operational exposure.
	Medium	Social disruptions may impair borrower performance and affect operations.	Policy enhancements and sustained stakeholder engagement strengthen governance and trust.
	Long	Prolonged social instability may affect business viability and long-term performance.	Adaptive social risk governance frameworks support resilience amid evolving workforce and community expectations.

Key Performance Indicators and Impacts

Economic Performance and Impacts

Reflecting on its performance in 2025, Metrobank recognizes the value of collaborative growth across its subsidiaries and affiliates, as well as with its institutional and individual clients. Despite market headwinds, the Bank remained proactive in identifying opportunities to drive progress for our business and our clients.

The Corporate and Commercial Banking Groups strengthened customer partnerships by financing expansion initiatives, including projects that advance sustainable national development, such as clean energy and improved connectivity. To date, the Bank has mobilized more than Php140 billion for projects eligible under its Sustainable Finance Framework. Overall, corporate and commercial loan portfolio grew by 7.4% in 2025, reflecting sustained demand and strengthened client relationships.

Meanwhile, the Transaction Banking Group remained focused on acquiring new institutional clients within priority industries to expand the Bank's current account and savings account (CASA) base.

Through the Financial Markets Sector, Metrobank continued to deepen relationships with HNWIs and UHNWIs by delivering enhanced wealth management and investment strategies. Business units leveraged group synergies to strengthen investment platforms and support client acquisition.

Collaboration between the Trust Banking Group and other business units bolstered UITFs. As a result, the Trust Banking Group recorded a 64.4% increase in Assets Under Management (AUM).

At the same time, the Investment Distribution and the Private Wealth Division sustained active engagement across the Bank's investment and wealth management platforms, leveraging on the strengths of the Institutional Investor Coverage Division which continued to deliver timely, advisory-led investment insights.

Institutional Sales also continued to grow driven by active collaboration with Institutional Banking, Branch Banking, and Operations units.

The Consumer Business Sector continued to expand consumer footprint particularly in credit cards, auto and mortgage lending. Along this line, subsidiaries and affiliates also made meaningful contributions to the Bank's retail business. PSBank recorded increases in assets, investments, deposits, and its loan portfolio. AXA Philippines likewise achieved strong financial performance, particularly in Life and General Insurance.

Improving customer experiences continued to be the focus of the Branch Banking Sector in 2025. It grew the Bank's presence to 967 branches. These initiatives contributed to increasing Metrobank's total CASA Outstanding Balance by 5.9% to Php1.6 trillion.



This financial performance enabled Metrobank to create and distribute value at scale. In 2025, it generated Php192.46 billion in economic value and distributed Php163.31 billion to stakeholders. This includes:

- Php86.49 billion in operating costs that support suppliers and service providers
- Php25.05 billion in employee wages and benefits
- Php24.27 billion in taxes and government fees
- Php117 million invested in community programs

Through its investment banking arm, Metrobank mobilized Php4.37 trillion in capital funding to help finance key government programs and national development priorities.

Metrobank's Loan Contributions to the Sustainable Development Goals

As of December 2025, 66.93% of the total loan portfolio of the parent was aligned with SDG-related activities. These loans support sectors critical to national development, including food security, clean energy, resilient infrastructure, and financial inclusion. Through this approach, Metrobank helps channel capital toward projects that strengthen communities and support long-term economic resilience.

Our Business Review /
Metropolitan Bank & Trust Company, continued
IFRS S1:30-42, S2:10, S1:46-52, S2:27-37

Financial Inclusion and MSME Support

Metrobank continues to expand access to financial services across both physical and digital channels. It now operates 967 branches nationwide (including PSBank).

The Bank facilitated USD9.81 billion in remittances through 15.26 million transactions, supporting Filipino families and strengthening household financial resilience. It also supported 2,972 micro, small, and medium enterprises, with Php35.95 billion in outstanding MSME loans. By extending credit, advisory support, and accessible banking solutions, Metrobank helps small businesses grow, generate employment, and contribute to local economic activity. It also sourced 88% of its procurement spend locally, strengthening domestic supply chains and livelihoods.

2025 Highlights: A Growth Partner of Enterprises

Customers are at the core of Metrobank's growth strategy. More than simply expanding our reach, we aim to be a trusted partner in our clients' growth journeys. In 2025, we reinforced this commitment through our "Let's Grow Together" campaign, which highlights our role as a long-term partner in helping clients grow their businesses.

Metrobank's comprehensive suite of financial solutions—from commercial and SME loans, retail loans and investments to advisory services—supports our customers at every stage of their growth, whether aspiring entrepreneurs or established business owners.

To further sustain their progress, we equip our clients with relevant knowledge and timely insights through our financial education and market intelligence platforms, Earnest and Metrobank Wealth Insights.

By helping our business clients strengthen their enterprises through access to capital and sound financial management, we grow alongside them—contributing not only to shared success, but also to broader economic progress.



Sustainable Finance Framework

Metrobank recognizes climate risk as a financial and economic issue that requires timely and decisive action. It reduces exposure to high-risk activities and expands investments that build long-term resilience. It enforces a defined exclusion list covering illegal activities, environmental degradation, and human rights violations. All financing, including green loans, remains subject to industry and exposure limits, with credit conditions aligned to its Sustainable Finance Framework and ongoing portfolio monitoring to protect asset quality and promote responsible business practices.

As part of its transition strategy, Metrobank is establishing decarbonization pathways for carbon-intensive and hard-to-abate sectors, beginning with the coal industry under a Board-approved position adopted in 2024.

- Adherence to the Department of Energy's 2020 moratorium on new coal-fired power plants and related issuances.
- Capping coal-related term loan exposure at no more than 3% of the loan portfolio by 2033 and reducing it further to 2% by 2037.

Outstanding Financing for Coal-related Loans (in Php billions)

	2023	2024	2025
Coal-fired Power Plants	84.27	70.24	70.24
Coal Mining	0.01	0.02	0.02
Percentage of Total Loan Portfolio	6.24%	4.43%	4.09%

Disclosure: Restated to reflect updated loan account tagging: 6.24% (from 5.40%) in 2023 and 4.43% (from 3.80%) in 2024. Data shown are based on the Parent Company's financial results.

- Expanding financing for renewable and transition energy, energy efficiency, sustainable water use, green infrastructure, sustainable transport, and circular economy solutions. While Metrobank reduces exposure to high-carbon activities, it expands financing that supports the country's climate objectives.

Outstanding Sustainable Finance-Eligible Loans (in Php billions)

	2023	2024	2025
Renewable Energy	1.33	5.41	11.32
Energy Efficiency	0.10	0.09	24.23
Sustainable Water Management	9.00	26.18	34.38
Percentage of Total Loan Portfolio	0.77%	2.00%	4.07%

Disclosure: Data shown are based on the parent Company's financial results.



Environmental Performance and Impacts

Environmental Stewardship and Operational Efficiency

Metrobank continues to improve operational efficiency while managing its environmental footprint responsibly. In 2025, it reduced its Scope 2 emissions to 30,569 tCO₂e, and lowered emissions intensity to 0.20 tCO₂e per Php million in revenue. Energy efficiency initiatives delivered estimated savings of 5-10% across facilities. Beginning in 2026, the Bank will pilot renewable electricity supply transition across 30 identified sites, phasing in its decarbonization efforts and reinforcing its long-term environmental commitments.

GHG Emissions (in tCO₂e)

	2023	2024	2025
Gross direct (Scope 1)	345	370	307
Gross location-based energy indirect (Scope 2)	31,454	30,775	30,569
Intensity ratio, tCO ₂ e per full time employee (FTE)*	2.14	1.95	1.95
Intensity ratio, tCO ₂ e per Php million in revenue*	0.24	0.22	0.20

**Current intensity reflects only Scope 1 and Scope 2*

Through targeted conservation and efficiency measures, the Bank maintained steady energy consumption across key facilities and achieved estimated efficiency savings of 5-10% during the reporting period. In 2025, power consumption across major centers amounted to 41,224.7 MWh. These savings are based on direct measurements from utility bills and internal comparisons before and after efficiency initiatives, excluding changes related to reduced activity or outsourcing. Bankwide water consumption remained broadly consistent, reflecting stable operations and the continued application of water management controls across our centers.

Energy, Fuel & Water Consumption

Energy consumption (MWh)	2023	2024	2025
Centers	13,063.5	14,482.2	13,940.3
Branches	26,918.5	27,994.2	26,572.2
Other assets	3,822.3	366.0	712.2

Fuel consumption (L)	2023	2024	2025
Centers**	73,395	78,716	70,409
Branches	63,008	67,345	50,825

***includes car fleet fuel consumption.*

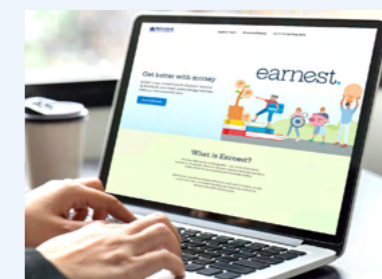
Water consumption (in cubic meters)	2023	2024	2025
Bankwide	267,805.3	271,241.5	272,616.0

Metrobank's waste management approach focuses on prevention, segregation, and responsible disposal. It continues to strengthen recycling practices, optimize resource use, and improve waste segregation across its facilities, building on progress achieved in prior years. These measures support waste reduction at source and help ensure that waste is managed safely and efficiently. In 2025, total waste generated amounted to 401.1 tonnes. Of this total, 59% was recyclable waste, 39% biodegradable waste, and 2% hazardous waste. Variations year on year reflect changes in operational activity levels and the continued refinement of waste segregation and recycling practices.

Waste generated (in tonnes)

	2023	2024	2025
Recyclable	237.2	178.8	237.5
Biodegradable	66.6	80.5	154.7
Hazardous	14.7	15.3	9.0

Metrobank complies with all applicable environmental laws and regulations while minimizing its environmental impact through the timely renewal and securing of required permits across its facilities. Through regular coordination with relevant government agencies, the Bank stays aligned with current requirements and prepares early for regulatory updates that may affect its operations.



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IFRS S1:46-52, S2:27-37



Metrobank and GT Foundation empower youth with smart money habits through the #EarlyGIFTChallenge

Social Performance and Impacts

As of December 31, 2025, Metrobank employed 15,820 full-time permanent employees across Metro Manila, Luzon, Visayas, and Mindanao. Of this total, 10,244 were women and 5,576 were men, supporting a wide range of roles across business operations, support functions, and leadership positions.

Employee Engagement

Metrobank believes that a strong employee experience starts with listening and is sustained through action. The Bank strengthened employee engagement through the MetroVoice Employee Engagement Survey, sharpening how it listens to its people, how it translates feedback into action, and how it reinforces accountability across the Bank. In 2025, MetroVoice recorded a 92% Sustainable Engagement score, improving from 2023 and performing above national, global high-performance, and financial services benchmarks.

Diversity and Inclusion

The Bank focuses on attracting people who are a strong fit for both the role and company culture, while building an environment that encourages them to stay and grow. In 2025, Metrobank continued to enhance its talent acquisition and workforce management practices. Vacancy levels stood at 3% as of year-end, supported by improved recruitment cycle times across employee categories. Internal candidate conversion also increased, reinforcing the Bank's commitment to career mobility and progression from within.

Competitive pay, comprehensive benefits, and access to learning and development support long-term engagement and performance. Equal opportunity hiring and compensation practices remain a priority, including gender pay equity, with base entry-level salaries kept equal for male and female employees. Beyond government-mandated benefits, permanent employees receive additional support designed to promote well-being and financial security.

Metrobank's approach to diversity and inclusion is grounded in principles of non-discrimination and fair employment, applied consistently across the organization. This commitment is reinforced by the Corporate Governance Manual, which mandates the Board to ensure that the workforce reflects an appropriate balance of skills, experience, tenure, gender, age, and geographic representation.

Metrobank's talent base is composed primarily of early-to mid-career employees, complemented by seasoned professionals and senior leaders. In 2025, the Bank welcomed 1,428 new hires, mainly for rank-and-file and junior management roles. Recruitment remained concentrated in Metro Manila, with additional hiring across regional locations. Women continue to be well represented across various roles and leadership levels. In 2025, women held 41% of top management positions.

In 2025, there were no recorded incidents of unlawful discrimination. During the same period, three harassment cases were reported. All cases underwent formal review, appropriate remediation measures were implemented, outcomes were evaluated through internal management processes, and the incidents have since been closed.

Human Rights and Labor Practices

Metrobank respects human rights and upholds fair labor practices across its operations. It respects employees' rights to freedom of association and collective bargaining, consistent with ILO fundamental principles. Its duly recognized employee union represents 6,340 members, equivalent to 88% of regular employees as of 2025. The 2025-2027 Collective Bargaining Agreement (CBA) defines terms on wages, benefits, and working conditions. Employment policies are applied consistently across the organization, with certain benefits structured differently for officers and non-CBA employees to reflect role-specific arrangements while ensuring fairness and compliance.

Collective Bargaining	2023	2024	2025
Total Probationary Employees	1,099	811	776
Total Non-union Members	334	361	331
Total Rank and File Employees	7,378	7,749	7,242
Total Union Members	5,945	6,577	6,340
Percentage of total permanent employees covered by collective bargaining agreements	81%	85%	88%

Metrobank's policies prohibit discrimination based on race, gender, religion, age, disability, ethnicity, caregiver status, socioeconomic background, trade union membership, and other protected characteristics and address workplace conduct and employee well-being. Key policies and programs include: Anti Sexual Harassment Policy; Anti Violence Against Women and Their Children Policy; Programs on mental health, HIV and AIDS prevention and control, and Hepatitis B workplace standards; and Drug-Free Workplace Control Standards.



Metrobank ranked 11th in The Philippines' Best Employers 2025 Award

Workplace Development and Upskilling

Learning is delivered through a structured Learning Portfolio covering Foundational, Functional, and Leadership capabilities. The portfolio provides a curated set of programs that help employees and their managers identify development priorities and build Individual Development Plans (IDPs) aligned with role requirements, career progression, and succession pathways. Courses are offered on a scheduled basis to promote equitable access across the organization. In 2025, employees completed an average of 16.68 training hours per employee. While total hours increased, the average declined as learning shifted toward more targeted, role-based, and immersive programs that prioritize depth, relevance, and application.

Moreover, Metrobank invests in education as an enabler of long-term employability and growth, supporting both employees and their families. In 2025, 564 employees as well as eligible dependents received educational assistance through:

- Metrobank Educational Assistance for Dependents of Employees (MEADE), supporting college and high school education for qualified dependents of officers and rank-and-file employees
- Metrobank Employee Graduate Assistance Program (MEGA), providing support for employees pursuing graduate or postgraduate studies aligned with their current roles and the Bank's business needs
- MBA and graduate degree assistance, supporting advanced studies from Bank-recognized institutions

Through regular Talent Reviews, Metrobank identifies high-performing and high-potential employees and assess readiness for expanded responsibilities, strengthening succession planning across critical roles. The Bank prepares leaders through: 1) the Junior Leadership Development Program that builds core skills in communication, decision making, and team management; and 2) the Senior Leadership Development Program that sharpens strategic thinking and transformation leadership. In 2025, the Bank reinforced this pathway with the launch of LEAP for future senior leaders and the rollout of the People Manager Series for newly appointed managers.



Employee Health and Safety

Metrobank is committed to continually improving its Occupational Health and Safety Management System (OHSMS) to ensure a safe, healthy, and supportive work environment for its people. In 2025, safety performance remained stable across the organization. No reported incidents resulted in reduced safe man-hours. Total man-hours worked exceeded 31.46 million, with 15,811 employees covered under the OHS management system. Through sustained preventive controls, inspections, and safety programs, the Bank remains focused on achieving zero work-related accidents and illnesses.

Through the Metrobank CARES Program, the Bank integrates physical, mental, financial, social, and occupational wellness initiatives to support employee well-being. Mental well-being is addressed through access to a Mental Health Toolkit that provides self-care resources, Department of Health-endorsed materials, and practical guidance for everyday well-being. Support is further strengthened through MB Reach Out, a peer support network led by trained employee volunteers, and psychological first-aid sessions that equip people managers to identify and respond to mental health concerns. Financial well-being is supported through LifeBanking webinars and wellness caravans.

Employee Volunteerism and Care in Action

Through the Purple Hearts Club, employees actively support the communities where we live and work, guided by the shared value of Heart for Community. In 2025, volunteer participation rose to 34%, representing 1,614 employees who contributed more than 7,200 volunteer hours, averaging 5.2 hours per volunteer. These figures reflect not just participation, but a shared sense of responsibility that runs through Metrobank's branches and business units.



Our Business Review /
Metropolitan Bank & Trust Company, continued
GRI 417-1, 418-1

Selling Practices and Product Labelling

Metrobank aligns its product information and marketing communications with regulations issued by the BSP, PDIC, SEC, Department of Trade and Industry (DTI), BancNet, and the Ad Standards Council (ASC). In 2025, it recorded zero incidents of non-compliance with regulations or voluntary codes concerning product and service information and labelling. It also recorded zero incidents of non-compliance related to marketing communications, including advertising, promotions, and sponsorships. No fines, penalties, or warnings were issued during the reporting period.

Feature Story: Making Saving Easier to Start

Filipinos save with different goals in mind, and these priorities change over time. A Metrobank survey conducted in October 2025 among more than 1,200 respondents shows that 21% save primarily for emergency funds or future needs. Others save to buy or improve a home (16%) or for travel and leisure (14%). Across groups, the underlying goal is financial security.

Saving patterns vary by life stage and location. Younger Filipinos focus on financial security and personal needs, while working adults prioritize home ownership and stability. Middle-aged savers shift toward retirement and their children's education. Outside Metro Manila, education is a leading savings goal, reflecting differences in access and opportunity.

The Metrobank eSavings Account supports these needs through a secure, fully digital savings option designed for first-time deposit clients. Customers can open and manage their accounts through the Metrobank App, making it easier to start saving and build consistent financial habits.

Metrobank introduced eSavings through a café hopping activation aimed at younger savers. The "Dear Future You" sessions were held in partner cafés and combined guided creative activities with short discussions on saving and financial planning. These engagements helped connect everyday aspirations with practical steps toward saving.

Participants were also introduced to the Metrobank eSavings Account on site, highlighting how saving can begin through a simple digital process. The activation promoted financial mindfulness while supporting the launch of eSavings in a way that aligned with the priorities of younger Filipinos.



Customer Welfare and Satisfaction

In September 2025, Metrobank's commitment to customer welfare and satisfaction was recognized when it received the TransUnion Excellence in Consumer Centricity Award. The award reflects the Bank's support during the launch of TransUnion's direct-to-consumer channel, where it helped ensure timely assistance and reliable access to credit-related services. This collaboration supports a shared goal of enabling customers to access accurate, secure, and credible credit information.

Supply Chain Management and Due Diligence

Metrobank manages its supply chain with the same discipline and integrity that guide its core banking operations. In line with BSP guidelines, the Bank applies fair and transparent supplier accreditation and re-accreditation processes. It screens suppliers for compliance with environmental laws, labor standards, and ethical business practices. The Bank also integrates sustainability considerations into the goods it procures. For IT supplies, it prioritizes laptops with TCO Certification while for non-IT supplies, it sources select paper products from a Green Choice Philippines certified supplier.

Governance Performance and Impacts

Ethical business conduct anchors how Metrobank operates and how it earns the trust of its shareholders and stakeholders. The Bank embeds integrity, transparency, and accountability into everyday decisions—across business units, leadership levels, and stakeholder engagements. This commitment to strong governance continues to be recognized externally. In 2025, the Institute of Corporate Directors awarded Metrobank the 4 Golden Arrow Award for the second consecutive year, based on the ASEAN Corporate Governance Scorecard.



Metrobank earns Four Golden Arrows for the second straight year

Regulatory Compliance and Adaptation

Metrobank operates in a highly regulated environment and treats regulatory compliance as a core part of how it protects stakeholders and sustains long-term value. The Bank monitors developments across banking, financial reporting, data privacy, and sustainability-related regulations, and translates these requirements into internal policies, controls, and operating practices.

In 2025, Metrobank complied with all material regulatory requirements applicable to its operations, including regulations and supervisory issuances of BSP, SEC, and Philippine Deposit Insurance Corporation. Looking ahead to 2026 and beyond, Metrobank will deepen the integration of sustainability risks into financial decision-making, improve data quality and comparability, and ensure readiness for full implementation of the PFRS Sustainability Disclosure requirements, while maintaining alignment with BSP and SEC expectations.

AI and Digital Risk Governance

As banking becomes more digital and data-driven, Metrobank strengthens how it governs technology-related risks to protect customers, maintain system reliability, and support responsible innovation. Artificial Intelligence (AI) enhances how it can serve clients, streamline processes, and improve workforce productivity. These tools improve speed and insight, but they also introduce risks. Data privacy concerns, model inaccuracies, bias, misuse, overreliance, and reputational exposure require clear oversight.

The Bank addresses this by embedding AI oversight within its broader enterprise risk management framework. To guide safe adoption, Metrobank established the AI Steering Council (AI Steerco) and implemented a structured AI Risk Management Framework. This approach balances enterprise-wide AI initiatives with controlled individual and team-level use of generative AI tools, applying controls that are proportionate to each solution's risk and impact.

Data Security and Customer Privacy

Metrobank's information and cybersecurity framework aligns strategy, policies, and risk management practices with business objectives and regulatory requirements. Clear roles and responsibilities enable effective oversight at both Board and management levels.

In 2025, the Bank identified 204 incidents involving identified data breaches, including leaks, thefts, or losses of customer data. During the year, 153 complaints related to customer privacy were addressed, while no complaints were received from regulatory bodies. All substantiated cases were investigated and resolved in accordance with established procedures.

Metrobank conducted 11 data privacy orientations and awareness seminars for branches, business units, and external partners. These sessions reinforced practical application of privacy requirements and shared accountability in handling personal data across banking and remittance operations. The Bank also implemented 14 data privacy initiatives to strengthen compliance and oversight. These enhanced Legitimate Interest Assessments, streamlined Privacy Impact Assessment and contract review processes, strengthened monitoring of incidents and third-party providers, and reinforced accountability through organizational improvements, including the appointment of Business Risk Managers as Data Privacy Champions.

Awards and Recognitions

The Asian Banker

- The Strongest Bank in the Philippines

The Asian Banker – Leadership Achievement Award 2025

- Best Managed Bank in the Philippines
- Best Bank CEO in the Philippines – Fabian S. Dee

Euromoney Global Private Banking Awards 2025

- Philippines' Best for Ultra High-Net-Worth

2025 Philippine Dealing System (PDS) Annual Awards

- Cesar E.A. Virata Award - Best Securities House
- Top Corporate Securities Market Maker
- Top Fixed-Income Dealing Participant (Rank 1st)
- Top Dealing Participant for Corporate Securities
- Top 5 Fixed-Income Cash Settlement Bank (Rank 3rd)
- Top 5 Fixed-Income Brokering Participant (Rank 5th)

National Anti-Money Laundering and Counter-Terrorism Financing Coordinating Committee (NACCF)

- Recognition for helping the Philippines' successful exit from the Financial Action Task Force (FATF) Grey List

The Asset Benchmark Research 2025

- Top Investment House (Bank Category)
- 2nd as Best Sell Side Firm for Local Currency in the Secondary Market (Corporate Bonds)
- 7 Metrobankers recognized
- 4 Metrobanker Trust traders included in "Most Astute Investors"

Citywire ASEAN Awards

- Best CIO Office Award
- Best Investment Services Award

ASEAN Corporate Governance Scorecard (ACGS) by the Institute of Corporate Directors

- 4-Golden Arrow award

Forbes' Best Employers

- 3rd in the Philippines
- 154th in the World

CFA Society Philippines' 10th Annual Best Managed Funds of the Year Awards

- Best Managed Funds of the Year Awards for 2025
- Metro High Dividend Yield Unit Paying Fund
- Metro\$ US Investment Grade Corporate Bond Feeder Fund
- Metro\$ Short Term Bond Fund

Bureau of Treasury (BTr)

- 2025 Top Government Securities Eligible Dealer (GSED)
- GSED with the Highest Auction Share in Treasury Bills Top Retail GSED



Our Business Review /

Toyota Motor Philippines Corporation

IFRS S1:30-42, S2:10



Toyota Motor Philippines Corporation (TMP)



About the Company

Established in 1988, Toyota Motor Philippines Corporation (TMP) is the country's leading automotive company, specializing in the design, manufacturing, assembly, importation, and distribution of passenger and commercial vehicles. Through its long-standing strategic partnerships with GT Capital Holdings, Inc. (GT Capital) and Toyota Motor Corporation of Japan, TMP offers the most extensive vehicle lineup in the Philippines, comprising 28 Toyota models and 12 Lexus models. TMP operates its head office and manufacturing plant in the Toyota Special Economic Zone in Santa Rosa, Laguna.



2025 in Numbers

Php19B Net Income

Up 19% year-on-year

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229,447 units sold

Up 5.2% year-on-year

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19,516 xEV units sold

Combined xEV sales for Toyota and Lexus

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63,803 units manufactured

Highest volume since TMP's establishment

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24th Triple Crown Award

Attests to TMP's market leadership

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75 dealerships

Strengthening customer reach

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Php52.5B

Remitted in duties and taxes

⇒ [Page 64](#)

1M trees by 2030

Pledged to reduce carbon footprint

⇒ [Page 67](#)



Alfred V. Ty
Chairman

Masando Hashimoto
President

How TMP Creates Value

TMP has maintained its position as the leader in the country's automotive industry for decades. Its market leadership is anchored on its core strengths: outstanding quality, innovation, and environmental sustainability. As market needs evolve and climate action becomes more urgent, TMP sustains its performance and strengthens its value through adaptability, evidenced by its transformation to a full-service mobility company committed to improving the ways people move.

TMP's strong manufacturing and distribution capabilities are underpinned by its 82-hectare economic zone in Santa Rosa, Laguna, where it produces three Completely Knocked-Down (CKD) models: the Vios, the Innova, and the Next Generation Tamaraw. The plant has an annual production capacity of around 60,000 units. Supporting its production operations is the 1.5-hectare TMP Conversion Factory, which is dedicated to building Tamaraw units into various body styles. In 2025, TMP recorded its highest annual production volume since its establishment, with 63,803 units manufactured.



Toyota Motor Philippines line team conducts final inspection of the all-new Next Generation Tamaraw in Santa Rosa Plant

Meanwhile, the 32-hectare Batangas Vehicle Center functions as a strategic logistics hub for the efficient handling and delivery of imported models. As of end-2025, TMP's nationwide dealership network stood at 75, further strengthening its market presence and customer reach.

TMP continued to uphold its manufacturing excellence through the Toyota Quality Management (TQM) System, under which all vehicles undergo rigorous quality checks covering safety, fuel efficiency, and emissions compliance in line with global and local standards. Guided by The Toyota Way and the principle of kaizen or continuous improvement, TMP's workforce played a key role in sustaining quality and operational discipline.

As it positions itself for the future, the Company is advancing its transformation into a mobility company through programs such as KINTO One and the Toyota Community Shuttle Program, expanding its role beyond vehicle manufacturing toward providing inclusive, customer-centric mobility solutions.

TMP is also further intensifying its multi-pathway approach to carbon neutrality. The Company seeks to provide a more diverse range of electrified vehicles (xEV) with more solutions that respond more effectively to the evolving needs of customers and the country's current pace of xEV adoption. TMP currently offers the widest hybrid lineup in the country with 8 Toyota and 9 Lexus Hybrid Electric Vehicle models (as of end-2025), alongside TMP's first Battery Electric Vehicle (BEV) bZ4X—the first Toyota BEV model in the Philippine market and 2 Lexus (BEV) models (RZ 450e, UX 300e).

Industry Key Risks and Future Outlook

As the automotive industry accelerates its transition toward electrification and sustainable mobility, TMP remains well-positioned to maintain its market leadership while navigating an increasingly competitive landscape marked by the entry of new global, regional, and non-traditional players. The Company continues to strengthen its business fundamentals to stay on top while adapting to rapid technological transition, evolving consumer preferences, and intensifying competition.

In response to climate-related considerations, regulatory developments, and emissions reduction commitments, TMP continues to refine its product strategies, supply chain approaches, and investment priorities. Trade developments and Free Trade Agreements (FTAs) also influence sourcing decisions, cost structures, and market dynamics as the Company operates within an increasingly interconnected global market.

With eyes on the next frontier of mobility, TMP continues to advance its electrification initiatives while deploying new mobility solutions revolving around Connected Car, Autonomous Driving, Shared, and Electrified (CASE) innovation to future-proof the Company and support long-term, sustainable growth.

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IFRS S1:46-52, S2:27-37

Climate Risks

Climate change and resource depletion may affect the company's operations, supply chain, and product strategies. A study by the World Wide Fund for Nature (WWF) has raised concern that TMP's underground water source for its Santa Rosa City manufacturing operations may become scarce by 2025. As a response, TMP optimized its water usage by using alternatives such as rainwater and recycled water.

More stringent climate-related regulations and environmental expectations may also be anticipated. TMP continues to embed sustainability considerations across its operations, guided by its Beyond Zero vision and the Toyota Environmental Challenge 2050.

Macroeconomic Risks

Although the Philippines did not meet its 2025 growth target, largely due to the effects of strong typhoons and reduced public construction, the economy demonstrated underlying resilience. Low inflation created room for monetary easing, enabling the central bank to lower interest rates and help stimulate consumer demand and business activity. Despite the softer economic environment, the country's motorization trend remained intact. Industry sales increased by 3.7%, with provincial markets accounting for more than half of total sales.

Sustaining Market Leadership Through Quality and Innovation

TMP continues to strengthen its market leadership by building on the Toyota brand's core strengths: quality, reliability, safety, and innovation. These attributes remain central to sustaining customer trust and responding to a changing automotive landscape.

As interest in electrified mobility grows, TMP is pursuing a multi-pathway approach that offers a broader range of vehicle technologies suited to varying customer needs and market conditions. Its lineup now spans Internal Combustion Engine Vehicle (ICEV), Hybrid Electric Vehicle (HEV), and Battery Electric Vehicles (BEV), giving customers more flexible mobility options.

This approach is reinforced by the launch of the ATIV HEV, Toyota's most affordable electrified model in the local market, and the introduction of the first Toyota BEV, the bZ4X. Together, these additions expand access to electrified mobility and underscore TMP's commitment to practical, market-relevant innovation. By pairing product quality with a diverse electrified portfolio, TMP is well-positioned to sustain its leadership as the industry continues to evolve.



In 2025, xEV adoption continued to gain ground, with the xEV market share increasing from 5.5% of total industry sales in 2024 to 12% in 2025. Meanwhile, higher fuel prices amid recent geopolitical tensions may further strengthen medium- to long-term demand for more energy-efficient mobility solutions, particularly electrified vehicles including hybrids.

Key Performance Indicators & Outcomes

Financial Performance

TMP delivered another strong year, posting total sales of 229,447 units, up 5.2% from the previous year. This drove net income to Php19 billion, representing growth of 19%. The Company also maintained its Triple Crown achievement, securing the top spot in passenger car sales, commercial vehicle sales, and overall industry sales for the 24th consecutive year.

TMP's 2025 performance was supported by strong vehicle sales, led by the Vios, Avanza, and Hilux. Toyota and Lexus recorded combined xEV sales of 19,516 units, accounting for 8.5% of total sales, up by 2.1% from 2024. Year-on-year, xEV sales grew by 38.8%, reflecting the continued rise in consumer adoption of electrified mobility in the country.

TMP ended the year with a 46.7% share of total industry sales. Lexus held 52% of the luxury vehicle segment, while TMP's electrified vehicle lineup captured 73% of the xEV market, based on data from the Chamber of Automotive Manufacturers of the Philippines, Inc. (CAMPI) and the Association of Vehicle Importers and Distributors (AVID).

Economic Performance and Impacts

TMP delivered another banner performance in 2025, generating a direct economic value of Php260.47 billion across its operations. The Company was named the second top importer in the country for the year, remitting Php52.52 billion in duties and taxes, its highest since it began operations.

Economic Data	
Economic Performance (In Php Billion)	2025
Direct Economic Value Generated	260.5
Direct Economic Value Distributed	238.8
Operating Costs	221.7
Employee Wages and Benefits	3.9
Payments to Providers of Capital	15.0
Payments to Government	43.1
Community Investments (In Php Million)	73.9
Direct Economic Value Retained	-24.3
Direct Economic Value Retained (% of EVG)	-9%



Toyota Motor Philippines extends warranty of new vehicles to up to 5 years



Toyota Motor Philippines expands Luzon presence with new Toyota Ilocos Sur dealership



TMP advanced the ownership experience through myTOYOTA Connect

TMP's operations in 2025 reflected the strength of its manufacturing ecosystem, the supply chain, as well as its continued contribution to broader industry development. At the 26th Toyota Special Economic Zone (TSEZ) Update Meeting with the Philippine Economic Zone Authority (PEZA), the Company reported the steady performance of the Toyota Group's export suppliers, which generated USD 1.2 billion in export revenues in 2024 and accounted for 30% of the Philippines' total exports of OEM parts and components. The meeting also underscored TMP's expanding local production footprint, particularly through the Next Generation Tamaraw.

TMP continued to expand its dealer network in 2025 with the opening of Toyota Ilocos Sur, its 75th dealership nationwide, and the groundbreaking of the Toyota Marilao Service Center in Bulacan. Toyota Ilocos Sur, located in Barangay Langlangca II, Candon City, operates as a "full 3S" facility with a four-car showroom and 47 general service and body repair bays. Meanwhile, the upcoming Toyota Marilao Service Center, located along MacArthur Highway in Barangay Abangan Norte, will occupy 10,000 square meters and provide Express Maintenance, Periodic Maintenance, and General Repairs. These developments supported TMP's ongoing network expansion and after-sales service capacity in key growth areas.

The Next Generation Tamaraw: The National Vehicle

The Next Generation Tamaraw reflects TMP's commitment to nation-building through sustained local manufacturing and a vehicle designed to address the diverse mobility needs of Filipinos. As 2025 marked the first full year of its production, the Tamaraw further reinforced its role as a reliable, locally produced mobility solution backed by Filipino craftsmanship.

Produced alongside the Vios and Innova, the Next Generation Tamaraw contributed to TMP's record-high production volume of 63,803 units. This milestone highlighted the strength of TMP's manufacturing operations, the reliability of Philippine-made vehicles, and the value of continued investment in local production.

Beyond manufacturing, the Tamaraw also supports broader economic activity. With its versatile design and various conversion options for commercial and personal use, it provides practical mobility solutions for Micro, Small, and Medium Enterprises (MSMEs) as well as individual users nationwide. In doing so, the Next Generation Tamaraw helps support enterprise growth while advancing more inclusive mobility.

TMP also introduced the 'Toyota 5-Year Warranty' for vehicles sold beginning January 1, 2025, extending coverage beyond the previous three-year or 100,000-kilometer warranty period. Under the program, customers may qualify for up to two additional years or 40,000 kilometers of warranty coverage, subject to meeting the required number of Periodic Maintenance Services (PMS) at authorized Toyota dealerships. This enhancement forms part of TMP's broader efforts to strengthen after-sales support, promote proper vehicle maintenance, and encourage continued customer engagement with its dealer network throughout the ownership cycle.

Expanding Electrified Mobility Options

In 2025, TMP advanced its electrification strategy by expanding its product lineup in line with its multi-pathway approach to cleaner mobility, which addresses varying customer needs and infrastructure readiness. During the year, TMP introduced the ATIV HEV—its most affordable electrified model to date—and the bZ4X, the first Toyota BEV offered in the Philippines.

These additions broadened TMP's electrified portfolio across hybrid and battery electric vehicle technologies, improving access to lower-emission mobility while supporting both mass-market adoption and the gradual development of full electric vehicle capabilities in the country.

TMP also introduced the Yaris Cross SE HEV variant and expanded its broader vehicle lineup with ICEV models like the new Hilux Travo, GR Corolla, and GR Yaris, further diversifying its offerings during the year.

Going Beyond Car Ownership

Through Toyota Mobility Solutions Philippines, Inc. (TMSPH), TMP continued to expand its mobility offerings in 2025 beyond traditional vehicle ownership through services designed to improve convenience, flexibility, and connectivity. Toyota Rent A Car's partnership with JoyRide enabled customers to book long-term rental solutions through the JoyRide Superapp, broadening access to flexible mobility options for travelers and other users with varying transport needs.

At the same time, TMP advanced the ownership experience through myTOYOTA Connect, a suite of connected services integrated into the myTOYOTA App that allows users to access features such as vehicle status, maintenance reminders, trip summaries, vehicle location, and geofencing. Together, these initiatives reflected TMP's broader push to deliver mobility

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GRI 414-1

solutions that extend beyond the point of sale and support customers across different modes of use and ownership.

Partnerships

In 2025, TMP forged partnerships that supported its broader objectives across customer service, community engagement, and public education.

Through Toyota Insure, the Company formalized new partnerships with Pioneer Insurance & Surety Corporation and MAAGAP Insurance, Inc., expanding the range of insurance options available to customers and reinforcing its value chain offerings across the vehicle ownership cycle. Also during the year, TMP collaborated with Toyota Alabang, Inc. on the Kids Tech Workshop, an experiential learning activity that introduced young participants to automotive technology and road safety. TMP also partnered with Federal Land in the launch of the Toyota Tamaraw Food Park at Marikina Town Center, an initiative that showcased Tamaraw conversions while helping create a platform for MSMEs and community activity.

Together, these partnerships reflected TMP's efforts to extend its impact beyond vehicle sales and manufacturing into customer support, education, and local enterprise development.

Environmental Performance and Impacts

TMP continues to advance its Beyond Zero vision, which is grounded in the philosophy of eliminating societal challenges and their impact on people and the environment—aiming not only to “achieve zero,” such as carbon neutrality, but to go further by continuously creating greater value and improving lives and society for the future.

TMP delivers this vision through the Toyota Mobility Concept, anchored on three strategic pillars:

- 1. Electrification.** TMP pursues carbon neutrality through a multi-pathway approach, offering a broad range of powertrain technologies to enable mass and accessible electrification and provide customers with practical low-carbon mobility solutions suited to local conditions.
- 2. Diversification.** Recognizing that there is no one-size-fits-all solution for mobility, TMP advances diversification by expanding mobility solutions through leveraging energy sources aligned with the country's resources and addressing various mobility needs. This pillar also extends beyond vehicle ownership, encompassing innovative mobility services and solutions that support customers' needs.
- 3. Intelligence.** Consistent with its strength in innovation, TMP harnesses the power of data and connected technologies to create a smarter, more efficient sustainable mobility ecosystem.



TMP subscribes to the Toyota Environmental Challenge (TEC) 2050, a unified movement among global Toyota affiliates to combat climate change. The challenge focuses on six goals aimed at achieving carbon neutrality and promoting sustainability.



New Vehicle Zero CO₂ Emissions Challenge

TMP's Response

Developing and offering a wide array of xEVs with different powertrain technologies

Relevant Achievements and Policies

TMP offers 17 HEV and 3 BEV models under the Toyota and Lexus brands (as of end-2025). In 2025, the xEV sales of Toyota and Lexus rose by 38.8%. They also captured 73% of the HEV market.



Plant Zero CO₂ Emissions Challenge

TMP's Response

Aiming to make all its manufacturing plants carbon neutral by 2035

Relevant Achievements and Policies

The Santa Rosa manufacturing plant uses 100% renewable energy in its operations: 90% from a local RE supplier and 10% from its onsite 1.46-megawatt rooftop solar power system.



Challenge of Establishing a Recycling-based Society and Systems

TMP's Response

Managing air emissions and waste generated, including end-of-life vehicles

Relevant Achievements and Policies



In 2025, Standard Insurance Co., Inc. officially became TMP's partner end-of-life vehicle (ELV) dismantling facility in responsibly managing waste and maximizing resource recovery. They have a dismantling capacity of six units a day. Standard Insurance is now the second Toyota-endorsed model ELV dismantling facility in the Philippines—and fifth in Southeast Asia.



Life Cycle Zero CO₂ Emissions Challenge

TMP's Response

Promoting supplier network decarbonization, dealer network decarbonization, and logistics optimization

Relevant Achievements and Policies

TMP actively seeks ways to reduce its emissions. It aims to minimize Scope 1 emissions by optimizing every possible manufacturing process and investing in new technologies or facilities (after a thorough study). It addresses indirect Scope 2 emissions by sourcing renewable energy. For Scope 3 emissions, TMP actively promotes decarbonization among its supplier, dealer, and logistics networks.



TMP has a total of 411 suppliers in its ecosystem. Of this number, 100 are Suppliers Club member companies, while 47 are locally sourced parts suppliers. They are required to adhere to the Toyota Green Purchasing Guidelines. Suppliers and dealers are encouraged to apply for ISO 14001 certification.



Challenge of Minimizing and Optimizing Water Usage

TMP's Response

Conserving, recycling, and treating the water the company utilizes in its operations

Relevant Achievements and Policies

TMP's Waste Water Treatment Plant ensures that the water it releases back to Laguna Lake is contaminant-free and compliant with all regulations.

TMP also promotes water recycling by using treated water in some of its facilities. In 2025, it recycled and treated a total of 27,902 cubic meters of water; of this number, 22,767 cubic meters were from the conversion building and 5,135 cubic meters were from the manufacturing.



Challenge of Establishing a Future Society in Harmony with Nature

TMP's Response

Collaborating with various stakeholders to promote environmental protection

Relevant Achievements and Policies

In line with the All Toyota Green Wave Project, TMP participates in tree planting, mangrove rehabilitation, and biodiversity conservation efforts.

The company has pledged to plant one million trees by 2030 to help reduce its carbon footprint through offsetting. In 2025, TMP also turned over a Tamaraw Utility Van long wheelbase variant and Php500,000 worth of Bantay Tamaraw Kits in support of the Department of Environment and Natural Resources' (DENR) Tamaraw Conservation Program (TCP). The company also pledged a Php3-million funding support for TCP's research efforts and other initiatives.



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TMP Team Members at work

TMP ensures compliance with environmental regulations through its Environmental Management System (EMS). The EMS is composed of seven subcommittees (non-manufacturing, manufacturing, logistics, sales and service, purchasing, communication, and chemical management) to oversee operations and ensure alignment with the TEC 2050.

Environmental Data

Energy, Water and Waste

Data Required	Category	2025
Electricity	Onsite Renewable (in kWh)	1,183,790
	Offsite Renewable (in kWh)	28,191,666
	Non-Renewable (in kWh)	1,269,773
Fuel	Diesel (in L)	1,198,228
	Gasoline (in L)	1,632,926
	LPG (in kg)	922,783
Water	Utilities (in cu m)	17,810
	Groundwater (in cu m)	240,739
Solid (Non-hazardous) waste	Recycled, Upcycled, Composted or Reprocessed (in kg)	5,382,484
	Landfilled (in kg)	777,711
Hazardous waste	Landfilled (in kg)	809,013

Environmental Data

GHG Emissions

Scope	Category (in tons-CO ₂ e)	2025
Scope 1	Fuel - Stationary	2,715
	Fuel - Mobile	6,618
	Refrigerants	-
	Subtotal	9,333
Scope 2	Purchased electricity	
	- Location-based	22,960
	- Market-based	979

Social Performance and Impacts

TMP creates a workplace where excellence is cultivated, employee welfare is protected, and harmonious relationships are nurtured. As of year-end 2025, the Company has 2,054 direct hires.

TMP takes advantage of Toyota's global affiliate network to promote employee development. It has two programs that expose Team Members to regional Toyota operations: the Intra-Company Transfer (ICT) Program and the Global Skill-up Training (GST) Program. These programs facilitate knowledge sharing and ensure that employees are equipped with the right proficiency and skills to adapt to the evolving business landscape.


Aligned with the company's philosophy of continuous improvement, TMP launched its Toyota Production System (TPS) for Office Program in 2024. The program applies the philosophy of eliminating waste by constantly finding ways to be more efficient in daily office workflows. In 2025, department and section heads led their teams in identifying areas for improvement and presenting their action plans to the company's management. The TPS for Office Program champions innovation from employees themselves, leading to improved productivity.

TMP fosters equality and diversity as drivers of innovation and collaboration, guided by the Toyota Way. The Company provides equal opportunities to all Team Members and upholds a workplace free from discrimination and harassment, with due regard for human rights.

Its relationship with employees is anchored in mutual respect and understanding. Changes in organizational structure, rules, and regulations are communicated in advance through *nemawashi*, while negotiations are approached with careful consideration for all parties. Employee well-being is supported by the Industrial Health Services Group, which leads programs on illness prevention, nutrition, and mental health.

TMP also maintains systems to promote workplace safety, guided by three pillars: human safety, machine and construction safety, and worksite safety.

In addition, the Company protects its brand through responsible marketing and labeling, with internal teams reviewing materials to ensure product information and imagery are accurate, truthful, and aligned with customer expectations.

 Awards and Recognitions

TMP's operational scale and broader economic and sustainability contributions were recognized through several national and local distinctions in 2025. These recognitions reflected the Company's role as a leading automotive manufacturer and distributor, as well as a significant contributor to public revenues, environmental stewardship, and local economic development.

At the national level, the Bureau of Customs (BOC) recognized TMP as Top 2 Importer for its remittance of Php52.5 billion in duties and taxes for the year, underscoring the Company's substantial contribution to government revenues. TMP was likewise cited by the BOC-Port of Batangas as Top 1 Importer for the first six months of 2025, having remitted Php24.09 billion during the period. These distinctions highlighted the scale of TMP's import and logistics operations and their impact on national revenue generation.



Toyota Motor Philippines launches Toyota Production System (TPS) for Office Program



TMP recognized by Bureau of Customs and DENR-EMB for contributions to economy and environmental sustainability in 2024

At the local level, the City Government of Santa Rosa conferred three distinctions on TMP under its Lion Awards: Top Real Property Taxpayer, Top Business Taxpayers' Hall of Famer, and Top Manufacturer. These awards recognized TMP's sustained contribution to the city's fiscal performance and its long-term role in supporting local employment and economic activity.

TMP also received multiple recognitions for its sustainability initiatives. The Department of Environment and Natural Resources-Environmental Management Bureau (DENR-EMB) acknowledged TMP as a Sustainability Partner for its efforts in environmental stewardship. The Company was further named Sustainability Champion by The Manila Times, recognizing the impact, inclusiveness, and integration of its sustainability programs. In addition, the City Government of Santa Rosa honored TMP under its GREEN Awards as a Sustainable Development Partner and recipient of the Earth Hour Advocate Award, reflecting the Company's active participation in environmental programs and community-based sustainability initiatives.

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GT Capital Auto & Mobility Holdings, Inc.



GT Capital Auto & Mobility Holdings, Inc. (GTCAM)



Toyota Santa Rosa, Laguna Showroom

About the Business

GT Capital Auto and Mobility Holdings, Inc. (GTCAM), a wholly owned subsidiary of GT Capital Holdings, Inc. (GT Capital), manages the group's automotive and mobility-related investments. In support of GT Capital's wider commitment to economic progress and nation-building, GTCAM contributes to advancing motorization and improving mobility access for Filipinos. Through strategic partnerships spanning both the brand-new and pre-owned vehicle segments, the company continues to help shape the country's evolving automotive landscape.



2025 in Numbers

Php953M record profit
Up 6% year-on year

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7% increase in auction sales
Through JBA Philippines, Inc.

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38% increase in used car warranties sold
Through Premium Warranty Services Philippines, Inc.

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TSR Risk Workshop



Vicente Saniel Socco
Chairman



Representatives of JBA Philippines and Global Dominion Financing, Inc. during the post-signing moment of the partnership ceremony.



Facade of the Toyota Subic dealership



A Team Member performing after-sales service

How GTCAM Creates Value

GTCAM continues to pursue sustainable growth across its Toyota dealership network, which includes the Toyota Manila Bay Group (Manila Bay, Marikina, Dasmariñas, Abad Santos, and Cubao), Toyota Subic, and Toyota Santa Rosa. It is doing so by strengthening the customer experience across both sales and after-sales service, unlocking additional revenue opportunities across the dealerships' full value chain, and maintaining discipline in cost management and profit optimization. At the same time, GTCAM is broadening its footprint in the pre-owned vehicle segment through its strategic investments in JBA Philippines, Inc. (JBAP) and Premium Warranty Services Philippines, Inc. (PWSPI).

Sustained Growth and Market Expansion

In 2025, GTCAM sustained its growth momentum across its business units, supported by healthy market conditions, disciplined execution, and continued strategic expansion. Its dealership network recorded a record profit of Php953 million, up 6% year-on-year. JBAP likewise delivered strong results, with auction sales rising by 7% and revenues increasing by 14% compared with the previous year. JBAP has also improved its success rate to 80% (vs. 60% in 2024) as a result of continuous operational refinement and partnership expansion.

During the year, JBAP also formalized a strategic partnership with Global Dominion Financing, Inc., strengthening its platform for future growth and enhancing its ability to capture opportunities across the automotive ecosystem. Meanwhile, PWSPI posted robust growth, with used car warranties sold increasing by 38% from the previous year's level.

These developments reflect GTCAM's continued focus on operational excellence, market expansion, and long-term value creation, further reinforcing its position in the automotive and mobility sector.

Strategic Expansion Initiatives

Consistent with GT Capital's long-term strategy, GTCAM will further solidify and grow its presence in its core businesses, explore new businesses and initiatives that are adjacent to its existing platforms, and maximize the synergies among its diverse portfolio of companies. Future plans include new dealership expansion initiatives in support of TMP's growth strategy, forming strategic partnerships in other relevant sectors, and promoting greater cohesion and cooperation among its portfolio companies.

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Federal Land, Inc.
IFRS S1:30-42, S2:10



FEDERAL LAND
GT Capital Holdings

Federal Land, Inc.
(Federal Land)

Hartwood Village in Biñan, Laguna (Artist's Perspective)

About the Business

Federal Land, Inc. (Federal Land) is one of the Philippines' leading full range property developers. A wholly owned subsidiary of GT Capital Holdings, Inc., it has been shaping the Philippine real estate landscape for more than 50 years. As a multi-awarded property developer, Federal Land has created lasting value through pioneering concepts and projects that transform lives. From modern urban residences to commercial spaces, office towers, sprawling townships to other pioneering projects, Federal Land's diverse portfolio create meaningful differences to the lives of present and future generations.



2025 in Numbers

Php547M

Net income

↔ Page 74

19

awards received
Both local and regional

↔ Page 77

100%

of commercial
lots sold
In Riverpark North

↔ Page 76

2,027

residential units
turned over
Showed sustained commitment
to homeowners

↔ Page 74

Php1.8B

In revenue from
32 new locators

↔ Page 76

4

showroom openings
Held in Cebu City, Pasig
City, Mandaluyong City, and
General Trias, Cavite

↔ Page 74

37,821

training hours
recorded
For an average of
61 per employee

↔ Page 77

100%

renewable
energy
Utilized in Met Park Business
Center Tower A

↔ Page 77



Alfred V. Ty
Chairman

Jose Mari H. Banzon
President

How Federal Land Creates Value

As one of the leading players in the real estate industry, Federal Land brings various landmarks to life through quality developments. Guided by its mission to create dynamic communities for generations to enjoy, the Company creates dynamic communities designed to continuously accommodate evolving lifestyles, stimulate business growth, and integrate necessities of life.

While the premium image of its developments reflects its commitment to quality, another key component of what sets Federal Land apart lies in the institutions and the people behind it.

Federal Land partners with renowned global leaders, including Isetan Mitsukoshi, Hyatt Hotels, and Marco Polo Hotels. Its joint venture with Japanese developer Nomura Real Estate, Federal Land NRE Global, Inc. (FNG), delivers innovative product formats anchored in Filipino-Japanese synergy and with the combined expertise of both companies. These partnerships reinforce Federal Land's positioning in premium residential, retail, and lifestyle destinations.

The year 2025 saw strategic leadership changes within Federal Land and its affiliates. Mr. Thomas F. Mirasol was appointed Vice Chairman of Federal Land, Inc. and Horizon Land Property Development Corp., and President of Federal Land Nomura Real Estate Global Inc. Mr. Jose Mari H. Banzon was appointed President of both Federal Land, Inc. and Horizon Land Property Development Corp. These movements reinforce the visionary leadership that has been crucial to sustaining the group's long-term growth.



The management committee of Federal Land and FNG

Value creation for Federal Land also means executing projects that respond to market needs and drive community growth. Its strategic land bank supports developments in prime locations and emerging economic hubs nationwide.

Federal Land leverages digitalization to streamline processes, reduce inefficiencies, and enhance service quality. These enable the Company to perform better, faster, and smarter.

Industry Key Risks and Future Outlook

Natural Disaster and Climate Risk

Federal Land's defense against these risks starts with project planning. It integrates disaster risk considerations into project plans, conducts vulnerability assessments, evaluates disaster response capabilities, and implements initiatives for loss prevention. To ensure preparedness, Federal Land conducts simulation tests, tabletop exercises, and recovery exercises to assess and enhance its crisis response. Its Emergency Response Manual, together with Project and Incident Property Management Corp. (IPMC), guides procedures for fire, earthquake, typhoon, tsunami, and other calamities. Occupational Safety and Health initiatives further strengthen readiness across offices, construction sites, and managed properties.

Geopolitical Risk

These risks may cause supply chain disruptions and labor shortages that lead to potential project delays. In addition, these events may result in higher inflation and mortgage rates, affecting the affordability of projects and potentially dampening demand. A slowdown in sales and collection could consequently impact the Company's liquidity and cash flow position.

To mitigate these, the Company monitors construction material price fluctuations and supply chain conditions to anticipate impacts on construction timelines. Scenario planning and sensitivity analyses are performed to assess potential impacts on costs, collections, liquidity, and margins. Management actions include adjusting project phasing, reviewing procurement strategies, revisiting payment terms, while making sure it remains compliant with pertinent laws and regulations.



Our Business Review / Federal Land, Inc., continued

IFRS S1:46-52, S2:27-37

Macroeconomic Risk

Economic trends, market conditions, and consumer behavior affect the Company's bottom line. Federal Land responds by proactively tracking inflation and policy rates, real estate exposure, non-performing loans, and inventory supply of residential and commercial units. To mitigate these risks, the Company strengthens monitoring of trade receivables and default rates to allow for early intervention and customer support. It also strategically implements promotional strategies to sustain sales momentum and improve take-up and booking rates. Portfolio diversification and exploring new markets also reduce exposure to economic downturns.

Regulatory Risk

More than ensuring compliance, Federal Land aims to implement policies that reflect current best practices. It continuously enhances its compliance protocols, internal policies, and governance structures to align with evolving regulatory requirements and new appraisal standards. It adheres to regulations to avoid penalties and violations.

Cybersecurity Risk

While embracing technology to deliver better service, Federal Land also takes proactive steps to manage vulnerabilities in its IT systems and protect sensitive information. The Company balances technological enhancements with security, embracing AI and automation at scale while building safeguards against potential cyber threats. It continuously strengthens governance and compliance and trains employees to recognize and prevent cyber risks.

Workforce and Demographic Change Risk

Federal Land ensures that its talent pool can adapt to workforce changes and evolving business needs by investing in the continuous learning of its people. Federal Land University and RISE (Ready to Ignite Staff Education) Development Program champion professional advancement, developing talent pipelines for succession planning. The Company also promotes diversity and inclusion and establishes frameworks to measure and grow its workforce. Federal Land's commitment to its people earned multiple Merit Awards at BusinessWorld's Best Places to Work 2025, highlighting its continuous efforts to build a supportive and empowered workplace.



Federal Land recognized at the BusinessWorld Best Places to Work 2025 Awards



Key Performance Indicators and Outcomes

Federal Land sustained its growth momentum, as it continued to post resilient results despite headwinds in the real estate sector. This reflected the Company's continued focus on disciplined execution, market responsiveness, and the enduring strength of its property portfolio.

Economic Performance and Impact

Federal Land posted revenues of Php9.5B and a core net income of Php547M in 2025, sustained by the completion of key residential, commercial, and township developments and sales of existing inventory. Despite the softness in the property market, the Company continued to provide value to its stakeholders.

In 2025, Federal Land continued to meet the challenges of the year head-on with a forward-looking approach. Federal Land completed and delivered key developments in 2025, while driving internal growth and digitalization initiatives.

Digital Transformation Accelerates Smarter, Faster, Better Operations

In 2025, Federal Land continued to advance its digital transformation agenda. The Company enhanced systems, automated workflows, and reinforced internal controls through platforms such as Smartsheet, S4 HANA, DarwinBox, and Hub360. These initiatives helped streamline processes, improve coordination, and support faster, more informed decision-making across the organization. By embedding digital tools deeper into its operations, Federal Land further strengthened its ability to deliver better outcomes for clients, employees, and stakeholders.

Delivering Excellence

Sales Performance

Federal Land posted solid sales results in 2025 despite a cautious market environment. Total sales volume grew by 1%, while ready-for-occupancy sales increased by 30%. Growth was recorded across all developer brands, with Federal Land, Inc. registering a 39% increase, FNG rising by 7%, and Horizon Land posting a 1% gain.

Residential Developments

Federal Land continued to deliver quality developments in 2025 with the completion of several residential towers, including Four Season Riviera Tower 3 (Peony), The Grand Midori Ortigas Tower 1, The Seasons Residences Tower 2 (Natsu), Siena Towers Tower 2, and Quantum Residences Tower 2 (Amethyst). A total of 2,027 units were turned over during the year, reflecting Federal Land's steady execution and commitment to serving homeowners across its communities. Showroom openings in Cebu City, Pasig City, Mandaluyong City, and General Trias, Cavite further supported project launches and market engagement.

Residential Developments



The Seasons Residences

The Seasons Residences in Bonifacio Global City is a premium residential development by Federal Land in partnership with Nomura Real Estate Development Co., Ltd. and Isetan Mitsukoshi Holdings Ltd. It presents the best of Japanese and Filipino lifestyles and is home to the country's first and only MITSUKOSHI mall.

In 2025, Federal Land marked three major milestones for the development with the continued handover of units, the completion of Natsu Tower, and the topping off of Fuyu Tower, signifying the structural completion of the project's final tower.



The Grand Midori Ortigas

The Grand Midori Ortigas is an upscale residential development in Ortigas Center, designed in collaboration with world-renowned Tange Associates, that offers a serene Zen lifestyle to professionals and families seeking well-appointed homes in the city.

During the year, Federal Land marked the completion of Tower 1, which is now ready for occupancy with limited units remaining. The inauguration ceremony was attended by key officials and executives, including Pasig City Mayor Vico Sotto, highlighting the project's importance in Ortigas Center's evolving residential landscape.



Quantum Residences

Quantum Residences is Horizon Land's transit-oriented and smart-value development along Taft Avenue, designed for students and young professionals who prioritize mobility. Horizon Land marked important milestones with the ceremonial opening of the Aqua Tower and the start of unit turnovers for Amethyst Tower in 2025. These reflected the brand's continued progress in delivering attainable and practical homes in a highly connected urban location.



Palm Beach West

Palm Beach West at Met Park offers resort-style, pet-friendly residences in a strategic location near Entertainment City. It appeals to returning Filipinos and investors seeking long-term value. Palm Beach West posted strong sales momentum in 2025 despite market shifts from the POGO exodus. Attractive ownership packages, such as term discounts, early move-in offers, lower monthly amortizations, and extended terms for down payments. These gains reflected Federal Land's agile response to market conditions and sustained buyer interest in the development.



Yume at Riverpark

Within Riverpark's expanding township landscape, FNG is preparing first horizontal community through Yume at Riverpark. Meaning "dream" in Japanese, Yume at Riverpark is an award-winning 18-hectare development in Riverpark North that will feature 296 prime lots and is slated for completion in May 2026.

Envisioned as a Japanese-inspired neighborhood, Yume at Riverpark is designed with walkable and secure streets that support a more thoughtful and community-oriented way of living. The development is intended to serve as the setting for future modern Japanese contemporary homes planned to meet the needs of residents across different life stages.



The Observatory

In a city defined by energy and connectivity, The Observatory emerged as a defining new landmark in Mandaluyong. Located at the convergence of three major business districts, Makati, Ortigas, and BGC, the development drew interest from young professionals seeking both mobility and a distinct urban living experience.

FNG marked several milestones for the project during the year. In July, The Observatory Sales Pavilion held its soft opening, offering an early look at the development's warm, minimalist, and intuitive living concept. This was followed in August by a concrete-pouring ceremony, signaling the steady advancement of construction and reinforcing market confidence. In September, the Sales Pavilion was formally launched, introducing the project's precise, imaginative, and Japanese-inspired design to a broader audience.

Our Business Review / Federal Land, Inc., continued

Federal Land Communities

Federal Land introduced new features that enhanced the livability and connectivity of its townships.



Met Park

Met Park in the Bay Area is a vibrant township that brings together modern urban conveniences and wellness-oriented design elements to offer residents a distinctive lifestyle experience. In 2025, Met Park continued to strengthen its community appeal through a range of enhancements focused on accessibility, livability, and local enterprise. The township welcomed 13 new retail tenants, launched the NakakaLOCAL partnership in support of small local businesses, and began the redevelopment of Blue Bay Walk and other areas of the township to further enrich the overall experience for residents, visitors, and locators.



Riverpark

Riverpark in General Trias, Cavite, is a 600-hectare masterplanned township designed to combine the conveniences of urban living with the openness and calm of a riverside, park-oriented environment.

In 2025, Federal Land continued to strengthen Riverpark's community and economic development through a series of strategic milestones. These included a partnership with Ateneo de Manila University for the establishment of a future campus, the successful sale of Riverpark North commercial lots, and the continued progress of SM City General Trias, and the UNIQLO Logistics Facility, which is expected to be completed soon and help generate jobs and support local business activity. These initiatives reinforced Riverpark's position as an emerging master planned mixed-use township with a growing ecosystem for living, learning, and enterprise.



Marikina Town Center

Marikina Town Center, a 17.1-hectare township along Sumulong Highway, introduced new features such as a FIFA-certified football field, which provides a high-quality venue for sports and related events, the launch of the Toyota Tamaraw Food Park, and the NakakaLOCAL Food Fest. These additions help promote local enterprise, expand leisure options, and reinforce Marikina Town Center's role as a dynamic hub for recreation, dining, and economic activity.



Riverpark Spurs Community Growth

Federal Land NRE Global, Inc. (FNG) achieved the full sell-out of Riverpark North's commercial lots in General Trias, Cavite as of May 2025, marking an early milestone for the township's commercial district. The sold parcels, ranging in size from 1,000 to 2,600 square meters, are intended for office, retail, and other mixed-use developments, reflecting strong investor confidence in the area's long-term potential, particularly ahead of the completion of the CALAX interchange. A second phase is expected to be launched in 2026.

Beyond its sales significance, the milestone is expected to help stimulate business activity in the area and support the broader growth of the Riverpark community, particularly as major infrastructure and commercial developments around the township move closer to completion.

Retail Expansion

Federal Land continued to grow its retail portfolio in 2025 with the addition of 32 new tenants across its commercial properties, such as ABC Mart and Ipponyari at MITSUKOSHI BGC, St. Ali Coffee at Grand Hyatt Manila Residences, UCC Academy at The Shops, and Rockstar KTV and Better Motion Fitness Studio at MET Live. These new locators contributed Php1.8 billion in revenue and enhanced the energy, diversity, and appeal of Federal Land's retail destinations.

The Company also reinvested in the redevelopment of Blue Bay Walk in Met Park, to improve the retail experience of both tenants and shoppers.



Federal Land named Best Developer in Metro Manila at the DOT Property Philippines Awards 2025

Environmental Performance and Impact

Federal Land demonstrates environmental stewardship by managing emissions, waste disposal, and resource usage to minimize its carbon footprint.

The Company reduces its carbon emissions by transitioning qualifying projects to renewable energy under the Green Energy Option Program. Met Park Business Center Tower A has led this transition, operating on 100% renewable energy. The Company also lowers its Guaranteed Minimum Billing Demand to match actual needs, cutting overpayments and excess generation.

Federal Land incorporates sustainable green design by using energy-efficient solutions in its projects, including LED lighting, high Solar Reflectance Index paint, double-glazed windows, and permeable paving.

Water use is optimized with greywater and rainwater harvesting systems for irrigation, cooling, and sanitation, significantly reducing wastewater discharge and freshwater demand. Routine leak inspections are conducted to minimize waste. The Company ensures the wastewater meets regulatory standards and aligns water tariffs with actual usage to improve cost efficiency.

Federal Land partnered with Basic Environmental Systems and Technologies, Inc. (BEST), a waste management company, to promote sustainable practices within its workplaces. Employees can earn rewards for recycling, supporting environmental responsibility.

The Company ensured compliance with all applicable environmental laws and regulations through regular pre-operation and operational inspections.

Social Performance and Impact

One of the key drivers of Federal Land's success is the quality of its workforce. By end of 2025, it employed a total of 619 direct hires and 67 indirect hires.

Career advancement is championed through Federal Land University and RISE Development Program, providing employees with training focused on soft skills, functional leadership, behavioral programs, and government-mandated seminars. Employees access courses via Disprz, recorded 37,821 training hours in 2025, with an average of 61 training hours per employee, the highest among the GT Capital group. Out of more than 600 employees, 599 received a regular performance and career development review.



MITSUKOSHI BGC wins Best Retail Development at the DOT Property Philippines Awards 2025

Federal Land also prioritizes the well-being of its people and enforces Occupational Health and Safety (OHS) across corporate offices, construction sites, and managed properties. Health and Safety Personnel are deployed as mandated, and all employees and contractors receive mandatory safety training.

Federal Land's Corporate Safety and Health Committee promotes holistic well-being through various initiatives like wellness fairs and webinars. Construction sites implement strict safety protocols, including canopies, fences, safety nets, and Emergency Response Teams. Regular safety meetings, fire and earthquake drills, and safety orientation in its managed properties are also conducted through Federal Properties Management Corporation.

Federal Land also fosters a working environment that respects human rights and free from discrimination, with no violations recorded in 2025.

Awards and Recognitions

Federal Land's developments received strong industry recognition in 2025, underscoring its continued focus on quality, design excellence, and integrated placemaking. The Company received a total of 19 awards in 2025.

At the DOT Property Philippines Awards 2025, Grand Hyatt Manila Residences South Tower was recognized as Best Luxury Condominium Development and Project of the Year, highlighting its premium positioning and overall distinction in the market. Grand Central Park was named Best Mixed-Use Development, reflecting its contribution to creating a dynamic and well-integrated urban community, while MITSUKOSHI BGC earned Best Retail Development for its distinctive retail concept and experience.

Federal Land earned regional recognition at the DOT Property Southeast Asia Awards 2025, with Quantum Residences named Best Transit-Oriented Development, Grand Hyatt Manila Residences South Tower received Best Luxury Condominium Development, and Hartwood Village earned Best Community-Centric Design Development. These awards underscored the Company's strengths in creating developments that meet evolving urban and lifestyle needs.

Federal Land was also recognized as one of the Top 10 Developers at the Hubexo Asia Awards 2025, affirming its long-standing commitment to creating thoughtfully designed developments that enrich everyday life. This recognition reflected the breadth of the Company's portfolio and its continued focus on building spaces with lasting value.

Our Business Review /
AXA Philippines Life and General Insurance Corporation



AXA Philippines Life and General Insurance Corporation (AXA Philippines)



About the Business

Established in 1999, AXA Philippines Life and General Insurance Corporation (AXA Philippines) is one of the largest insurance companies in the country. It offers financial security to close to two million individuals through its group and individual life insurance, as well as general insurance products. It is one of the first to introduce bancassurance operations in the country and is among the pioneers in the investment-linked insurance sector. AXA Philippines is a joint venture between GT Capital, Metrobank, and AXA Group of France.



2025 in Numbers

Php16.7B

billion direct economic value generated

⇒ [Page 81](#)

15% direct economic value retained

Reinvested for long-term goals

⇒ [Page 81](#)

Close to **50%**

Growth in New Business Value

⇒ [Page 81](#)

100% receive a living wage

Compensation for direct hires does not go below the living wage

⇒ [Page 85](#)

Over **2,000** direct and indirect hires

AXA PH nurtures a diverse workforce

⇒ [Page 85](#)

Over **200** vendors accredited

61 of whom were assessed for ESG risk through the VRF tool

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8,103

kg of solid non-hazardous waste diverted through recycling and reprocessing

⇒ [Page 84](#)

1,461

Employees engaged in volunteerism

⇒ [Page 85](#)



Solomon S. Cua
Chairman

Ayman Kandil
President and CEO

How AXA Philippines Creates Value

In 2025, AXA Philippines strengthened its value creation by scaling its operations responsibly while reinforcing financial resilience, workforce capability, and governance discipline.

The Company generated nearly Php17 billion in direct economic value during the year. The increase in retained value to 13% of total economic value generated enhanced the Company's capacity to reinvest in people, operations, and long-term sustainability.

Value creation in 2025 translated directly into employment and capability building. AXA Philippines onboarded 803 new employees and promoted 206 employees, reflecting business expansion alongside internal mobility and leadership development. Investment in capability was reinforced through training programs that reached 1,455 employees, supporting service quality, execution discipline, and readiness for continued growth.

Operation growth was supported by strengthened governance and risk management. AXA Philippines accredited over 200 suppliers during the year, with ESG considerations embedded into vendor accreditation and assessment processes. This ensured that business expansion was supported by responsible procurement and risk-aware operations.

At the same time, AXA Philippines managed the environmental footprint of its office-based operations by monitoring energy, water, fuel, and waste consumption. In 2025, the Company diverted 8,103 kilograms of non-hazardous waste through recycling and reprocessing initiatives, reflecting continued attention to operational efficiency and resource stewardship.



AXA EssentiALL collaborated with Grab, Move It, and Gallagher

Through these outcomes, AXA Philippines' 2025 performance demonstrates how growth, governance, and sustainability were advanced together – creating value for customers through continued protection, for employees through career advancement opportunity and development, and for society through economic contribution and responsible operations.

Strategic Objectives

AXA Philippines is guided by its purpose of acting for human progress by protecting what matters. In the short-term, the Company is focused on sustaining strong operating performance, maintaining financial resilience, and delivering reliable protection solutions across Life, Health, and General Insurance. Over the long term, AXA Philippines is pursuing a growth ambition to double the business by 2028, while ensuring that growth remains disciplined, responsible, and aligned with stakeholder value creation.

This strategy is anchored on financial strength, customer trust, and organizational capability. By balancing growth with risk discipline and ESG integration, AXA Philippines ensures that performance today supports long-term resilience and sustainability.



Our Business Review /

AXA Philippines Life and General Insurance Corporation, continued

IFRS S1:30-42, 46-52, S2:27-37



From Good to Great

AXA Philippines' growth story in 2025 was underpinned by a culture that translates values into performance. As the company entered the year with the rallying call "Mission Greatness: One Great AXA. Good is now. Great is next," it reinforced a simple but important idea: sustained business growth is built on a strong, values-driven organization.

At its 2025 Mega Kickoff, AXA Philippines gathered around 3,500 employees and distribution partners in one venue for the first time, marking the start of a new chapter shaped by shared purpose and collective ambition. The event followed a 2024 performance that delivered double-digit topline growth, bottom-line growth, and record-high employee and customer metrics.

At the core of the Company's culture is CICO, AXA Philippines' "Customer First, Integrity, Courage, and One AXA" initiative. These values help shape an environment where employees are encouraged to stay connected to the customer, uphold accountability, act decisively, and work as one team. AXA Philippines describes CICO as the foundation of a culture where people feel valued, connected, and inspired to perform at their best in the service of customers and communities.

This culture of unity extends beyond internal engagement. In 2025, AXA held "One Great AXA" regional activities in Cebu and Davao, reflecting how collaboration, camaraderie, and shared purpose are carried across the organization. Together, these efforts show how AXA Philippines continues to move from good to great by building growth on the strength of its people and values.

Industry Key Risks and Future Outlook

AXA Philippines operates in a rapidly evolving risk environment shaped by technological disruption, climate change, regulatory complexity, and geopolitical uncertainty. As a leading insurer in one of the world's most climate-vulnerable markets, the Company continuously assesses emerging risks to ensure resilience, protect stakeholder value, and sustain long-term growth.

Climate Risks

Climate change continues to pose significant physical and transition risks, particularly in the Philippines, where extreme weather events such as typhoons, flooding, and rising temperatures can impact lives, infrastructure, and economic activity. These risks influence claims patterns, asset values, and long-term insurability. AXA Philippines integrates climate considerations into underwriting, investment decisions, and risk management processes, reinforcing its role in supporting climate resilience while managing exposure prudently.

AXA Philippines recognizes that climate risk is closely linked to the nature of its business. As climate-related events become more frequent and severe, they increase the likelihood of loss of life and property damage, which may in turn lead to higher claims. In response, the Company continues to adopt a prevention-first approach. By prioritizing climate risk mitigation, supporting resilience-building efforts, and reducing potential losses at the outset, AXA places prevention at the core of its strategy.

In line with the AXA Group's Net Zero Strategy, AXA Philippines is veering away from investments in sectors that pose high environmental and social risks. At the same time, the Company is actively growing its green portfolio and enhancing its ESG risk management, proving that financial returns and positive impacts can go hand in hand. AXA Philippines also minimizes its own impact and carbon footprint with its Environmental Management System, monitoring its emissions, usage of natural resources, and waste generation.

Macroeconomic Conditions

Global geopolitical tensions, trade disruptions, sanctions regimes, and economic volatility may affect supply chains, investment markets, and customer affordability. These dynamics can influence claims experience, asset performance, and regulatory expectations. AXA Philippines actively monitors geopolitical developments and maintains disciplined compliance and risk assessment practices to safeguard its operations and reputation.

The Philippine insurance market continued to post encouraging growth in 2025 despite industry challenges. Insurance penetration stood at 1.79%, while total insurance premiums increased by 14% to Php502.64 billion, and insurance density rose to Php4,414.58, based on data released by the Insurance Commission. At the same time, out-of-pocket healthcare spending in the Philippines remains high despite the passage of the Universal Health Care Act, pointing to a continued need for broader financial protection.

Against this backdrop, expanding insurance protection in the country remains an important priority. In response, AXA Philippines continues to introduce products designed to address the distinct realities of the Philippine market, while ensuring that these solutions remain flexible, relevant, and accessible to ordinary Filipinos.

Technology and Artificial Intelligence Risks

The accelerated adoption of digital tools and artificial intelligence across the insurance value chain presents both opportunity and risk. Potential concerns include data privacy, cybersecurity threats, algorithmic bias, regulatory compliance, and workforce disruption. AXA Philippines addresses these risks through robust governance frameworks, controlled deployment of AI use cases, and strong data protection and oversight mechanism, ensuring that innovation remains responsible, secure, and aligned with customer trust.

Digitalization and Cybersecurity

Increased digital reliance heightens exposure to cyber threats, system disruptions, and infrastructure failures. Cyber incidents can affect customer confidence, operational continuity, and regulatory compliance. AXA Philippines maintains a strong cybersecurity posture through layered controls, continuous monitoring, employee awareness, and business continuity planning, strengthening operational resilience in an increasingly digital environment.

Digitalization is a cornerstone of AXA Philippines' growth story. The Company's digital app, Emma by AXA Philippines, has been instrumental in improving the delivery of products and services, enhancing efficiency, and upgrading customer experience. As of 2025, approximately 73.4% of AXA Philippines customers have used the app for their transactions.

While the Company continues to invest in technological innovation, it also recognizes the cybersecurity risks that arise with it. To combat these ever-evolving risks, AXA Philippines abides by the AXA Group's agenda of developing a Cyber Center of Expertise. The goal is to equip employees with the knowledge and tools to build cyber resilience through upskilling.

Regulatory Risks

The regulatory landscape for insurers continues to evolve, particularly in areas such as data privacy, ESG disclosure, consumer protection, and AI governance. Non-compliance may result in legal, financial, or reputational consequences. AXA Philippines embeds regulatory compliance and legal oversight across product development, operations, and third-party relationships, enabling the Company to adapt efficiently to regulatory change while maintaining high ethical standards.

AXA Philippines ensures strict adherence to policies and guidelines set by the Insurance Commission. It also complies with Anti-Money Laundering and Counter Terrorist Financing (AML-CTF) laws. The company regularly reviews its internal

policies to ensure they are aligned with the latest developments in regulatory requirements and best practices.

Key Performance Indicators and Outcomes

AXA Philippines delivered strong financial outcomes for 2025, underpinned by disciplined execution of its growth strategy across Life, and Property and Casualty (P&C) businesses.

Gross revenues increased double-digit, driven by sustained momentum in Life new business, bancassurance performance, and continued expansion in Commercial and Retail P&C. New Business Value grew close to 50% on a comparable basis, reflecting improved business mix and higher-quality new sales. Underlying earnings had a single-digit increase, supported by improved technical margins and cost discipline.

Economic Performance and Impacts

AXA Philippines continued to generate strong direct economic value in 2025, with total value generated rising to Php19.6 billion. Of this amount, Php3.67 billion was distributed to employees as wages and benefits, Php764 million was paid to the government, and Php4.47 million was allocated to community investments.

Economic Data	
Economic Performance (In Php Billion)	2025
Direct Economic Value Generated	16.7
Direct Economic Value Distributed	14.2
Operating Costs	9.8
Employee Wages and Benefits	3.7
Payments to Government	0.7
Community Investments (In Php Million)	4.5
Direct Economic Value Retained	2.5
Direct Economic Value Retained (% of EVG)	15%

The Company's economic contribution is also reflected in the lives and assets it helps protect through its broad suite of comprehensive and flexible insurance solutions. Among its flagship offerings are Global Health Access, which provides coverage of up to Php175 million; Health Care Access, which includes teleconsultation and mental health support; and Health Start Lite, which covers the three most common critical illnesses, such as cancer, stroke, and heart attack, for as low as Php535 per month; and AXA Secure Future, a 7-pay endowment plan that combines life insurance protection with guaranteed cash benefits for future milestones.

Beyond health insurance, AXA Philippines further strengthens its commitment to financial protection through its non-life and investment-linked offerings, enabling customers to access solutions that support both protection and long-term financial security.



Our Business Review /

AXA Philippines Life and General Insurance Corporation, continued



AXA AllShield is AXA's VUL product that provides all around protection in case the unexpected happens

New Product Launches

In 2025, AXA Philippines continued to expand its product suite in line with its commitment to deliver more relevant, flexible, and accessible protection and wealth solutions. The year's launches and product enhancements reflected a balanced strategy: deepening its investment-linked and income-oriented offerings, expanding protection for individuals and families, and extending support to businesses and organized groups.

As commitment to its customers to provide better product offerings amid evolving times, AXA launched the top-up feature of its Asset Master plan, giving customers the flexibility to enhance their life coverage through lump-sum payments while exploring a diverse range of local and global funds. Asset Master is a single-pay, unit-linked insurance plan designed to help Filipinos effectively manage their wealth—from accumulation, preservation, and its eventual transfer to their heirs.

To further strengthen its long-term financial solutions and capture opportunities amid ever-changing market dynamics, AXA also introduced two additional income-paying fund options exclusively available in Asset Master - the AXA Equity Income Paying (EQUIP) Fund and AXA Variable Income Fund.

The AXA EQUIP Fund aims to deliver regular quarterly payouts and long-term capital appreciation by investing in the world's top companies that consistently yield high dividends, while the AXA Variable Income Fund aims to provide high income payouts based on the performance of leading global companies across various sectors and industries where it invests.

AXA Philippines also launched AllShield, an all-around insurance plan that combines whole-life coverage with lump-sum benefits for unexpected events such as accidents, disability, and critical illness. AllShield is a smart and affordable option for growing families, giving them peace of mind by ensuring financial security should any of the abovementioned unexpected events occur.

For the business segment, the Company rolled out MSME Secure, a packaged and affordable business insurance solution designed for micro, small, and medium-sized enterprises. The product aims to protect businesses against common risks such as calamities, accidents, and theft, reinforcing AXA Philippines' thrust to close protection gap among underserved industries. This direction is consistent with the Company's broader efforts to support MSMEs through insurance and financial education initiatives.



Protection for micro, small and medium sized enterprises (MSME) was launched in January 2025 to provide coverage in case of accident, theft, and calamities, among other risks

AXA Philippines also expanded its group protection solutions through Group Personal Accident, a plan for organizations and employee groups that provides lump-sum financial protection for accidental death or disablement, with optional supplementary accident-related benefits. The launch further strengthened the Company's ability to serve institutional clients and employee populations with practical, targeted coverage solutions.

In health protection, AXA Philippines introduced Health Max Elite, further strengthening its critical illness portfolio. The product gained strong external validation during the year, with AXA Philippines receiving Health Insurance Initiative of the Year at the 2025 Insurance Asia Awards for Health Max Elite.

These product launches in 2025 demonstrate AXA Philippines' continued focus on innovation across life, health, investment, and general insurance, while responding to the changing financial protection needs of individuals, families, businesses, and employee groups.

New Partnerships

AXA Philippines continued to strengthen strategic partnerships in 2025 to help narrow protection gaps among gig workers and other underserved segments of the workforce. Through AXA EssentiALL and its collaboration with Grab, Move It, and Gallagher, the Company helped extend group life and personal accident insurance to top-performing drivers and riders, with coverage of up to Php1 million. This initiative reflected AXA Philippines' broader effort to make protection more inclusive, particularly for workers whose livelihoods are often shaped by income volatility and limited access to traditional benefits.

Beyond insurance coverage, AXA Philippines also supported wellness-focused engagement through Grab's Health and Wheelness Day 2025, where around 400 drivers and their companions received medical, optical, and dental check-ups, consultations, and health guidance.

In partnership with the Metrobank Foundation, AXA Philippines launched a financial education initiative for micro, small, and medium enterprises, focused on equipping business owners with practical knowledge in areas such as financial literacy, budgeting, basic accountancy, governance, and investment fundamentals.



AXA partnered with Toyota Financial Services Philippines to strengthen borrower protection

This effort reflects a shared commitment to supporting stronger and more resilient local enterprises.

The Company also partnered with Toyota Financial Services Philippines to strengthen borrower protection by embedding added financial security into vehicle loan journeys. The collaboration is designed to help ease the financial burden on families in the event of unforeseen circumstances by covering vehicle loans while enhancing support for customers making long-term financial commitments.

AXA Philippines also advanced its customer experience agenda in 2025 with the launch of the Emma DigiZone at its Makati Service Center, introducing a self-service kiosk that brings digital insurance tools closer to policyholders. Designed to support the use of the Emma by AXA PH mobile application, the DigiZone enables customers to access policy details, view account values, top up, and pay premiums more conveniently, while also receiving on-site guidance when needed. The initiative reflects AXA Philippines' continuing efforts to make insurance transactions simpler, faster, and more accessible through a more seamless digital experience.

Taken together, these initiatives show how AXA Philippines is using cross-sector partnerships to deliver more practical and accessible protection while demonstrating how inclusive insurance models can provide meaningful support not only for workers themselves but also for the families who depend on them.



Partnering with Metrobank Foundation, AXA Philippines launched a financial education initiative for MSME

Leadership Alignment for the Road to 2028

AXA Philippines hosted the One Great AXA Town Hall in October 2025, bringing together employees and senior leaders for an important moment of reflection and alignment. The event welcomed visiting AXA Group CEO Thomas Buberl, AXA International Markets CEO Hassan El-Shabrawishi, and AXA Chief Financial Officer Nicolas de Nazelle, underscoring the significance of the Philippines within the broader AXA Group. During the town hall, the company highlighted key wins achieved over the past three years and shared its roadmap to 2028, which will help guide AXA Philippines toward its five-year business ambition.

More than a leadership gathering, the town hall reinforced a shared sense of purpose, strategic clarity, and the One AXA spirit as the organization continues its growth journey.



Redefining Insurance

AXA Philippines continues to redefine insurance by expanding its role beyond traditional protection and toward prevention, resilience, inclusion, and technology-enabled security. In a risk environment shaped by climate change, health crises, cyber threats, and economic volatility, the AXA Group sees insurance not only as a means of responding to loss but also as a way to help individuals, businesses, and communities anticipate and reduce risk before it materializes.

This approach is reflected in AXA's prevention-first mindset, which emphasizes early intervention, climate resilience, and collective action to reduce both human and economic costs. At the same time, the Group continues to harness digitalization and data-driven tools to identify emerging risks earlier, improve pricing and claims processes, and make protection more accessible and responsive. Through this combination of prevention, inclusion, and responsible use of technology, AXA is helping build financial security in a way that is more relevant to the realities of a multi-crisis world.

Responsible Stewardship

Following the AXA Global Responsible Investment Policy, AXA Philippines remains at the forefront of sustainable investing among local insurers. The Company integrates ESG considerations into its investment processes and ownership practices, abiding by the following commitments: 1) refraining from investing in companies that rank poorly in terms of ESG parameters by maintaining a list of investment bans and watchlist bulletins, and 2) allocating a portion of its portfolio to green bonds and to ESG-aware companies. The ESG expertise and knowledge of the parent company in France guide AXA Philippines' in-house investment team.

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AXA Philippines Life and General Insurance Corporation, continued

IFRS S1:46-52, S2:27-37



Cleanup initiative at Estero de Santibañez

Environmental Performance and Impacts

AXA Philippines' environmental outcomes reflected a year of business expansion and operational scaling, accompanied by deliberate actions to support climate transition and improve environmental management maturity. The Company strengthened its environmental data tracking and governance, establishing a clearer baseline to inform future efficiency initiatives.

At the same time, several transition-enabling actions were also advanced:

1. Matched 100% of electricity consumption through I-REC certificates, supporting renewable energy adoption.
2. Contributed to nature-based solutions through AXA Forest, with 4,000 trees planted.
3. Exceeded green investment targets.
4. Scaled green insurance solutions, including Pay-As-You-Drive, HEV/EV coverage, and Green Business insurance, all exceeding set targets.

Cognizant of climate change's inherent impact on the business, AXA Philippines is embedding climate action into its policies, strategies, and planning. The Company wears multiple hats to contribute to adaptation and mitigation.

1. As an investor, it practices sustainable investing to minimize the carbon footprint of its portfolio and to help accelerate energy transition.
2. As an insurer, it innovates its product portfolio to offer green insurance products. Together with Toyota Motor Philippines, it launched in 2023 the Connected Toyota Insurance that incentivizes safe driving through a pay-how-you-drive scheme.
3. As an exemplary company, it raises employee awareness on climate change and biodiversity through the AXA Climate Academy.

AXA Philippines is also committed to minimizing emissions originating from its operations. It installed LED lighting and light motion sensors in its head office to improve energy efficiency. To limit business travels, it implemented a policy that requires international trips to have prior approval from the CEO. It lessens emissions from company vehicles through its car fleet management. Strict waste segregation is also observed; paper waste is upcycled, and food waste is composted.

Environmental Data
Energy, Water and Waste

Data Required	Category	2025
Electricity	Non-Renewable (in kWh)	1,122,198
Fuel	Diesel (in L)	33,051
	Gasoline (in L)	27,563
Water	Utilities (in cu m)	1,021
Solid (Non-hazardous) waste	Recycled, Upcycled, Composted or Reprocessed (in kg)	8,103
	Landfilled (in kg)	14,916

Using its 2019 data as a reference point, the Company set out to cut its footprint by:

1. 28% in overall carbon emissions
2. 38% in energy emissions
3. 15% in car fleet emissions
4. 25% in business travel emissions

As of 2025, AXA Philippines has achieved its target reduction for energy emissions, car fleet emissions, office paper consumption, and marketing paper consumption.



Environmental Data

GHG Emissions

Scope	Category (in tons-CO ₂ e)	2025
Scope 1	Fuel - Mobile	146
	Subtotal	146
Scope 2	Purchased electricity	
	- Location-based	875
	- Market-based	875
Total	Location-based	1,021
	Market-based	1,021

Social Performance and Impacts

AXA Philippines delivered strong social outcomes in 2025 by expanding access to protection, investing in employee wellbeing, and supporting inclusive economic participation.

Key social initiatives included:

1. Launch of CICO Listens, a peer-to-peer mental health program, to support employee mental health and well-being.
2. Employee Volunteering engagement involving 1,461 unique volunteers.
3. Expansion of inclusive procurement, with 31% of total spend directed to MSMEs and inclusive suppliers, exceeding the company's 20% target.
4. Strategic partnership with Metrobank Foundation.
5. Expansion of inclusive insurance access through AXA EssentiALL.

The Company considers its employees as the driving force behind its success. It strives to be a progressive employer that empowers its people to operate at their best, creating an environment where individual and collective growth are aspired for.

As of yearend-2025, AXA Philippines employed 2,237 direct and 115 indirect hires. Employees enjoy equitable compensation packages, with benefits that may include life insurance, healthcare, disability and invalidity coverage, parental leaves, retirement provision, and stock ownership. Aiming to extend its culture of care to the families of its employees, AXA Philippines pays 100% of its direct employees a living wage at a minimum. The Company also endeavors to bridge the gender pay gap.



Cleanup initiative at Bokashi Falls

Ratio of basic salary and remuneration of men to women

Female-to-Male Ratio	Female	Male	Gender Pay Gap
Rank-and-File	0.90	1.00	10.00%
Junior Management	1.00	1.00	0.0%
Middle Management	1.10	1.00	-10.0%
Senior Management	0.70	1.00	30.0%

AXA Philippines embraces equality and diversity, recognizing that a diverse workforce benefits the organization. It provides equal opportunity in all aspects of employment and does not tolerate discrimination in any form. Through the years, it has consistently shown support for the LGBTQ+ community through the AXA Pride Celebration. Other programs, such as 'I am Different' and 'Sa AXA Kasama Ka!', strengthen employee engagement by fostering a feeling of belongingness.



One AXA Run 2025

Our Business Review /
AXA Philippines Life and General Insurance Corporation, continued



CICOlympics photo caption: CICOlympics 2025 marked a milestone for AXA Philippines as the first-ever month-long sports festival, fostering team spirit, health, and unity across the organization

In 2025, AXA Philippines marked a new milestone in employee engagement with the launch of CICOlympics, its first month-long sports fest celebrating wellness, teamwork, and the One AXA spirit. By bringing together employees and their families in a series of enjoyable and meaningful activities, the event nurtured stronger bonds, team pride, and a shared sense of belonging. More than a festive occasion, CICOlympics highlighted the company's belief that a connected and motivated workforce is essential to sustaining long-term growth.

The Company also promotes continuous learning for employees' career development. Its upskilling framework encompasses structured learning programs as well as on-the-job learning experiences to ensure holistic learning. Employees are provided access to on-demand playlists through LinkedIn Learning as well as instructor-led training sessions. They are also encouraged to participate in Skills Lab, an on-site workshop where they can test their newly acquired skills and knowledge and receive feedback. In 2025, AXA Philippines employees collectively logged a total of 79,067 training hours.

AXA Philippines is committed to ensuring a safe and healthy workplace. It recorded a total of 4,394,681 safe man-hours and no incidents of fatalities and injuries in 2025.

Building on its investments in learning and workplace safety, AXA Philippines also continued to advance employee well-being through Healthy You Days. The two-week event held in October featured a range of activities focused on physical, mental, and emotional wellness, including sessions led by health professionals on fitness, wellness, and mindfulness. As part of the program, a special CICO TV episode presented the local premiere of Group Therapy, a documentary co-produced by the AXA Group and Hartbeat Productions, in observance of World Mental Health Day. The program concluded with the first-ever One AXA Run, bringing together the AXA community in a shared celebration of wellness, unity, and engagement.

Mindful of its impact beyond its internal stakeholders, AXA Philippines observes due diligence in conducting a supplier ESG assessment. Suppliers are required to complete a Corporate Responsibility Questionnaire during their accreditation process to ensure they adhere to responsible procurement practices. In 2025, the Company had 61 vendors that had been assessed for ESG risk in the Vendor Risk Framework (VRF) tool.



Launch of AXA Pride Community Kick Off, fostering inclusivity and support within AXA

Governance Performance and Impacts

Staying true to its core values (Customer First, Integrity, Courage, and One AXA), AXA Philippines expects its people to uphold the highest ethical standards at all times. The AXA Compliance and Ethics Code and Anti-Bribery and Corruption Policies ensure that a culture of integrity and ethics is fostered within the workplace.

AXA Philippines' strong leadership team sets the tone from the top. The Company conducts training and awareness initiatives, ensuring employees' adherence to the AXA values. It also has a whistleblowing policy that enables employees to report violations made by fellow employees, tied agent, or outsourcer. Disciplinary action will only be given after a fair and thorough investigation, reinforcing the Company's commitment to nurturing an ethical workplace while ensuring accountability.

In 2025, AXA Philippines recorded:

1. No reportable incidents under Operational Losses Incidents
2. No serious reportable incidents under Reputational Risk Reports
3. No material breaches under Unified Incident Reports
4. No reportable cases under the Material Conduct Escalation Process

The Company also complies with the minimum requirements of the Data Privacy Act of 2012 (RA 10173), promising to protect and maintain the integrity, availability, and confidentiality of its



Local premiere of Group Therapy in observance of World Mental Health Day

clients' personal data. Adopting the AXA Group Data Privacy Framework, AXA Philippines implements a three-line defense model to ensure robust data governance:

1. Management - understands applicable regulatory requirements and ensures that AXA Philippines' collection, processing, transfer, and retention of personal data complies with regulatory requirements and the Group Data Privacy Policy.
2. Data Privacy Office (DPO) - helps ensure compliance with the Company's data privacy policies and relevant local requirements.
3. Internal Audit - provides independent assurance of the effectiveness.

This year, AXA Philippines demonstrated how financial performance, responsible operations, inclusive growth, and strong governance jointly contribute to long-term value creation for investors, employees, customers, and society

Awards and Recognitions

AXA Philippines received broad recognitions in 2025 across product innovation, brand trust, workplace culture, and leadership development. The Company reported wins across seven major award programs during the year, including the Global Insurance Innovation Awards 2025, Golden Arrow Awards 2025, 16th Asia CEO Awards 2025, TripZilla Excellence Awards 2025, Marketech APAC's NEXT Awards 2025, Great Place to Work® Certification, and the Philippine Daily Inquirer and Statista's Best Employers in the Philippines.

Among the year's notable recognitions is a double win at the 2025 Insurance Asia Awards, receiving Health Insurance Initiative of the Year for Health Max Elite and International General Insurer of the Year for its general insurance business. The Company also won three honors at the Reader's Digest Trusted Brands Awards 2025: Platinum in Travel Insurance, and Gold in both Health Insurance and Life Insurance.



Golden Arrow: Honored with the prestigious Golden Arrow Award as one of the Top Performing Insurance Companies in the Philippines



Best Employer: Recognized by Philippine Daily Inquirer and Statista as one of Best Employers in the Philippines of Best Employers in the Philippines

Our Business Review /

Metro Pacific Investments Corporation

IFRS S1:30-42, S2:10



Cebu-Cordova Link Expressway (CCLEX)



Metro Pacific Investments Corporation (MPIC)

About the Business

Metro Pacific Investments Corporation (MPIC) is one of the Philippines' leading infrastructure investment and management companies, with a portfolio anchored in businesses that support everyday life and national development. Through its interests in power, water, toll roads, light rail, healthcare, and agriculture, MPIC helps build and operate essential services that enable communities and industries to thrive. Its key operating companies include Manila Electric Company (Meralco), Metro Pacific Tollways Corporation (MPTC), Maynilad Water Services (Maynilad), MetroPac Water Investments Corporation (MPW), Light Rail Manila Corporation (LRMC), METPower Venture Partners (MetPower), Metro Pacific Health (MPH), Landco Pacific Corporation (Landco), Metro Pacific Health Tech Corporation (mWell), and Metro Pacific Agro Ventures (MPAV).



2025 in Numbers

Php27.1B

consolidated core net income
Up 15% year-on-year

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52 sites being assessed
for climate risks

In partnership with Philippine Academic Society for Climate and Disaster Resilience

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Php150B

for MTerra Solar
Funding secured to build the solar and battery storage facility

Page 92

Php5.5B

for a desalination plant
Construction underway to promote water security in Iloilo

Page 92

Php2.2B

for an elevated expressway
NLEX-C5 Northlink Section 1A Project broke ground in 2025

Page 90

2 medical centers
acquired

Metro Antipolo Hospital and Medical Center and Tanza Specialists Medical Center

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7 distinctions from
Corporate Governance Asia

Received by MPIC and key officers at the 15th Asian Excellence Awards

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25 -year franchise

Granted to Meralco

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Manuel V. Pangilinan
Chairman

Transition and Asset Management

With its businesses intrinsically tied to public interest, MPIC upholds integrity and transparency. It builds trust by ensuring compliance with legal and regulatory frameworks, working with the government and regulatory bodies, and showing the public its alignment with the common good. Post-acquisition, the Company focuses on upgrading its assets, enhancing operational efficiency, leveraging technology and innovation, and integrating sustainability to future-proof its businesses and ensure long-term value creation.

Value Realization

In line with its mission to contribute to sustainable progress and improve quality of life, MPIC creates lasting value for customers and communities by expanding access to and enhancing the quality and reliability of essential services nationwide. As its assets mature, MPIC's strategies show how shareholder interests, long-term value creation, and the public good can be balanced.

Industry Key Risks and Future Outlook



M-Terra Solar Project

How MPIC Creates Value

A private company rooted in public good, MPIC invests in critical infrastructure that serve as the backbone of national development. Its component companies are leaders and/or innovators in their respective industries, with presence even extending overseas. Meralco is the largest power distribution company in the country, while its power generation arm, Meralco PowerGen Corporation (MGEN), is aggressively scaling its renewable energy portfolio. MPTC operates over 250 km of toll roads in the Philippines and has significant investments in Vietnam and Indonesia. Maynilad is the water and wastewater concessionaire of 17 cities and municipalities in the West Zone of Greater Metro Manila while MPW focuses outside of the capital. LRMC operates and maintains the LRT-1 line with 25 stations. MPH is the largest private hospital network in the Philippines, while mWell offers innovation through its tech-based healthcare platform. MPAV seeks to strengthen the agriculture industry, particularly in dairy, fresh produce, and coconut processing and export.

Through these strategic investments, MPIC develops and leads sectors vital to addressing national needs and enabling sustainable progress.

Acquisition and Development of New Businesses

Promoting sustainability and long-term value creation is always at the heart of MPIC's investments. The Company conducts rigorous due diligence and investment screening to assess risks, financial and non-financial impacts, and alignment with its strategic vision.

Climate Risks

MPIC's infrastructure assets are highly susceptible to worsening climate-related hazards, highlighting the urgency of mitigation and adaptation strategies. Component companies are constantly upgrading their assets and investing in climate-resilient infrastructure to shield themselves from these risks. Meanwhile, MPIC established a groupwide Sustainability and Risk Council to align and unify its operational strategies and sustainability efforts, guided by a climate scenario analysis MPIC also conducted. In 2025, MPIC signed an agreement with the Philippine Academic Society for Climate and Disaster Resilience (PASCARD), in partnership with the UP Resilience Institute, to conduct a science-based climate risk and impact assessment on selected strategic sites in Metro Manila, including assets in power, water, toll roads, and light rail. This initiative is intended to help the Group better understand vulnerabilities, quantify potential impacts, and prioritize measures that will strengthen the resilience and continuity of essential services.

Our Business Review /

Metro Pacific Investments Corporation, continued

IFRS S1:46-52, S2:27-37



Solar power farms, primarily at the La Mesa Compound in Quezon City, to power water treatment and pumping facilities



Metro Pacific Agro Ventures Greenhouse

In light of intensifying extreme weather patterns, MPIC is committed to supporting and leading the country's carbon transition. MPIC and its component companies continue to implement measures to minimize their own carbon footprint, including using renewable energy for their own operations. Meralco and MGEN are making strides in their commitment to support the country's low carbon energy transition by expanding their renewable portfolio, bannered by the MTerra Solar Project, which is expected to be the one of world's largest integrated solar and battery energy storage facility upon completion.

Macroeconomic Risks

Food security remained a critical concern in 2025 as global volatility, climate-related disruptions, and supply-side constraints continued to pressure agricultural systems. For the Philippines, these risks were compounded by heavy reliance on imported food inputs and the persistent challenge of building scale and efficiency in domestic production. Climate change also continued to heighten uncertainty, with changing weather patterns and resource stress affecting yields, operating conditions, and the long-term resilience of food and water systems.

Against this backdrop, MPIC continued to deepen its investments in agribusiness through MPAV. During the year, Metro Pacific Fresh Farms (MPFF) marked the first harvest from its 3.5-hectare vegetable greenhouse complex in San Rafael, Bulacan, advancing MPIC's push into modern, technology-enabled farming. MPAV also moved to expand its coconut platform through the acquisition of Franklin Baker, one of the country's established coconut processors. Together with its investment in Axelum Resource Corporation, MPAV's acquisition of Franklin Baker strengthens its position across the coconut value chain and supports its broader goal of building a more resilient, vertically integrated agribusiness platform focused on food security, export competitiveness, and inclusive rural development.

Water security also remained closely tied to macroeconomic and climate risks. As urbanization, population growth, and weather variability continued to strain supply, the need for long-term water infrastructure became more urgent. In response, Metro Pacific Water (MPW) began construction of the Php5.5-billion desalination plant in Iloilo, the largest of its kind in the country, aimed at helping address rising demand for clean drinking water

and improving the reliability of supply in a fast-growing region. Metro Pacific Water Solutions (MPWS), a subsidiary of MPW also announced the signing of a Memorandum of Agreement with Hitachi Asia to explore potential joint projects in water and wastewater management.

Meanwhile, inefficiencies in the transport sector continued to weigh on productivity and mobility. Population growth, road congestion, and the need for more seamless connectivity across urban corridors remained pressing issues. In 2025, NLEX Corporation broke ground on the initial phase of the NLEX-C5 Northlink Section 1A Project, a Php2.2-billion, two-kilometer elevated expressway that will extend NLEX from the Mindanao Toll Plaza to Quirino Highway in Quezon City. The project is expected to help decongest local roads and improve east-west connectivity in a dense part of Metro Manila. While transport constraints remain significant, such investments reflect MPIC's continuing role in building infrastructure that can ease bottlenecks and support economic activity over the long term.

Healthcare access also remained an important macroeconomic concern, especially as affordability, system fragmentation, and uneven access to care continued to affect productivity and household resilience. During the year, mWell expanded its digital healthcare ecosystem through the integration of KonsultaMD, the launch of its first tech-powered Primary Care Facility in Bacoor, and the introduction of the country's first digital Health ID. These initiatives were designed to improve continuity of care, reduce friction in access, and support a more connected and preventive healthcare system. Taken together, MPIC's 2025 investments show how the Group is responding to macroeconomic risks not only by expanding hard infrastructure, but also by strengthening the systems that support food, water, mobility, resilience, and health.

Regulatory Risks

As a provider of critical infrastructure and essential services, MPIC operates in a highly regulated environment where compliance, policy shifts, and regulatory decisions can materially affect operations and growth. While each operating company maintains its own risk management units and internal policies, key political and regulatory risks are elevated to MPIC's Risk Management Committee for oversight at the parent level. The Company also maintains dedicated regulatory management



Maynilad successfully made its debut on the Philippine Stock Exchange

groups and applies disciplined standards in evaluating and pursuing government-related projects and opportunities.

In April 2025, President Marcos signed the renewal of Meralco's franchise for another 25 years, reinvigorating the company's commitment to powering households, communities, and industries. Meanwhile, Maynilad successfully made its debut on the Philippine Stock Exchange through an initial public offering. The proceeds raised would be used for capital expenditures to support long-term expansion plans and for general corporate purposes.

Cybersecurity Risks

As MPIC and its operating companies continue to adopt digital tools and platforms, cybersecurity and data privacy risks remain an important area of focus. Digitalization supports greater efficiency, service accessibility, and customer convenience across the Group's businesses, but it also heightens exposure to cyber threats that could disrupt operations or affect stakeholder confidence if not properly managed. In 2025, MPIC continued to strengthen its digital resilience and internal controls as more technology-enabled systems were rolled out across the Group, particularly in customer-facing and operational platforms.

Manpower Risks

Manpower risks also remained relevant amid the continuing challenge of attracting, retaining, and supporting talent in a competitive labor environment. MPIC sought to address these challenges by fostering a healthier and more supportive workplace for its people. In 2025, it launched the Leadership and Management Development Program (LMDP), a 10-month, enterprise-wide talent development and upskilling initiative designed to prepare high-potential leaders for the complexities of managing and leading within a diversified infrastructure conglomerate. The program was designed and delivered in partnership with the Ateneo Center for Continuing Education (Ateneo CCE), ensuring academic rigor, industry relevance, and alignment with MPIC's enterprise leadership requirements amid digital transformation, increased regulatory scrutiny, and the need for cross-sector collaboration. MPIC also received Healthy Workplace certification for prioritizing employee health, comfort, and well-being, supported by real-time indoor air quality monitoring and workplace wellness analytics. These efforts reflect MPIC's recognition that employee wellness and



Meralco frontliners

workplace quality are important to sustaining productivity and organizational resilience over the long term.

Key Performance Indicators and Impacts

Financial Performance

MPIC sustained its strong growth momentum in 2025, reporting a 15% increase in Core Net Income to Php27.1 billion, compared with Php23.6 billion in 2024.

Meralco remained the largest contributor to earnings, with revenues reaching Php497.3 billion, up 6%, supported by stronger power generation revenues, retail electricity sales, and improved plant availability. Its Consolidated Core Net Income grew 12% to Php50.6 billion.

MPTC's toll revenues increased to Php36.9 billion, up 17%, driven by toll rate adjustments and traffic growth in the Philippines. Core Net Income increased 8%, benefitting from higher shareholding in NLEX Corporation and continued cost discipline.

Maynilad also posted solid growth, with revenues reaching Php36.6 billion, up 9%, mainly on the back of tariff adjustments and stable billed connections. Core net income rose to Php15.2 billion, supported by higher revenues and improved network efficiency.

Economic Performance and Impacts

In 2025, MPIC continued to create economic value by advancing investments that improve connectivity, support domestic production, expand healthcare access, and strengthen the resilience of essential infrastructure. In toll roads, NLEX Corporation broke ground on the initial phase of the NLEX-C5 Northlink Section 1A Project, which is expected to help ease congestion and improve connectivity in Quezon City. MPIC also announced the appointment of Gilbert Gabriel F. Santa Maria as President and CEO of Metro Pacific Tollways Corporation, supporting the business' next phase of growth and operational optimization.

In water, Metro Pacific Iloilo Water committed PHP 1.3 billion in 2025 to upgrade infrastructure, improve distribution efficiency, and address rising demand in Iloilo. In healthcare, Metro Pacific Health expanded its hospital network through the acquisitions



Our Business Review /

Metro Pacific Investments Corporation, continued

IFRS S1:46-52, S2:27-37



Angat Dam



Metro Pacific Iloilo Water service



Landco's The Spinnaker earned international recognition as the Best International Sustainable Residential Development



Solar panels at toll plaza

of Metro Antipolo Hospital and Medical Center and Tanza Specialists Medical Center. At the same time, mWell broadened MPIC's digital healthcare footprint through the acquisition of KonsultaMD and a series of initiatives that expanded access, efficiency, and continuity of care. These included the launch of Southeast Asia's first medical drone delivery service, the digitalization of De Los Santos Medical Center's corporate clinic management system, the rollout of Wellness@Work and its Corporate Scoreboard, the opening of mWell's first tech-powered Primary Care Facility, the introduction of HIV self-test kits through KonsultaMD, the launch of the country's first digital Health ID, workforce wellness solutions with UnionDigital Bank, and the deployment of digital health services in Palawan.

MPIC also continued to support food security and rural development through agribusiness. MPFF marked its first harvest in Bulacan, while MPAV strengthened its coconut platform through the acquisition of Franklin Baker. The subsequent completion of the transaction by Metro Pacific Coconut Holdings Corporation injected capital to stabilize operations and reinforce the long-term viability of the business. In real estate, Landco's The Spinnaker earned international recognition as the Best International Sustainable Residential Development.

Beyond portfolio expansion, MPIC also pursued initiatives that support long-term economic resilience. It entered into an MOU with Mitsui and SteelAsia to explore a closed-loop steel recycling system that could improve resource efficiency and strengthen local supply chains. It also collaborated with the Philippine Academic Society for Climate and Disaster Resilience and the UP Resilience Institute to assess vulnerabilities across strategic sites in Metro Manila and help future-proof critical infrastructure.

Environmental Performance and Impacts

In 2025, MPIC continued to translate its sustainability agenda into concrete environmental initiatives across power, water, waste management, and biodiversity partnerships. In power, MTerra Solar secured Php150 billion in funding for its integrated solar and battery energy storage project, while Phase 1 reached 65% completion during the year. These developments reflect the scale of MPIC's contribution to the country's energy transition.

In water, Metro Pacific Water began construction of its Php5.5-billion desalination plant in Iloilo, a major project intended to

improve long-term water security in a fast-growing region. Metro Pacific Water Solutions also signed an MOU with Hitachi to explore joint initiatives in sustainable water and wastewater management. Meanwhile, Metro Dumaguete Water received international recognition for an energy-saving sustainability innovation that improved power efficiency in water production.

In waste management, MetPower broke ground on the Integrated Solid Waste Management Facility in Iloilo, a project designed to process municipal waste, generate renewable energy, and produce refuse-derived fuel for industrial use. At the corporate level, MPIC also supported the ASEAN Centre for Biodiversity's Eighth ASEAN Heritage Parks Conference, reflecting its continuing engagement in regional biodiversity and conservation efforts.

Social Performance and Impacts

In 2025, MPIC's social impact efforts continued to be shaped by collaboration, workplace well-being, and stronger support for underserved communities. During the year, Metro Pacific Investments Foundation joined other MVP Group foundations in signing a memorandum of understanding with the Department of Social Welfare and Development to help strengthen the delivery of social protection services in the country. The partnership reflects a more coordinated approach to supporting vulnerable sectors and expanding the reach of key social programs.

MPIC recognizes its employees as the driving force behind its continuing service and long-term success. As such, the Company remains committed to their welfare through policies and programs that support both their well-being and professional growth. In 2025, MPIC and its featured companies, namely Meralco, MPTC, Maynilad, LRMC and the Parent Company reached over 21,000 direct employees. Professional development continued to be promoted through training and learning programs designed to equip employees with the skills needed to contribute to the Company's organizational goals.

This commitment to employee welfare was also reflected in workplace quality initiatives during the year. In 2025, the Company received Healthy Workplace certification for fostering an environment where health, comfort, and employee well-being are actively prioritized. The certification was supported by

real-time indoor air quality monitoring and analytics that assess workplace conditions in terms of comfort, cognitive function, physical health, and productivity.

Across the healthcare portfolio, this emphasis on people and workplace standards was further reflected in external recognition. Four Metro Pacific Health hospitals were named among "The Philippines' Best Employers 2026" under the Healthcare and Social category, highlighting the Company's continuing efforts to promote supportive and high-quality work environments within its healthcare network.

Governance Performance and Impacts

In 2025, MPIC continued to strengthen governance through leadership, accountability, and a more integrated approach to sustainability and risk oversight. A key development during the year was the appointment of June Cheryl Cabal-Revilla, MPIC's Chief Finance, Risk, and Sustainability Officer, as co-chair of the Asia Pacific Chapter of the Accounting for Sustainability (A4S) CFO Leadership Network. The appointment placed MPIC in a stronger position within regional discussions on how finance leaders can embed sustainability into strategy, decision-making, and long-term value creation.

MPIC also continued to deepen governance practices through its annual integrated reporting kick-off with its operating companies. As part of this process, the Company engaged Climate Fresk facilitators to help participants better understand climate change using science-based and collaborative learning tools grounded in the latest IPCC findings. This initiative supported a more informed and structured discussion of climate-related risks and solutions across the Group, reinforcing the role of integrated thinking in governance and reporting.

Leadership recognition likewise reflected MPIC's continuing emphasis on responsible stewardship. In 2025, Chairman, President, and CEO Manuel V. Pangilinan received the Gintong Alon Leadership Award from the Philippine Association of Hong Kong in recognition of his support for overseas Filipino workers worldwide. Earlier in the year, Cabal-Revilla was also selected as a judge for the 30th GLOMO Awards at MWC25 Barcelona, reflecting external recognition of her expertise in innovation and leadership.

Taken together, these developments reflect MPIC's continued efforts in 2025 to link governance with leadership development, sustainability integration, and stronger organizational oversight.

Awards and Recognitions

MPIC's performance and stewardship in 2025 continued to earn recognition from respected regional and industry bodies, underscoring the Company's sustained progress in investor relations, corporate communications, sustainability, and reporting excellence. While several distinctions received during the year have already been noted in earlier sections, the breadth of these recognitions reflects how MPIC's efforts continued to gain external affirmation across multiple dimensions.

Among the year's most significant recognitions were the seven distinctions MPIC received at the 15th Asian Excellence Awards by Corporate Governance Asia. These included Asia's Best CEO (Investor Relations) for Manuel V. Pangilinan, Asia's Best CFO (Investor Relations) for June Cheryl Cabal-Revilla, Best Investor Relations Professional for Maricris Aldover-Ysmael, Best Corporate Communications, Best Investor Relations Company (Philippines), the Sustainable Asia Award, and Best Environmental Responsibility.

MPIC's reporting and disclosure practices were likewise recognized during the year. Its first integrated report, Our Progress is Yours, received recognition at the 21st Quill Awards under the Publications category, while the Company also earned a Silver award for Asia's Best Integrated Report (Large Company) at the 11th Asia Integrated Reporting Awards.

Earlier in the year, MPIC also won two Silver Anvils at the 60th Anvil Awards for Public Relations Programs under Corporate Social Responsibility/Good Governance and for Public Relations Tools under Publications.

These awards and recognitions in 2025 reflect MPIC's continued commitment to strong leadership, disciplined disclosure, stakeholder engagement, and responsible long-term value creation.



Our Community Engagement

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Pinsao Baguio City community members provided with clean and potable water

Special Feature Bags of Blessing



GT Capital executives and representatives lead the distribution of green bags to beneficiaries



Ty, the program reflects his vision of generosity shared quietly yet impactfully with those most in need.

Since its inception in 2011, the Foundation has successfully conducted 13 cycles of the BoB, offering opportunities for partnership, volunteerism, and philanthropy among key stakeholders, including Metrobank employees.

The Dr. George S.K. Ty Bags of Blessing (BoB) is one of GT Foundation's legacy programs that embodies the spirit of generosity. Rebranded in 2024 to honor the life and legacy of the late Group Chairman, Dr. George S.K.

In 2025, GTFI distributed green bags that benefited 10,000 families from the poorest sectors nationwide through the BoB. From 2011 to 2025, the Bags of Blessing program impacted over 138,000 families across 255 locations nationwide. This was made possible through partnerships with Metrobank Foundation, Caritas Philippines, Metrobank Action Officers, and the GT Capital Holdings and Metrobank Group of Companies.



The Kick-off Ceremony of the Dr. George S.K. Ty Bags of Blessing was held on November 15, 2025, at San Ildefonso Parish in Makati City. The ceremony highlighted the life of Dr. Ty, the beginnings of the

GT Foundation, and the implementation of the Bags of Blessing over the years.

This event was followed by the Culminating Activity on November 22, 2025, at St. John Bosco Parish in Tondo, Manila. The heads of Metrobank subsidiaries attended the event, along with the program partners who assisted with the bag distribution.

A total of 272 volunteers from Metrobank Foundation and Metrobank branches nationwide participated in the BoB distribution.



GT Foundation

GT Foundation, Inc. (GTFI) was established in 2009 as the philanthropic arm of the Ty family, rooted in the vision of Dr. George S.K. Ty. Shaped by his conviction that achievement carries with it a duty to lift others up, GTFI moves forward with planned actions, careful direction, and long-term thinking, opening paths for Filipinos. GTFI is committed to providing sustained support, particularly in education, healthcare, and community development to help create meaningful and lasting impact.



In 2025, GTFI continued its balanced approach, responding to immediate needs while reinforcing long-term pathways to mobility and resilience. Across its programs, the Foundation focused on practical, high-impact interventions, providing food and basic needs for vulnerable families, vision screening and corrective eyeglasses for public school students, tuition support for both formal and technical-vocational learners, and grants that expanded access to health and community services.

Legacy Programs: Compassion in Action

Dr. George S.K. Ty Bags of Blessing



A flagship legacy initiative, Bags of Blessing (BoB) was envisioned by Dr. Ty as a way to share the spirit of celebration to families with limited resources. The project was originally timed with the Chinese New Year

and later institutionalized as an annual November activity to commemorate the life and legacy of the late Chairman and celebrate GTFI's anniversary. In 2025, the program delivered grocery bags worth Php1,000 each to 10,000 families across 20 sites nationwide.

PaGTitipon: A Food Augmentation Program



Complementing BoB, GTFI also implemented a food augmentation program to help sustain the nutrition needs of beneficiaries residing at residential care facilities through the PaGTitipon program. In

2025, 20 residential care facilities across the country received support, benefiting elderly persons, people with disabilities, individuals with mental illness, and homeless or abandoned members of the community. The initiative reinforces the Foundation's commitment to sustained assistance rather than one-time aid.

Salamin sa Maliwanag na Bukas: Improving Learning Through Better Vision



Recognizing that poor eyesight might slow learning and daily life, GTFI continued to offer eye care services in schools through the Salamin sa Maliwanag na Bukas program. In 2025, 1,368 grade

schoolers from four public schools underwent eye exams, with 679 receiving prescription glasses to correct vision problems identified during the screenings. By detecting and addressing vision problems early, the program helps children learn confidently and enjoy school.

Education: Expanding Access and Strengthening Outcomes

Education remained the focus of GTFI's interventions in 2025, with programs designed to support students at different points of the learning pathway, from tuition assistance to securing employment opportunities.

Higher Education Support: GT REAP and GT YES



Under its formal education initiatives, which include the GT Reformation and Educational Assistance Program (GT REAP), and GT Youth for Excellence and Service (GT YES), GTFI provided tuition fee

assistance to 327 students. GT REAP supports academically deserving, financially challenged students in their final academic year, while GT YES provides scholarship support from first year through degree completion.

Technical-Vocational Scholarship: STEP



To widen access to skills-based education and workforce readiness, the Scholarship for Technical and Educational Assistance Program (STEP) supported 497 technical-vocational scholars through tuition

fee assistance. By investing in TechVoc training, GTFI strengthens

employability pathways for underprivileged learners and diversified its education portfolio beyond traditional degree programs.

Scholar Engagement and Retention: M.E.E.T the Scholars!



Understanding the importance of supporting learners throughout their journey, GTFI stays in touch with its active scholars through the M.E.E.T. (Motivate, Educate, Engage, and Track) the Scholars! program.

An engagement program designed to complement financial assistance with holistic formation among scholars, M.E.E.T. the Scholars! instills in the learners the values and leadership qualities needed to contribute meaningfully to the 4Cs—Creator, Clan, Country, and Community.

Through M.E.E.T.'s meaningful learning sessions and values formation activities, GTFI builds a strong scholar community, achieving a 100% retention rate across all Foundation scholarship programs. In 2025, GTFI engaged 420 scholars under the program.

Transition to Work: Employment Outcomes



Beyond education completion, GTFI's outcomes extended into employment: 31 newly-graduated scholars in 2025 were employed within the Metrobank and GT Capital Group of Companies. This

milestone underscores a clear bridge from educational support to meaningful work, an important indicator of longer-term impact and life outcomes.

Community Health and Grants: Essential Services and Resilience

GTFI's 2025 accomplishments also reflect broad community-based impact, from clean water access to healthcare support and livelihood-linked programs.

Clean and Potable Water Access



In 2025, GTFI installed an Aqua Tower at Pinsao Elementary School in Baguio City. Some 598 students and 4,763 community members benefited from the new access to clean and potable water, an

intervention with direct links to health, school attendance, and overall community well-being.

Food Security and Livelihood Support



GTFI's partnership with the Advancement for Rural Kids (ARK), an organization committed to solving hunger for good and building self-sustaining rural communities, has enabled 1,408

families access to sustainable feeding and livelihood programs. Called Project FEEDBACK, the initiative addresses immediate food needs while helping communities build long-term resilience through livelihood support and community-based food systems.

Healthcare Services: Manila Doctors Hospital Support



Through annual funding support amounting to Php10.8 million to Manila Doctors Hospital, 1,342 indigent patients received quality health interventions in 2025. This sustained institutional partnership

reflects a grants-based approach to delivering healthcare access at scale, especially for underserved patients who face cost barriers to treatment.

GT Capital Turns Over Php100 Million Donation to GT Foundation

On December 16, 2025, GT Capital Holdings, Inc. formalized its commitment to social development by turning over a Php100 million cash donation to GT Foundation.

Starting 2026, the Php100 million donation will be provided annually, ensuring sustained and long-term support for the Foundation's key programs and initiatives. This recurring funding will enable GT Foundation to expand its reach and deepen its impact across the communities it serves.

The initiative underscores GT Capital's continued commitment to responsible corporate citizenship, reinforcing its role in driving meaningful and lasting social progress alongside its business growth.



GT Foundation, continued

Disaster Response: Timely Assistance in Times of Crisis



Following the magnitude 6.9 earthquake in Cebu Province, GTFI extended Php1 million in assistance to support affected families. Through partnerships with Metrobank Foundation and Manila

Water Foundation, 4,000 units of clean drinking water were distributed to 2,000 families.

Governance, Recognition, and Institutional Strengthening

National Recognition: 21st Philippine Quill Awards



GTFI's work in 2025 received external recognition at the 21st Philippine Quill Awards, earning two Awards of Merit: one for an

audio-visual presentation showcasing GTFI's impact and milestones through the years titled, GT Foundation Stories: Celebrating 15 Years of Transforming Lives and Building a Better Future; and another recognizing M.E.E.T the Scholars! as an exemplary engagement program for GTFI scholars.

PCNC Accreditation: A Governance Milestone



On April 23, 2025, GTFI underwent accreditation by the Philippine Council for NGO Certification (PCNC) and was awarded a five-year accreditation, the longest period granted by PCNC. This outcome reflects a demonstrated commitment to governance, transparency, and program effectiveness, supported by a comprehensive evaluation of the Foundation's systems, practices, and impact.



Looking Ahead: Plans for 2026

In 2026, GTFI will continue to deliver meaningful, measurable impact anchored on its commitment to uplift vulnerable individuals and expand access to basic health services, quality education, training, and employment opportunities for children and youth. Guided by the Ty family's values, the Foundation's plans focus on continuity while strengthening programs and internal systems.

Education will remain a core pillar, with continued support for academically deserving but financially challenged students nationwide through higher education, technical-vocational, and other scholarship programs. GTFI will also sustain key Ty family legacy initiatives: Bags of Blessing, PaGTitipon, and Salamin sa Maliwanag na Bukas. These programs reflect the Foundation's long-standing commitment to compassion and service, particularly in addressing food security and access to basic health services.

For health and grants, GTFI plans to maximize its annual grants budget by supporting partner institutions running community-based programs in preventive care, nutrition, and primary health services, helping extend the Foundation's reach to areas with the greatest need.

Finally, GTFI will continue improving internal governance systems to promote clarity, accountability, and transparency. Updated and simplified policies, guidelines, and procedures will support more efficient workflows, timely implementation, and stronger governance, ensuring the Foundation remains responsive, responsible, and effective.

Metrobank Foundation

Metrobank Foundation, Inc. (MBFI) was formally established on January 8, 1979, by Dr. George S.K. Ty, 16 years after he founded Metropolitan Bank & Trust Company (Metrobank). With a clear vision of becoming the Philippines' leading corporate philanthropic foundation, MBFI pursues work that creates meaningful and measurable contributions to social development. Its flagship initiatives include the Metrobank Foundation Outstanding Filipinos; Metrobank Art & Design Excellence (MADE); the Metrobank Scholarship Program (MSP); and the National Teachers' Month (NTM) celebration.



The foundation also implements a grants and partnership program that addresses critical areas such as health, education, livelihood, and disaster risk reduction and management, supporting communities in building resilience and improving quality of life.

MBFI is a development organization committed to uplifting individuals and the sectors they represent, while building strategic collaborations with institutions united by a shared purpose. By fostering a culture of excellence and responding thoughtfully to stakeholder needs, the Foundation continues to broaden its reach and deepen its impact in communities across the country. As the heart of the Metrobank Group, MBFI remains guided by its enduring roadmap, "Excel. Engage. Empower," the 3Es that shape how it serves, partners, and delivers lasting change.

Through decades of sustained work, MBFI has helped empower public servants, educators, artists, and underserved communities through programs that recognize excellence, nurture the visual arts, expand access to education, strengthen disaster response, and provide grants for social development projects. In 2025, the foundation stayed true to its mission of **uplifting lives, enabling positive change and nurturing a culture of service excellence.**



The Conferment Ceremony of the 2025 Metrobank Foundation Outstanding Filipinos was held on 5 September 2025 at the Grand Hyatt Manila in Bonifacio Global City, Taguig

Excellence Recognition

In 2025, the Metrobank Foundation Outstanding Filipinos—the Foundation's flagship excellence recognition program honoring exemplary teachers, soldiers, and police officers—marked its 40th year. To celebrate this four-decade legacy of excellence shaped by the continued dedicated service of its 725 awardees, MBFI held an Alumni Homecoming on January 31, 2026, at the GT Auditorium of Manila Tytana Colleges in Pasay City.

As part of the milestone year, another set of ten exemplary public servants was honored—continuing MBFI's legacy in recognizing individuals who lead with integrity, competence, and compassion. In education, they advance learning and research, shape future leaders, and expand access to quality education. In the military service, they uphold sovereignty and national security, embodying discipline, courage, and commitment in safeguarding the nation. In the police service, they strengthen law enforcement with integrity and professionalism, promoting public safety and fostering trust between institutions and the people they serve.

The celebration gathered more than 160 awardees from different batches, reaffirming that the recognition is not merely an accolade but a lifelong commitment to service leadership, integrity, and nation-building. Event highlights included renewed



30 years

of the Metrobank Scholarship Program with 1,268 scholar graduates and 122 current scholars

Metrobank Foundation, continued



The alumni network of the Metrobank Foundation Outstanding Filipinos lead the Guro, Pulis, at Sundalo na may Galing, Puso, at Sigasig (GPS²) outreach program on 25-26 October 2025 in Ivana, Batanes



Mixed Media Category Grand Awardee Jao Eugene S. Pelaez shares the inspiration and meaning behind his art work, "Tulad ng Isang Halaman na Minsang Nanirahan (Like a Plant that Once Lived)" during the MADE exhibition



The pilot run of the Metrobank Foundation SOLUTION was launched at San Miguel Heights Elementary School in Valenzuela City, focusing on learners in Grades 4 to 6 who struggle with foundational numeracy



2,000 families affected by the earthquake in Davao Oriental received temporary shelter repair kits and sleeping mats

commitments from alumni leaders, messages of support from institutional partners, cultural performances celebrating Filipino heritage, and a solemn tribute honoring departed awardees as well as the late Metrobank and MBFI Founder and Group Chairman Dr. George S.K. Ty and former MBFI President Aniceto Sobrepeña.

Being a Metrobank Foundation Outstanding Filipino is not just a title but a commitment to service. The alumni networks of teacher, soldier, and police officer awardees regularly come together to hold outreach initiatives through the Guro, Pulis, at Sundalo na may Galing, Puso, at Sigasig (GPS²) program. In 2025, the multi-sectoral groups brought hope and support to Ivana, Batanes with the support of the Armed Forces of the Philippines (AFP), the Philippine National Police (PNP), and the Department of Education, alongside partner foundations, civic organizations, and schools.

GPS² in Ivana supported 43 teachers, 10 PNP and Special Education personnel, and partner schools through ICT donations and the distribution of 981 workbooks. Health, wellness, and preparedness activities also extended assistance to a broad range of beneficiaries, reaching 158 individuals, including 85 teachers and police officers, 33 farmers, and 61 students.

Support for learners included hygiene kits for 200 recipients and slippers for 344 recipients, while communities received food packs, solar and emergency equipment, and other essential resources. The program also provided mobility aid to 15 individuals and supplied generators to five barangays, strengthening local resilience and readiness.

Art and Design Excellence

The theme, "Boundless," in 2025 signaled an exciting new chapter for the Metrobank Art & Design Excellence (MADE) program, one that continues to empower emerging artists as they help shape the Philippines' cultural landscape. A key highlight of the 2025 competition is the introduction of the Featured Medium, a rotating category designed to shine a light on different forms of artistic expression. For 2025, the featured medium is mixed media, a returning category from the 1984 to 1987 competition cycles, widening the canvas for bold experimentation and fresh approaches to storytelling through art.

Participation across the competition's categories—mixed media, oil and acrylic on canvas, and sculpture—was overwhelming. Submissions exceeded expectations by 300% and came from all 17 regions nationwide, underscoring MADE's expanding reach and growing influence.

In addition, it strengthened its commitment to accessibility and innovation by adopting a digital, user-focused platform for submissions and final judging, helping ensure a smoother experience for both participants and jurors. MADE also held an awarding ceremony and a month-long exhibition at The M that welcomed 2,484 visitors, where winning works across all categories were unveiled, spotlighting the depth, creativity, and diversity that continue to define contemporary Filipino artistry. Through "Leading Beyond Limits," a partnership with Katha Pilipinas, 88 young creatives participated in conversations on creative leadership and artistic sustainability, gaining insights and inspiration to strengthen their practice and impact. The program further broadened its reach through an international collaboration with the Philippine Consulate General in Shanghai, where 2022 MADE Grand Awardee Melvin Pollero joined Filipino and Chinese artists in creating a friendship mural commemorating 50 years of diplomatic relations between the Philippines and China.

10 public servants
recognized through the Metrobank Foundation Outstanding Filipinos

7 emerging artists
celebrated for Filipino creativity through the Metrobank Art & Design Excellence

Education Initiatives

The year 2025 marked a milestone for MBFI's Metrobank Scholarship Program (MSP), celebrating three decades of expanding access to education for financially challenged learners. In honor of this shared legacy, MBFI convened alumni scholars for a first-ever homecoming on December 6, 2025. More than a celebration, the gathering served to strengthen connections, spark collaborations, and reaffirm the alumni community's collective commitment to giving back. To date, MSP has supported a total of 1,268 scholar graduates and maintains 122 current scholars.

Apart from investing in learners' access, MBFI also provides support in strengthening foundational learning. In 2025, MBFI launched the pilot run of the Metrobank Foundation SOLUTION (Support to Overall Learning and Understanding To Improve Overall Numeracy) program in partnership with the AHA! Learning Center and some former Outstanding Teacher Awardees its alumni group called the Network of Outstanding Teachers or NOTED. This milestone effort addresses the Philippines' education crisis by applying the "teaching at the right level" approach, which tailors instruction to students' actual learning needs, strengthening foundational numeracy skills while fostering confidence in math.

Moreover, MBFI supported the mobilization of 144 partner organizations to conduct initiatives nationwide for the National Teachers' Month (NTM), amplifying efforts to honor and uplift Filipino educators. Initiatives celebrated teachers' contributions through professional development, community engagement, and recognition activities that reached schools and communities across the country. As part of these efforts, the 44th NTM Coordinating Council Meeting, regularly led by the Foundation, brought partners together for their first in-person convening since the pandemic, aligning plans to honor Filipino educators in celebration of NTM. DepEd Secretary Sonny M. Angara emphasized the need to value and support teachers, while recognizing the critical role of the Metrobank Foundation and its partners in uplifting the profession and helping shape the nation's future leaders.

Disaster Response and Resilience

MBFI intensified its disaster response work in 2025, delivering timely relief and early recovery support to communities affected by natural hazards. Relief and recovery operations were coordinated with partners and bolstered by volunteer resources to help ensure that assistance reached the most vulnerable populations, reflecting MBFI's commitment to strategic, responsive, and impactful social development.

Across typhoons, monsoon flooding, and earthquake-affected areas, MBFI extended a total of Php11,947,200 in assistance, reaching 22,726 beneficiaries through interventions such as family food packs, hot meals, temporary shelter kits, shelter repair kits, potable water, and temporary shelter kits with sleeping mats. Support was delivered to multiple provinces and cities, including Pangasinan, Bulacan, Negros Occidental, Quezon City, Valenzuela City, Marikina City, Maguindanao del Sur, Cotabato, Cagayan (Calayan), Oriental Mindoro, Masbate, Antique, Capiz, Eastern Samar, Dinagat Islands, Albay, Catanduanes, Aurora, Isabela, as well as Cebu (Bogo City, San Remigio, and Talisay) and Davao Oriental (Manay). When possible, MBFI worked closely with Metrobank volunteers to mobilize the distribution of the relief assistance. Other than relief assistance, MBFI also helped support and coordinate volunteer efforts around community feeding, tree planting, and Brigada Eskwela.



Php 11,947,200

worth of family food packs, hot meals, and shelter kits deployed to disaster-affected communities

Metrobank Foundation, continued



Formal awarding of annual George S.K. Ty Grants Turnover on 05 September 2025 at the Grand Hyatt Manila, Bonifacio Global City, Taguig



At the 60th Anvil Awards' Gabi ng Parangal held in January 2025, MBFI was inducted into the Anvil Awards Hall of Fame and received four Silver Anvil Awards in recognition of its impactful communications and partnership-driven initiatives

Grants and Partnership

In 2025, MBFI strengthened its community footprint by deepening strategic partnerships and cross-sector collaborations, expanding program reach while helping partner organizations and subsidiaries scale and improve their community initiatives. By sharing expertise and strengthening systems, the Foundation enabled more coordinated implementation and more consistent delivery on the ground.

These alliances also allowed MBFI to better align resources and capabilities across sectors, supporting social development efforts that are holistic, innovative, and sustainable. On the ground, these interventions included initiatives that improved access to healthcare, strengthened educational programs, enhanced community livelihoods, and built local resilience against natural disasters.

For the year, grants valued at Php25,516,563.57 were extended to 24 partner recipients, reinforcing programs across communities and helping ensure their benefits are both wider-reaching and longer-lasting.



Php25,516,563

grants extended to 24 partner organizations



6,136

individuals helped by grants provided to address gaps and challenges in health, education, livelihood, and disaster risk reduction and management

Awards and Recognitions

MBFI earned strong external recognition for the quality and impact of its communications and partnership-driven initiatives at the 60th Anvil Awards' Gabi ng Parangal held in January 2025. The Foundation was inducted into the Anvil Awards Hall of Fame and received four Silver Anvil Awards for (1) MBFI's 45th anniversary celebration, which highlighted decades of service and collective achievements; (2) MADE's 40th year art exhibition that showcased select winning artworks throughout the four decades of the annual competition; (3) MADE's partnership efforts to help advance Philippine art; and (4) GPS² outreach activity in Pag-asa Island by mobilizing stakeholders across sectors.

MADE's 40th year art exhibition also garnered international recognition in the Arts and Culture category of the International Public Relations Association Golden World Awards and received an Award of Excellence at the 21st Philippine Quill Awards. Meanwhile, GPS² was similarly recognized at the Philippine Quill Awards with an Award of Merit for its strategic and collaborative approach to nation-building.



The Metrobank Foundation has earned international recognition for the Philippines, winning the prestigious Golden World Award for Excellence from the International Public Relations Association for its landmark exhibition, "Sibol: 40 Years of the Metrobank Art & Design Excellence."



A visionary leader and man for others, Aniceto M. Sobrepeña led with purpose and integrity for nearly three decades, strengthening MBFI into a leading philanthropic institution and leaving a lasting legacy of excellence, service to community, and nation-building

Aniceto M. Sobrepeña †

The Metrobank Foundation (MBFI) honors the life and legacy of Aniceto M. Sobrepeña, who served as President of MBFI and Executive Director of GT Foundation, helping guide the philanthropic vision of the Metrobank Group for nearly three decades.

Bringing with him a distinguished background in public service, Mr. Sobrepeña previously served as Cabinet Secretary and Head of the Presidential Management Staff under former President Corazon Aquino, and as Deputy Director-General of the National Economic and Development Authority during the Aquino and Ramos administration. His experience in governance and development economics shaped his strategic, systems-oriented approach to institutional leadership.

Under his stewardship, MBFI strengthened and expanded its programs in education, social development, the arts, and public service. The Foundation's flagship recognition programs for teachers, soldiers, police officers, and artists gained greater national prominence, while its scholarship and institutional grants initiatives deepened their reach and impact. During his tenure, MBFI received more than 50 national and international awards, reinforcing its position as one of the country's leading philanthropic institutions.

Mr. Sobrepeña championed a culture defined by integrity, discipline, and long-term vision. He emphasized careful planning, strategic action, purposeful communication, and rigorous impact measurement—ensuring that programs were both values-driven and results-oriented. At the core of his leadership philosophy was the belief that development work must ultimately serve people and communities.

Beyond the Foundation, he served as Vice Chairman of Manila Doctors Hospital and Chairman of Manila Tytana Colleges, having previously held the role of President in both institutions. Across these roles, he advanced initiatives that strengthened access to quality education, healthcare, and social development.

In the wake of his passing, numerous institutions, partners, scholars, awardees, and community leaders paid tribute to Mr. Sobrepeña, honoring the depth of his influence and the integrity of his leadership. Messages from across sectors reflected gratitude for his mentorship, his unwavering standards of excellence, and his steadfast commitment to nation-building. These tributes stand as a testament to the meaningful and lasting impact he made on the communities and institutions he served.

"We think about Chito and how he sustained the standard of excellence throughout his career. And so we thank him for that example. We thank him for putting all of us together. We need to be like Chito, never running out of hope, never running out of ways to do good things."

Dina S. Ocampo,
2009 Metrobank Foundation Outstanding Filipino Teacher

"Chito has single-mindedly pursued a simple, life-long mission: to make the lives of others better. He's a man for others. His journey shows how he's made the right decisions—not only by himself or his company, but also by his country."

Thelma Sioson San Juan, Author of The Diarist.ph

"Thank you very much for a life of service. Your vision will live on in every classroom and in every teacher who continues to fight for the children."

Sonny M. Angara,
Secretary of the Department of Education

Mr. Sobrepeña's leadership reflects a lifelong commitment to principled governance, institution-building, and the pursuit of inclusive growth—values that continue to shape the direction and impact of the organizations he helped lead.

Toyota Motor Philippines Foundation

Toyota Motor Philippines (TMP) Foundation, the social and humanitarian arm of Toyota Motor Philippines, sustained its community investments through programs anchored on health, education, environment, and community service, working with public and private partners to bring practical support closer to where it is needed most. As the foundation celebrated its 35th anniversary in 2025, it expanded its positive community impacts with the addition of Mobility+ to its advocacy pillars.



Santa Rosa vehicle turnover



TMP Foundation donated sacks of rice



Team members planting mangrove seedlings

In July, TMP Foundation marked its 35th anniversary, bringing together partners and stakeholders who have helped shape three and a half decades of service. The milestone also served as the platform for TMP Foundation to introduce Mobility+ as a fifth advocacy pillar designed to strengthen existing initiatives and develop new ones by leveraging the mobility of people, things, information, and ideas.

TMP Foundation's public health engagements focused on improving access to basic services and diagnostics. In 2025, it donated a mobile X-ray unit to the Santa Rose Community Hospital (SRCH) on the hospital's 30th anniversary, supporting stronger diagnostic capability for indigent patients.

The Foundation also launched Mobi-Care (Mobility with Care) during the year, turning over four (4) Toyota vehicles to the city governments of Santa Rosa and Batangas to strengthen public health delivery through enhanced mobility. The donation includes two Tamaraw Utility Vans for Santa Rosa City health offices, a Type 1 Tamaraw Ambulance for SRCH, and a Toyota Hiace for Batangas City's health office.

TMP Foundation, together with Metrobank Foundation, fulfilled their joint commitment to donate five (5) mobile laboratories to local government units under the First Lady Louise Araneta-Marcos' "Lab For All" initiative, with units turned over to Bacolod, Pasig, Santa Catalina (Ilocos Sur), Tacloban, and Basey (Samar).

The mobile clinics are equipped with devices such as ECGs, ultrasounds, and X-rays to bring services to underserved areas.

TMP Foundation, together with Japan-based Toyota Mobility Foundation (TMF) and the Philippine General Hospital (PGH), launched the shuttle service component of the Healthcare Mobility for All (HEAL) Program. The service aims to provide safe, reliable, and efficient transportation for PGH healthcare professionals, particularly during late-night and early-morning shifts with limited commuting options. The shuttle service will use three Tamaraw UV-based shuttles on key routes in Metro Manila and Cavite.

On the environmental front, TMP Foundation adopted a National Greening Program (NGP) mangrove site in Pasuquin, Ilocos Norte. The foundation mobilized volunteers to plant 1,750 seedlings as part of a two-year target of 3,500 seedlings planted across two hectares. The initiative supports TMP's broader commitment to nurture one million trees by 2030.

In response to urgent community needs, TMP Foundation donated sacks of rice, valued at Php3.5 million, to the Department of Social Welfare and Development (DSWD) to provide relief for communities affected by typhoons and rains brought about by the southwest monsoon in 2025. This donation reaffirms the foundation's role in rapid humanitarian support for disaster victims.



1,750 seedlings

Planted for National Greening Program in Ilocos Norte



4 Toyota Vehicles

Donated to City Governments of Santa Rosa and Batangas

GT Capital Purple Hearts Club

The Purple Hearts Club is the volunteerism and social responsibility program of GT Capital Holdings, Inc., bringing together employees to give back to the community. Throughout the year, the Company's programs reflected a consistent focus on people-centered outcomes—from promoting school readiness and supporting teachers' well-being to improving access to healthcare, enhancing nutrition, fostering values formation, and sharing the spirit of the holidays with underserved communities.



Supporting Education and Teachers

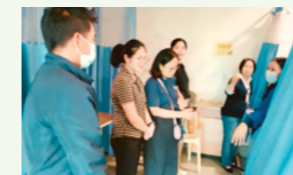


Ahead of the opening of classes in June, the GT Capital Purple Hearts Club, in partnership with Federal Land, Inc., participated in the Brigada Eskwela activity at Santiago Elementary School in General Trias, Cavite. Volunteers donated cleaning supplies and repainted classroom chairs to help improve the learning environment. Lunch was also provided for the faculty, reinforcing a shared commitment to keeping classrooms safe, clean, and ready for students.



In September, the company also participated in the celebration of National Teachers' Month at the same school. Volunteer doctors provided basic medical checkups for teachers, including screenings related to eye health, bone wellness, and voice care—recognizing the physical demands of their profession. Additional personal care services, including haircuts and grooming support, were arranged for the teachers, offering a simple yet meaningful gesture of appreciation and helping them feel recognized and cared for beyond their work in the classroom.

Expanding Access to Healthcare



Together with the Corporate Sustainability Initiatives Office of Manila Doctors Hospital, the Company supported the "Adopt a Surgical Patient from the Province" program. Assistance was extended to eight indigent patients from the Visayas region requiring urgent medical procedures, including surgical treatment for conditions such as goiter, cystic lumps, and congenital heart ailments. The Purple Hearts Club supported essential non-medical needs such as transportation, food, and accommodation for the patients and their companions.

Promoting Nutrition and Early Childhood Care



To help address food insecurity, GT Capital supported a community feeding program in Bacoar, Cavite, in collaboration with Our Lady Queen of Peace Parish. Conducted weekly from July to December 2025, Purple Hearts Club volunteers assisted in the kitchen with food preparation and meal service, helping provide nutritious meals to approximately 50 beneficiaries—particularly young mothers and their children aged 0–3 years.

Beyond providing meals, the initiative also promoted early childhood care through complementary support such as milk and vitamins, as well as a mobile play area for children while mothers attended catechism and parenting seminars.

HeART for a Cause: Giving children a better chance at life

Every child's life is precious; they represent our hopes for the future and our motivation to create a better world. Unfortunately, thousands of Filipino children are born with congenital heart disease every year, placing families under immense emotional and financial distress over costly medical care.

In 2025, GT Capital joined the Manila Doctors Hospital (MDH) in its advocacy to provide these children with access to essential diagnostics, life-saving surgeries, and compassionate support. The Company donated Php800,000 and participated in "HeART for a Cause," a fundraising initiative of the MDH implemented in partnership with Metrobank, Bayo Manila, and artist Kat Garcia through the sale of artworks, bags, scarves, cards, and notebooks, with proceeds dedicated to supporting pediatric patients.

A child saved is hope for the future saved. And through this collective effort, children were given the chance to live fully and to have the better shot at life that they deserve.



GT Capital Holdings, Inc. turns over Php800,000 in support of Manila Doctors Hospital (MDH) HeART for a Cause initiative

GT Capital Purple Hearts Club, continued



Artist Kat Garcia and her "Ang Simula" collection for HeART for a Cause



Special merchandise at HeART for a Cause Charity Concert and Dinner

Building Future Community Leaders



GT Capital also supported community development in Payatas, Quezon City, in partnership with the Consuelo Chito Madrigal Foundation, Inc. The company conducted a Values and Leadership Development Program for 50 college scholars aimed at strengthening both personal character and leadership capability.

The program covered four core modules: self-discovery and mindset, building confidence and overcoming challenges, communication and decision-making, and goal setting with action planning. Through this initiative, scholars were encouraged to cultivate empathy, resilience, and a spirit of servant leadership as they prepared for responsibilities beyond the classroom.

Sharing the Spirit of the Holidays



The year concluded with Hapag Pasko, a seasonal initiative centered on dignity and inclusion. In December, GT Capital distributed holiday grocery bags to 420 families

across several community groups, including scholars in Payatas, deaf and hard-of-hearing homeless beneficiaries in Malate, and persons with disabilities and underprivileged fisherfolk in Malolos, Bulacan.

The initiative provided timely support while reinforcing a message of compassion, presence, and solidarity during the holiday season.

Commitment to Purposeful Service



Taken together, the Purple Hearts Club's 2025 initiatives reflect GT Capital's continuing commitment to purposeful service—pairing employee volunteerism with meaningful partnerships to translate goodwill into tangible and lasting support for communities. Guided by the group's core values of Integrity, Excellence, Respect, and Sustainable Value Creation, these efforts demonstrate how the Company seeks to create positive impact not only through its businesses, but also through compassionate engagement with the communities it serves.



420 families

beneficiaries of holiday grocery bags in Payatas, Malate, and Malolos



Php800,000

donated to Manila Doctors Hospital to support children with congenital heart disease

Federal Land

Federal Land, Inc. (Federal Land) strengthened its community engagement agenda in 2025 through initiatives that combine employee volunteerism, targeted in-kind support, and partnerships with allied organizations. Anchored on MOVE (Make Our Volunteerism Enrich Lives), Federal Land's corporate social responsibility program, the company's efforts focused on strengthening public-school readiness, supporting educators' well-being, and providing timely relief in communities affected by emergencies.



Cebu Disaster Relief Mission in partnership with MBFI and GTFI



FLI and FNG Volunteers participate at 2025 Brigada Eskwela



Free eye consultation at Teachers' Wellness Day

Cebu Disaster Relief Mission

Federal Land-Cebu Group partnered with MBFI and GTFI to extend earthquake relief in Bogu, Cebu. Twenty employee volunteers joined the relief mission, delivering essential aid and support to affected families and reinforcing the importance of a rapid, coordinated response during times of crisis.

2025 Brigada Eskwela

Federal Land and GT Capital once again supported the Department of Education's Brigada Eskwela, an annual nationwide volunteer-driven school cleanup drive, by assisting Santiago Elementary School – Kalinga Campus, located at 351 Arnaldo Hwy, General Trias, Cavite. Some 30 employee volunteers participated, benefiting over 700 enrolled students through Php50,000 worth of school supplies for Grades 1 to 6, alongside hands-on work such as constructing a handwashing facility and a flagpole, cleaning classrooms, and repainting chairs, handrails, and plant boxes.

Teachers' Wellness Day

In observance of National Teachers Month in October, Federal Land and GT Capital sponsored a Teachers' Wellness Day on October 3 for 24 educators at Santiago Elementary School – Kalinga Campus, located at 351 Arnaldo Hwy, General Trias, Cavite. The activity provided eye care consultations, new eyeglasses, and haircuts from various sponsors, as well as a vocal test assessment conducted by specialists from Manila Doctors Hospital. These activities were designed to help educators feel recharged, supported, and valued in their vital roles.

With over five decades in the industry, Federal Land frames these efforts as part of its long-term commitment to nation-building and socio-civic development. Across the year's activities, direct employee participation and collaboration with partners helped extend support where it was most needed.



700+ students 24 educators

beneficiaries at Santiago Elementary School – Kalinga Campus 351 Arnaldo Hwy, General Trias, Cavite

AXA Philippines

AXA Philippines' community engagement is anchored in its sustainability and volunteerism efforts, which translate the company's objectives into practical, long-term support for communities. Working with employee volunteers, partner organizations, and like-minded advocates, AXA Philippines channels time, resources, and expertise into initiatives that protect lives, strengthen resilience, and care for the environment. In 2025, AXA Philippines' community engagement efforts were carried out mainly through AXA Hearts in Action (AHIA), the company's global employee volunteering program, and the AXA Week for Good, an event where employees unite to support causes that strengthen communities and inspire lasting change.

AXA Philippines focused its programs for the year on three sustainability areas: climate and biodiversity, social empowerment, and health and risk protection. The approach remained grounded and action-oriented, combining hands-on volunteering with financial support and in-kind contributions, ensuring initiatives were not only well-intentioned but also measurable.

As part of its climate and biodiversity efforts, the AXA Forest project remained the company's flagship initiative. By year-end, volunteers had helped plant 4,000 seedlings, prepared over 800 seedlings, and engaged 400 employees in reforestation activities. Environmental action also extended to waterways through a cleanup and rehabilitation initiative where volunteers produced and deployed 3,000 bokashi balls at Estero De Santibanez, supporting nature-based recovery and reinforcing everyday environmental responsibility.

In terms of social empowerment, AXA Philippines sustained its belief that protection includes capability-building. Through Personal Financial Literacy Sessions, the company conducted engagements with students and NGO or livelihood communities to strengthen practical money skills. These sessions supported more informed day-to-day decision-making, encouraging confidence around budgeting, basic planning, and personal financial habits that can contribute to longer-term stability.

In its health and risk protection efforts, AXA Philippines responded to both community needs and internal well-being. A blood donation drive collected more than 100 bags of blood, supporting healthcare requirements and strengthening a culture of shared responsibility.

Partnerships also brought protection closer to more people. During Grab's Health and Wheelness Day 2025, AXA Philippines supported the well-being of the Grab driver community, where

around 400 drivers, together with their plus-one companions, accessed free medical, optical, and dental checkups, doctor consultations, and health tips, an example of inclusive care delivered through collaboration.

A key catalyst for community engagement participation was AXA Week for Good 2025, a dedicated initiative designed to deepen employee connection to social and environmental causes. AXA Philippines opened its doors to 16 NGOs and two sustainability advocates, giving employees a closer encounter with partner missions and clearer pathways to contribute. Advocates also joined podcast-style conversations that covered volunteerism, blood donation, mental health, disaster preparedness, and environmental topics, helping turn awareness into sustained engagement.

External recognition also affirmed the scale and consistency of AXA Philippines' efforts. The company was named i-Volunteer Philippines' Partner of the Year for having the largest volunteer base and the broadest community reach. It was also recognized at the Asia CEO Awards as CSR Company of the Year (Circle of Excellence), placing AXA among 13 Circle of Excellence awardees. At the individual level, Ruth Elcarte received the AXA International Markets Super Volunteers Award, honoring employees who give their time and talent to create meaningful change, proof that sustained impact is ultimately powered by people who consistently show up and serve.

Across 2025, AXA Philippines' community engagement reflected a simple truth: when purpose is matched with participation, and participation is guided by partnerships and measurable outcomes, social impact becomes more than a program; it becomes a habit of care, repeated and strengthened across communities.



2025 Asia CEO Awards, Circle of Excellence for CSR Company of the Year



Metro Pacific Investments Foundation

Metro Pacific Investments Foundation, Inc. (MPIF) is the corporate social responsibility (CSR) arm of Metro Pacific Investments Corporation (MPIC). In line with MPIC's vision of nation-building, MPIF aims to institutionalize responsible business practices that enhance the quality of life of the Filipino people and create lasting, meaningful contributions to society.



Gabay Kalikasan: Protecting Coastal Ecosystems Through Community Stewardship

In 2025, MPIF sustained and expanded its environmental work under Shore It Up! (SIU), the MVP group's flagship program that combines marine conservation, public education, and community engagement.

A key milestone was the inauguration of the Mangrove Propagation and Information Center in Cordova, Cebu, the first and only center of its kind in the Visayas, dedicated to the protection and propagation of mangrove forests in Cordova and surrounding coastal areas.



After the devastation caused by Typhoon Odette in 2021, which heavily damaged the original structure, MPIF had supported the repair and rehabilitation of the facility, amounting to Php4.5 million, and provided modern facilities for regular use, such as an education center for biodiversity, an ecological tourism platform for coastal communities, a convergence for climate change awareness, and an eco-park for educational and fun trips, especially for school children and tourists. MPIF also trained and inducted the Mangrove Eco-Guides who will facilitate and manage the tours, orientations, and even the care and maintenance of the mangrove parks.

MPIF also brought Shore It Up! to new communities through a three-day launch in Marinduque, designed to build momentum for long-term marine protection in the Verde Island Passage, an area of ecological significance found to be the center of global shore-fish biodiversity. At the launch, MPIF signed a Memorandum of Understanding (MOU) with the provincial government for the implementation of the MPIC Guardians program, which will train and deploy 12 Marine Guardians to augment and support the work of the law enforcers in the coastlines of the province through training, provision of uniforms and protective gear, and allowances.

Over 600 volunteers gathered for simultaneous coastal and underwater clean-up drives, collecting and segregating 559 kilograms of debris for data recording, with plastic bottles —1,235 in total—emerging as the top waste item. Divers took part in restoring cleanliness underwater, while volunteers along the coast witnessed

Rooted in the philosophy that business development brings about inclusive and tangible value to society, MPIF has formed a concentrated CSR program focused on three pillars of social infrastructure: education, environment, and economic empowerment. Guided by these pillars since its inception, the MPIF has strengthened its role alongside MPIC's infrastructure agenda by rolling out programs that deliver tangible, lasting benefits to communities that MPIC's companies serve.

Metro Pacific Investments Foundation, continued

firsthand the importance of a clean and healthy marine environment.

To deepen understanding beyond cleanups, MPIF also supported learning sessions that emphasized science-based conservation. In one session, environmental experts underscored the increasing threats to Philippine marine biodiversity, ranging from coral bleaching and destructive outbreaks to waste accumulation and under-managed marine protected areas. The activity also highlighted the value of citizen participation in monitoring and stewardship. The discussion reinforced a practical principle for communities and local stakeholders: management is stronger when it is grounded in measurement, shared responsibility, and sustained public engagement.



Gabay Komunidad: Strengthening Social Welfare Through Coordinated Partnerships

MPIF's community support work for the year also included stronger alignment with broader social welfare systems through Tulong Kapatid, the CSR alliance of the MVP Group of Companies. In April, Tulong Kapatid entered into a formal partnership with the Department of Social Welfare and Development (DSWD) to help expand the reach of priority programs on food security, education support, livelihood development, and disaster response operations.

Tulong Kapatid will also enhance its own existing initiatives and align them with programs that support DSWD's mission of uplifting the living conditions of the poor, vulnerable, and disadvantaged sectors of society. Through this partnership, the combined strengths of the MVP Group Foundations will reinforce government-led efforts across multiple fronts.



Gabay Kabuhayan: Supporting Livelihood Recovery and Local Resilience

Under its economic empowerment programs in 2025, MPIF backed livelihood recovery efforts designed to help communities rebuild income sources and restore day-to-day stability after typhoons and other disruptions. In Maasin City, MPIF turned over Php578,000 to the Pananawan Farmers Association to assist local farmers in producing low-cost organic fertilizers. The project was meant as a recovery-support intervention for farmers impacted by Typhoon Odette, helping reduce production costs while strengthening local capacity to sustain agricultural productivity.

Implementation of the project is supported through coordination with the local government, including logistical and technical assistance through the Agriculture Office, reflecting MPIF's preference for partnerships that reinforce local ownership and longer-term program viability.



Recognition for Environmental Stewardship

MPIF's programs were also recognized externally in 2025. The foundation received its second consecutive Outstanding CSR Project in Environment at the League of Corporate Foundations CSR Guild Awards, citing Shore It Up! initiatives that expanded community-based marine protection. The recognition highlighted the continued strengthening of the MPIC Guardians Program, including new sites and expanded volunteer capacity supported through training, tools, and equipment. This award reinforced MPIF's direction toward long-term, community-led coastal stewardship.

Metro Pacific Investments Foundation CSR Framework MVP's Gabay Advocacies for a Sustainable Philippines

Gabay Kalikasan

Environment

Shore It Up!

- Coastal and Underwater Cleanups
- Mangrove Protection/ Propagation and Information Centers
- Marine Protection, Inspection, and Conservation Guardians
- Junior Environmental Scouts (JES)
- Health It Up!
- Marker and Mooring Buoys
- Giant Clam Rearrangement & Seeding

Gabay Kabuhayan

Livelihood

Green Jobs

- Mangrove Eco-Guides
- Marine Protection, Inspection & Conservation Guardians
- Environmental Consultant

Puhunang Pangkabuhayan

- Sewing/Edging Machines
- Pocket Wifis
- Retailer Kits
- Bikes with Safety Gear

Gabay Kalusugan

Health

MPIF Medical Lifeline

- Medical and Financial Assistance
- Provision of Vitamins
- Health It Up! Medical Mission
- ENT Services
- Optical Check-up with free prescription glasses
- Dental Check-up
- General Consultation
- Pediatric Consultation
- Pharmaceutical Services

Gabay Karunungan

Education

Mano Amiga Excellence Fund

- Annual Outreach Programs with MPIC Employee Volunteers

Gabay Guro

Alay sa Batang Rizal

Gabay Komunidad

Community

Bayan Tanim!

Disaster Response

Various Outreach Programs

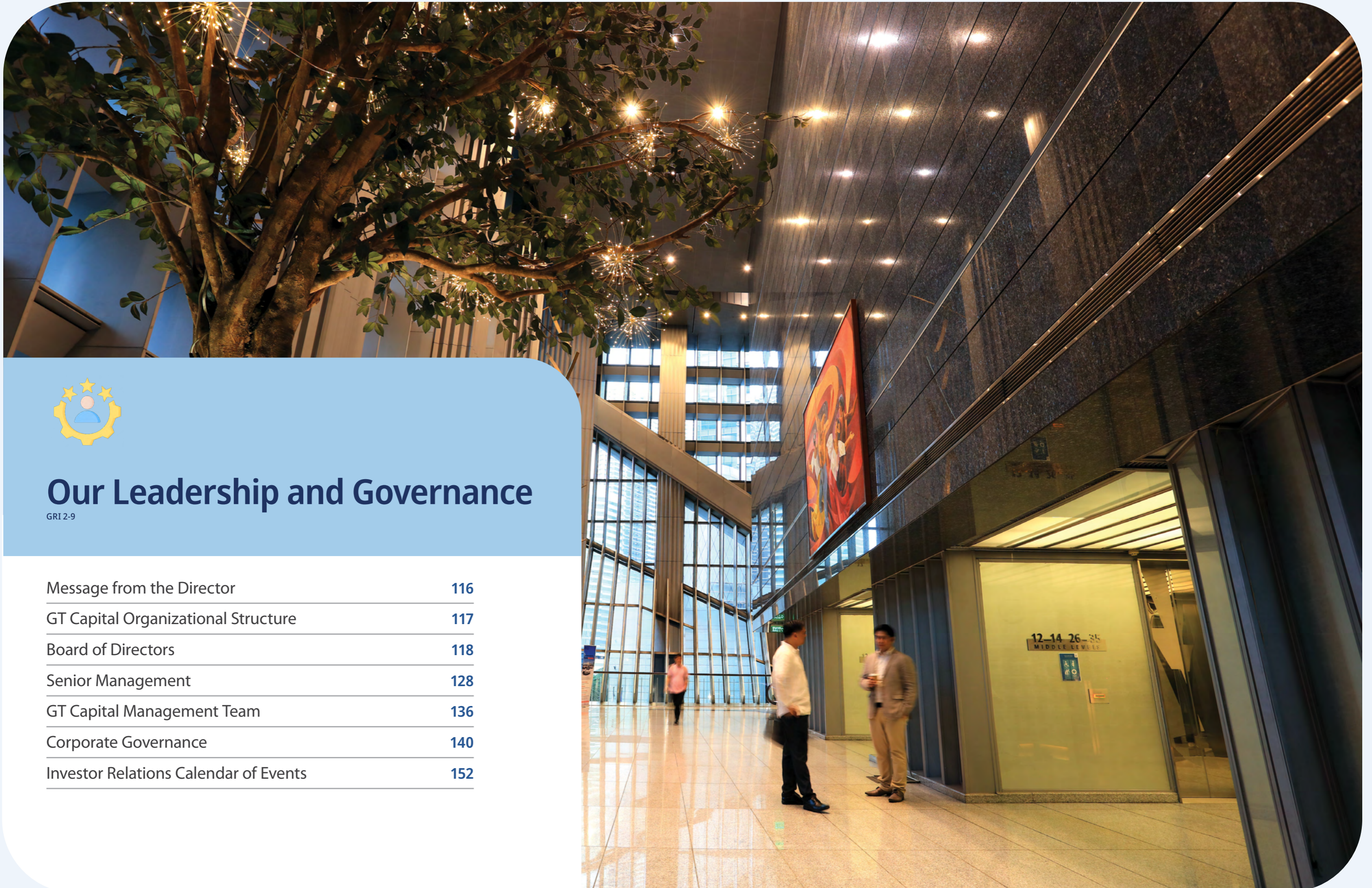
- Supported Community Pantries
- Supported Locked Down Communities

Tulong Kapatid

Gabay Kabataan

Youth

Brigada Eskwela



Our Leadership and Governance

GRI 2-9

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Message of the Lead Independent Director



PETER B. FAVILA
Lead Independent Director

The year 2025 presented GT Capital with a challenging environment shaped by shifting economic conditions, geopolitical tensions, and evolving regulatory expectations. Against this backdrop, strong corporate governance is not simply a matter of compliance but a clear imperative. It is a strategic discipline that helps preserve trust, support sound decision-making, and keep the organization focused on long-term value creation amidst periods of uncertainty.

At GT Capital, our governance framework remains a strong foundation for the organization. Grounded in fairness, accountability, and transparency, it helps the corporation respond to a changing risk environment with discipline and clarity while protecting the interests of shareholders and other stakeholders. The Board and Management continue to be guided by these principles, which reflect our belief that long-term success is intertwined with responsibility and integrity.

The experience and perspectives of its members strengthen the Board's effectiveness. Ongoing director development through its GT Talks and other governance-focused learning sessions also helps keep the Board informed, responsive, and forward-looking in carrying out its oversight role.

The Board, through its Corporate Governance and Related Party Transactions Committee, carefully reviewed related party transactions to ensure that these were conducted on an arm's-length basis, in the best interests of the Company, and in line with applicable regulations and internal standards.

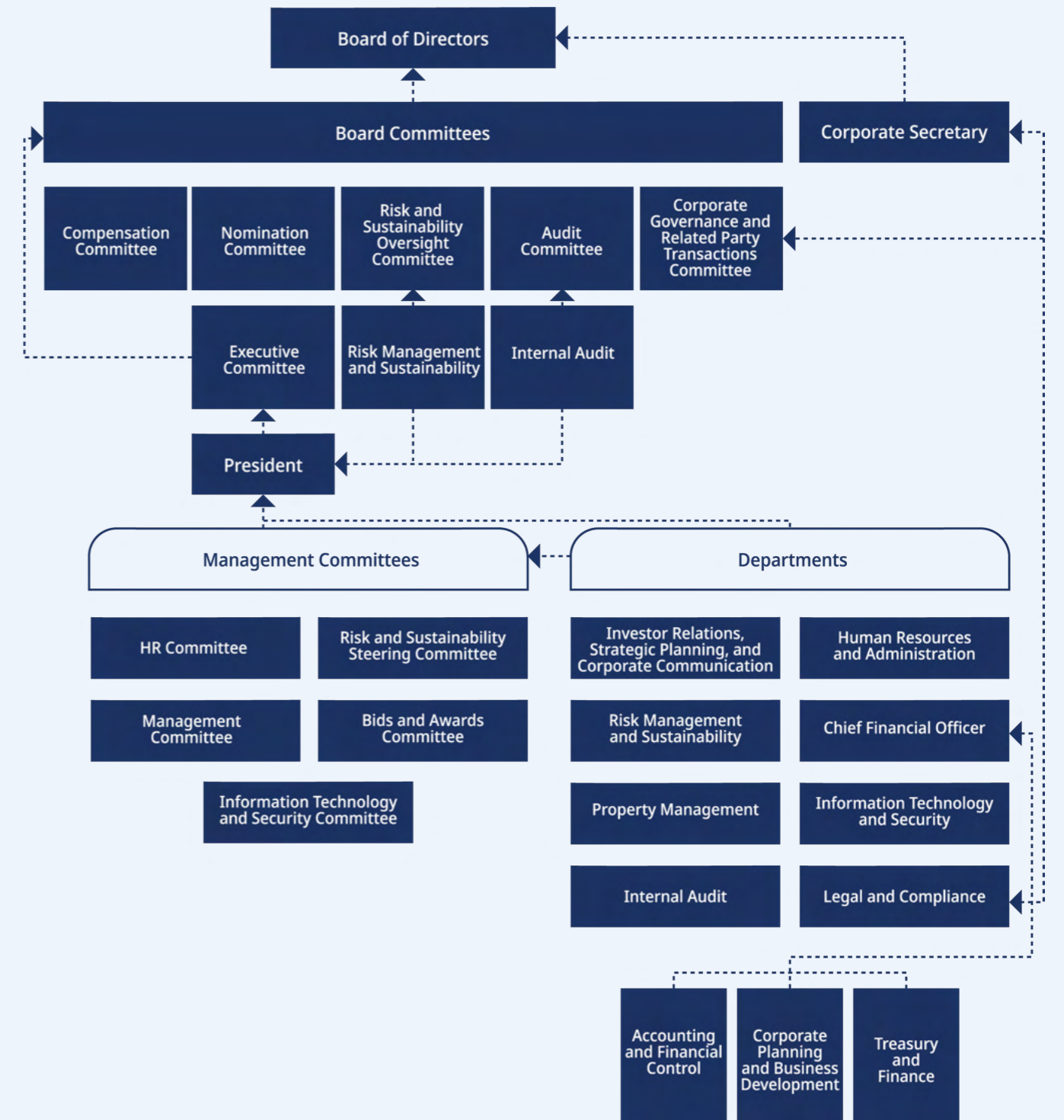
Our receipt of the Four Golden Arrow Award under the 2025 ASEAN Corporate Governance Scorecard affirms the strength of these efforts. More importantly, it reflects a governance culture that seeks to balance business performance with accountability to all stakeholders.

As we move into 2026, we remain committed to upholding the principles that have long guided GT Capital: integrity, respect, excellence, and long-term value creation. Effective governance is a shared responsibility, and I commend my fellow directors, senior management, employees, and stakeholders for their continued dedication and support. By strengthening our core governance foundations today, we ensure that GT Capital remains resilient, credible, and well-positioned for sustainable growth in the years ahead.

PETER B. FAVILA
Lead Independent Director

GT Capital Organizational Structure

GRI 2-11, 2-13, 2-14, IFRS S1:27, S2:6





Board of Directors



Francisco C. Sebastian
Chairman

Alfred V. Ty
Vice Chairman

Arthur V. Ty
Director

Mary Vy Ty
Board Adviser

Carmelo Maria Luza Bautista
Director

Atty. Regis V. Puno
Director

Dr. David T. Go
Director

Peter B. Favila
Lead Independent Director



Board of Directors



Carlos G. Dominguez III
Independent Director

Rene J. Buenaventura
Independent Director

Gil B. Genio
Independent Director

Consuelo D. Garcia
Independent Director

Anjanette Ty Dy Buncio
Board Adviser

Jaime Miguel G. Belmonte
Board Adviser

Guillermo C. Choa
Board Adviser

Pascual M. Garcia III
Board Adviser

Board of Directors Overview

Directors for 2025-2026	Arthur V. Ty	Francisco C. Sebastian	Alfred V. Ty	Carmelo Maria Luza Bautista	David T. Go
Integrity/Probity	•	•	•	•	•
Competence	•	•	•	•	•
Education	•	•	•	•	•
College Graduate or have at least 5 years' experience in business	•	•	•	•	•
Diligence	•	•	•	•	•
Executive Director (ED), Non-Executive Director (NED), or Independent Director (ID)	NED	NED	NED	ED	NED
Gender	M	M	M	M	M
Age (years)	59	72	58	68	72
Tenure (years, as of end of term 2025)	15	12	14	15	12

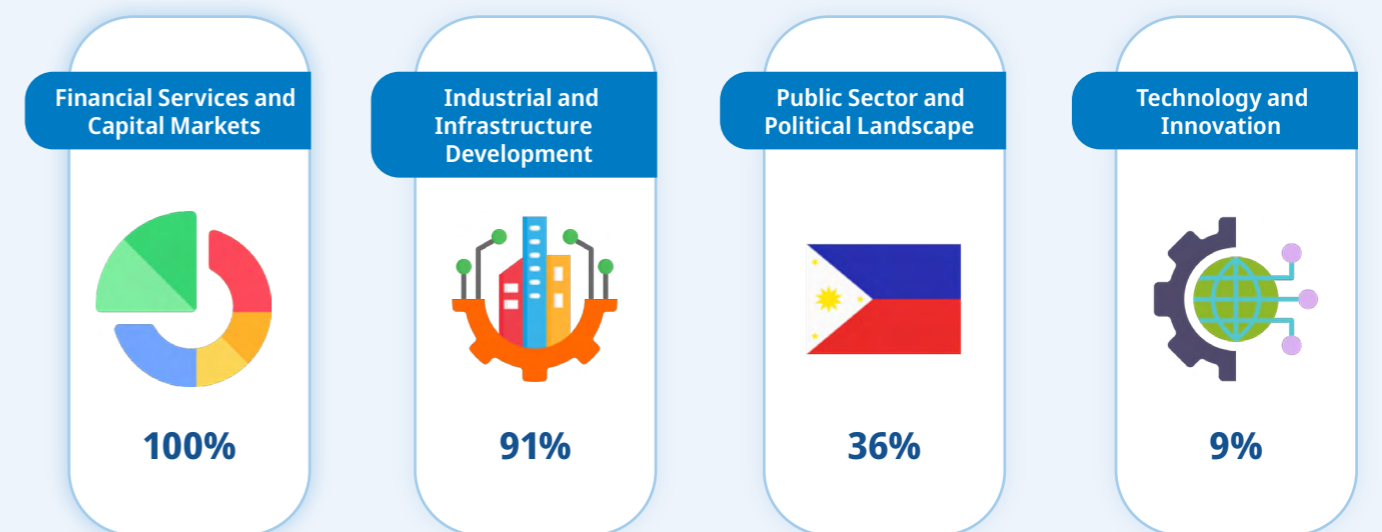
Regis V. Puno	Peter B. Favila	Rene J. Buenaventura	Consuelo D. Garcia	Gil B. Genio	Carlos G. Dominguez III
•	•	•	•	•	•
•	•	•	•	•	•
•	•	•	•	•	•
•	•	•	•	•	•
•	•	•	•	•	•
NED	NED and ID	NED and ID	NED and ID	NED and ID	NED and ID
M	M	M	F	M	M
67	77	71	71	66	80
8	3*	8	5	4	3

* Prior to May 14, 2025, Mr. Favila was first elected as an independent director of the Corporation on May 11, 2015 and served as independent director until July 1, 2017

Skills Profile



Industry Experience Profile





Board of Directors Profiles

GRI 2-11, 2-17, 405-1

Francisco C. Sebastian, 72 years old, Filipino, was re-elected as Chairman of GT Capital Holdings, Inc. in May 2022. Prior to assuming this post, he was co-Vice Chairman of GT Capital since May 2016. He was appointed in 1997 as president of the investment banking arm of the Metrobank Group, First Metro Investment Corporation, a position that he held for 13 years, and as chairman for another 12 years. He continues to serve as First Metro's senior adviser today. Mr. Sebastian concurrently serves as Vice Chairman of Metrobank since 2006. He is also a director of Metro Pacific Investments Corporation (MPIC), and Federal Land, Inc. Mr. Sebastian started his financial career when he was seconded by Ayala Investment and Development Corporation to Hong Kong in 1977 in Ayala International Finance Limited and subsequently Filinvest Finance (HK) Ltd. until 1984. He then started his own corporate and financial advisory firm, Integrated Financial Services Ltd. (HK), which he owned and managed until his return to the Philippines to join the Metrobank Group in 1997. He earned his Bachelor of Arts in Economics (Honors) from the Ateneo de Manila University and graduated Magna Cum Laude in 1975.

Alfred V. Ty, 58 years old, Filipino, has been Vice Chairman of GT Capital since February 14, 2012, and has served as a Director of the Corporation since 2007. He is also Chairman of Toyota Motor Philippines Corporation (TMP), Chairman of Federal Land, Inc., a Director of Metropolitan Bank & Trust Company (Metrobank), and Vice Chairman of Metro Pacific Investments Corporation. He graduated from the University of Southern California in 1989 with a degree in Business Administration. Some of his other current roles and positions include Member of the Board of Trustees and Vice Chairman of Metrobank Foundation, Inc.; Chairman of Toyota Motor Philippines Foundation (TMPF); and Member of the Board of Trustees and President of GT Foundation, Inc. (GTFI).

Arthur V. Ty, 59 years old, Filipino, is a Director of GT Capital Holdings, Inc. Prior to this, he served as the Chairman of GT Capital from 2012 until 2014 and again from 2016 until 2022. He was also the Corporation's Vice Chairman since its inception in 2007 before assuming the Chairmanship in 2012. He was the President of Metropolitan Bank & Trust Company (Metrobank), a listed company, from 2006 to 2012 and was appointed as its Chairman in April 2012. He also serves as the Chairman of Metropolitan Bank (China) Ltd., Inc., GT Foundation, Inc., and Metrobank Foundation, Inc.; Vice Chairman and Director of Philippine Savings Bank (PSBank), a listed company. He earned his Bachelor of Science degree in Economics from the University of California, Los Angeles and obtained his Master in Business Administration degree from Columbia University, New York in 1991.

Mary Vy Ty, 85 years old, Filipino, was appointed as Board Adviser of GT Capital in June 2014. Prior to this, she served as the Corporation's Treasurer since its incorporation in 2007. Mrs. Ty has more than 50 years of experience in banking and general business. She currently holds the following positions: Board Adviser, Metropolitan Bank & Trust Company (Metrobank); Trustee, Metrobank Foundation, Inc., Honorary Chairman, GT Foundation, Inc.; Adviser, Federal Land, Inc.; Adviser, Manila Medical Services, Inc.; Director, Grand Titan Capital Holdings, Inc. Previously, Mrs. Ty held the position of Director for First Metro Investment Corporation. She earned her collegiate degree from the University of Santo Tomas.

Carmelo Maria Luza Bautista, 68 years old, Filipino, assumed the role of President and Director of GT Capital in 2011. Prior to his election, Mr. Bautista joined First Metro Investment Corporation (FMIC) in April of 2008 as Executive Director and was appointed as Chairman of the Risk Management Committee. He later assumed the position of Head of FMIC's Investment Banking Group in 2009. Mr. Bautista has been in the Banking and Financial Services sector for 48 years. Some highlights of his previous scope of responsibilities over this period include: Program Director at Citibank Asia Pacific Banking Institute; Vice President and Head of the Local Corporate and Public Sector Groups at Citibank-Manila; Vice President-Real Estate Finance Group, Citibank N.A.-Singapore Branch; Vice President-Structured Finance at Citibank N.A.-Singapore Regional Office; Country Manager of ABN AMRO Bank-Philippines; and President and CEO of Philippine Bank of Communications (PBCOM). Mr. Bautista has a Master's degree in Business Management from the Asian Institute of Management, where he graduated in the Dean's Citation List. He also has a Bachelor's degree, Major in Economics, from the Ateneo de Manila University. Mr. Bautista currently serves as Chairman of Toyota Financial Services Philippines Corporation (TFSPH), as well as Director of Federal Land, Inc. (FLI), Toyota Motor Philippines Corporation (TMP), GT Capital Auto and Mobility Holdings, Inc. (GTCAM), GT Mobility Ventures, Inc., Federal Land NRE Global, Corp. (FNG), and Manila Doctors Hospital (MDH). He is also an Adviser to the Board of Trustees of GT Foundation, Inc., Trustee of the Asian Institute of Management, and an Independent Director of Vivant Corporation, a publicly listed company.

Atty. Regis V. Puno, 67 years old, Filipino, assumed the role of Director and Member of the Audit Committee of GT Capital in 2018. He is currently the General Counsel and Corporate Secretary of Metropolitan Bank & Trust Company (Metrobank). In addition, he is also Of Counsel of Angara Abello Concepcion Regala & Cruz Law Offices (ACCRALAW). He was formerly a Senior Partner of Puno & Puno Law Offices and formerly Undersecretary of the Department of Justice. Atty. Puno has a Master of Laws Degree from the Georgetown University Law Center, Washington

D.C., U.S.A. He obtained his Bachelor of Laws degree from the Ateneo de Manila University, where he graduated with honors, and has a Bachelor's degree in Economics from the University of the Philippines. He is currently also a Director of Lepanto Consolidated Mining Co. and LMG Corporation (formerly LMG Chemicals Corporation), both publicly listed companies.

Dr. David T. Go, 72 years old, Filipino, has been a Director of GT Capital since May 2014. He earned his Doctor of Philosophy degree in International Relations from New York University in 1982. He currently serves as Vice Chairman and Treasurer of Toyota Motor Philippines Corporation. He is also the Vice Chairman of Toyota Aisin Philippines, Inc., Director and Treasurer of Toyota Financial Services Philippines Corporation, Advisor to the Board of Toyota Motor Philippines School of Technology, Inc., and Advisor to the Board of Toyota San Fernando, Inc., Toyota Motor Philippines Logistics, Inc., Toyota Motor Philippines Foundation, Inc. and Toyota Mobility Solutions Philippines, Inc.

Peter B. Favila, 77 years old, Filipino, previously served at GT Capital as Board Adviser in 2014 and as Independent Director from 2015 to 2018. He is presently an Independent Director for the Philippine Stock Exchange, Securities Clearing Corp. of the Phils., Sun Life Grepa Financial, Inc., Union Bank of the Philippines, Inc., Malayan Insurance Corp., and Credit Information Bureau, Inc. With more than 40 years of experience in the field of banking and finance, he held various executive positions in both the public and private sector. In 2005, he was appointed Secretary of the Department of Trade and Industry ("DTI") where, in his concurrent capacity as such, he chaired several attached agencies to DTI until the end of his term in 2010. He also served as National Government and Private Sector Representative to the Monetary Board of the Bangko Sentral ng Pilipinas from 2008 to 2014, and from 2017 to 2023, bringing diverse sectoral experience to develop sound and stable monetary policies. In the private sector, Mr. Favila served as Senior Vice President of Metropolitan Bank & Trust Company (Metrobank); President of Security Banking Corporation; President and Vice-Chairman of Philippine National Bank; and President of Allied Banking Corporation. Mr. Favila is a recipient of various recognitions and awards prominent of which are the Republic of the Philippine's Order of Lakandula with the rank of Bayani conferred by President Gloria Macapagal-Arroyo; the Gran Cruz Orden de Isabel la Catolica conferred by King Juan Carlos I of Spain; the Order of the Rising Sun, Gold and Silver Star conferred by His Majesty Emperor Akihito of Japan. Mr. Favila earned his Bachelor of Science degree in Commerce from the University of Santo Tomas and completed his Advance Management Program at the Wharton School, University of Pennsylvania. He is an adopted member of Class 1982 of the Philippine Military Academy.

Carlos G. Dominguez III, Filipino, 80 years old, was nominated for the first time as Independent Director of GT Capital in August 2023. He carries with him over 55 years of experience in government and in the private sector. He was Secretary of Finance from July 2016 to June 2022 and, by virtue thereof, served as the Chair of the Cabinet Economic Development Cluster, of the Land Bank of the Philippines, of the Social Security System, and of the Philippine Deposit Insurance Corporation, as well as Banco Sentral ng Pilipinas' Monetary Board Member, Governor for the Philippines of the Asian Development Bank, and of the World Bank, and Alternate Governor for the Philippines for the International Monetary Fund. He was Chair/President and Chief Executive Officer of various companies including BPI Agricultural Development Bank, Philippine Airlines, and Philippine Associated Smelting & Refining Corporation (PASAR). He served as director of various companies including Roxas Holdings Inc. and MERALCO.

He currently sits as independent director of Rizal Commercial Banking Corporation, House of Investments, Inc., Petroenergy Resources Corporation, and Sun Life Grepa Financial, Inc. He is also President and Chairman of PTFC Redevelopment Corporation.

He was conferred the Order of Lakandula with the Rank of Grand Cross (Bayani) by the President of the Philippines for exemplary service to the nation, and the Grand Cordon of the Order of the Rising Sun by the Emperor of Japan for outstanding leadership in promoting cooperation between the Philippines and Japan.

He graduated from the Ateneo de Manila University with a Bachelor's Degree in Economics in 1965, and a Master's Degree in Business Administration in 1969. In 1982, he completed the Executive Management Program of Stanford University's Graduate School of Business.

Rene J. Buenaventura, 71 years old, Filipino, is an Independent Director of GT Capital Holdings, Inc. He is also the Vice Chairman of Pin An Holdings Corporation, a holding company for businesses engaged in healthcare, banking and finance, and information technology. In addition to his appointment to GT Capital's Board, he also holds the following positions: Independent Director of UBS Philippines, Inc., Independent Director of Lorenzo Shipping Corporation, and Independent Director of DDMP REIT, Inc. He is likewise a Director and Member of the Executive Committee of Maxicare Healthcare Corporation and Maxicare Life Insurance Corporation and is President of Cliveden Management Corporation. Mr. Buenaventura is a Certified Public Accountant and graduated Summa Cum Laude for Bachelor of Arts, major in Behavioral Sciences and Bachelor of Science in Commerce, major in Accounting at De La Salle University in the Philippines. He also earned his Master in Business Administration from the same university.



Board of Directors Profiles, continued

Gil B. Genio, 66 years old, Filipino, was elected as an Independent Director of GT Capital in May 2022. He is also an Independent Director of listed companies Puregold Price Club Inc. and Megawide Construction Corp. Mr. Genio worked as an executive for Globe Telecom and Ayala Corporation for a combined 24 years. He was Globe Telecom's Chief Technology and Information Officer (CTIO) from November 2015 to April 2021, as well as its Chief Strategy Officer (CSO) from 2011 to April 2021. As CTIO, Mr. Genio led all functions related to product development and management, network, information technology, and information security. He drove the overall vision, development and execution of architecture and strategies, proactively responding to business and market demands. In addition, Mr. Genio's CTIO responsibilities included the enterprise data analytics function and enterprise fraud risk management. As CSO, Mr. Genio led overall corporate strategy and business development efforts. He also performed other legal entity functions for Globe such as CEO of Globe Capital Venture Holdings, and Director at its strategic joint ventures, Global Telehealth, Inc., BellTel, ETPI, and others. He also became COO of Bayan Telecommunications (Bayantel) and Isla Communications (Islacom) as they were acquired, and before they were integrated into Globe. His executive roles in Globe prior to his CTIO appointment included: COO for Business and International Markets (2010-2015), Group Head for Business Customers (2003-2010), Head of Carrier Services (2002-2010), Group Head for the Residential and Business Fixed Network Group (2000-2003), and Chief Financial Officer (1997-2000). Mr. Genio was hired by Ayala Corporation in 1997 and was seconded to Globe Telecom. He retired from Ayala Corporation in 2018 and became a direct employee of Globe, finally retiring at the end of 2021. Before joining Ayala in 1997, Mr. Genio had spent more than 12 years with Citibank in the Philippines, Singapore, Japan, Hong Kong, and New York, with stints in financial control, risk management, product development, treasury audit, corporate audit and market risk review. Mr. Genio was an Independent Director at Insular Life Assurance Company from May 2018 to March 2022. Mr. Genio is a Fellow member of the Institute of Corporate Directors (ICD), and is a member of the 2025-2026 Board of Governors of the Management Association of the Philippines (MAP). He is also a member of the Analytics and AI Association of the Philippines (AAP). He has also served with a variety of industry associations. His past affiliations include: Vice Chairman (2012-2014) then Chairman (2014-2016) of the GSM Association Asia Pacific (GSMA AP); member (2012-2014) of the Advisory Board for Mobile World Capital Barcelona; member of the Board of Trustees of the IT and Business Process Association of the Philippines or iBPAP (2011-2013 and 2015-2016). He had also served in the Advisory Boards of Globe's technology partners Amdocs and Cloudera. Mr. Genio obtained a Master's degree in Business Management, With Distinction, from the Asian Institute of Management in 1986. He earned his Bachelor of Science degree in Physics, Magna Cum Laude, from the University of the Philippines in 1980

Consuelo D. Garcia, 71 years old, Filipino, was elected as an Independent Director of GT Capital Holdings, Inc. in May 2021. She currently holds the following positions: Independent Director of Lopez Holdings Corporation, and Far Eastern University, Incorporated, both publicly listed corporations, and Sun Life Investment Management and Trust Corporation, a non-bank BSP supervised financial institution, TS EVO PH FINANCE INC, Philippine Payments Management Inc (PPMI) and a Director of Murrayhill Realty and Development Corporation. She was formerly an Independent Director of The Philippine Stock Exchange Inc. and ACEN Corporation. She is also a Member of the Board of Trustees of the FINEX Academy, a Fellow of the Institute of Corporate Directors, and a Member of the Filipina CEO Circle. Ms. Garcia worked for ING Bank for 31 years. She was formerly the Country Manager and Head of Clients of ING Bank N.V., Manila Branch for 9 years from September 2008 until November 15, 2017, and a Senior Consultant for ING Bank Asia, Challengers and Growth Markets, with focus on the roll-out of retail banking on an all-digital platform for 5 years from November 16, 2017 to June 30, 2022. Prior to these roles, she headed Financial Markets for ING which had overall responsibility for FX, Local Fixed Income and Local Interest Rate Derivatives, Debt Capital Markets, High Yield Bond Trading and Credit Derivatives. Ms. Garcia previously worked with SGV in audit and in Boston Bank of the Philippines, Philippine Branch where she was involved in internal audit, trust, corporate finance and special projects. Ms. Garcia is a Certified Public Accountant and graduated Magna Cum Laude for Bachelor of Science in Business Administration, major in Accounting from the University of the East.

Anjanette Ty Dy Buncio, 57 years old, Filipino, was appointed as Board Adviser of GT Capital in May 2025. Prior to this, she served as the Corporation's Treasurer from 2015 to 2025, and Assistant Treasurer from 2007 to 2015. She holds several other positions in other companies, among which are: Director and Executive Vice President of Federal Land, Inc.; Director and Chairman of the Board of Manila Medical Services, Inc.; Director of Bonifacio Landmark Corporation; Director and Executive Vice President of Horizon Land Property Development Corporation; Board of Trustee and Senior Vice President of Metrobank Foundation, Inc.; Board of Trustee and Senior Vice President of GT Foundation, Inc.; and Corporate Secretary of Pro Oil Corporation and Proline Sports Center Inc. She graduated from the International Christian University in Tokyo, Japan with a Bachelor of Social Science Degree in Economics.

Jaime Miguel G. Belmonte, 62 years old, Filipino, is a Board Adviser of GT Capital. Prior to this, he was an Independent Director of GT Capital from 2012 until 2020. He is also the President and Chief Executive Officer of The Philippine Star (since 1998); President and Chief Executive Officer of BusinessWorld (since 2015); President and Publisher of Pilipino Star Ngayon (since 1994) and PM Pang-Masa (since 2003); and President of Pilipino Star Printing Company (since 1994). Mr. Belmonte is also the President of Cebu-based The Freeman and Banat News (since 2004); Vice Chairman of People Asia magazine; Member of the Board of Trustees of Metrobank Foundation (since 2022); and a former member of the Board of Advisers of Manila Tytana College (since 2008 to 2022). Mr. Belmonte also sits on the board of Signal TV and TV5. He earned his undergraduate degree from the University of the Philippines in Diliman.

Guillermo Co Choa, 66 years old, Filipino, was appointed as Board Adviser of GT Capital in June 2016. He is currently the Chairman of Maplecrest Group, Inc. and Property Company of Friends, Inc. Mr. Choa earned his Bachelor's Degree in Commerce, Major in Marketing, from De La Salle University and his Master's degree in Business Economics from the University of Asia and the Pacific.

Pascual M. Garcia III, 72 years old, Filipino, is a Board Adviser of GT Capital Holdings, Inc. He previously served as a director of the company from May 2018 until August 2023 and as a Board Adviser from May 2013 to May 2018. He held several positions in other companies, among which were: Vice Chairman, Cathay International Resources Corporation; Chairman, Central Realty & Development Corporation; Chairman, Crown Central Properties; Chairman, Alveo-Federal Land Communities, Inc.; President, Bonifacio Landmark Realty & Development Corporation; President, North Bonifacio Landmark Realty and Development Inc.; President, Federal Land-Orix Corporation; President, ST 6747 Resources Corporation; Director, Horizon Land Resources Development Corporation and Director, Sunshine Fort North Bonifacio Realty and Development Corporation. He is also the former President of Federal Land, Inc. Prior to joining Federal Land, he was the President and Director of Philippine Savings Bank (PSBank) from 2001 to 2013; Co-Vice Chairman of Property Company of Friends, Inc. from 2016 to 2019; Director of Toyota Financial Services Philippines Inc. from 2007 to 2017 and Director of Sumisho Motor Finance Corporation from 2009 to 2016. Mr. Garcia earned his Bachelor's degree in Commerce, major in Management, from the Ateneo de Zamboanga University.



Senior Management



Carmelo Maria Luza Bautista
President

George S. Uy-Tioco, Jr.
Senior Vice President,
Chief Financial Officer and
Treasurer

Alesandra T. Ty
Assistant Treasurer

Vicente Saniel Socco
Chairman, GT Capital Auto
and Mobility Holdings, Inc.
(GTCAM)

Atty. Antonio V. Viray
Corporate Secretary

Jocelyn Y. Kho
Assistant Corporate Secretary

Atty. Maria Sofia A. Lopez
Assistant Corporate Secretary

Jose B. Crisol, Jr.
Senior Vice President,
Head of Investor Relations,
Strategic Planning, and
Corporate Communication



Senior Management



Stephen John S. Comia
First Vice President,
Head of Property Management

Joyce B. De Leon
Senior Vice President,
Chief Risk Officer and
Head of Sustainability

Susan E. Cornelio
First Vice President,
Head of Human Resources
and Administration

Reyna Rose Paner-Manon-og
Senior Vice President,
Head of Accounting and
Financial Control

Atty. Renee Lynn Miciano-Atienza
First Vice President,
Head of Legal and Compliance

Cheryll B. Sereno
Vice President,
Chief Audit Executive

Don David C. Asuncion
Vice President, GT Capital Auto
and Mobility Holdings, Inc.
(GTCAM)

Mar Loreto A. Apuhin
First Vice President,
Chief Information Security Officer
and Head of IT and Security



Senior Management Profiles

GRI 405-1

Carmelo Maria Luza Bautista, 68 years old, Filipino, assumed the role of President and Director of GT Capital in 2011. Prior to his election, Mr. Bautista joined First Metro Investment Corporation (FMIC) in April of 2008 as Executive Director and was appointed as Chairman of the Risk Management Committee. He later assumed the position of Head of FMIC's Investment Banking Group in 2009. Mr. Bautista has been in the Banking and Financial Services sector for 48 years. Some highlights of his previous scope of responsibilities over this period include: Program Director at Citibank Asia Pacific Banking Institute; Vice President and Head of the Local Corporate and Public Sector Groups at Citibank-Manila; Vice President-Real Estate Finance Group, Citibank N.A.-Singapore Branch; Vice President-Structured Finance at Citibank N.A.-Singapore Regional Office; Country Manager of ABN AMRO Bank-Philippines; and President and CEO of Philippine Bank of Communications (PBCOM). Mr. Bautista has a Master's degree in Business Management from the Asian Institute of Management, where he graduated in the Dean's Citation List. He also has a Bachelor's degree, Major in Economics, from the Ateneo de Manila University. Mr. Bautista currently serves as Chairman of Toyota Financial Services Philippines Corporation (TFSPH), as well as Director of Federal Land, Inc. (FLI), Toyota Motor Philippines Corporation (TMP), GT Capital Auto and Mobility Holdings, Inc. (GTCAM), GT Mobility Ventures, Inc., Federal Land NRE Global, Corp. (FNG), and Manila Doctors Hospital (MDH). He is also an Adviser to the Board of Trustees of GT Foundation, Inc., Trustee of the Asian Institute of Management, and an Independent Director of Vivant Corporation, a publicly listed company.

George S. Uy-Tioco, Jr., 54 years old, Filipino, was appointed as GT Capital's Treasurer on May 14, 2025, and concurrently serves as the company's Chief Financial Officer - a position he has held since July 1, 2024. Mr. Uy-Tioco joined GT Capital as Senior Vice President for Finance on May 16, 2024. He brings to the company close to three decades of experience in investment banking, investment management, and general management, which he gained in the Philippines, Asia, and North America. Prior to joining GT Capital, he was the Head of Corporate Finance for ING Bank NV, Manila Branch and the Head of Mergers and Acquisitions at BPI Capital Corporation. Throughout his career, Mr. Uy-Tioco has served in various capacities as a senior executive or board member of a number of private and public corporations in the Philippines and in the region. Mr. Uy-Tioco holds a Master's degree in Business Administration from the Darden Graduate School of Business of the University of Virginia in the USA and a Bachelor of Science degree in Management Engineering from the Ateneo de Manila University.

Alesandra T. Ty, 45 years old, Filipino, was appointed Assistant Treasurer of GT Capital on February 14, 2012. She graduated from the Ateneo de Manila University with a Bachelor of Science degree in Legal Management. She then earned her Master's in Business Administration from the China Europe International Business School in Shanghai, China. She is currently a Director of AXA Philippines; Trustee and Vice President of GT Foundation, Inc.; Vice President of Metrobank Foundation, Inc.; Senior Vice President and Treasurer of Federal Homes, Inc.; and Executive Vice President of Grand Titan Capital Holdings, Inc.

Vicente Saniel Socco, 66 years old, Filipino, is the Chairman of GT Capital Auto and Mobility Holdings, Inc. (GTCAM). GTCAM is a wholly-owned subsidiary of GT Capital and is the vehicle for the management of the Group's mobility initiatives and automotive dealerships. He brings forty-two years of expertise in the automotive sector. Mr. Socco began his career with Toyota in the Philippines as a member of its marketing team. He was then appointed General Affairs Manager of Toyota's Manila Representative Office in 1984, until Toyota Motor Philippines Corporation (TMP) opened in 1988, where he rose from the ranks to become Senior Vice President (SVP) for Marketing and After-Sales. In 2001, Mr. Socco joined the regional headquarters of Toyota in Singapore. Mr. Socco was appointed SVP of Lexus Asia in 2007, concurrent with his roles as the Executive-in-Charge for country operations at Toyota Motor Asia Pacific (TMAP). In 2012, he assumed the role of Executive Vice President and acting Chief Operating Officer for the region. Then, in 2014, he was assigned to Toyota's global headquarters as Project General Manager for TMAP in Japan. He then returned to Singapore in 2017 as EVP for Lexus Asia until his retirement in July 2019. Mr. Socco earned his Bachelor of Science in Economics degree from the University of the Philippines in Diliman and completed the Executive Development Program of the Wharton School of the University of Pennsylvania.

Atty. Antonio V. Viray, 86 years old, Filipino, has served as Corporate Secretary of GT Capital since 2009. His legal profession started as a litigation lawyer of the FERIA Law Office (then FERIA Manglapus & Associates). He then embarked on a banking career with the Philippine Savings Bank (PSBank) holding the positions of Senior Vice-President for Loans, Legal, Administrative, and Branch Operations and Corporate Secretary. When PSBank was acquired by Metropolitan Bank & Trust Company (Metrobank), he was recruited as General Counsel (then Special Counsel) of Metrobank, later becoming Senior Vice President, Corporate Secretary, and Director. He is currently Corporate Secretary of Grand Titan Capital Holdings, Inc., Chief Legal Adviser of the Bankers Institute of the Philippines (BAIPhil) and Of Counsel of FERIA Tantoco Daos Law Firm.

His foundations as a respected corporate lawyer and secretary were provided by Colegio de San Juan de Letran (Letran College), where he graduated Valedictorian of his Associate in Arts, the University of Santo Tomas, where he finished his Bachelor of Laws as Valedictorian and Magna Cum Laude; and Northwestern University School of Law in Chicago, Illinois, U.S.A., where he obtained his Master of Laws (emphasis on Corporation Law) degree through a Ford Foundation Fellowship Grant. He placed 19th in the 1961 BAR exams.

He was principal counsel in the joint ventures of the Metrobank Group with Toyota Motor Corporation, AXA Insurance and ANZ Bank (for Metrobank Card). As Of Counsel of FERIA Law Office, he helped oversee some joint ventures of the Federal Land Group.

Atty. Viray's latest publication is a book titled "Close Corporations" (2022 edition).

Jocelyn Y. Kho, 71 years old, Filipino, has served as GT Capital's Assistant Corporate Secretary since June 2011. Previously, she was the company's Controller until 2010. Before this, Ms. Kho worked for Metropolitan Bank & Trust Company (Metrobank) as Vice President under the Office of the Assistant to the Group Chairman from 1978 to 2009. She concurrently holds the following positions: Assistant Corporate Secretary, Grand Titan Capital Holdings, Inc.; Director, Senior Vice President and Treasurer, Global Business Holdings, Inc.; Director and Treasurer of Horizon Royale Holdings, Inc.; Director and Senior Vice President of Federal Homes, Inc.; Treasurer of Federal Land, Inc.; Director and Corporate Secretary of Philippine Securities Corporation; Director, Magnificat Resources Corporation and MBTC Management Consultancy, Inc.; Corporate Secretary of Norberto & Tytana Ty Foundation, Inc.; Chairman of Multi Fortune Holdings, Inc. and Splendor Realty Corporation; Chairman and President, Solid Share Holdings Philippines, Inc., Cellini Holdings, Inc., City Tower Realty Corporation, and Ocean Park Condominium and Realty, Inc., Director and President, Harmony Property Holdings, Inc., and Splendor Fortune Holdings, Inc.; Independent Director, AP Securities, Inc.; Adviser, Cathay International Resources, Inc. She earned her Bachelor of Science degree in Commerce, major in Accounting, from the University of Santo Tomas in 1975, and is a candidate for the Master of Science degree in Taxation from Manuel L. Quezon University.

Atty. Maria Sofia A. Lopez, 58 years old, Filipino, was appointed as GT Capital's Assistant Corporate Secretary on November 10, 2022. Before this, Ms. Lopez worked for Metropolitan Bank & Trust Company (Metrobank) as Legal Counsel from 2005 to 2022. She concurrently holds the following positions: Corporate Secretary of Metrobank Foundation, Inc., GT Foundation, Inc., Manila Medical Services, Inc., MDH Clinic Management, Inc., Manila Tytana Colleges, Inc., Metrobankers Foundation, Inc., First Metro

Insurance and Reinsurance Brokers, Inc., ORIX METRO Leasing and Finance Corp., and Sumisho Motor Finance Corp.; Assistant Corporate Secretary of Norberto and Tytana Ty Foundation, Inc. She earned her Bachelor of Science degree in Business Administration, major in Accounting, from the University of the East (Manila) and graduated Cum Laude in 1987, and earned her Juris Doctor degree from San Beda College (Mendiola) in 1992.

Jose B. Crisol, Jr., 59 years old, Filipino, serves as Senior Vice President and Head of the Investor Relations, Strategic Planning, and Corporate Communication Department of GT Capital. He was appointed to the position on July 26, 2012. He also serves as a Director and the Audit Committee Chairman of Toyota Sta. Rosa, Inc. Before joining the Corporation, he was the Assistant Vice President for Investor Relations of SM Investments Corporation (SM). Prior to working with SM, he was a Director at the Republic of the Philippines Department of Trade and Industry (DTI), heading its Trade and Industry Information Center. He also served for a time, on a concurrent basis, as Head of DTI's Office of Operational Planning. His other past employment includes occupying various positions at The Philippine American Life Insurance Company and Merrill Lynch Philippines, Inc., among others. He holds a Master in Business Economics degree from the University of Asia and the Pacific, and a Bachelor of Science degree in Economics from the University of the Philippines - Diliman. He completed his primary and secondary education at the Ateneo de Manila University.

Stephen John San Juan Comia, 48 years old, Filipino, serves as First Vice President and Head of the Property Management Department of GT Capital and concurrently, Head of the Landbank Management Group of Federal Land. He brings to GT Capital more than 16 years of experience in the property sector having worked for Ayala Land, Inc. from 2005 until 2021 where he served as Estate Development Head. Mr. Comia handled land acquisition and overall master-planning, development, sales, marketing, and property management of various estate developments such as Nuvali in Sta. Rosa and Calamba, Laguna, Arca South in Taguig, and Vermosa in Imus and Dasmariñas, Cavite. Mr. Comia holds a Master in Business Administration degree from the Asian Institute of Management and a Bachelor of Science degree in Management Engineering from the Ateneo de Manila University.

Joyce B. De Leon, 52, Filipino, is the Chief Risk Officer, Head of Sustainability, and Senior Vice President of GT Capital Holdings, Inc., appointed on October 19, 2020. She also serves as a Director of Toyota Manila Bay Corporation, where she is a member of the Risk Oversight Committee. She provides oversight and strategic advisory on risk management and sustainability/ESG across the Group's operating companies.



Senior Management Profiles, continued

Ms. De Leon brings close to 17 years of risk management experience across local and international financial institutions. Prior to GT Capital, she was First Vice President and Head of Market and Liquidity Risk for BDO Unibank, Inc. and a member of its asset and liability committee. Previously, she served as Senior Vice President and Head of Risk Management for Maybank ATR Kim Eng, building its Risk Management function and participating in its management risk, credit and underwriting, and executive committees. Before this, she was Country Head for Market Risk at Standard Chartered Bank and began her risk management career as Market Risk Manager for Philippine Savings Bank (PSBank). Ms. De Leon is a graduate of the Swedish Institute's Global Executive Program (Sweden), holds a Master in International Business (MIB) from the University of Melbourne (Australia), a Master of Business Administration (MBA), and a Bachelor of Arts in Psychology from De La Salle University (Manila). She is a certified Global Association for Risk Professionals (GARP) Sustainability and Climate Risk (SCR) professional and an alumnus of the University of the Asia & Pacific (UA&P) Applied Sustainability Management in Asia Pacific program (ASMAP).

Susan Encabo Cornelio, 54, Filipino, joined GT Capital on July 4, 2012, as Head of Human Resources and Administration. Prior to this, she served as Vice President at Sterling Bank of Asia and earlier as Assistant Vice President at United Coconut Planters Bank. She also held key HR leadership roles in several financial institutions, including Metrobank, ABN AMRO Offshore Banking, Solidbank, and Citytrust.

She holds a Bachelor of Science in Commerce, major in Accounting, from Sta. Isabel College–Manila; a Master Certificate in Human Resources and International HR Practices from Cornell University's School of Industrial and Labor Relations; and a Master's degree in Business Economics from the University of Asia and the Pacific. She completed her Doctor of Philosophy in Human Resource Management at the University of Santo Tomas, where she graduated magna cum laude.

Reyna Rose Paner-Manon-og, 44 years old, Filipino, is the Controller and Senior Vice President of GT Capital. She was appointed Controller in October 2011 and serves as Head of the Accounting and Financial Control Department. She concurrently holds the following positions: Director and Chairman of the Audit Committee of Toyota Manila Bay Corporation, Director and Treasurer of Toyota Subic, Inc. and Treasurer of GT Capital Auto and Mobility Holdings, Inc. (GTCAM).

Before joining the conglomerate, she was the Assistant Vice President and Head of the Financial Accounting Department of United Coconut Planters Bank. This role was preceded by a

foundational experience at Sycip Gorres Velayo & Company (SGV & Co.), where she dedicated seven years mastering the discipline of external audit.

Ms. Manon-og's academic credentials complement her professional endeavors, holding a Certified Public Accountant license and graduating Cum Laude from Bicol University with a Bachelor of Science degree in Accountancy. She furthered her studies by completing the Strategic Business Economics Program of the University of Asia and the Pacific and an executive course on Strategic Leadership in Innovation and Artificial Intelligence at IESE Business School, University of Navarra, in Barcelona.

Atty. Renee Lynn Miciano-Atienza, 43 years old, Filipino, is the Data Privacy Officer, Corporate Governance Officer, First Vice President and Head of the Legal & Compliance Department of GT Capital. She was appointed to her position on May 11, 2016 and has been with GT Capital since August 2012.

She concurrently holds the following positions: Director and Corporate Secretary at GT Capital Auto and Mobility Holdings, Inc. and Toyota Subic, Inc.; Corporate Secretary at AXA Philippines, Toyota Motor Philippines Corporation, Toyota Motor Philippines School of Technology, Inc., Toyota Motor Philippines Foundation, Inc., Lexus Manila, Inc., LMI Insurance Agency, Inc., GT Mobility Ventures, Inc., JBA Philippines Inc., Premium Warranty Services Philippines, Inc., Toyota Santa Rosa, Laguna, Inc., Toyota Santa Rosa, Laguna Insurance Agency, Inc., Toyota Manila Bay Corporation, TMBC Insurance Agency Corporation, and Oxfordshire Holdings, Inc.; and Assistant Corporate Secretary at Toyota Financial Services Philippines Corporation.

Prior to joining GT Capital, she was the Head of the Investigation and Enforcement Department of the Capital Markets Integrity Corporation (CMIC). Before joining CMIC, she was the Officer-in-Charge of the Prosecution and Enforcement Department of the PSE. She was also Legal Counsel of the Office of Senator Miguel Zubiri, and prior to entering law school, a trader for United Coconut Planters Bank. She earned her Bachelor of Science degree in Management from the Ateneo de Manila University and finished her Juris Doctor degree in the same university. In 2019, she completed the Strategic Business Economics Program of the University of Asia and the Pacific.

Cheryll B. Sereno, 45 years old, Filipino, was appointed Chief Audit Executive on November 10, 2023. Before this, Ms. Sereno was Head of Enterprise-wide Risk Management at Manila Electric Company. Prior to that, she served as Head of Opportunity and Risk Management at Megaworld Corporation from 2017 to 2022. She has also served in varying roles in Ayala Land from 2005 to 2017 including Risk Management Associate Manager and Business Continuity Program Officer. She is a Certified Public Accountant, a Certified Business Continuity Professional, and holds a Bachelor's degree in Accountancy from Ateneo De Naga University.

Don David C. Asuncion, 46 years old, Filipino is the Vice President of GT Capital Auto and Mobility Holdings, Inc. (GTCAM), the automotive and mobility arm of the GT Capital Group. With over 23 years of experience in the automotive industry, he has held various leadership roles across notable companies. Mr. Asuncion began his career at Toyota Motor Philippines in 2002, before moving on to Ford Philippines, Bermaz Auto Philippines, and Mitsubishi Motors Philippines Corporation, where he held various functions in the areas of Sales, Marketing, Dealer Development, After Sales and Customer Service. He joined GTCAM in 2020. Mr. Asuncion holds a Bachelor of Science in Management degree from the Ateneo de Manila University.

Mar Loreto A. Apuhin, 48 years old, Filipino, joined GT Capital as Chief Information Security Officer and Head of IT & Security on February 3, 2025. In this role, he is responsible for safeguarding critical information assets, strengthening enterprise cyber resilience, ensuring alignment with regulatory and governance requirements, and enabling secure digital transformation initiatives.

He brings extensive global experience from organizations including Accenture, where he served as Managing Director for Cybersecurity; Citibank, as Vice President for Infrastructure, Cybersecurity, and Network; and technical and pre-sales roles at Cisco Systems and Verizon Business.

His background enables the translation of complex cyber and technology risks into actionable controls, resilient architectures, and operating models for large-scale, highly regulated, and technology-intensive environments.

Mr. Apuhin holds a degree in Electronics and Communications Engineering from the University of San Carlos and a Master of Business Administration from the University of the People. This combination of technical and business expertise supports effective risk-informed decision-making and the advancement of governance and resilience initiatives across the Group.



GT Capital Group Management



Fabian S. Dee
President
Metropolitan Bank & Trust Co.
(Metrobank)

Masando Hashimoto
President
Toyota Motor Philippines
Corporation (TMP)

Jose Mari H. Banzon
President
Federal Land, Inc.
(Federal Land)

Ayman Kandil
President and CEO
AXA Philippines Life and
General Insurance Corporation
(AXA Philippines)

Manuel V. Pangilinan
Chairman, President and CEO
Metro Pacific Investments
Corporation (MPIC)

Philip Francisco U. Dy
President
Metrobank Foundation, Inc.



GT Capital Group Management Profiles

GRI 405-1

Fabian S. Dee, 63 years old, Filipino, is the President of Metropolitan Bank & Trust Co. (Metrobank), the country's premier universal bank, recognized by financial experts as the Best Corporate Bank and the Strongest Bank in the Philippines. He is a seasoned banker with approximately 38 years of experience in treasury, corporate banking, and retail banking. Mr. Dee joined the Metrobank Group in 2000 to lead the Bank's largest business center. He then moved to Corporate Banking to reinforce Metrobank's stronghold among the large conglomerates and middle market accounts. In 2006, he was appointed as the National Branch Banking Sector Head, successfully improving the Bank's footprint in the retail business. Within Mr. Dee's term as President of Metrobank, he had concurrently held various positions including Chairman and Director of Metrobank Card Corporation from 2006 until 2020, Chairman of Metro Remittance Singapore PTE Ltd. from 2010 until 2019, Chairman of LGU Guarantee Corporation from 2017 until 2019, Chairman of SMBC Metro Investment Corporation from 2014 to 2017, Director of Bancnet from 2015 to present and President of Bancnet from 2021 to present. Mr. Dee served as a director at the Bankers Association of the Philippines (BAP) from 2014 to 2018, from 2019 to 2023, and from 2024 to the present. In 2024, Mr. Dee was appointed Vice Chairman of First Metro Investment Corporation. He holds a degree in Management Engineering from the Ateneo de Manila University.

Masando Hashimoto, 49, the President of Toyota Motor Philippines Corporation (TMP), is a seasoned executive with 26 years of experience in the manufacturing industry. A graduate of Keio University in Tokyo, Japan, he began his career at Toyota Motor Corporation (TMC) in 2007 and has honed his expertise in various areas including global sales and business planning, Asia distribution, and human resource management.

Mr. Hashimoto has held various managerial positions within TMC and became senior division coordinator in 2016 at Toyota Motor Thailand, where he handled distribution operations. In recent years, Mr. Hashimoto developed an in-depth understanding of the Asian market and the specific nuances of the Philippines.

In 2023, Mr. Hashimoto joined TMP as the Senior Vice President for Marketing, and a year later, he was appointed and became the youngest President in TMP history. Additionally, he serves as the Chairman of Toyota Mobility Solutions Philippines, Inc., TMP's mobility services arm and wholly-owned subsidiary.

Jose Mari H. Banzon, 65, Filipino, is the President of Federal Land, Inc., the property arm of GT Capital Holdings. He previously served as Executive Vice President and General Manager of Federal Land from 2006 to 2013 before joining SM Prime Holdings, Inc. in 2013, where he served as President of SM Development Corporation (SMDC). During his tenure, Mr. Banzon played a key role in strengthening the establishment of the company's property management function and expanding its international market presence across the Middle East, Europe, Australia, and Asia, broadening SMDC's global investor reach. He rejoined Federal Land in 2024.

Ayman Kandil, 55 years old, Egyptian, is the President and CEO of AXA Philippines, one of the largest insurance companies in the country. He assumed the position in October 2024 after serving as the company's Chief Distribution Officer since December 2023. Mr. Kandil brings more than 26 years of executive experience in the insurance industry and a successful tenure as CEO of AXA Egypt.

Manuel V. Pangilinan, 79 years old, graduated cum laude from the Ateneo de Manila University, with a Bachelor of Arts degree in Economics. He received his MBA degree from the Wharton School at the University of Pennsylvania. In Manila, he worked for Philippine Investment Management Consultants Inc. (PHINMA) in the Philippines, and in Hong Kong with Bancom International Limited and American Express Bank. Thereafter, he founded First Pacific in May 1981.

Mr. Pangilinan served as Managing Director of First Pacific since its founding in 1981 until 1999. He was appointed Executive Chairman until June 2003, after which he was named Managing Director and Chief Executive Officer. Mr. Pangilinan holds the positions of President Commissioner of PT Indofood Sukses Makmur Tbk, and PT Nusantara Infrastructure Tbk in Indonesia. In the Philippines, Mr. Pangilinan was once again appointed as President and Chief Executive Officer of PLDT, Inc. and Smart Communications, Inc. in January 2024. He also became the President and Chief Executive Officer of Manila Electric Company (Meralco) effective 1 June 2023. He is the Chairman, President and Chief Executive Officer of Metro Pacific Investments Corporation, PLDT Communications and Energy Ventures, Inc., Chairman of Global Business Power Corporation (GBP), Terra Solar Philippines, Inc. (TSPI), Maynilad Water Services, Inc., Metro Pacific Tollways Corporation, NLEX Corporation, Philex Mining Corporation, PXP Energy Corporation, Landco Pacific Corporation, Metro Pacific Health Corporation, Mediaquest Holdings, Inc. and Associated Broadcasting Corporation (TV 5), the Vice Chairman of Roxas Holdings, Inc., and a Director of ePLDT, Inc. and Axelum Resources Corp.

In recognition of Mr. Pangilinan's contributions to the country, the Philippine Air Force awarded him the rank of Lieutenant Colonel (Res) in a promotion list approved by the Philippine President in July 2021. In 2010, the Office of the President of the Philippines awarded Mr. Pangilinan the Order of Lakandula with the rank of Bayani. Mr. Pangilinan was awarded the First Honorary Doctorate Degree in Management by the Asian Institute of Management in 2016, Honorary Doctorate in Science by Far Eastern University in 2010, in Humanities by Holy Angel University in 2008, by Xavier University in 2007 and by San Beda College in 2002 in the Philippines. He was formerly Chairman of the Board of Trustees of the Ateneo de Manila University and was a member of the Board of Overseers of the Wharton School.

In civic duties, Mr. Pangilinan sits as Chairman of the Philippine Business for Social Progress (PBSP), PLDT-Smart Foundation Inc., One Meralco Foundation Inc., Metro Pacific Foundation Inc., and Co-Chairman of the Philippine Disaster Resilience Foundation (PDRF), and is a Director of the Philippine Business for Education (PBED). He is Chairman of the Board of Trustees of San Beda College and Co-Chairperson of the Board of Trustees of Stratbase Albert del Rosario Institute and the U.S.-Philippine Society.

In sports, Mr. Pangilinan is Chairman of the MVP Sports Foundation, Inc. and Chairman of the Samahang Basketbol ng Pilipinas.

Philip Francisco U. Dy, 41, currently serves as the President of the Metrobank Foundation, Inc. - one of the biggest and most established corporate foundations in the Philippines. Concurrently, he is the Executive Director of GT Foundation, Inc., the family foundation of the Ty family. Outside these roles, Philip also sits as a Trustee of the League of Corporate Foundations and the Philippine Business for Education.

He previously held government positions: Chief of Staff, with the rank of Undersecretary, during Ma. Leonor G. Robredo's entire tenure as the 14th Vice President of the Philippines as well as Head Executive Assistant to the late Jesse M. Robredo, when he served as Secretary of the Department of the Interior and Local Government in the early 2010s.

He graduated from the Master in Public Policy program of Harvard University's John F. Kennedy School of Government in 2015, with a concentration on Democracy, Politics and Institutions. Upon his graduation, he served as Program Manager of the Disaster Net Project of the Harvard Humanitarian Initiative. The project aims to improve community-based disaster preparedness and response in the Philippines, by leveraging research and training programs.

Over the years, he served in various roles spanning leadership development for public sector leaders, mobilization and management of volunteer efforts, and program management to address nutrition and education issues at the community level, among others.

Mr. Dy's professional recognitions include being selected as one of the country's delegates to the inaugural batch of the Leaders Asia-Pacific program of the Obama Foundation in 2019. In 2025, he was conferred the Rotary Golden Wheel Award for Community Development, given by the Rotary International District 3780. This distinguished award recognizes Philip's exceptional contributions to community development, outstanding leadership, innovative approaches to tackling development issues, and deep commitment to social responsibility.

Mr. Dy, while serving as student council president on his final year, graduated summa cum laude, class valedictorian and program awardee of the Development Studies Program of the Ateneo de Manila University in 2006, with minors in Global Politics and Philosophy. He was also given recognition as one of the Ten Jose Rizal Model Students of the Philippines in 2005.

Our Corporate Governance

GRI 2-9, 2-10, 2-12, 2-13, 2-14, 2-15, 2-16, 2-18, 2-19, 2-20, 2-21, 2-26, 2-27

2025 Corporate Governance Highlights

GT Capital Holdings, Inc. ("GT Capital" or the "Corporation", and together with its subsidiaries, the "Group"), embraces corporate governance best practices recognized in the Philippines and in the Association of Southeast Asian Nations ("ASEAN") Region. The Corporation actively develops and implements policies and practices that align with the core principles of corporate governance as outlined in the Securities and Exchange Commission's ("SEC") Code of Corporate Governance for Publicly-Listed Companies and Integrated Annual Corporate Governance Report, the G20/OECD Principles of Corporate Governance, and the ASEAN Corporate Governance Scorecard.

GT Capital's commitment to advancing its corporate governance policies and business practices has earned it Four Golden Arrows for the 2025 ASEAN Corporate Governance Scorecard Assessments conducted by the Institute of Corporate Directors.

As part of its ongoing improvement in corporate governance, GT Capital undertook the following best practices in 2025:

1. Appointed Mr. Peter B. Favila as the new Lead Independent Director;
2. Re-election of a female independent director;
3. Established a new Information Technology and Security Department;
4. Appointed Mr. Mar Loreto A. Apuhin as the Corporation's new First Vice-President/Chief Information Security Officer and Head of Information Technology and Security;
5. Adopted a Corporate Credit Card Policy that strengthens fiscal discipline while enabling efficient business operations;
6. Continued using global disclosure frameworks and standards for Sustainability Reporting, that consolidates the annual report and sustainability report in accordance with the Integrated Reporting <IR> Framework, and Global Reporting Initiative (GRI) in its public disclosures;
7. Adopted an Enhanced Employee Performance Appraisal and Management Framework;
8. Enhanced the awareness and capabilities of various levels of the organization through the conduct of risk and sustainability culture building activities; and
9. Held a meeting of Non-Executive Directors without any executives present on December 12, 2025.

2025 Compliance

GT Capital is compliant with the Code of Corporate Governance for Publicly-Listed Companies ("PLCs") as well as with all laws, rules, and regulations pertinent to its business.

As a PLC, GT Capital acknowledges its duty and responsibility to provide timely and accurate information to the investing public. To this end, GT Capital strictly complies with all reportorial

and disclosure requirements imposed by regulatory agencies such as the SEC and the Philippine Stock Exchange ("PSE"). GT Capital likewise ensures the posting of all reportorial and disclosure requirements onto GT Capital's website: www.gtcapital.com.ph.

Corporate Governance Policies and Practices

To cultivate a culture of compliance within the Corporation, GT Capital established the following policies in support of its corporate governance framework.

Manual on Corporate Governance

PURPOSE

Institutionalizes principles of good corporate governance for the entire Corporation.

UNITED BELIEF

Adopted in line with the belief of its Board, Management, employees, and shareholders that corporate governance is a necessary component of sound strategic business management.

MANDATORY

Every effort necessary is undertaken to create awareness of the CG Manual and ensure compliance.

COMPREHENSIVE SCOPE AND REGULAR REVIEW

The charters of the Board committees are attached to the Manual. Regular review is conducted and amendments are introduced to reflect any new corporate governance best practices adopted by the Corporation.

CODE OF ETHICS

- Promotes a culture of good governance and ethical conduct in business operations;
- Guides adherence to high ethical standards;
- Upholds corporate core values.

IMPLEMENTING MECHANISMS

- Corporate Governance Manual;
- Whistleblowing Policy;
- Policies and Procedures Manuals of each department;
- Annual Orientation Programs conducted by the Human Resources and Administration Department ("HRAD");
- GT Capital's Internal Audit Department audits each department to ensure compliance.

COVERED PERSONS

Directors

Officers

Employees

CODE OF DISCIPLINE OF EMPLOYEES AND ANTI-CORRUPTION PROGRAMS

- Promotes professionalism, ethics, and integrity in employee conduct
- Obliges employees to conduct themselves in a manner befitting their respective positions in the Corporation by espousing the general principles of professionalism, high ethical standards, discipline, integrity, and honesty. It likewise promotes efficient, orderly, and safe conduct of the Corporation's operations.
- Ensures fairness and uniformity in implementation of any disciplinary action on its employees

IMPLEMENTING MECHANISMS

- HRAD regularly monitors and implements the Code of Discipline of Employees.
- HRAD regularly conduct seminars for its employees, including an onboarding seminar for new employees, tackling the policies and procedures of GT Capital including the Corporation's Code of Discipline of Employees and Anti-Corruption Program.

COVERED PERSONS

Officers

Employees

WHISTLEBLOWING POLICY

- Adopted to further strengthen GT Capital's corporate governance framework and maintain the highest standards of transparency, probity, and accountability, consistent with its stature as a PLC.
- Strictly prohibits fraudulent practices and unethical conduct by any of its board members, officers, and employees. It defines who qualifies as a whistleblower and provides the procedure to be followed by such whistleblower to report in good faith, acts or omissions which he or she reasonably believes violate a law, rule or regulation or constitutes unethical conduct or fraudulent accounting practice

IMPLEMENTING MECHANISMS

- Whistleblowers are protected by the confidentiality and non-retaliation provisions in the Whistleblowing Policy.
- The Corporation maintains the anonymity of the whistleblower during the review and investigation process and provides sanctions to be imposed on any party who reveals the identity of whistleblower without his/her consent.
- The non-retaliation policy prohibits retaliation or reprisal tactics, such as punitive transfers, withholding of professional promotion or training, loss of seniority rights or benefits, among others, and provides that disciplinary action shall be taken against an officer or employee who engages in such conduct.
- Reports by stakeholders, including employees, may be submitted by e-mail to governance@gtcapital.com.ph or directly in writing to the Chief Audit Executive ("CAE").
- The CAE may then investigate the report, appoint an investigating officer, create a special Task Force (internal or outsourced) to investigate the matter independently, or elevate the report to the Discipline, Ethics, and Values Committee composed of the CAE and the respective heads of the Human Resources and Administration Department and Legal and Compliance Department. Investigations shall be completed within sixty (60) calendar days from receipt of the report by the CAE.

COVERED PERSONS

Directors

Officers

Employees

Our Corporate Governance, continued

GRI 2-15

POLICY ON CONFLICTS OF INTEREST

- Directors, Officers and Employees must observe and conduct fair business transactions with the Corporation, ensure that their personal interests does not conflict with the interests of the Corporation, and should not use their position for profit or to gain some benefit or advantage for themselves and/or their related interests.
- Directors should avoid situations that may compromise their impartiality.
- When an actual or potential conflict of interest exists, the conflicted director is required to fully and immediately disclose the same and abstain from participating in the Board discussion of that item on the agenda.
- All employees shall refrain from engaging in any activity which will, in anyway, interfere in or run in conflict with their work or jeopardize the Corporation's interest.

COVERED PERSONS

Directors

Officers

Employees

IMPLEMENTING MECHANISMS

- Under the Manual, the Nominations Committee is mandated to consider actual or potential conflicts of interest prior to recommending prospective candidates.
- The Employee Handbook provides that all employees shall disclose or report any situation or activity that may involve a conflict of interest immediately in writing to their immediate superior or any officer.

POLICIES ON INSIDER TRADING

- Ensure that its directors, officers, and employees keep secure and confidential all material non-public information which they may acquire or learn by reason of their position.
- Directors, officers, and employees are prohibited from dealing in GT Capital shares from the time they receive or become aware of material non-public information up to two (2) full trading days after its disclosure to the investing public (the "Blackout Period").

COVERED PERSONS

Directors

Officers

Employees

Principal Stockholders

IMPLEMENTING MECHANISMS

- The Corporation considers insider trading a serious offense and prohibits the continued service of any director, officer, or employee convicted by a court of competent jurisdiction of insider trading. Accordingly, subject to procedures required under the policies of the Corporation, a director convicted of insider trading shall be removed from his position while officers and employees shall be subject to dismissal.
- Outside the Blackout Period, GT Capital requires its directors, officers, and principal stockholders to report to the Corporation all dealings and transactions in GT Capital shares within three (3) business days after the transaction. This ensures that GT Capital complies with PSE's Revised Disclosure Rules and the Implementing Rules and Regulations of the Securities Regulation Code. The appropriate disclosures are submitted to the PSE and SEC (through SEC Form 23-B) before the relevant information is posted on GT Capital's website.

Policy on Antitrust

GT Capital upholds the principles espoused by the Republic Act No. 10667 otherwise known as "The Philippine Competition Act" and its Implementing Rules and Regulations.

When necessary, the Corporation complies with Sections 16 and 17 of the Philippine Competition Act requiring the compulsory notification of the Philippine Competition Commission for covered transactions. The Corporation ensures that its contracts, agreements and transactions do not substantially prevent, restrict or lessen competition in the industry where it is engaged.

Procurement Policies

The Human Resources and Administration Department's Policies and Procedures Manual ("PPM") outlines the procurement policies of GT Capital, which ensures that risk exposure due to unreasonable and exorbitant spending is eliminated.

All purchases require review and approval of the requesting department head and GT Capital's Chief Financial Officer ("CFO") before they are processed. Transactions are then assessed in order to determine if there is a need to comply with the policies and procedures prescribed by the Bids and Awards Committee ("BAC"). Purchases not subject to formal bidding process still

require at least three (3) bids/quotations from different suppliers. HRAD oversees all procurements, while the Accounting and Financial Control Department is responsible for payment processing of all obligations arising from procurements.

The Corporation maintains a list of accredited suppliers for office supplies and equipment which have been pre-screened to provide competitive prices. Contracts involving crucial services are reviewed and approved by the BAC or the Executive Committee for extraordinary service engagements.

Complementing these controls, the Corporation enforces a Corporate Credit Card Policy to support operational efficiency while maintaining strong fiscal discipline. Corporate credit cards are issued only to authorized employees, subject to appropriate governance and oversight. All usage is strictly limited to legitimate business purposes and is governed by established approval processes and accountability mechanisms.

Board of Directors and Management

The Board of GT Capital is responsible for the governance of the Corporation and ensures its compliance with the principles of good governance by providing an independent check on Management. By setting policies for the accomplishment of GT Capital's corporate objectives, the Board fosters the long-term success, sustained growth, and competitiveness of the Corporation in a manner consistent with its fiduciary responsibility towards both the Corporation and its stakeholders.

Board Composition

The Nominations Committee pre-screens and shortlists all candidates nominated as a member of the Board. GT Capital's stockholders annually elect members of the Board from a final list of candidates prepared by the Nominations Committee. In determining the nominees for any vacancy, the Corporation may avail itself of the Board Director Sourcing Services of the Institute of Corporate Directors. The experience of the members of the Board encompasses a wide range of experience in business, finance, and law, as well as expertise in industries in which GT Capital's component companies are involved.

Five (5) members of GT Capital's Board are Independent Directors. In addition to having all the qualifications and none of the disqualifications as embodied in relevant SEC regulations and in the By-laws of the Corporation, an Independent Director is a person who, apart from his fees and shareholdings, is independent of management and substantial shareholders, and free from any business or other relationship which could, or could reasonably be perceived to materially interfere with his exercise of independent judgment in carrying out his responsibilities as a director.

GT Capital's Manual provides that no director shall simultaneously hold more than five (5) board seats in PLCs, while an executive director shall not serve on more than two (2) boards of PLCs outside the Group. All directors satisfy the foregoing criteria.



The roles of the Chairman and the President are separate to ensure an appropriate balance of power, increased accountability, and improve the Board's capacity for making decisions separately and independently from Management. Among others, the Chairman ensures that meetings of the Board are in accordance with the By-laws, listens and addresses governance-related issues that may be raised by non-executive or Independent Directors, and ensures that the Board exercises strong oversight over the Corporation and its Management. On the other hand, the President, among other responsibilities, plans, develops, and implements the Corporation's policies and goals, interfaces with the Chairman to revise objectives and plans in accordance with current conditions, and communicates clearly and directly with employees concerning performance expectations, productivity, and accountability. Mr. Francisco C. Sebastian has served as Chairman of GT Capital since his election on May 11, 2022. Mr. Carmelo Maria Luza Bautista has served as President since GT Capital's listing in April 2012.

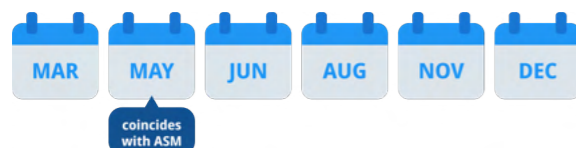
Duties and Responsibilities of the Board of Directors

The duties and responsibilities of the Board, which meets at least six (6) times during the year, include: implementing a process for the selection of directors who can contribute independent judgment to the formulation of sound corporate strategies and policies; providing guidelines and insights on major investments and capital expenditures; ensuring the Corporation's compliance with all relevant laws, regulations and best business practices; establishing and maintaining an Investor Relations Program to keep stockholders apprised of important developments; identifying the stakeholders in the community and formulating a clear policy of communication with them; adopting a system of check and balance with the Board; identifying key risks and performance indicators and monitoring the same; formulating and implementing policies and procedures that would ensure the integrity and transparency of related party transactions; establishing and maintaining an alternative dispute resolution system in GT Capital; constituting committees it deems necessary to assist it in the performance of its functions; and performing such other duties and responsibilities as may be required under the relevant rules and regulations.

Our Corporate Governance, continued
GRI 2-15

Regular Board Meetings

- **Six (6) regular meetings annually**
Scheduled before the calendar year begins



- **Required attendance & quorum:**
minimum of two-thirds of all directors
If important matters are to be **discussed on the agenda** (e.g. issues that will have a significant impact on the character of the Corporation)

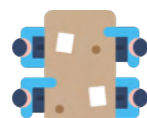


Board Secretariat

- Support Function
- Ensures that **at least two-thirds of all directors** are present at each meeting.

Non-Executive Directors (NEDs) Meeting

- At least **one (1) meeting annually**
- **Without Management** present
- Attended by **Non-Executive Directors only**



Director, Board, and Committee Self-Assessment

The Board, Committee, and Individual Director's Self-Assessment forms were adopted as a tool for the Corporation to evaluate the performance of its Board, committees, and individual directors and to assess the efficiency of its processes. These enable the Board and Management to identify areas for improvement and determine the value and contribution of the Board and each director towards the growth and improvement of the Corporation. The Self-Assessment forms are distributed to the members of the Board and tabulated by the Board Secretariat so that results may be reported to and acted upon by the Board, Management, and/or appropriate committee, as necessary.

In 2025, the Corporation distributed its self-assessment forms outlining the following assessment criteria applicable to its Board, Committees, and individual directors:

Board Attendance

To ensure attendance of directors, the dates of the six (6) regular Board meetings of GT Capital are set before the beginning of the calendar year, one to coincide with the ASM on the second Wednesday of May and four with the financial reports and disclosures during the year (March, May, June, August, November, and December). Another meeting is set for a meeting of non-executive directors without any management present.

For the year 2025, the Board met six (6) times, and the attendance of each director is provided below:

Name	Position	No. of Meetings Attended
Francisco C. Sebastian	Chairman	6/6 (100%)
Alfred Vy Ty	Vice Chairman	6/6 (100%)
Carmelo Maria Luza Bautista	President and Director	6/6 (100%)
Peter B. Favila*	Lead Independent Director	5/5 (100%)
Rene J. Buenaventura	Independent Director	6/6 (100%)
Consuelo D. Garcia	Independent Director	6/6 (100%)
Gil B. Genio	Independent Director	6/6 (100%)
Carlos G. Dominguez III	Independent Director	6/6 (100%)
Arthur Vy Ty	Director	5/6 (83%)
David T. Go	Director	6/6 (100%)
Regis V. Puno	Director	6/6 (100%)

* Elected on May 14, 2025

Board Self-Assessment Criteria	Director Self-Assessment Criteria	Committee Self-Assessment Criteria
<ul style="list-style-type: none"> ◦ Enablers of Board Performance ◦ Board Function ◦ Board Practices ◦ Board Process ◦ Board Dynamics ◦ Executive Performance 	<ul style="list-style-type: none"> ◦ Foundational ◦ Board Citizenship ◦ Director's Responsibilities ◦ Board Meetings ◦ Overall Performance 	<ul style="list-style-type: none"> ◦ Charter ◦ Composition and Quality ◦ Meetings ◦ Duties and Responsibilities ◦ Performance as a Member

Questions may be answered on a scale ranging from "strongly disagree" to "strongly agree", and qualitative questions are asked to solicit comments and suggestions on recommended areas of focus and on how to improve the Corporation's performance.



Every three (3) years, the Corporation endeavors, as a matter of policy, to engage an independent external facilitator who will conduct and oversee the assessment process. When the process is overseen by an independent external facilitator, interviews of select directors of the Corporation may be conducted to enable such external facilitator to ask additional questions in relation to the directors' answers to the self-assessment forms.

Chairman and President's Assessment by the Board

The Chairman and President's Assessment forms are tools used to evaluate the performance of both the Chairman and President of GT Capital and to identify areas of improvement. It is distributed to the Board and the results are provided to the President and Chairman.

In 2025, the Corporation distributed the Chairman and President assessment forms to the Board. The Chairman Assessment form seeks to evaluate the Chairman on areas relating to Board Leadership, Agenda Setting, Quality of Board Deliberations, Board Dynamics and External Representation. The President Assessment form is divided into the following criteria: Leadership, Strategy Formulation, Strategy Execution, Financial Planning/Performance, Relationship with the Board, Personal Qualities, Transparency/Effective Communication, and Integrity.

The assessment forms also include a section on the developmental needs of the Chairman and the President, where directors may highlight strengths, identify areas for personal development and suggest key result areas for the Chairman and the President for the coming year.

Board Committees

The Board exercises authority over specific aspects of GT Capital's business through its committees, which aids in complying with the principles of good corporate governance. Each committee is governed by its own charter, which serves as a guide on its composition, frequency of meetings, and exercise of its powers, duties and responsibilities. The latest version of each committee charter may be downloaded from the GT Capital website.

Executive Committee

GT Capital's Executive Committee exercises powers and authority of the Board when the Board is not in session, or when it is impractical for the Board to meet. The Executive Committee reports all its actions to the Board, which may revise or alter the same, provided that no rights of third parties are prejudiced. The Executive Committee also guides Management in the evaluation of the acts or courses of action to be taken prior to its endorsement to the Board, if required under the CG Manual and By-laws of GT Capital.

Member	Position Held in Committee	Meetings Attended
Francisco C. Sebastian	Chairman (Non-executive Director)	13/13
Alfred Vy Ty	Vice-Chairman (Non-executive Director)	13/13
Arthur Vy Ty	Member (Non-executive Director)	13/13
Carmelo Maria Luza Bautista	Member (Executive Director)	13/13

Compensation Committee

The Compensation Committee is tasked to implement formal and transparent policies and procedures to ensure that the compensation of directors and key officers of GT Capital is consistent with the Corporation's culture, strategy, long-term interests, and the business environment in which it operates.

Member	Position Held in Committee	Meetings Attended
Peter B. Favila*	Chairman (Lead Independent Director)	N/A
Rene J. Buenaventura	Member (Independent Director)	1/1
Alfred Vy Ty	Member (Director)	1/1

* Elected on May 14, 2025 (was not yet elected at the time of the 2025 Compensation Committee meeting)

Our Corporate Governance, continued

IFRS S1:27, S2:6

Nominations Committee

The Nominations Committee defines and assesses Board membership criteria and identifies and develops highly qualified individuals to take on key positions in the Board and Board Committees when vacancies occur. The Nominations Committee pre-screens and shortlists candidates nominated to become a member of the Board of GT Capital and other positions requiring Board appointment. It ensures that all nominees possess all the qualifications and none of the disqualifications provided under existing laws, rules, and regulations, and promotes the Corporation's policy on diversity, such that no discrimination is made based on gender, age, ethnicity, nationality or background, whether social, cultural, political or religious.

The Nominations Committee considers the Corporation's vision, mission, corporate objectives, and strategic direction as well as gaps in the skills and competencies of the currently serving directors. In determining whether there are gaps, the Nominations Committee also considers the sectors that GT Capital and its component companies are in. The Nominations Committee has the option to use an external search agency or external databases in identifying qualified candidates to the Board.

All members of the Nominations Committee are Independent Directors.

Member	Position Held in Committee	Meetings Attended
Peter B. Favila*	Chairman (Lead Independent Director)	N/A
Gil B. Genio	Member (Independent Director)	3/3
Rene J. Buenaventura	Member (Independent Director)	3/3

* Elected on May 14, 2025 (was not yet elected at the time of the 2025 Nominations Committee meeting)

Audit Committee

The Audit Committee exercises oversight responsibility over the financial reporting process, system of internal control, audit process, and the monitoring of compliance with applicable laws, rules, and regulations. It oversees the Corporation's external and internal auditors and reviews the audit and non-audit fees paid to external auditors.

Statement of the Audit and Risk and Sustainability Oversight Committees on Adequacy of GT Capital's Internal Controls and Risk Management System

In compliance with GT Capital's Manual on Corporate Governance and PSE's Corporate Governance Guidelines for publicly listed companies, the Audit Committee and the Risk and Sustainability Oversight Committee jointly certify, on behalf of the Board of Directors, the adequacy and effectiveness of the Corporation's internal controls and risk management system, and hereby attest that the Parent Corporation's governance, risk management, and control processes are adequately designed and operating effectively relative to its business objectives.

Mr. Gil B. Genio
Chairman, Audit Committee

Mr. Rene J. Buenaventura
Chairman, Risk and Sustainability Oversight Committee

Member	Position Held in Committee	Meetings Attended
Gil B. Genio	Chairman (Independent Director)	4/4
Peter B. Favila*	Member (Lead Independent Director)	2/2
Rene J. Buenaventura	Member (Independent Director)	4/4
Regis V. Puno	Member (Non-executive Director)	4/4

* Elected only on May 14, 2025

At least one (1) independent director of the Audit Committee has accounting expertise. Mr. Rene J. Buenaventura is a certified public accountant.

Risk and Sustainability Oversight Committee

The Risk and Sustainability Oversight Committee ("RSOC") is responsible for ensuring the creation and implementation of a robust and effective system of identifying, assessing, monitoring, and managing all material and relevant risks to the Corporation and its shareholders. It is also responsible for overseeing the sustainability program of GT Capital to achieve the Corporation's vision and mission while taking into account economic, environmental, ethical, and social issues material to the Corporation and its stakeholders.

The powers, duties and responsibilities of the RSOC on risk management include, among others, identifying, assessing, and prioritizing business risks; developing risk management strategies; and overseeing the implementation as well as

reviewing and revising GT Capital's Risk Management Plan. In addition, the RSOC's powers, duties and responsibilities include, among others, overseeing GT Capital's material environmental and social issues, providing guidance in the Corporation's sustainability framework, strategy and policies; overseeing sustainability initiatives and targets; and reviewing the Corporation's sustainability report.

Member	Position Held in Committee	Meetings Attended
Rene J. Buenaventura	Chairman (Independent Director)	4/4
Peter B. Favila*	Member (Lead Independent Director)	3/3
Gil B. Genio	Member (Independent Director)	4/4
David T. Go	Member (Non-executive Director)	4/4
Consuelo D. Garcia	Member (Independent Director)	4/4

* Elected on May 14, 2025

Corporate Governance and Related Party Transactions Committee

The Corporate Governance and Related Party Transactions Committee ("CGRPT Committee") aids the Board in its primary responsibility to ensure good corporate governance. It is tasked with ensuring the Board's effective and due observance of corporate governance principles and guidelines. The CGRPT Committee is also responsible for reviewing transactions with related parties which involve disbursements of funds exceeding the amount provided in the CGRPT Committee Charter. In all cases, the CGRPT Committee takes into consideration the best interest of the Corporation and its stakeholders. The policies which guide the CGRPT Committee are found in the CGRPT Committee Charter.

One of the policies outlined in the CGRPT Committee Charter is the Corporation's policy prohibiting loans to directors except when the following conditions are present: (a) Management has, based on the judgment of the Board, sufficiently justified the loan or assistance to the related party; (b) the loan or assistance shall be provided on arm's length basis; and (c) the terms and conditions of the loan do not deviate substantially from market terms and conditions and do not jeopardize the best interest of the Corporation.

Member	Position Held in Committee	Meetings Attended
Peter B. Favila*	Chairman (Lead Independent Director)	4/4
Gil B. Genio	Member (Independent Director)	5/5
Rene J. Buenaventura	Member (Independent Director)	5/5

* Elected on May 14, 2025

In 2025, all related party transactions were conducted fairly and on an arm's length basis. Further discussion on the related party transactions of the Corporation can be found under Note 27 of the Corporation's Audited Financial Statements.

Board and Committee Support

GT Capital's Corporate Secretary, Atty. Antonio V. Viray, has extensive experience in legal and corporate secretarial practices, and, together with Assistant Corporate Secretaries, Ms. Jocelyn Y. Kho and Atty. Ma. Sofia A. Lopez, plays a significant role in supporting the Board by ensuring the efficient flow of information among the Board, Management, stockholders, and other stakeholders. They ensure that directors have reasonable access to any information they might need to deliberate on all matters on the Board's agenda and receive the requisite board materials at least five (5) business days before each meeting.

By keeping abreast with relevant laws, rules and regulations, and industry developments necessary for the performance of their duties and responsibilities, they effectively advise the Board on significant issues as they arise. In monitoring regulatory compliance, they may take appropriate corrective measures to address all regulatory issues and concerns.

Director and Executive Compensation

GT Capital's Compensation Committee is tasked with ensuring that competitive remuneration is offered to attract and retain the services of qualified and competent directors and officers. Annual compensation of directors and corporate officers of the Board are determined prior to the start of their term. The Human Resources and Administration Department implements policies on compensation and benefits of employees found in its PPM, which sets forth benefits offered by the Corporation as well as the employees entitled to such benefits.

In 2025, GT Capital directors received aggregate remuneration as follows:

Remuneration Item	Executive Directors	Non-Executive Directors (other than Independent Directors)	Independent Directors
Per Diem Allowance	Php1.80 million	Php10.28 million	Php9.50 million
Bonuses	Php0.95 million	Php5.83 million	Php5.50 million
Transportation	-	Php0.77 million	Php2.89 million

Remuneration of directors (including Independent and Non-Executive Directors) consists of per diem and transportation allowances as well as a year-end bonus which is not dependent on performance. Directors do not receive any remuneration in the nature of options or performance shares.

Our Corporate Governance, continued

IFRS S1:27, S2:6

Audit and Accounting

Internal Audit

The Internal Audit function of GT Capital is carried out by its Chief Audit Executive (the "CAE"), Ms. Cheryl Sereno. Prior to the start of the year, a risk-based audit plan is prepared, which is then approved by the Audit Committee. Progress of the plan as well as significant audit findings are reported quarterly to the Audit Committee and Board.

The CAE exercises oversight into the risk-based audit plans prepared at the component company level. Progress of these plans and significant audit findings meeting the Group's escalation criteria are reported by each component company's Internal Audit Head to the CAE on a quarterly basis. These reports are consolidated and reported to GT Capital's Management, Audit Committee, and Board.

As mandated by the Internal Audit Charter, to maintain the independence of the internal audit process, the CAE functionally reports to the Audit Committee and administratively to the President. The Audit Committee is thus responsible for the appointment, performance evaluation, and removal of the CAE.

Independent Public Accountant

SyCip Gorres Velayo & Co. (SGV & Co.) was GT Capital's external auditor for the calendar year 2025. GT Capital is compliant with SRC Rule 68, Paragraph 3 (b) (ix) (Rotation of External Auditors), which states that the independent auditors, or in the case of an audit firm, the signing partner, shall be rotated after every five (5) years of engagement, with a two-year cooling off period to be observed in the re-engagement of the same signing partner or individual auditor. The following SGV & Co. partners were engaged by GT Capital since its listing in 2012.

Year	SGV partner engaged
2012	Aris C. Malantic
2013 - 2017	Vicky Lee Salas
2018 - 2019	Miguel U. Ballelos, Jr.
2020 - 2021	Vicky Lee Salas
2022 - 2024	Miguel U. Ballelos, Jr.
2025	Irene Janet A. Paraiso

The following table sets out the aggregate fees for audit and audit-related services rendered by SGV & Co. to GT Capital, inclusive of out-of-pocket expenses, but exclusive of value added tax for each of the years ended December 31, 2024 and 2025:

	2024	2025
Audit and Audit-Related Services	2.44	2.56
Non-Audit Services	0.05	0.05
Total	2.49	2.61

Audit services rendered include the audit of the financial statements and supplementary schedules for submission to SEC, and review of annual income tax computation. Non-audit services were also provided by SGV & Co. for validation of stockholders' votes during the ASM. For 2025, the Non-Audit Fees did not exceed the fees for Audit and Audit Related Services

The Audit Committee has the primary responsibility of recommending to the Board the appointment, re-appointment or removal of the external auditor, and the fixing of the audit fees. The Board and stockholders approve the Audit Committee's recommendation.

Appointment of Independent Party

For the year 2025, GT Capital was not involved in any mergers, acquisitions and/or takeovers which required stockholders' approval. As such, it was not necessary to appoint an independent party to evaluate the fairness of any transaction price in relation to such mergers, acquisitions, and/or takeovers requiring stockholders' approval.

Financial Reporting

GT Capital's financial statements comply with Philippine Accounting Standards and Philippine Financial Reporting Standards and are submitted and disclosed in compliance with the applicable laws, rules and regulations. GT Capital did not revise its financial statements in 2025.

Ownership Structure

Stockholders holding more than 5% of outstanding shares

As of December 31, 2025, the following are the stockholders who own common stock in excess of five percent (5%) of GT Capital's total outstanding shares:

Name	No. of Common Shares Held	Percentage (%)
Grand Titan Capital Holdings, Inc.	120,413,658	55.932%
PCD Nominee Corp. (Filipino)	44,277,431	20.567%
PCD Nominee Corp. (Non-Filipino)	49,751,131	23.110%

No director or officer has shareholdings in GT Capital amounting to five percent (5%) or more of its outstanding capital stock and there are no cross or pyramid shareholdings.

Direct and Indirect Shareholdings of Major Shareholder, Directors and Senior Officers

GT Capital reports quarterly to the PSE the direct and indirect shareholdings of its major shareholder, Grand Titan Capital Holdings, Inc., GT Capital's directors, and its senior officers. Their direct and indirect common shareholdings for the year 2025 are as follows:

Name	Nature of Relationship to GT Capital	(As of January 1, 2025)		(As of December 31, 2025)	
		Number of Common Shares Directly Owned	Number of Common Shares Indirectly Owned	Number of Common Shares Directly Owned	Number of Common Shares Indirectly Owned
Grand Titan Capital Holdings, Inc.	Principal Shareholder	120,413,658 (55.932%)	0 (0.0000%)	120,413,658 (55.932%)	0 (0.0000%)
Francisco C. Sebastian	Chairman	112 (0.000%)	173,802 (0.081%)	112 (0.000%)	173,802 (0.081%)
Alfred V. Ty	Vice Chairman	111,780 (0.052%)	25,299 (0.012%)	111,780 (0.052%)	25,299 (0.012%)
Carmelo Maria Luza Bautista	President and Executive Director	1,118 (0.0005%)	26,103 (0.012%)	1,118 (0.0005%)	26,103 (0.012%)
Arthur V. Ty	Non-Executive Director	111,780 (0.052%)	13,149 (0.006%)	111,780 (0.052%)	13,149 (0.006%)
Peter B. Favila	Lead Independent Director	0 (0.0000)	200 (0.0001%)	0 (0.0000%)	200 (0.0001%)
Rene J. Buenaventura	Independent Director	112 (0.0000%)	0 (0.0000%)	112 (0.0000%)	0 (0.0000%)
Consuelo D. Garcia	Independent Director	0 (0.0000%)	1,000 (0.0005%)	0 (0.0000%)	1,000 (0.0005%)
Gil B. Genio	Independent Director	0 (0.0000%)	9,810 (0.0045%)	0 (0.0000%)	9,810 (0.0045%)
Carlos G. Dominguez III	Independent Director	0 (0.0000%)	100 (0.0000%)	0 (0.0000%)	100 (0.0000%)
David T. Go	Non-Executive Director	112 (0.0000%)	0 (0.0000%)	112 (0.0000%)	0 (0.0000%)
Regis V. Puno	Non-Executive Director	112 (0.0000%)	2,000 (0.0010%)	112 (0.0000%)	2,000 (0.0010%)
George S. Uy-Tioco, Jr.	Chief Financial Officer and Treasurer	0 (0.0000%)	370 (0.0002%)	0 (0.0000%)	520 (0.0002%)
Alesandra T. Ty	Assistant Treasurer	8,387 (0.0039%)	13,407 (0.0062%)	8,387 (0.0039%)	13,407 (0.0062%)
Antonio V. Viray	Corporate Secretary	0 (0.0000%)	0 (0.0000%)	0 (0.0000%)	0 (0.0000%)
Jocelyn Y. Kho	Assistant Corporate Secretary	0 (0.0000%)	14,080 (0.007%)	0 (0.0000%)	14,080 (0.007%)
Maria Sofia A. Lopez	Assistant Corporate Secretary	0 (0.0000%)	0 (0.0000%)	0 (0.0000%)	0 (0.0000%)
Vicente Jose S. Socco	Executive Vice President	0 (0.0000%)	0 (0.0000%)	0 (0.0000%)	0 (0.0000%)
Jose B. Crisol, Jr.	Senior Vice President/ Head, Investor Relations and Corporate Communications	0 (0.0000%)	0 (0.0000%)	0 (0.0000%)	0 (0.0000%)
Reyna Rose P. Manon-Og	Senior Vice President, Controller/ Head, Accounting & Financial Control	0 (0.0000%)	1,024 (0.0005%)	0 (0.0000%)	1,424 (0.0005%)
Joyce B. De Leon	Senior Vice President/ Chief Risk Officer	0 (0.0000%)	1,700 (0.0008%)	0 (0.0000%)	2,700 (0.0012%)
Stephen John S. Comia	First Vice President/ Head of Property Management	0 (0.0000%)	1,140 (0.0005%)	0 (0.0000%)	1,140 (0.0005%)
Susan E. Cornelio	First Vice President/ Head, Human Resources and Administration	0 (0.0000%)	0 (0.0000%)	0 (0.0000%)	0 (0.0000%)
Renee Lynn Miciano-Atienza	First Vice President/ Head, Legal & Compliance	0 (0.0000%)	50 (0.0000%)	0 (0.0000%)	50 (0.0000%)
Mar Loreto A. Apuhin	First Vice President/ Chief Information Security Officer	0 (0.0000%)	0 (0.0000%)	0 (0.0000%)	0 (0.0000%)
Don David C. Asuncion	Vice President	0 (0.0000%)	0 (0.0000%)	0 (0.0000%)	10 (0.0000%)
Cheryll B. Sereno	Vice President/ Chief Audit Executive	0 (0.0000%)	0 (0.0000%)	0 (0.0000%)	0 (0.0000%)
Farrah Lyra Q. De Ala	Assistant Vice President	0 (0.0000%)	959 (0.0004%)	0 (0.0000%)	959 (0.0004%)
Rachel Anne R. De Leon	Assistant Vice President	0 (0.0000%)	47 (0.0000%)	0 (0.0000%)	47 (0.0000%)
Bruce Ricardo O. Lopez	Assistant Vice President	0 (0.0000%)	333 (0.0001%)	0 (0.0000%)	333 (0.0001%)

Our Corporate Governance, continued

Governance-Driven Employee Performance and Reward Structure

GT Capital recognizes the critical role of its employees in advancing the Corporation's long-term sustainability agenda and ensures that its reward framework extends beyond short-term financial outcomes. In support of this, the Corporation has enhanced its employee performance appraisal and management framework to integrate key governance dimensions, including Audit, Risk, and Information Security.

The Audit and Risk Key Result Areas ("KRAs") assess adherence to internal and external audit requirements, compliance with established protocols, and active participation in mandatory governance training and business continuity exercises. Complementing these, the Information Security KRAs reinforce individual accountability for cybersecurity through strict adherence to internal policies, timely reporting and escalation of potential threats, responsible data handling, proper use of systems and devices, and active participation in phishing simulations and other required cybersecurity initiatives. This enhanced performance evaluation framework will be implemented beginning 2026, with governance-related KRAs comprising 7.5% of the total performance assessment.

In addition, corporate values are embedded into measurable performance indicators—Excellence is reinforced through active participation in upskilling and continuous learning, while Respect is demonstrated through meaningful involvement in corporate social responsibility initiatives. This approach ensures that the Corporation's core values are translated into observable and measurable behaviors in the workplace.

By embedding these governance measures into employee key performance indicators ("KPIs") and directly linking them to the Corporation's reward and compensation structure, GT Capital underscores that responsible risk management, strong compliance, and proactive information security stewardship are fundamental drivers of performance, accountability, and long-term value creation.

Succession Planning

In line with GT Capital's commitment to strengthening succession planning, the Corporation implemented targeted developmental interventions for officers and employees in 2025. These initiatives were designed based on the results of third-party competency assessments, ensuring objectivity and enabling a structured, data-driven, and customized approach to talent development. The programs focused on addressing identified competency gaps, enhancing leadership capabilities, and equipping employees with the skills required to assume broader responsibilities and respond to evolving strategic business needs.

A key intervention is the Development and Engagement of Employees Program (DEEP), through which the Corporation invests in the growth of senior management and high-potential middle managers. This initiative includes full sponsorship of advanced education, such as master's degree programs from reputable universities. In addition, the Corporation partners with leading international universities to provide programs that broaden global perspectives, particularly in emerging areas such as innovation and AI leadership.

Through these strategic interventions, GT Capital continues to build a strong and future-ready leadership pipeline, ensuring organizational sustainability and long-term business growth by preparing high-potential employees for critical leadership roles.

Creditor Protection

The PPM of the Accounting and Financial Control Department outlines GT Capital's policies on creditor protection, which ensure timely payment and compliance with loan covenants, such as the maintenance of various financial ratios. These policies were applied in the review of GT Capital's loan agreements in 2025. In addition, GT Capital's loan agreements include provisions on the disclosure of information to lenders, including the Corporation's financial statements.

The Treasury and Finance Officer monitors all loan provisions to ensure timely payment of interest and/or principal and works in close coordination with the Legal and Compliance Officer to monitor the Corporation's compliance with its loan covenants.

Shareholder Meetings and Dividend Policy

The By-laws of GT Capital provides for the second Wednesday of May of every year as the date of the ASM. The notice of ASM, including the details of each agenda item, is released through a disclosure to the PSE at least twenty-eight (28) days before the date of the ASM. The notice of ASM includes the agenda, the record date, the date, time and place of the ASM, and the procedure for validation of proxies. The submission of proxies must be done at least five (5) business days prior to ASM. In accordance with the provisions of the Revised Corporation Code of the Philippines, each outstanding common and voting preferred share of stock entitles the holder as of record date to one vote.

Effective 2024, GT Capital increased its annual target dividend payout to Six Pesos (P6.00) per share, up from Three Pesos (P3.00) per share from 2013 to 2023. The historical dividend payments detailed below demonstrate the Corporation's adherence to its relevant dividend target:

Year Declared	Target Payout Per share	Actual Payout Per share
2026	6.00	14.16*
2025	6.00	8.00
2024	6.00	8.00
2023	3.00	3.00
2022	3.00	3.00
2021	3.00	3.00
2020	3.00	6.00
2019	3.00	3.00
2018	3.00	3.00
2017	3.00	5.00
2016	3.00	6.00
2015	3.00	3.00
2014	3.00	3.00
2013	3.00	3.00

* On 23 March 2026, the Board approved the declaration of a P3.00 (regular) and P4.08 (special) cash dividends for common stockholders. The remaining P3.00 (regular) and P4.08 (special) cash dividend will be declared by the Board with exact record and payment date to be disclosed after the regular meeting of the Board of Directors in August 2026

Other Stakeholders and Investor Relations

GT Capital recognizes and values its fiduciary duty towards its investors and other stakeholders. Crucial to the establishment and maintenance of the trust and confidence of its investors is transparency in systems and communications. GT Capital's Investor Relations, Strategic Planning, and Corporate Communication ("IRSPCC") Department aims to impart a thorough understanding of GT Capital's strategies in creating stakeholder value.

The IRSPCC Department compiles and reports relevant documents and requirements to meet the needs of the investing public, shareholders, and other stakeholders of GT Capital, fully disclosing these to the local stock exchange, as well as through quarterly media and analysts briefings, one-on-one investor meetings, the ASM, road shows, investor conferences, e-mail correspondences or telephone queries, teleconferences, its annual and quarterly reports, and GT Capital's website. All shareholders, including institutional investors, are encouraged to attend stockholders' meetings and other events held for their benefit.

E-mail inquiries from the investing public and shareholders are received by GT Capital's IRSPCC Department through ir@gtcapital.com.ph.

Correspondence may also be addressed to:

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Other stakeholder concerns may be sent to governance@gtcapital.com.ph



GT Capital First Vice President and Legal and Compliance Department Head Atty. Renee Lynn Miciano-Atienza (center) receives GT Capital's Four Golden Arrow Award at Okada Manila on October 23, 2025.



Investor Relations Calendar of Events

Date	Event	Venue
January 9	DBS Vickers Pulse of Asia Conference	The Fullerton Hotel, Singapore
January 10	BofA 2025 ASEAN Conference	BofA Office Bayfront Singapore
January 21	Maybank Philippine Corporate Day 2025	Kuala Lumpur, Malaysia
February 13	Macquarie Owners' Access Conference	The Enterprise Centre, Makati City
February 21	PNB Philippines Investor Days	PNB Makati Center, Makati City
February 21	TMP Plant Tour	Toyota Special Economic Zone, Sta. Rosa, Laguna
March 19-21	PSE Invest PH Plenary and Investor Conference	Grand Hyatt Manila, BGC
March 26	GT Capital Full Year 2024 Financial and Operating Results Briefing	Via Zoom Webinar
May 14	GT capital Annual Stockholders Meeting	Grand Hyatt Manila, BGC
May 16	GT Capital First Quarter 2025 Financial and Operating Results Briefing	Via Zoom Webinar
May 22	BusinessWorld Economic Forum	Grand Hyatt Manila, BGC
June 17	FMSBC Retail Webinar Company in Focus: GT Capital Holdings, Inc.	Via Zoom Webinar
July 16	DragonFi Webinar feat. GT Capital	Via Zoom Webinar
July 25	Unicapital Usapang Stocks feat. GT Capital	Via Zoom Webinar
August 13	GT Capital First Half Financial and Operating Results Briefing	Via Zoom Webinar
August 18	Macquarie ASEAN Conference 2025	The Fullerton Hotel, Singapore
September 1	19th J.P. Morgan Philippine Conference	JP Morgan and Chase Tower, BGC
October 13	2025 Strategic Planning: BCG Presentation and Sectoral Briefing	GT Tower, Makati City
October 14	2025 Strategic Planning: Macroeconomic and Political Briefing	GT Tower, Makati City
October 15	Jefferies & Regis Partners Philippines Conference	The Peninsula Manila
October 16	TMP Plant Tour	Toyota Special Economic Zone, Sta. Rosa, Laguna
October 24	GT Capital and Ateneo De Manila University Signing Ceremony	GT Tower, Makati City
November 14	GT Capital January to September 2025 Financial and Operating Results Briefing	Via Zoom Webinar
November 25	BusinessWorld Forecast 2026	Grand Hyatt Manila, BGC
November 28	GT Capital Strategic Planning Plenary Session	Taal Vista Hotel, Tagaytay City





Financial Statements

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Statement of Management’s Responsibility for Financial Statements

The management of GT Capital Holdings, inc. (the Company) is responsible for the preparation and fair presentation of the parent and consolidated financial statements including the schedules attached therein, as of December 31, 2025 and 2024 and for each of the three years in the period ended December 31, 2025, in accordance with the prescribed financial reporting framework indicated therein, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

SyCip Gorres Velayo & Co., the independent auditors, appointed by the stockholders, has audited the parent and consolidated financial statements of the Company in accordance with Philippine Standards on Auditing, and in its report to the stockholders, has expressed its opinion on the fairness of presentation upon completion of such examination.

(Original signed)
Francisco C. Sebastian
Chairman of the Board

(Original signed)
Carmelo Maria L. Bautista
President

(Original signed)
George S. Uy-Tioco, Jr.
Chief Financial Officer

24 MAR 2026
SUBSCRIBED AND SWORN to before me on _____ affiants exhibiting to me their respective Tax Identification Numbers, as follows:

Doc. No. 371
Page No. 56
Book No. 00
Series of 2026

ATTY. MARIA SOFIA A. LOPEZ
Notary Public for Makati City
Appointment No. M-072 until December 31, 2026
457 GT Tower Int'l Ayala Ave. cor. H.V. dela Costa St. Makati City
Roll No. 38610/05.13.1993/MCLE Comp. No. VIII - 00,809?
PTP No. 10771721; 01.09.2026, Makati City
ILF No. 532J51, 01.09.2026, Pasig City

Documentary Stamp Tax Affixed	
<u>03240904</u>	<u>03/24/24</u>
Serial Number	Date Affixed



Independent Auditor's Report

The Stockholders and the Board of Directors

GT Capital Holdings, Inc.

43rd Floor, GT Tower International
Ayala Avenue corner H.V. Dela Costa Street
Makati City

Opinion

We have audited the consolidated financial statements of GT Capital Holdings, 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 income, consolidated statements of comprehensive income, consolidated statements of changes in equity and consolidated statements of cash flows for each of the three years in the period ended December 31, 2025, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements presents fairly, in all material respects, the 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 Company in accordance with the Code of Ethics for Professional Accountants in the Philippines (the 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 the audits of 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 Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. 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.

Accounting for Investments in Significant Associates

The Group has investments in Metropolitan Bank & Trust Company (MBTC) and Metro Pacific Investments Corporation (MPIC) that are both accounted for under the equity method. The application of the equity method of accounting over these investments, particularly the determination of the Group's share in the net income of these associates and the assessment for impairment of these investments, is a key audit matter because the Group's equity in the net earnings of these associates contributed ₱27.70 billion, or 64.29% of the Group's consolidated net income in 2025, and the Group's investments in these associates accounted for 64.14% and 44.44% of the consolidated total noncurrent assets and consolidated total assets, respectively, of the Group as of December 31, 2025.

MBTC's net income is significantly affected by its application of the expected credit loss (ECL) model in calculating the allowance for credit losses for its loans and receivables and assessment of the recoverability of goodwill.

MBTC's application of the ECL model is significant to our audit as it involves the exercise of significant management judgment. Key areas of judgment include: segmenting MBTC's credit risk exposures; determining the method to estimate ECL; defining default; identifying exposures with significant deterioration in credit quality; determining assumptions to be used in the ECL model such as the counterparty credit risk rating, the expected life of the financial asset, expected recoveries from defaulted accounts and the impact of any financial support and credit enhancements extended by any party; and forward-looking information.

For the recoverability of goodwill, which is substantially attributable to MBTC's investment in a subsidiary, MBTC performed the impairment testing using the cash generating unit's (CGU's) fair value less costs to sell (FVLCTS). The annual impairment test is significant to our audit because the determination of the CGU's FVLCTS requires significant judgment and is based on assumptions which are subject to a higher level of estimation uncertainty. The CGU's assets include significant investments in unquoted equity shares with their fair values determined using European Embedded Value (EEV) method and adjusted net asset valuation (NAV) method.

MPIC's net income is significantly affected by its assessment of the recoverability of its goodwill, service concession assets (SCAs) not yet available for use and the amortization of SCAs using the units-of-production (UOP) method.

MPIC has goodwill and SCAs not yet available for use, which are required to be tested for impairment at least annually. These are important to our audit because the impairment assessments of goodwill and SCAs not available for use involves significant management judgment and estimates. Moreover, the SCAs related to the toll roads, water and rail concession agreements of MPIC are being amortized using the UOP method. The UOP amortization method involves significant management judgment and estimates, particularly in determining the total expected traffic volume, the total estimated volume of billable water, and the total estimated rail ridership over the remaining periods of the concession agreements.

Moreover, the Group assesses the impairment of its investments in associates and joint ventures whenever events or changes in circumstances indicate that the carrying amounts of the investments may not be recoverable. As of December 31, 2025, the fair value of the Group's investment in MBTC based on the current market capitalization, and the book value of the Group's investment in MPIC based on the investee's net assets, have declined compared to the respective carrying value of these investments, which are considered as impairment indicators. The assessment of the recoverable amount of the investments in MBTC and MPIC requires significant judgment and involves estimation and assumptions about the revenue growth rate, terminal growth rate, and discount rate.



Independent Auditor's Report, continued

The relevant disclosures related to the Group's investments in associates are provided in Note 8 to the consolidated financial statements.

Audit Response

For MBTC's application of the ECL model, we obtained an understanding of the Board-approved methodologies and models used for the different credit exposures and assessed whether these considered the requirements of PFRS 9, *Financial Instruments*, to reflect an unbiased and probability-weighted outcome, and to consider the time value of money and the best available forward-looking information.

We (a) assessed MBTC's segmentation of its credit risk exposures based on homogeneity of credit risk characteristics; (b) tested the definition of default and significant increase in credit risk criteria against historical analysis of accounts, credit risk management policies and practices in place; (c) tested MBTC's application of its internal credit risk rating system by reviewing the ratings of sample credit exposures; (d) assessed whether expected life is different from the contractual life by testing the maturity dates reflected in MBTC's records and considering management's assumptions regarding future collections, advances, extensions, renewals and modifications; (e) tested loss given default by inspecting historical recoveries and related costs, write-offs and collateral valuations, and the effects of any financial support and credit enhancements provided by any party; (f) tested exposure at default considering outstanding commitments and repayment scheme; (g) evaluated the forward-looking information used for overlay through statistical tests and corroboration using publicly available information and our understanding of MBTC's lending portfolios and broader industry knowledge, and (h) tested the effective interest rate used in discounting the expected loss.

Further, we checked the data used in the ECL models from source system reports to the data warehouse and from the data warehouse to the loss allowance analysis/models and financial reporting systems. To the extent that the loss allowance analysis is based on credit exposures that have been disaggregated into subsets of loans and receivables with similar risk characteristics, we traced or re-performed the disaggregation from source systems to the loss allowance analysis.

We recalculated ECL provisions on a sample basis. We involved our internal specialists in the performance of the above procedures.

For MBTC's assessment of the recoverability of goodwill, we involved our internal specialists in obtaining an understanding of MBTC's impairment assessment process including methodology and assumptions used in the assessment and in evaluating the assumptions and methodology in determining the FVLCTS of the CGU, in particular those relating to the use of European Embedded Value (EEV) method and adjusted NAV method in the valuation of the unquoted equity shares. We tested the fair value of the other assets and liabilities by referring to the quoted prices of listed equity and debt instruments, agreeing the appraised values of real estate properties to the appraisal reports and testing the reasonableness of the appraised values against comparable properties using market approach, comparing the future cash flows of unquoted debt instruments to the related contracts, and comparing the discount rates used against prevailing interest rates for similar instruments. We also re-performed the calculation of the FVLCTS.

For MPIC's impairment testing of goodwill and SCAs not yet available for use, we involved our internal specialist in evaluating the methodologies and the assumptions used in the determination of the recoverable amounts of the CGUs. These assumptions include the expected volume of traffic for the toll roads, ridership for the rail, growth rates, discount rates and the assigned probabilities to various scenarios. We also compared the key assumptions such as traffic volume, rail ridership against historical data and against available studies by independent parties that were commissioned by the respective subsidiaries. In cases where volume was determined by management specialists, we obtained the reports of the management specialists and gained an understanding of the methodology and the basis of computing the forecasted volume. We tested the weighted average cost of capital (WACC) used in the impairment test by comparing it with WACC of other comparable companies in the region. We obtained an understanding and evaluated the bases of probabilities assigned to each scenario.

For MPIC's amortization of SCAs using the UOP method, we obtained the report of management's specialists and gained an understanding of the methodology and the basis of computing the forecasted traffic volume, billable water and rail ridership. We evaluated the competence, capabilities, and objectivity of management's specialists who estimated the forecasted volumes by considering their qualifications, experience and reporting responsibilities. Furthermore, we compared the traffic volume, billable water volume, and rail ridership during the year against the historical data generated from the toll collection system for tollways, from the billing system for water and from the automated fair collection system for rail. We recalculated the amortization expense for the year and the SCAs as of year-end based on the established traffic volume, billable water volume and rail ridership.

For the Group's recoverability of investment in associates, we involved our internal specialists in evaluating the methodology used by management and in testing the reasonableness of the discount rate. For the investment in MBTC, we compared the revenue and terminal growth rates against the MBTC's historical growth rates and to available industry, economic and financial data. For the investment in MPIC, we reviewed management's calculation of the recoverable amount using the sum-of-the-parts approach, taking into consideration the quoted market prices of the listed components and the net asset values of MPIC's component businesses. For both investments in MBTC and MPIC, we also tested whether the discount rate used represents current market assessment of risks associated with the investments.

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 (Definitive Information Statement), SEC Form 17-A and the 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.



Independent Auditor's Report, continued

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

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

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

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

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with PSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with PSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

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

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

The engagement partner on the audit resulting in this independent auditor's report is Janet A. Paraiso.

SYCIP GORRES VELAYO & CO.

(Originally Signed)

Janet A. Paraiso

Partner

CPA Certificate No. 92305

Tax Identification No. 193-975-241

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

SEC Partner Accreditation No. 92305-SEC (Group A)

Valid to cover audit of 2021 to 2025 financial statements

SEC Firm Accreditation No. 0001-SEC (Group A)

Valid to cover audit of 2021 to 2025 financial statements

BIR Accreditation No. 08-001998-062-2023, October 23, 2023, valid until October 22, 2026

PTR No. 10765004, January 2, 2026, Makati City

March 23, 2026



Consolidated Statements of Financial Position

(In Millions)

	December 31	
	2025	2024
ASSETS		
Current Assets		
Cash and cash equivalents (Note 4)	P19,399	P25,341
Short-term investments (Note 4)	2,178	-
Financial assets at fair value through profit or loss (Note 10)	130	910
Receivables (Note 5)	32,537	28,185
Contract assets (Note 21)	5,017	4,685
Inventories (Note 6)	85,610	77,211
Due from related parties (Note 27)	399	264
Prepayments and other current assets (Note 7)	14,151	11,785
Total Current Assets	159,421	148,381
Noncurrent Assets		
Financial assets at fair value through other comprehensive income (Note 10)	21,793	20,097
Receivables - net of current portion (Note 5)	705	1,433
Contract assets - net of current portion (Notes 2 and 21)	5,487	5,185
Investment properties (Note 9)	22,191	22,459
Investments in associates and joint ventures (Notes 2 and 8)	281,190	248,618
Property and equipment (Note 11)	16,385	16,139
Goodwill (Note 12)	5,926	5,926
Intangible assets (Note 13)	4,123	4,167
Deferred tax assets - net (Note 29)	1,324	1,288
Other noncurrent assets (Note 14)	498	395
Total Noncurrent Assets	359,622	325,707
	P519,043	P474,088
LIABILITIES AND EQUITY		
Current Liabilities		
Accounts and other payables (Note 15)	60,352	49,837
Contract liabilities (Note 21)	3,059	2,950
Short-term debt (Note 16)	35,540	29,911
Current portion of long-term debt (Note 16)	12,122	17,454
Current portion of liabilities on purchased properties (Notes 20 and 27)	853	1,001
Customers' deposits (Note 18)	1,769	1,594
Dividends payable (Note 22)	493	365
Due to related parties (Note 27)	541	439
Income tax payable	615	1,140
Other current liabilities (Note 19)	2,505	2,436
Total Current Liabilities	117,849	107,127

(Forward)

	December 31	
	2025	2024
Noncurrent Liabilities		
Long-term debt - net of current portion (Note 16)	P74,120	P76,869
Retirement liability (Note 28)	2,031	2,096
Deferred tax liabilities - net (Notes 2 and 29)	4,146	5,015
Other noncurrent liabilities (Note 20)	3,564	3,131
Total Noncurrent Liabilities	83,861	87,111
Total Liabilities	201,710	194,238
Equity		
Equity attributable to equity holders of the Parent Company		
Capital stock (Note 22)	3,370	3,370
Additional paid-in capital (Note 22)	94,472	94,472
Treasury shares (Note 22)	(484)	(484)
Retained earnings - unappropriated (Notes 2 and 22)	193,321	161,334
Retained earnings - appropriated (Note 22)	-	400
Other comprehensive income (Note 22)	5,677	1,103
Other equity adjustments (Note 22)	2,322	2,322
	298,678	262,517
Non-controlling interests (Note 22)	18,655	17,333
Total Equity	317,333	279,850
	P519,043	P474,088

See accompanying Notes to Consolidated Financial Statements.



Consolidated Statements of Income

(In Millions, Except Earnings Per Share)

	Years Ended December 31		
	2025	2024	2023
REVENUE			
Automotive operations	P305,723	P282,631	P261,544
Equity in net income of associates and joint ventures (Note 8)	30,055	25,310	23,498
Real estate sales	2,317	5,129	12,673
Rent income (Notes 9 and 30)	1,643	1,668	1,509
Sale of goods and services	1,092	1,211	1,137
Other income (Note 23)	6,071	5,578	6,910
	346,901	321,527	307,271
COSTS AND EXPENSES			
Cost of goods and services sold (Notes 6, 24 and 25)	264,552	244,720	229,009
General and administrative expenses (Note 26)	24,117	23,168	20,257
Interest expense (Notes 16, 17 and 30)	6,896	7,306	7,888
Cost of real estate sales (Note 6)	1,518	1,871	5,400
Cost of rental (Note 30)	889	934	905
	297,972	277,999	263,459
INCOME BEFORE INCOME TAX	48,929	43,528	43,812
PROVISION FOR INCOME TAX (Note 29)	5,845	6,010	6,937
NET INCOME	P43,084	P37,518	P36,875
NET INCOME ATTRIBUTABLE TO:			
Equity holders of the Parent Company	P33,675	28,783	29,313
Non-controlling interests	9,409	8,735	7,562
	P43,084	P37,518	P36,875
Basic/Diluted Earnings Per Share Attributable to Equity Holders of the Parent Company (Note 34)	P154.72	P132.00	P134.46

See accompanying Notes to Consolidated Financial Statements.

Consolidated Statements of Comprehensive Income

(In Millions)

	Years Ended December 31		
	2025	2024	2023
NET INCOME	P43,084	P37,518	P36,875
OTHER COMPREHENSIVE INCOME (LOSS)			
<i>Items that may be reclassified to profit or loss in subsequent periods:</i>			
Changes in cash flow hedge reserves (Note 16)	16	45	(103)
Changes in cumulative translation adjustments	8	(9)	(25)
Equity in other comprehensive income (loss) of associates and joint ventures (Note 8):			
Translation adjustments	423	(56)	(342)
Cash flow hedge reserve	(171)	391	159
Remeasurement on life insurance reserves	47	(29)	(16)
	323	342	(327)
<i>Items that may not be reclassified to profit or loss in subsequent periods:</i>			
Changes in fair value of financial assets at FVOCI (Note 10)	1,491	2,969	4,890
Remeasurement of defined benefit plans (Note 28)	(36)	82	(284)
Income tax effect	(352)	(694)	(1,077)
Equity in other comprehensive income (loss) of associates and joint ventures (Note 8):			
Changes in fair value of financial assets at FVOCI	2,672	741	5,132
Remeasurement of defined benefit plans	491	130	(1,542)
	4,266	3,228	7,119
OTHER COMPREHENSIVE INCOME	4,589	3,570	6,792
TOTAL COMPREHENSIVE INCOME, NET OF TAX	P47,673	41,088	43,667
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:			
Equity holders of the Parent Company	P38,249	P32,363	P36,120
Non-controlling interests	9,424	8,725	7,547
	P47,673	P41,088	P43,667

See accompanying Notes to Consolidated Financial Statements.



Consolidated Statements of Changes in Equity

(In Millions)

	Attributable to Equity Holders of the Parent Company								Attributable to Non-controlling Interests (Note 22)	Total Equity
	Capital Stock (Note 22)	Additional Paid-in Capital (Note 22)	Treasury Shares (Note 22)	Retained Earnings - Unappropriated (Notes 2, 8 and 22)	Retained Earnings - Appropriated (Note 22)	Other Comprehensive Income (Loss) (Note 22)	Other Equity Adjustments (Note 22)	Total		
Balance at January 1, 2025	P3,370	P94,472	(P484)	P161,334	P400	P1,103	P2,322	P262,517	P17,333	P279,850
Total comprehensive income	-	-	-	33,675	-	4,574	-	38,249	9,424	47,673
Cash dividends declared (Note 22)	-	-	-	(2,088)	-	-	-	(2,088)	(8,102)	(10,190)
Reversal of appropriation (Note 22)	-	-	-	400	(400)	-	-	-	-	-
Balance at December 31, 2025	P3,370	P94,472	(P484)	P193,321	P-	P5,677	2,322	P298,678	P18,655	P317,333
Balance at January 1, 2024	P3,370	P94,472	(P484)	P134,408	P400	(P2,477)	P2,322	P232,011	P15,813	P247,824
Effect of full adoption of PFRS 15, Significant Financing Component (Note 2)	-	-	-	231	-	-	-	231	-	231
Balance at January 1, 2024, as restated	3,370	94,472	(484)	134,639	400	(2,477)	2,322	232,242	15,813	248,055
Total comprehensive income	-	-	-	28,783	-	3,580	-	32,363	8,725	41,088
Cash dividends declared (Note 22)	-	-	-	(2,088)	-	-	-	(2,088)	(7,205)	(9,293)
Balance at December 31, 2024	P3,370	P94,472	(484)	P161,334	P400	1,103	2,322	P262,517	P17,333	P279,850
Balance at January 1, 2023	P3,370	P98,827	P-	P106,107	P400	(P9,284)	P2,322	P201,742	P11,272	P213,014
Total comprehensive income	-	-	-	29,313	-	6,807	-	36,120	7,547	43,667
Cash dividends declared (Note 22)	-	-	-	(1,012)	-	-	-	(1,012)	(3,006)	(4,018)
Redemption of shares	-	(4,355)	(484)	-	-	-	-	(4,839)	-	(4,839)
Balance at December 31, 2023	P3,370	P94,472	(P484)	P134,408	P400	(P2,477)	P2,322	P232,011	P15,813	P247,824

See accompanying Notes to Consolidated Financial Statements.

Consolidated Statements of Cash Flows

(In Millions)

	Years Ended December 31		
	2025	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES			
Income before income tax	P48,929	P43,528	P43,812
Adjustments for:			
Equity in net income of associates and joint ventures (Note 8)	(30,055)	(25,310)	(23,498)
Interest expense (Notes 16,17 and 30)	6,896	7,306	7,888
Depreciation and amortization (Notes 9, 11 and 13)	2,849	1,735	2,196
Interest income (Note 23)	(1,271)	(1,561)	(1,474)
Dividend income (Note 23)	(619)	(559)	(450)
Provisions (reversal of provisions) (Note 26)	484	94	(10)
Pension expense (Note 28)	377	400	367
Unrealized foreign exchange losses (Notes 26)	166	560	202
Loss on sale of an investment in an associate (Note 8)	86	-	-
Gain on disposal of property and equipment (Notes 11 and 23)	(52)	(46)	(18)
Operating income before changes in working capital	27,790	26,147	29,015
Decreases (increases) in:			
Short-term investments	(2,178)	-	-
Financial assets at FVTPL	781	(40)	10,289
Receivables	(3,949)	1,782	(14,432)
Contract assets	(634)	(289)	762
Inventories	(8,170)	(926)	1,830
Due from related parties	(135)	(129)	221
Prepayments and other current assets	(2,666)	993	4,436
Increases (decreases) in:			
Accounts and other payables	10,492	5,758	6,152
Contract liabilities	109	(343)	86
Customers' deposits	175	532	134
Due to related parties	102	23	250
Other current liabilities	75	292	628
Cash generated from operations	21,792	33,800	39,371
Dividends paid (Note 22)	(10,062)	(9,292)	(4,242)
Interest paid	(6,737)	(6,864)	(7,108)
Income tax paid	(7,560)	(6,040)	(6,610)
Interest received	1,510	2,006	961
Dividends received (Notes 8, 10 and 23)	10,315	11,645	6,117
Contributions to pension plan assets and benefits paid (Note 28)	(459)	(247)	(294)
Net cash provided by operating activities	8,799	25,008	28,195

(Forward)



Consolidated Statements of Cash Flows

(In Millions)

	Years Ended December 31		
	2025	2024	2023
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from:			
Disposal of property and equipment (Note 11)	P350	P241	P49
Disposal of investment in an associate (Note 8)	68	–	–
Disposal of financial assets at FVOCI	5	–	–
Additions to:			
Investments in associates and joint ventures (Note 8)	(8,771)	–	(16,390)
Property and equipment (Note 11)	(3,038)	(3,847)	(1,482)
Investment properties (Note 9)	(346)	(257)	(1,016)
Intangible assets (Note 13)	(60)	(192)	(56)
Decrease (increase) in other noncurrent assets	(127)	434	2,387
Net cash used in investing activities	(11,919)	(3,621)	(16,508)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from loan availments (Notes 16 and 38)	106,789	51,025	77,624
Payments of:			
Loans payable (Note 38)	(109,531)	(59,075)	(84,783)
Liabilities on purchased properties (Note 38)	(166)	(348)	(319)
Principal portion of lease liabilities (Note 30)	(137)	(109)	(7)
Bonds payable (Note 38)	–	(4,000)	(6,099)
Redemption of perpetual preferred shares	–	–	(4,839)
Increase (decrease) in other noncurrent liabilities	389	290	(336)
Net cash used in financing activities	(2,656)	(12,217)	(18,759)
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	(166)	(560)	(202)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(5,942)	8,610	(7,274)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	25,341	16,731	24,005
CASH AND CASH EQUIVALENTS AT END OF YEAR (Note 4)	P19,399	P25,341	P16,731

See accompanying Notes to Consolidated Financial Statements.

Notes to Consolidated Financial Statements

1. CORPORATE INFORMATION

GT Capital Holdings, Inc. (GT Capital or the Parent Company) was organized and registered with the Philippine Securities and Exchange Commission (SEC) on July 26, 2007. The primary purpose of the Parent Company is to (i) invest in, purchase, or otherwise acquire and own, hold, use, sell, assign, transfer, lease, mortgage, exchange, develop or otherwise dispose of real property of every kind and description, including shares of stocks, bonds, debentures, notes, evidences of indebtedness, and other securities or obligations of any corporation or corporations, associations, domestic or foreign, and to possess and exercise in respect thereof all the rights, powers and privileges of ownership, including all voting powers of any stock so owned, and to secure and guarantee obligations of, and act as surety for its subsidiaries and affiliates and (ii) act as commission merchant, commercial agent or factor for, or assist in any legal manner, financially or otherwise, its subsidiaries, affiliates, associates or investee companies.

The common shares of the Parent Company were listed beginning April 20, 2012 and have since been traded in the Philippine Stock Exchange, Inc. (PSE).

Group Activities

The Parent Company, Federal Land, Inc. (Federal Land) and Subsidiaries (Federal Land Group), Toyota Motor Philippines Corporation (Toyota or TMPC) and Subsidiaries (Toyota Group), and GT Capital Auto and Mobility Holdings, Inc. (GTCAM) and Subsidiaries (GTCAM Group) are collectively referred herein as the "Group". The Parent Company, which is the ultimate parent of the Group, is the holding company of the Federal Land Group (real estate business), Toyota Group (automotive business), and GTCAM Group (automotive and mobility business), and is engaged in investing, purchasing and holding shares of stock, notes and other securities and obligations, as well as buying, selling, and leasing of real estate properties.

The principal business interests of the Federal Land Group are real estate development and leasing and selling properties and acting as a marketing agent for and in behalf of any real estate development company or companies. The Federal Land Group is also engaged in the business of trading of goods such as petroleum, non-fuel products on wholesale or retail basis, maintaining a petroleum service station and food and restaurant service.

Toyota Group is engaged in the assembly, manufacture, importation, sale and distribution of all kinds of motor vehicles including vehicle parts, accessories and instruments.

GTCAM Group is engaged in automotive and mobility businesses, and in investing, purchasing and holding shares of stock, notes and other securities and obligations, as well as buying, selling, and leasing of real estate properties.

The Parent Company also has significant shareholdings in Metropolitan Bank & Trust Company (MBTC or Metrobank), Metro Pacific Investments Corporation (MPIC), AXA Philippines Life and General Insurance Corporation (AXA Philippines or Phil AXA), Toyota Financial Services Philippines Corporation (TFSPC) and Sumisho Motor Finance Corporation (SMFC).

The registered office address of the Parent Company is at the 43rd Floor, GT Tower International, Ayala Avenue corner H.V. Dela Costa Street, 1227 Makati City.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

Basis of Preparation

The accompanying consolidated financial statements of the Group have been prepared using the historical cost basis except for financial assets at fair value through profit or loss (FVTPL), financial assets at fair value through other comprehensive income (FVOCI), and derivative financial instruments that have been measured at fair value. The Group's consolidated financial statements are presented in Philippine Peso (P), the Group's functional currency. All values are rounded to the nearest million peso unless otherwise indicated.

Statement of Compliance

The consolidated financial statements of the Group have been prepared in compliance with Philippine Financial Reporting Standards (PFRS) Accounting Standards. PFRS Accounting Standards include Philippine Financial Reporting Standards, Philippine Accounting Standards (PAS) and Interpretations issued by the Philippine Interpretations Committee (PIC).



Notes to Consolidated Financial Statements

Basis of Consolidation

The consolidated financial statements of the Group comprise the financial statements of the Parent Company and the following wholly and majority-owned domestic subsidiaries:

	Country of Incorporation	Direct and Effective Percentages of Ownership	
		December 31	
		2025	2024
Federal Land Group	Philippines	100.00	100.00
Toyota Group	-do-	51.00	51.00
GTCAM Group	-do-	100.00	100.00

Federal Land's Subsidiaries

	Percentages of Ownership	
	2025	2024
Horizon Land Property and Development Corp. (HLPDC)	100.00	100.00
Federal Property Management Corp. (FPMC)	100.00	100.00
Federal Land Orix Corporation (FLOC)	100.00	100.00
Topsphere Realty Development Company Inc. (TRDCI)	100.00	100.00
Bonifacio Landmark Hotel Management Corporation (BLHMC)	100.00	100.00
Fed South Dragon Corporation (FSDC)	100.00	100.00
Federal Retail Holdings, Inc. (FRHI)	100.00	100.00
Magnificat Resources Corp. (MRC)	100.00	100.00
Mirai Properties, Inc. (MPI)	100.00	100.00
Pasay Hongkong Realty Development Corp. (PHRDC)	100.00	100.00
Central Realty and Development Corp. (CRDC)	75.80	75.80
Federal Brent Retail, Inc. (FBRI)	51.66	51.66

Toyota's Subsidiaries

	Percentages of Ownership	
	2025	2024
Toyota Makati, Inc. (TMI)	100.00	100.00
Toyota Motor Philippines Logistics, Inc. (TLI)	100.00	100.00
Toyota Mobility Solutions Philippines, Inc. (TMSPH)	100.00	100.00
LQC Mobility Solutions, Inc. (LQC)	100.00	-
Lexus Manila, Inc. (LMI)	75.00	75.00
Toyota San Fernando Pampanga, Inc. (TSFI)	55.00	55.00

On September 9, 2025, the SEC approved the incorporation of LQC Mobility Solutions Inc. (LQC). TMPC has subscribed to a total of ₱3.0 million shares for ₱300.00 million. LQC was formed to establish and operate Lexus Quezon City.

GTCAM's Subsidiaries

	Percentages of Ownership	
	2025	2024
GT Mobility Ventures, Inc. (GTMV)	66.67	66.67
Toyota Sta. Rosa Laguna, Inc. (TSRLI)	60.00	60.00
Toyota Subic, Inc. (TSB)	55.00	55.00
Toyota Manila Bay Corporation (TMBC)	58.10	58.10

Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date when such control ceases. Control is achieved when the Parent Company 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. Consolidation of subsidiaries ceases when control is transferred out of the Parent Company.

Specifically, the Parent Company controls an investee if, and only if, the Parent Company 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.

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

The financial statements of the subsidiaries are prepared for the same reporting period as the Parent Company, using consistent accounting policies. All intragroup transactions, balances, income and expenses resulting from intragroup transactions and dividends are eliminated in full on consolidation.

Non-controlling Interests

Non-controlling interests (NCI) represent the portion of profit or loss and net assets in a subsidiary not attributed, directly or indirectly, to the Parent Company. The interest of non-controlling shareholders may be initially measured at fair value or share of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis. Subsequent to acquisition, NCI consists of the amount attributed to such interests at initial recognition and the NCI's share of changes in equity since the date of combination.

NCI are presented separately in the consolidated statements of income, consolidated statements of comprehensive income, consolidated statements of changes in equity and within equity in the consolidated statements of financial position, separately from the Parent Company's equity.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the Parent Company and to the NCI, even if that results in the NCI having a deficit balance.

If the Group loses control over a subsidiary, it:

- derecognizes the assets (including goodwill) and liabilities of the subsidiary, the carrying amount of any NCI and the cumulative translation differences, recorded in equity;
- recognizes the fair value of the consideration received, the fair value of any investment retained and any surplus or deficit in profit or loss; and
- reclassifies the Parent Company's share of components previously recognized in other comprehensive income to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

Business Combinations Involving Entities Under Common Control

A business combination involving entities under common control is accounted for using the uniting of interest method, except when the acquisition is deemed to have commercial substance for the Group, in which case the business combination is accounted for under the acquisition method. The combined entities accounted for by the uniting of interests method reports the results of operations for the period in which the combination occurs as though the entities had been combined as of the beginning of the period. Financial statements of the separate entities presented for prior years are also restated on a combined basis to provide comparative information. The effects of intercompany transactions on assets, liabilities, revenues, and expenses for the periods presented, and on retained earnings at the beginning of the periods presented are eliminated to the extent possible.

Under the uniting of interest method, the acquirer accounts for the combination as follows:

- the assets and liabilities of the acquiree are consolidated using the existing carrying values instead of fair values;
- intangible assets and contingent liabilities are recognized only to the extent that they were recognized by the acquiree in accordance with applicable PFRS Accounting Standards;
- no amount is recognized as goodwill;
- any non-controlling interest is measured as a proportionate share of the book values of the related assets and liabilities; and
- comparative amounts are restated as if the combination had taken place at the beginning of the earliest comparative period presented.

The excess of the cost of business combinations over the net carrying amounts of the assets and liabilities of the acquired companies is recognized within the equity section of the consolidated statements of financial position.

When evaluating whether an acquisition has commercial substance, the Group considers the following factors, among others:

- the purpose of the transaction;
- the involvement of outside parties in the transaction, such as NCI or other third parties; and
- whether or not the transaction is conducted at fair value.



Notes to Consolidated Financial Statements

Business Combinations and Goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree. For each business combination, the acquirer elects whether to measure the NCI in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets at the date of acquisition. Acquisition-related costs are expensed and included in the consolidated statements of income.

When the Group acquires a business, it assesses the financial assets and liabilities of the acquiree for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree. The Group also assesses whether assets or liabilities of the acquiree that are previously unrecognized in the books of the acquiree will require separate recognition in the consolidated financial statements of the Group at the acquisition date.

In a business combination achieved in stages, the Group remeasures its previously held equity interest in the acquiree at its acquisition-date fair value and recognizes the resulting gain or loss, if any, in the consolidated statements of income. Any recognized changes in the value of its equity interest in the acquiree previously recognized in other comprehensive income are recognized by the Group in profit or loss, as if the previously held equity interest is disposed of.

Any contingent consideration to be transferred by the acquirer will be recognized at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is deemed to be an asset or liability will be recognized either in the consolidated statements of income or as changes to other comprehensive income. If the contingent consideration is classified as equity, it shall not be remeasured until it is finally settled within equity.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period, or additional assets or liabilities are recognized, to reflect new information obtained about facts and circumstances that existed as at the acquisition date that if known, would have affected the amounts recognized as at that date. The measurement period is the period from the date of acquisition to the date the Group receives complete information about facts and circumstances that existed as at the acquisition date and is subject to a maximum of one (1) year.

Goodwill is initially measured as the excess of the aggregate of the consideration transferred, the amount recognized for any NCI in the acquiree and the fair value of the acquirer's previously held interest, if any, over the fair value of the net assets acquired.

If after reassessment, the fair value of the net assets acquired exceeds the consideration transferred, the amount recognized for any NCI in the acquiree and the fair value of the acquirer's previously held interest, if any, the difference is recognized immediately in the consolidated statements of income as 'Gain on bargain purchase'.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. Any impairment loss is recognized immediately in the consolidated statements of income and is not subsequently reversed. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the Group's cash-generating units (CGU) that are expected to benefit from the combination from the acquisition date irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Goodwill is not amortized but is reviewed for impairment at least annually.

Where goodwill forms part of a CGU and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative values of the operation disposed of and the portion of the CGU retained.

Change in Ownership without Loss of Control

Changes in the Group's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. In such circumstances, the carrying amounts of the controlling and NCI are adjusted by the Group to reflect the changes in its relative interests in the subsidiary. Any difference between the amount by which the NCI is adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to the equity holders of the Parent Company.

Changes in Accounting Policies and Disclosures

The accounting policies adopted are consistent with those of the previous financial year, except for the adoption of new standards effective in 2025. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

The following amendment became effective as of January 1, 2025:

Amendments to PAS 21, Lack of exchangeability

The amendments specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking.

The amendments also require disclosure of information that enables users of an entity's financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows. This amendment did not have an impact on the consolidated financial statements of the Group.

Material Accounting Policy Information

Current versus Noncurrent Classification

The Group presents assets and liabilities in the consolidated statements of financial position based on current/noncurrent classification. An asset is current when:

- It is expected to be realized or intended to be sold or consumed in normal operating cycle
- It is held primarily for the purpose of trading
- It is expected to be realized within twelve months after the reporting period

All other assets are classified as noncurrent.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period or there is no unconditional right to defer the settlement of liability for at least twelve months after the reporting period

The Group classifies all other liabilities as noncurrent.

Deferred income tax asset and liability are classified as noncurrent asset and liability, respectively.

Cash and Cash Equivalents

Cash includes cash on hand and in banks. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash with original maturities of three months or less from dates of placement and that are subject to an insignificant risk of changes in value.

Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

The principal or the most advantageous market must be accessible to the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

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

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

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level 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

Notes to Consolidated Financial Statements

For assets and liabilities that are recognized in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing 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.

External valuers are involved for valuation of significant assets, such as investment properties. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained.

The Group, in conjunction with the external valuers, also compares each of the changes in the fair value of each asset with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Group has determined classes of assets on the basis of the nature, characteristics and risks of the asset and the level of the fair value hierarchy as explained above.

Financial Instruments – Initial Recognition and Subsequent Measurement

Date of recognition

The Group recognizes a financial asset or a financial liability in the consolidated statements of financial position when it becomes a party to the contractual provisions of the instrument. Purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace are recognized on the trade date, which is the date when the Group commits to purchase or sell assets.

a. Financial assets

Initial recognition of financial instruments

At initial recognition, financial assets are classified as, and subsequently measured at amortized cost, FVOCI and FVTPL.

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

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

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

Subsequent measurement

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

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

As of December 31, 2025 and 2024, the Group does not have debt instruments classified at FVOCI.

Financial assets at amortized cost

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

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

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

The Group's financial assets at amortized cost includes cash and cash equivalents, short-term investments, receivables, and due from related parties.

Financial assets designated at FVOCI (equity instruments)

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at FVOCI when they meet the definition of equity under PAS 32, *Financial Instruments: Presentation* and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets can no longer be recycled to profit or loss. Foreign exchange revaluations are recognized in OCI. Dividends are recognized as other income in the consolidated statements of income when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at FVOCI are not subject to impairment assessment.

The Group's financial assets at FVOCI includes investments in quoted and unquoted equity instruments.

Financial assets at FVTPL

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

This category includes investment in UITF which are held for trading.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e., removed from the Group's consolidated statements of financial position) when:

- The rights to receive cash flows from the asset have expired; or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognize the transferred asset to the extent of its continuing involvement. In that case, the Group also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of Financial Assets

The Group recognizes an allowance for expected credit losses (ECL) for all debt instruments not held at FVTPL.

ECL represents credit losses that reflect an unbiased and probability-weighted amount which is determined by evaluating a range of possible outcomes, the time value of money and reasonable and supportable information about past events, current conditions and forecasts of future economic conditions. The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime ECL), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12-month ECL. The 12-month ECL is the portion of lifetime ECL that results from default events on a financial instrument that are possible within the 12 months after the reporting date. Lifetime ECL are credit losses that results from all possible default events over the expected life of a financial instrument.

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

Notes to Consolidated Financial Statements

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

For cash and cash equivalents and short-term investments, the Group applies the low credit risk simplification. The 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 reputable credit rating agencies to determine whether the debt instrument has SICR and to estimate ECLs.

The key inputs in the model include the Group's definition of default and historical data of three years for the origination, maturity date and default date. The Group considers trade receivables and contract assets in default when contractual payment is 90 days past due, except for certain circumstances when the reason for being past due is due to reconciliation with customers of payment records which are administrative in nature which may extend the definition of default to 90 days and beyond. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group.

Determining the stage for impairment

At each reporting date, the Group assesses whether there has been a SICR for financial assets since initial recognition by comparing the risk of default occurring over the expected life between the reporting date and the date of initial recognition. The Group considers reasonable and supportable information that is relevant and available without undue cost or effort for this purpose. This includes quantitative and qualitative information and forward-looking analysis.

The Group considers that there has been a SICR when contractual payments are more than 90 days past due.

An exposure will migrate through the ECL stages as asset quality deteriorates. If, in a subsequent period, asset quality improves and also reverses any previously assessed SICR since origination, then the loss allowance measurement reverts from lifetime ECL to 12-months ECL.

b. Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at FVTPL, 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", "Short-term and long-term debts", "Liabilities on purchased properties", "Dividends payable", and "Due to related parties", and "Other current liabilities".

As of December 31, 2025 and 2024, the Group does not have financial liabilities at FVTPL.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Loans and borrowings

This is the category most relevant to the Group. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the consolidated statements of income.

This category generally applies to short-term debt, long-term debt, bonds payable and liabilities on purchased properties.

Financial liabilities at FVTPL

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by PFRS 9. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognized in the consolidated statements of income.

Financial liabilities designated upon initial recognition at FVTPL are designated at the initial date of recognition, and only if the criteria in PFRS 9 are satisfied. The Group has not designated any financial liability as at FVTPL.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the consolidated statements of income.

c. Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the consolidated statements of financial position, if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously. The Group assesses that it has a currently enforceable right of offset if the right is not contingent on a future event, and is legally enforceable in the normal course of business, event of default, and event of insolvency or bankruptcy of the Group and all of the counterparties.

d. Derivative financial instruments and hedge accounting

Initial Recognition and Subsequent Measurement

The Group uses derivative financial instruments such as interest rate swaps to hedge the risks associated with foreign currency and interest rate fluctuations. Derivative financial instruments are initially recognized at fair value on the date on which the derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognized asset or liability or an unrecognized firm commitment; or,
- Cash flow hedges when hedging the exposure to variability in cash flows that is attributable to a particular risk associated with a recognized asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognized firm commitment.

A hedging relationship qualifies for hedge accounting if it meets all of the following effectiveness requirements:

- There is an economic relationship between the hedged item and the hedging instrument.
- The effect of credit risk does not dominate the value changes that result from that economic relationship.
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the Group actually uses to hedge that quantity of the hedged item.

Hedges are accounted for as fair value hedges or cash flow hedges.

Fair value hedge

The change in the fair value of a hedge instrument is recognized in the consolidated statements of income. The change in the fair value attributable to the risk hedged is recorded as part of the carrying value of the hedge instrument and is also recognized in the consolidated statements of income as other expense.

For fair value hedges carried at amortized cost, any adjustment to carrying value is amortized through profit or loss over the remaining term of the hedge using the EIR method. The EIR amortization is initiated when an adjustment exists and no later than when the hedged instrument ceases to be adjusted for changes in its fair value attributable to the risk being hedged.

In case of derecognition, the unamortized fair value of the hedged instrument is recognized immediately in profit or loss.

Cash flow hedges

The effective portion of the gain or loss on the hedging instrument is recognized in OCI, while any ineffective portion is recognized immediately in the consolidated statements of income.

The cash flow hedge reserve is adjusted to the lower of the cumulative gain or loss on the hedging instrument and the cumulative change in the fair value of the hedged instrument.

The amounts accumulated in OCI are accounted for depending on the nature of the underlying hedged transaction. If the hedged transaction subsequently results in the recognition of a non-financial item, the amount accumulated in equity is removed from the separate component of equity and included in the initial cost or other carrying amount of the hedged asset or liability. This is not a reclassification adjustment and will not be recognized in OCI for the period. This also applies where the hedged forecast transaction of a non-financial asset or non-financial liability subsequently becomes a firm commitment for which fair value hedge accounting is applied.

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For any other cash flow hedges, the amount accumulated in OCI is reclassified to profit or loss as a reclassification adjustment in the same period or periods during which hedged cash flows affect profit or loss.

If hedge accounting is discontinued, the amount accumulated in OCI shall remain in accumulated OCI if the hedged future cash flows are still expected to occur. Otherwise, the amount shall be reclassified to profit or loss as a reclassification adjustment. When the hedged cash flow occurs, any amount remaining in accumulated OCI shall be accounted for depending on the nature of the underlying transaction.

Inventories

Real estate inventories

Property acquired that are being developed or constructed for sale in the ordinary course of business, rather than to be held for rental or capital appreciation, is held as real estate inventory. Real estate inventories consist of land and improvements, condominium units held for sale and residential units. Land and land improvements are carried at the lower of cost or net realizable value (NRV).

Cost includes:

- Acquisition cost of subdivision land;
- Amounts paid to contractors for construction and development of subdivision land, residential houses and lots and condominium units;
- Planning and design costs, cost of site preparation, professional fees for legal services, property transfer taxes, construction overheads and other related costs; and
- Borrowing costs capitalized prior to start of pre-selling activities for the real estate project.

NRV is the estimated selling price in the ordinary course of the business, based on market prices at the reporting date, less costs to complete and the estimated costs of sale. The carrying amount of inventories is reduced through the use of allowance account and the amount of loss is charged to profit or loss.

Construction in progress (CIP) includes development or construction costs incurred for real estate projects that have not yet reached the preliminary stage of completion and/or not yet launched. This account also includes owner supplied materials. Upon reaching the preliminary stage of completion, these are transferred to 'Condominium units held for sale'.

Costs of condominium units held for sale includes the carrying amount of the land transferred from 'Land and improvements' at the commencement of its real estate projects and those costs incurred for construction, development and improvement of the properties, including capitalized borrowing costs.

Costs of residential units include land cost, land improvement costs, borrowing costs, amounts paid to contractors for construction and development, planning and design cost, cost of site preparation, professional fees, property transfer taxes, construction overheads and other related costs.

Gasoline retail, petroleum products and chemicals

Cost is determined using first-in, first-out method. Oil, petroleum products and chemicals are carried at the lower of cost and net realizable value (NRV). Cost comprises all cost of purchase and cost incurred in bringing each product to its present location and condition. NRV is the estimated selling price in the ordinary course of business, less estimated cost necessary to make the sale.

Automotive inventories

These are inventories of the Toyota Group which are valued at the lower of cost or NRV. NRV is the estimated selling price in the ordinary course of business, less the estimated costs of completion, marketing and distribution.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

Raw materials and spare parts	–	Purchase cost on a weighted average cost
Finished goods and work-in-process	–	Cost of direct material and labor and proportion of fixed and overhead manufacturing costs allocated based on normal operating capacity
Raw materials and spare parts in-transit	–	Cost is determined using the specific identification method

Joint Arrangements

Joint arrangements are arrangements with respect to which the Group has joint control, established by contracts requiring unanimous consent from the parties sharing control for decisions about the activities that significantly affect the arrangements' returns. They are classified and accounted for as follows:

- Joint operation – when the Group has rights to the assets, and obligations for the liabilities, relating to an arrangement, the Group accounts for each of its assets, liabilities and transactions, including its share of those held or incurred jointly, in relation to the joint operation in accordance with the PFRS Accounting Standards applicable to the particular assets, liabilities and transactions.
- Joint venture – when the Group has rights only to the net assets of the arrangements, the Group accounts for its interest using the equity method, the same as the Group's accounting for investments in associates.

The financial statements of the joint venture are prepared for the same reporting period as the Group's financial statements. Where necessary, adjustments are made to bring the accounting policies of the joint venture in line with its policies.

The Group has no joint arrangement accounted as joint operation.

Investments in Associates and Joint Ventures

Investments in associates and joint ventures 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 of the Group. A joint venture (JV) is a contractual agreement whereby two or more parties undertake an economic activity that is subject to joint control.

An investment is accounted for using the equity method from the day it becomes an associate or a joint venture. On acquisition of investment, the excess of the cost of investment over the investor's share in the net fair value of the investee's identifiable assets, liabilities and contingent liabilities is accounted for as goodwill and included in the carrying amount of the investment and is neither amortized nor individually tested for impairment. Any excess of the investor's share of the net fair value of the associate's identifiable assets, liabilities and contingent liabilities over the cost of the investment is excluded from the carrying amount of the investment, and is included as income in the determination of the share in the earnings of the investee.

Under the equity method, the investments in and advances to associates and joint ventures are carried in the consolidated statements of financial position at cost plus post-acquisition changes in the Group's share in the net assets of the investees, less any impairment in value.

The consolidated statements of comprehensive income reflect the Group's share in the results of operations of the investee companies and the Group's share in the movements of the investee's other comprehensive income (OCI). The Group's share on total comprehensive income of an associate is shown in the consolidated statements of income and consolidated statements of comprehensive income. The aggregate of the Group's equity in net income of associates and joint ventures is shown on the face of the consolidated statements of income as part of operating profit and represents profit or loss after tax and NCI in the subsidiaries of the associate and joint venture.

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 assets transferred. Dividends received from investee companies are treated as a reduction of the accumulated earnings included under 'Investments and advances' account in the consolidated statement of financial position.

The Group discontinues applying the equity method when its investments in investee companies are reduced to zero. Accordingly, additional losses are not recognized unless the Group has guaranteed certain obligations of the associates or joint venture. When the investees subsequently report net income, the Group will resume applying the equity method but only after its equity in the net income equals the equity in net losses of associates and joint ventures not recognized during the period the equity method was suspended.

Upon loss of significant influence over the associates or joint control over the joint venture, the Group measures and recognizes any retained investments at its fair value. Any difference between the carrying amount of the associate or JV upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognized in profit or loss.

The Group records provisional amounts when the fair value for an acquired investment is not readily available at the date of acquisition. The Group adjusts the provisional amounts recognized at the acquisition date to reflect any information obtained about facts and circumstances that existed as of the acquisition date and, if known, would have affected the measurement of the amounts recognized as of that date. This measurement period shall not exceed one year from the acquisition date.

Investment Properties

Investment properties consist of properties that are held to earn rentals and that are not occupied by the companies in the Group. Investment properties, except for land, are carried at cost less accumulated depreciation and amortization and any impairment in residual value. Land is carried at cost less any impairment in value.

Depreciation and amortization of investment properties are computed using the straight-line method over the estimated useful lives (EUL) of the properties which is 10 to 40 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 gains or losses on the retirement or disposal of an investment property are recognized in the consolidated statements of income 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 that property for measurement or disclosure purposes.



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CIP is stated at cost. This includes cost of construction and other direct costs. Borrowing costs that are directly attributable to the construction of investment properties are capitalized during the construction period. CIP is not depreciated until such time as the relevant assets are in the location and condition necessary for it to be capable of operating in the manner intended by management.

Property and Equipment

Property and equipment are stated at cost less accumulated depreciation and amortization and any impairment in value. The initial cost of property and equipment comprises its purchase price, including import duties, taxes and any directly attributable costs of bringing the property and equipment to its working condition and location for its intended use, including capitalized borrowing costs.

CIP is stated at cost. This includes cost of construction and other direct costs. CIP is not depreciated until such time that the relevant assets are completed and put into operational use.

Major repairs are capitalized as part of property and equipment only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the items can be measured reliably. All other repairs and maintenance are charged against operations as incurred.

Depreciation and amortization of property and equipment commences once the property and equipment are available for use and are calculated on the straight-line basis over the following EUL of the property and equipment as follows:

	Years
Buildings and land improvements	9 to 25
Building	15 to 40
Machinery, tools and equipment	2 to 10
Furniture, fixtures and equipment	3 to 5
Transportation equipment	5
Leasehold improvements	2 to 10 or lease term (whichever is shorter)
Other property and equipment	3 to 5

The assets' residual values, EUL and 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 property and equipment.

Transfers are made from property and equipment, when there is a change in use, evidenced by ending of owner-occupation, and with a view of sale.

Impairment or losses of items of property, plant and equipment, related claims for or payments of compensation from third parties and any subsequent purchase or construction of replacement assets are separate economic events and are accounted for separately.

When property and equipment are retired or otherwise disposed of, the cost of the related accumulated depreciation and amortization and provision for impairment losses, if any, are removed from the accounts and any resulting gain or loss is credited to or charged against current operations.

Fully depreciated assets are still carried in the accounts until they are no longer in use.

Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is the fair value as at the date of the acquisition. Following initial recognition, intangible assets, except goodwill and assets with indefinite useful life, are carried at cost less any accumulated amortization and any accumulated impairment losses. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the consolidated statements of income in the year in which the expenditure is incurred.

The useful lives of intangible assets with finite life are assessed at the individual asset level. Intangible assets with finite life are amortized over their useful life. Periods and method of amortization for intangible assets with finite useful lives are reviewed annually or earlier when an indicator of impairment exists. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the intangible asset is accounted for by changing the amortization period or method, as appropriate, and are treated as changes in accounting estimates.

Intangible assets with indefinite useful lives are tested for impairment annually either individually or at the cash-generating unit level. Such intangibles are not amortized. The useful life of an intangible asset with an indefinite useful life is reviewed annually to determine whether indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is made on a prospective basis.

The Group's intangible assets consist of customer relationship, software costs and franchise. A gain or loss arising from derecognition of an intangible asset is measured as the difference between the net disposal proceeds and the carrying amount of the intangible asset and is recognized in the consolidated statements of income when the intangible asset is derecognized.

Customer Relationship

Customer relationship pertains to Toyota's contractual arrangements with its top dealer customers, which adds value to the operations of Toyota and enhances the latter's earnings potential. This is recognized initially at fair value and is assessed to have an indefinite useful life. Following initial recognition, the intangible asset is not amortized but assessed annually for impairment.

Software Costs

Costs related to software purchased by the Group for use in the operations are amortized on a straight-line basis over a period of three (3) to five (5) years.

Costs that are directly associated with identifiable and unique software controlled by the Group and will generate economic benefits exceeding costs beyond one year, are recognized as intangible assets to be measured at cost less accumulated amortization and provision for impairment losses, if any. Expenditures which enhance or extend the performance of computer software programs beyond their original specifications are recognized as capital improvements and added to the original cost of the software.

Franchise

Franchise pertains to Federal Land Group's fees paid for the operating rights of its fast food stores with estimated useful lives of three (3) to five (5) years.

Goodwill

Goodwill acquired in a business combination from the acquisition date is allocated to each of the Group's cash-generating units, or groups of cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units or groups of units.

Each unit or group of units to which the goodwill is so allocated:

- represents the lowest level within the Group at which the goodwill is monitored for internal management purposes; and
- is not larger than a segment based on the Group's operating segments as determined in accordance with PFRS 8, *Operating Segments*.

Following initial recognition, goodwill is measured at cost, less any accumulated impairment loss. Goodwill is reviewed for impairment annually or more frequently, if events or changes in circumstances indicate that the carrying value may be impaired (see Impairment of Non-financial Assets).

Where goodwill forms part of a cash-generating unit and part of the operations within that unit is disposed of, the goodwill associated with the operations disposed of is included in the carrying amount of the operations when determining the gain or loss on disposal of the operations. Goodwill disposed of in this circumstance is measured based on the relative values of the operations disposed of and the portion of the cash-generating unit retained.

Goodwill is presented separately in the consolidated statements of financial position.

Impairment of Non-financial Assets

The Group assesses at each financial reporting date whether there is an indication that their nonfinancial assets (e.g., investments in associates and joint ventures, joint arrangements, investment properties, property and equipment, goodwill and other intangible 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 the higher of an asset's or CGU's fair value less costs to sell (FVLCTS) and its value-in-use (VIU) and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other 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 the VIU, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment losses of continuing operations are recognized in the consolidated statements of income 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 any 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. The recoverable 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 the consolidated statements of income unless the asset is carried at revalued amount, in which case, the reversal is treated as a revaluation increase. 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.



Notes to Consolidated Financial Statements

This accounting policy applies primarily to the Group's property and equipment and investment properties. Additional considerations for other non-financial assets are discussed below.

Investments in associates and joint ventures

After application of the equity method, the Group determines whether it is necessary to recognize goodwill or any additional impairment loss with respect to the Group's net investment in its associates and joint venture. The Group determines at each financial reporting date whether there is any objective evidence that the investments in associates and joint ventures are impaired.

If this is the case, the Group calculates the amount of impairment as being the difference between the fair value of the associate and joint ventures and the carrying cost and recognizes the amount in the consolidated statements of income.

Intangible assets

Customer relationship is reviewed for impairment annually, similar with goodwill, or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. For intangible assets with finite useful lives, the carrying amount is assessed and written down to its recoverable amount when an indication of impairment occurs.

Goodwill

Goodwill is reviewed for impairment, annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of the CGU (or group of CGUs) to which the goodwill relates. Where the recoverable amount of the CGU (or group of CGUs) is less than the carrying amount of the CGU (or group of CGUs) to which goodwill has been allocated, an impairment loss is recognized immediately in the consolidated statements of income. Impairment losses relating to goodwill cannot be reversed for subsequent increases in its recoverable amount in future periods. The Group performs its annual impairment test of goodwill at reporting date.

Value-added Tax (VAT)

Revenue, expenses, and assets are recognized net of the amount of value-added tax except:

- where the tax incurred on a purchase of assets or services is not recoverable from the tax authority, in which case, the tax is recognized as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables that are stated with the amount of tax included.

The net amount of VAT recoverable from the tax authority is included under 'Prepayments and other current assets' in the consolidated statements of financial position.

Equity

The Group records common stock and preferred stock at par value and additional paid-in capital in excess of the total contributions received over the aggregate par values of the equity share. Incremental costs incurred directly attributable to the issuance of new shares are deducted from the proceeds.

Capital stock

The Parent Company has issued common stock and preferred stock that are classified as equity. Incremental costs directly attributable to the issue of new common stock are shown in equity as a deduction, net of tax, from the proceeds. All other equity issuance costs are recognized as expense as incurred.

Where the Parent Company purchases its own common stock or preferred shares (i.e., treasury shares), the consideration paid, including any directly attributable incremental costs (net of applicable taxes) is deducted from equity attributable to the Parent Company's equity holders until the shares are cancelled or reissued.

Where such shares are subsequently reissued, any consideration received, net of any directly attributable incremental transaction costs and the related tax effects, is included in equity attributable to the Parent Company's equity holders.

Additional paid-in capital

Amount of contribution in excess of par value is accounted for as an additional paid-in capital. Additional paid-in capital also arises from additional capital contribution from the shareholders.

Retained earnings

The amount included in retained earnings includes profit or loss attributable to the Group's equity holders and reduced by dividend on capital stock. Dividends on capital stock are recognized as a liability and deducted from equity when they are declared. Dividends for the year that are approved after the reporting date are dealt with as an event after the reporting date. Retained earnings may also include effect of changes in accounting policy as may be required by the standard's transitional provisions.

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

Other Comprehensive Income

Other comprehensive income comprises items of income and expenses that are recognized directly in equity. OCI items are either reclassified to profit or loss or directly to equity in subsequent periods.

Acquisition of Non-controlling Interest in a Subsidiary

Acquisition of non-controlling interest is accounted for as an equity transaction, whereby the difference between the fair value of consideration given and the share in the net book value of the net assets acquired is recognized in equity. In an acquisition without consideration involved, the difference between the share of the non-controlling interests in the net assets at book value before and after the acquisition is treated as transaction between equity owners under the 'Non-controlling interests' account in the consolidated statements of financial position.

Revenue Recognition

Revenue from contract with customers

The Group primarily derives its revenue from automotive operations and real estate sales. Revenue from contracts with customers is recognized when control of the goods or services is 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 disclosures of significant accounting judgments, estimates and assumptions relating to revenue from contracts with customers are provided in Note 3.

Automotive operations

The Group derives its revenue from automotive operations from the sale of manufactured vehicles, trading of completely built-up vehicles and local and imported auto parts and sale of services. In the sales contract with customers, services other than vehicle sales such as additional service, additional warranty and other services are separated from the sale of vehicles to identify performance obligations.

Timing of revenue recognition may change depending on when the performance obligation is satisfied, either at a point in time or over time. The Group recognizes revenue from goods or services at a point in time when the goods or services are transferred to the customers and fulfills the performance obligations. In order to determine whether the control over the goods or services is transferred over time, the Group determines whether the customer simultaneously obtains and consumes the benefits provided by the Group's performance and whether the assets controlled by the customer and whether the assets created by the Group have no substitute purpose, and whether the Group has the right to make executable claims for the portion that has been completed so far. The Group allocates the transaction prices based on the stand-alone selling prices to the various performance obligations identified in a single contract.

Revenue from sale of goods arises from sale of manufactured vehicles and trading of completely built-up vehicles and local and imported parts are recognized at a point in time. Revenue is recognized when the significant risks and reward of ownership of the goods have passed to the buyer (including certain "bill and hold" sales, wherein the buyer takes title and accepts billings) which is normally upon confirmation of the ordered units and invoicing by the Group and also usually upon dispatch of goods by the dealer subsidiaries. Revenue from sale of goods is reduced by the portion attributable to the actual costs of maintenance service that are shouldered by the Group for certain Vehicles. This amount is included under "deferred income" and is recognized as revenue as the maintenance services are rendered by the dealers for the customers.

Service fees from installation of parts and repairs and maintenance of vehicles are recognized as revenue when the related services have been rendered. Other service fees from dealer operations assistance and mobility services are recognized on a monthly basis as the services are rendered and are consumed by customers.

The Group estimates the amounts of consideration depending on which method the entity expects to better predict the amount of consideration to which it will be entitled - the expected value or the most likely amount. Variable consideration is included in the transaction price only to the extent that it is highly probable that a significant reversal in the cumulative amount of revenue recognized will not occur in the future periods.

If the period between the transfer of the goods or services promised to the customer and the payment of the customer is within one year, a practical simple method that does not adjust the promised price for a significant financing component is used.

Real estate sales

The Group derives its real estate revenue from sale of lots, house and lot and condominium units. Revenue from the sale of these real estate projects under pre-completion stage are recognized over time during the construction period (or percentage of completion) since based on the terms and conditions of its contract with the buyers, the Group's performance does not create an asset with an alternative use and the Group has an enforceable right to payment for performance completed to date.

Notes to Consolidated Financial Statements

In measuring the progress of its performance obligation over time, the Group uses the output method. The Group recognizes revenue on the basis of direct measurements of the value to customers of the goods or services transferred to date, relative to the remaining goods or services promised under the contract. Progress is measured using survey of performance completed to date. This is based on the monthly project accomplishment report as approved by the construction manager which integrates the surveys of performance to date of the construction activities.

Any excess of progress of work over the right to an amount of consideration that is unconditional, recognized as residential and office development receivables, under trade receivables, is included in the "contract asset" account in the asset section of the consolidated statements of financial position.

Any excess of collections over the total of recognized trade receivables and contract assets is included in the "contract liabilities" account in the liabilities section of the consolidated statements of financial position.

Starting January 1, 2024, the Group adopted the remaining provisions of the PIC Q&A 2018-12-D, specifically on the significant financing component. The Group opted to adopt the changes using modified retrospective approach effective January 1, 2024 and the impact was recognized in the opening retained earnings. The comparative information is not restated.

The modified retrospective effect of the adoption of PIC Q&A 2018-12-D on the consolidated statement of financial position as at January 1, 2024 follows:

Consolidated Statements of Financial Position (amounts in millions)	As of January 1, 2024		
	As previously stated	Adjustments	As restated
ASSETS			
Current assets			
Contract Assets (Note 21)	₱4,092	(₱145)	₱3,947
Inventories (Note 6)	76,676	10	76,686
Noncurrent assets			
Contract assets-net of current portion (Note 21)	5,489	(394)	5,095
Investments in associates & joint ventures (Note 8)	229,283	456	229,739
LIABILITIES			
Current liabilities			
Contract liabilities (Note 21)	3,293	(226)	3,067
Noncurrent liabilities			
Deferred tax liabilities- net	4,409	(78)	4,331
EQUITY			
Unappropriated retained earnings	134,408	231	134,639

Sale of goods

Sale of goods is recognized from retail customers at the point of sale in the stores. This is measured at the fair value of the consideration received, excluding (or 'net of', or 'reduced for') discounts, returns, rebates and sales taxes.

Rendering of services

Marketing fees, management fees from administration and property management are recognized when services are rendered.

Commission income

Commission income is recognized by reference to the percentage of collection of the agreed sales price or depending on the term of the sale as provided under the marketing agreement.

Management fees

Management fees from administrative, property management and other fees are recognized when services are rendered.

Other income

Other income also includes sale of scrap and sludge oil which is recognized when there is delivery of goods to the buyer, and recovery from insurance which is recognized when the right to receive payment is established.

Revenues outside the scope of PFRS 15

Interest income

Interest income is recognized as it accrues using the effective interest method.

Rent income

Rental income under noncancelable and cancelable leases on investment properties is recognized in the consolidated statements of income on a straight-line basis over the lease term and the terms of the lease, respectively, or based on a certain percentage of the gross revenue of the tenants, as provided under the terms of the lease contract.

Dividend income

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

Other income

Other customer-related fees such as penalties and surcharges are recognized at an amount that reflects the consideration to which the Group expects to receive taking into account the provisions of the related contract.

Expense Recognition

Cost of goods and services sold

Cost of goods sold for vehicles and spare parts includes the purchase price of the products sold, as well as costs that are directly attributable in bringing the merchandise to its intended condition and location. These costs include the costs of storing and transporting the products. Vendor returns and allowances are generally deducted from cost of goods and services sold.

Other cost of goods sold includes Federal Land's gasoline and food products, and are recognized when goods are delivered which is usually at the point of sale in stores. Cost of services are recognized when services are rendered.

Cost of goods manufactured and sold

Cost of goods manufactured and sold includes the purchase price of the products manufactured, as well as costs that are directly attributable in bringing the merchandise to its intended condition and location.

Commissions

Commissions paid to sales or marketing agents on the sale of pre-completed real estate units are deferred when recovery is reasonably expected and are charged to expense in the period in which the related revenue is recognized as earned. Accordingly, when the POC method is used, commissions are likewise charged to expense in the period the related revenue is recognized. These are recorded as 'Prepaid expenses' under 'Prepayments and other current assets' account.

General and administrative expenses

General and administrative expenses constitute costs of administering the business and are expensed as incurred.

Cost of real estate sales

The Group recognizes costs relating to satisfied performance obligations as these are incurred taking into consideration the contract fulfillment assets. These include costs of land, land development costs, building costs, professional fees, depreciation, permits and licenses and capitalized borrowing costs. These costs are allocated to the saleable area, with the portion allocable to the sold area being recognized as costs of sales while the portion allocable to the unsold area being recognized as part of real estate inventories.

Contract costs include all direct materials and labor costs and those indirect costs related to contract performance. Expected losses on contracts are recognized immediately when it is probable that the total contract costs will exceed total contract revenue. Changes in contract performance, contract conditions and estimated profitability, including those arising from contract penalty provisions, and final contract settlements which may result in revisions to estimated costs and gross margins are recognized in the year in which the changes are determined.

Cost of rental

Cost of rental services includes maintenance fee, depreciation, repairs and maintenance, and taxes and licenses in relation to rendering of services. Except for depreciation which is recognized on a straight-line basis, 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.

Contract Balances

Receivables

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

Contract assets

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

Contract liabilities

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



Notes to Consolidated Financial Statements

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

Costs to obtain a contract

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

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

Amortization, derecognition and impairment of capitalized costs to obtain a contract

The Group amortizes capitalized costs to obtain a contract to cost of sales over the expected construction period using percentage of completion following the pattern of real estate revenue recognition. The amortization is included within cost of sales.

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

At each reporting date, the Group determines whether there is an indication that cost to obtain a contract maybe impaired. If such indication exists, the Group makes an estimate by comparing the carrying amount of the assets to the remaining amount of consideration that the Group expects to receive less the costs that relate to providing services under the relevant contract. In determining the estimated amount of consideration, the Group uses the same principles as it does to determine the contract transaction price, except that any constraints used to reduce the transaction price will be removed for the impairment test.

Where the relevant costs or specific performance obligations are demonstrating marginal profitability or other indicators of impairment, judgement is required in ascertaining whether or not the future economic benefits from these contracts are sufficient to recover these assets. In performing this impairment assessment, management is required to make an assessment of the costs to complete the contract. The ability to accurately forecast such costs involves estimates around cost savings to be achieved over time, anticipated profitability of the contract, as well as future performance against any contract-specific performance indicators that could trigger variable consideration, or service credits. Where a contract is anticipated to make a loss, these judgments are also relevant in determining whether or not an onerous contract provision is required and how this is to be measured.

Pension Costs

The Parent Company and its subsidiaries have funded, noncontributory defined benefit retirement plans, administered by trustees, covering their permanent employees.

Pension cost is actuarially determined using the projected unit credit method. This method reflects services rendered by employees up to the date of valuation and incorporates assumptions concerning employees' projected salaries. Actuarial valuations are conducted with sufficient regularity, with option to accelerate when significant changes to underlying assumptions occur.

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

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 the consolidated statement of income. Past service costs are recognized when plan amendment or curtailment occurs. These amounts are calculated periodically by independent qualified actuaries. Net interest on the net defined benefit liability or asset is the change during the period in the net defined benefit liability or asset that arises from the passage of time which is determined by applying the discount rate based on Philippine government bonds to the net defined benefit liability or asset. Net interest on the net defined benefit liability or asset is recognized as expense or income in the consolidated statement of income.

Remeasurements comprising actuarial gains and losses, return on plan assets and any change in the effect of the asset ceiling (excluding net interest on defined benefit liability) are recognized immediately in other comprehensive income 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). If the fair value of the plan assets is higher than the present value of the defined benefit obligation, the measurement of the resulting defined benefit asset is limited to the present value of economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.

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

Employee leave entitlement

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

Income Tax

Current tax

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the financial reporting dates. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretations and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the balance sheet liability method on all temporary differences, with certain exceptions, at the financial reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liability is recognized for all taxable temporary differences. Deferred tax asset is recognized for all deductible temporary differences, carryforward benefit of unused tax credits from excess minimum corporate income tax (MCIT) and 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 benefit of unused tax credits from MCIT and NOLCO can be utilized. Deferred income tax, however, is not recognized when it arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting income nor taxable income.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable income will be available to allow all or part of the deferred tax asset to be utilized.

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

Foreign Currency Transactions

The Group's consolidated financial statements are presented in Philippine peso, which is also the Group's functional currency. Each entity within the Group determines its own functional currency and items included in the consolidated financial statements of each entity are measured using that functional currency.

Transactions and balances

Transactions denominated in foreign currency are recorded using the exchange rate prevailing at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies are retranslated using the closing exchange rates prevailing at reporting date. Nonmonetary items that are measured in terms of historical cost in foreign currency are translated using the exchange rate as at the date of the initial transaction and are not subsequently restated. All foreign exchange differences are taken to the consolidated statements of income.

Segment Reporting

The Group's operating businesses are organized and managed separately according to the nature of the products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. Financial information on the Group's business segments is presented in Note 35.

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 "Real estate inventories" and "Investment properties" accounts in the consolidated statements of financial position). Capitalization ceases when pre-selling of real estate inventories under construction commences. 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.

Notes to Consolidated Financial Statements

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.

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.

Provisions

Provisions are recognized when the Group has: (a) a present obligation (legal or constructive) as a result of a past event; (b) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and (c) a reliable estimate can be made of the amount of the obligation. Where the Group expects a provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as interest expense. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. The expense relating to any provision is presented in the consolidated statements of comprehensive income, net of any reimbursement.

Provision for product warranties

Provision for product warranties are recognized when sale of the related products are consummated. The best estimate of the provision is recorded based on three (3) year warranty coverage provided by the Group as part of the sold product. Reversals are made against provision for the expired portion.

Leases

Group as lessee

The Group assesses at contract inception whether a contract is, or contains a lease. A contract contains a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognizes lease liabilities to make lease payments and Right-of-use (ROU) assets representing the right to use the underlying assets.

ROU assets

The Group recognizes ROU assets (included in 'Property and Equipment') at the commencement date of the lease (i.e., the date the underlying asset is available for use). ROU assets are measured at cost less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of ROU assets includes the amount of lease liabilities recognized and lease payments made at or before the commencement date less any lease incentives received.

ROU assets are depreciated on a straight line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

	Years
Office space	2 to 3

Lease liabilities

At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of lease payments to be made over the lease term (included in 'Other current liabilities' and 'Other noncurrent liabilities'). In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest (included in 'Interest expense') 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 or a change in the lease payments (Note 30).

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of office spaces (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of other equipment that are considered to be of low value (i.e., those with value of less than 250,000). Lease payments on short-term leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

Residual value of leased assets and deposits on lease contracts

The residual value of leased assets, which approximates the amount of guaranty deposit paid by the lessee at the inception of the lease, is the estimated proceeds from the sale of the leased asset at the end of the lease term. At the end of the lease term, the residual value of the leased asset is generally applied against the guaranty deposit of the lessee when the lessee decides to buy the leased asset.

Group as lessor

Leases where the Group does not transfer substantially all the risks and rewards of ownership of the asset are classified as operating leases. Rental income on operating leases is recognized on a straight line basis over the lease term. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same bases as rental income.

Lease modification

Lease modification is defined as a change in the scope of a lease, or the consideration for a lease, that was not part of the original terms and conditions of the lease e.g., addition or termination of the right to use one or more underlying assets, or the extension or shortening of the contractual lease term. In case of a lease modification, the lessor shall account for any such modification by recognizing a new lease from the effective date of the modification, considering any prepaid or accrued lease payments relating to the original lease as part of the lease payments for the new lease.

In case of change in lease payments for an operating lease that does not meet the definition of a lease modification, the lessor shall account for any such change as a negative variable lease payment and recognize lower lease income. No rental income is recognized when the Group waives its right to collect rent and other charges.

Earnings Per Share

Basic earnings per share is calculated by dividing the net income for the year attributable to the owners of the Parent Company by the weighted average number of common shares outstanding during the year, after considering the retroactive effect of stock dividend declaration, if any.

Diluted earnings per share attributable to owners of the Parent Company is calculated in the same manner assuming that the weighted average number of common shares outstanding is adjusted for potential common shares from the assumed exercise of dilutive instruments.

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 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. Post year-end events that are not adjusting events are disclosed in the notes to the consolidated financial statements when material.

Standards Issued But Not Yet Effective

Pronouncements issued but not yet effective are listed below. Unless otherwise indicated, the Group does not expect that the future adoption of the said pronouncements will have a significant impact on its 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 17 is a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. Once effective, PFRS 17 will replace PFRS 4, *Insurance Contracts*. This new standard on insurance contracts applies to all types of insurance contracts (i.e., life, non-life, direct insurance and re-insurance), regardless of the type of entities that issue them, as well as to certain guarantees and financial instruments with discretionary participation features. A few scope exceptions will apply.



Notes to Consolidated Financial Statements

The overall objective of PFRS 17 is to provide an accounting model for insurance contracts that is more useful and consistent for insurers. In contrast to the requirements in PFRS 4, which are largely based on grandfathering previous local accounting policies, PFRS 17 provides a comprehensive model for insurance contracts, covering all relevant accounting aspects. The core of PFRS 17 is the general model, supplemented by:

- o A specific adaptation for contracts with direct participation features (the variable fee approach)
- o A simplified approach (the premium allocation approach) mainly for short-duration contracts

On December 15, 2021, the FSRSC amended the mandatory effective date of PFRS 17 from January 1, 2023 to January 1, 2025. Thereafter, on February 14, 2025, the FSRSC approved the amendment to PFRS 17 that further defers the date of initial application by an additional two (2) years, to annual periods beginning on or after January 1, 2027. This will provide more time for the insurance industry to fully prepare and assess the impact of adopting the said standard.

The adoption of PFRS 17 will have an impact on the Group's financial statements through the application of the equity method of accounts for its investment in the associate that issues 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. Entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new.

The requirements also include:

- o Required totals and subtotals in the statement of profit or loss
- o Disclosure of management-defined performance measures
- o Guidance on aggregation and disaggregation

The Group is currently assessing the impacts the standard will have on the primary financial statements and notes to the financial statements.

- 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*

3. MANAGEMENT'S JUDGMENTS AND USE OF ESTIMATES

The preparation of the consolidated financial statements in compliance with PFRS Accounting Standards requires the Group's 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 accompanying consolidated financial statements are based upon management's evaluation of relevant facts and circumstances as of reporting date. Actual results could differ from such estimates.

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under 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:

Assessment of control over investees

The determination on whether the Group has control over an investee requires significant judgment. For this, the Group considers the following factors: (a) power over the investee, (b) exposure, or rights, to variable returns from its involvement with the investee; and (c) the ability to use its power over the investee to affect the amount of the investor's returns. In assessing whether the Group has power over the investee, the Group assesses whether it has existing rights that give it the current ability to direct the relevant activities of the investee.

Joint arrangements

The Group has investments in joint arrangements. The Group has joint control over these arrangements because under the contractual arrangements, unanimous consent is required from all the parties to the agreements for all relevant activities.

As at December 31, 2025 and 2024, Federal Land assessed that it does not exercise control at more than 51% ownership over certain joint ventures (JV) entities, but instead exercises joint control as Federal Land and the JV partners have contractually agreed to share control over the relevant economic activities of the JV entities and the decisions about the relevant activities require the unanimous consent of all parties. The Group's different joint arrangements are discussed in Note 8.

Determination of significant influence over another entity

The determination of significant influence over another entity, other than the rebuttable presumption of having ownership of over twenty percent (20.0%), requires significant judgment.

As at December 31, 2025 and 2024, the Parent Company determined that it exercises significant influence over MPIC in which it holds 19.62% and 18.20% ownership interests, respectively. Although the Parent Company holds less than 20.00% of the ownership interest and voting rights in MPIC, the Parent Company considers that it exercises significant influence through its entitlement to nominate at least two (2) out of fifteen (15) directors of MPIC and at least one (1) director from the Parent Company should be present in board meetings. The Parent Company's nominees also participate as member in the Audit Committee, Risk, Cybersecurity and Data Privacy Committee, Governance, Nomination and Sustainability Committee, and Finance Committee.

The combination of the Parent Company's ownership interest in MPIC, the representation in the BOD and in the abovementioned committees of MPIC provide the Parent Company with the ability to exercise significant influence over the operating and financial policies of MPIC. Accordingly, the Parent Company accounted for its investment in MPIC as an associate using the equity method of accounting.

Revenue and cost recognition

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

- buyer's initial payments in relation to the total contract price (or buyer's equity); and
- stage of completion of the project.

Existence of a contract for real estate transactions

The Group's primary document for a contract with a customer is a signed contract to sell. It has determined, however, that in cases wherein contracts to sell are not signed by both parties, the combination of its other signed documentation such as reservation agreement, official receipts, buyers' computation sheets and invoices, would contain all the criteria to qualify as contract with the customer under PFRS 15.

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

Revenue recognition method and measure of progress

The Group concluded that revenue for real estate sales is to be recognized over time because: (a) the Group's performance does not create an asset with an alternative use and; (b) the Group has an enforceable right for performance completed to date. The promised property is specifically identified in the contract and the contractual restriction on the Group's ability to direct the promised property for another use is substantive. This is because the property promised to the customer is not interchangeable with other properties without breaching the contract and without incurring significant costs that otherwise would not have been incurred in relation to that contract. In addition, under the current legal framework, the customer is contractually obliged to make payments to the developer up to the performance completed to date. In addition, the Group requires a certain percentage of buyer's payments of total selling price (buyer's equity), to be collected as one of the criteria in order to initiate revenue recognition. Reaching this level of collection is an indication of buyer's continuing commitment and the probability that economic benefits will flow to the Group. The Group considers that the initial and continuing investments by the buyer of about 10% would demonstrate the buyer's commitment to pay.

The Group has determined that the output method used in measuring the progress of the performance obligation faithfully depicts the Group's performance in transferring control of real estate development to the customers.

Operating lease commitments - Group as lessor

The Group entered into commercial property leases on its retail mall, investment properties and certain units of its real estate projects to different parties for a specific amount depending on the lease contracts. The Group has determined that based on the evaluation of the terms and conditions of the arrangements (i.e., the lease does not transfer the ownership of the asset to the lessee by the end of the lease term, the lessee has no option to purchase the asset at a price that is expected to be sufficiently lower than the fair value at the date the option is exercisable, and the lease term is not for the major part of the asset's economic life), that it retains all significant risks and rewards of ownership of these properties and so accounts for the contracts as operating leases.



Notes to Consolidated Financial Statements

Distinction between investment properties and owner-occupied properties

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

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

Useful life of customer relationship

Customer relationship pertains to Toyota's contractual arrangements with its top dealer customers which lay out the principal terms upon which its dealers agree to do business. Management assessed the useful life of the customer relationship to be indefinite since management is of the view that there is no foreseeable limit to the period over which the customer relationship is expected to generate net cash inflows to Toyota.

The said assessment is based on the track record of stability for the auto industry and the Toyota brand. Added to this is the commitment of management to continue to invest for the long term, to extend the period over which the intangible asset is expected to continue to provide economic benefits.

The carrying values of the customer relationship are disclosed in Note 13.

Contingencies

In the normal course of business, the Group is currently involved in various legal proceedings and assessments. The estimate of the probable costs for the resolution of these claims has been developed in consultation with outside counsel handling the defense in these matters and is based upon an analysis of potential results. It is possible, however, that future results of operations could be materially affected by changes in the estimates or in the effectiveness of the strategies relating to these proceedings.

Management's Use of Estimates

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

Revenue recognition – real estate sales

The Group's revenue recognition policies require management to make use of estimates and assumptions that may affect the reported amounts of revenues and costs. The Group's revenue from real estate sales recognized based on the percentage of completion is measured principally on the basis of the estimated completion of a physical proportion of the contract work, and by reference to the actual costs incurred to date over the estimated total costs of the project. The estimation of the total cost of the real estate project requires technical inputs from project development engineers. The Group's contract assets and contract liabilities from real estate segment are disclosed in Note 21.

Evaluating net realizable value of inventories

Inventories are valued at the lower of cost and NRV. The Group reviews its inventory to assess NRV at least annually. The amount and timing of recorded expenses for any period would differ if different judgments were made or different estimates were utilized. The net realizable value of inventories is disclosed in Note 6.

Evaluating impairment of significant investments in associates

The Group reviews investments in associates and joint ventures for impairment. This includes considering certain indications of impairment such as significant changes, including significant underperformance relative to expected historical or projected future operating results and significant negative industry or economic trends.

As described in the accounting policy, the Group estimates the recoverable amount as the higher of the FVLCTS and VIU. In determining the present value of estimated future cash flows expected to be generated from the continued use of the assets, the Group is required to make estimates and assumptions that may affect investments in associates and joint ventures, and property and equipment.

The Group considers the significant or prolonged decline in the quoted market price of MBTC and the excess of carrying value over book value of MPIC as indicators of impairment. Accordingly, the Group conducted an impairment assessment of its investments in MBTC and MPIC. The Group uses the higher of FVLCTS and VIU in determining the recoverable amount. The recoverable amount of the investment in MBTC has been determined based on VIU using the free cash flow to equity methodology while that of MPIC is determined based on the sum of the parts of the VIU and FVLCTS of the MPIC Group. Based on the Group's impairment testing, the investments in MBTC and MPIC are determined to be not impaired.

The carrying values investments in associates are disclosed in Note 8.

Impairment of goodwill and intangible assets with indefinite useful life

The Group conducts an annual review for any impairment in the value of goodwill and intangible assets with indefinite useful life (i.e., customer relationship). Goodwill and customer relationship are written down for impairment when the net present value of the forecasted future cash flows from the business are insufficient to support the carrying values. The Group estimates key inputs such as discounted future cash flows forecasts, expected gross margins, discount rates and long-term growth rates. The Group uses the weighted average cost of capital in discounting the expected cash flows from specific CGUs.

Refer to Notes 12 and 13 for the details regarding the carrying values of the Group's goodwill and intangible assets as well as details regarding the impairment review and assessment.

Recognition of deferred tax assets

The Group reviews the carrying amounts of deferred taxes at each reporting date and reduces deferred tax asset to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. However, there is no assurance that the Group will generate sufficient taxable profit to allow all or part of deferred income tax assets to be utilized. The Group looks at its projected performance in assessing the sufficiency of future taxable income.

There are entities in the Group that are in NOLCO position and management assessed that it is not probable that they will be able to utilize the NOLCO before its expiry. Details of the recognized and unrecognized deferred tax assets on temporary differences of the Group are disclosed in Note 29.

Provision for product warranties

Estimated warranty costs are provided at the time of sale. The provision is based on the estimated costs of future servicing the products sold, the costs of which are not recoverable from customers. A provision is recognized for expected warranty claims on products sold during the last two (2) years, based on past experience of the level of returns and repairs. It is expected that most of these costs will be incurred in the next financial year and all will be incurred within three (3) years as of the reporting date. Provision for product warranty is disclosed in Note 20.

Purchase price allocation of investment in associates

In applying the equity method of accounting, the Parent Company is required to perform a purchase price allocation for its additional investments in MBTC to determine any notional goodwill in the investment or gain on bargain purchase from the acquisition. A significant portion of MBTC's net assets consist of financial assets and liabilities and non-financial assets consisting of investment properties, property and equipment and equity investments. The valuation of these assets and liabilities require estimates from management. For assets and liabilities that are short term in nature, the carrying values are assessed to approximate fair values. For financial assets and liabilities that are long-term in nature, fair values are estimated through the discounted cash flow methodology using the appropriate market rates e.g., current lending rates. For nonfinancial assets such as property and equipment and investment properties, fair values are determined based on an appraisal which follows sales comparison approach and depreciated replacement cost approach depending on the highest and best use of the assets.

4. CASH AND CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS

Cash and cash equivalents consists of:

	2025	2024
Cash on hand	P16	P90
Cash in banks and other financial institutions (Note 27)	6,089	5,391
Cash equivalents (Note 27)	13,294	19,860
	P19,399	P25,341

Cash in banks earns interest at the prevailing bank deposit rates. Cash equivalents are made for varying periods of up to three months depending on the immediate cash requirements of the Group, and earn interest at the prevailing interest rates ranging from 2.425% to 6.157% in 2025 and from 0.125% to 6.50% in 2024 and 2023 (Notes 23 and 27). The Group has foreign currency-denominated cash and cash equivalents and short-term investments (Note 33).

Short-term Investments

These represent the Group's foreign-currency denominated time deposits with original maturities of more than 3 months and up to 12 months and earn interest at the respective short-term investment rates, ranging from 3.975% to 4.500% in 2025 (Notes 23 and 27).

Notes to Consolidated Financial Statements

5. RECEIVABLES

This account consists of:

	2025	2024
Trade receivables	P25,557	P22,469
Nontrade receivables (Note 27)	2,051	1,809
Loans receivable (Note 27)	1,852	1,866
Accrued rent and commission income (Note 27)	1,227	1,844
Management fee receivables (Note 27)	765	394
Accrued interest receivable (Note 27)	647	886
Installment contracts receivables	389	360
Others (Note 27)	1,233	777
	33,721	30,405
Less: Allowance for credit losses	479	787
	P33,242	P29,618

Total receivables shown in the consolidated statements of financial position follow:

	2025	2024
Current	P32,537	P28,185
Noncurrent	705	1,433
	P33,242	P29,618

Trade Receivables

Trade receivables pertain to receivables from sale of vehicles and/or parts and services. These are noninterest-bearing and generally have 30 days to one-year term. These also include sale of lots with terms of 60 days to five years. Interest rates used in discounting the receivables on sale of lots range from 2.85% to 3.67% in 2025 and 2024. The Group has foreign currency-denominated receivables (Note 33).

Nontrade Receivables

Nontrade receivables mainly consist of vehicle acquisition plan loans extended to employees which are collectible within one year and expenses of the affiliates which were advanced by the Group (Note 27).

Loans Receivable

Loans receivable from various counterparties in real estate segment are as follows:

Counterparties	Principal	Interest rates	Availment	Maturity	Outstanding balance	
					2025	2024
Cathay International						
Resources Corp.	705	3.15%	2012	2032	P705	P705
-do-	150	4.15%	2022	2032	-	100
Multi Fortune Holdings, Inc.						
-do-	923	0.00%	2025	Due and demandable	923	-
-do-	81	0.00%	2025	Due and demandable	81	-
-do-	75	0.00%	2024	Due and Demandable	75	75
-do-	60	0.00%	2024	Due and Demandable	60	60
-do-	3	0.00%	2024	Due and Demandable	3	3
-do-	8	0.00%	2024	Due and Demandable	5	5
-do-	40	7.90%	2023	2033	-	40
-do-	154	4.40%	2022	2032	-	154
-do-	299	4.33% - 5.54%	2021	2031	-	299
-do-	290	5.25% - 5.95%	2020	2025	-	290
-do-	290	6.60%	2017	2032	-	135
					P1,852	P1,866

Interest income earned from these loans receivable amounted to P0.08 billion, P0.12 billion, and P0.12 billion in 2025, 2024, and 2023, respectively amounts to:

Noncurrent receivables pertain to noncurrent portion of loans receivables amounting to P0.71 billion and P1.43 billion as of December 31, 2025 and 2024, respectively.

Accrued Rent and Commission Income

Accrued rent pertains to tenants' rentals and their share in utilities (electricity, water and liquefied petroleum gas) and other charges to customers (Note 27). Commission income pertains to commission earned from sale of real estate properties (Note 27).

Management Fee Receivables

Management fee receivables pertain to management fee being charged by the real estate businesses for the conduct of relevant studies for the maintenance, upkeep and improvement of real estate properties and equipment of associates and affiliated companies (Note 27).

Installment Contracts Receivables

Installment contracts receivables pertain to receivables from the sale of residential and condominium units. Titles to the sold residential and condominium units are transferred to the buyers only upon full payment of the contract price.

Installment contracts receivables are collected over a period of one to 10 years. The fair value upon initial recognition for Federal Land is derived using the discounted cash flow methodology using discount rate of 8.00% in 2025 and 2024.

Other Receivables

Other receivables include receivable from employees, retention bond and guarantee fee receivables (Note 27).

Allowance for Credit Losses

Changes in the allowance for credit losses on receivables are as follows:

	December 31, 2025		
	Trade Receivables	Other Receivables	Total
Balance at beginning of year	P71	P716	P787
Provision for credit losses-net (Note 26)	60	25	85
Write-offs	-	(393)	(393)
Balance at end of year	P131	P348	P479

	December 31, 2024		
	Trade Receivables	Other Receivables	Total
Balance at beginning of year	P174	P694	P868
Provision for credit losses-net (Note 26)	12	37	49
Write-offs	(115)	(15)	(130)
Balance at end of year	P71	P716	P787

Notes to Consolidated Financial Statements

6. INVENTORIES

This account consists of:

	2025	2024
At cost		
Real estate		
Land and improvements	₱29,681	₱28,634
Condominium units held for sale	22,337	20,953
Construction in progress	1,815	2,684
Gasoline retail and petroleum products (Note 24)	9	10
Food (Note 24)	6	8
Automotive		
Finished goods	12,378	6,223
Work-in-process	310	71
Raw materials	10,642	11,887
Raw materials in transit	6,574	4,739
Spare parts	177	172
	83,929	75,381
At NRV		
Automotive		
Spare parts	1,681	1,830
	₱85,610	₱77,211

The cost of the inventories carried at NRV amounted to ₱1.83 billion and ₱1.96 billion as of December 31, 2025 and 2024, respectively. A summary of movements in real estate inventories follows:

	2025			
	Land and improvements	Condominium units held for sale	Construction in progress	Total
Balance at beginning of year	₱28,634	₱20,953	₱2,684	₱52,271
Construction and development costs incurred	746	1,168	655	2,569
Land acquired during the year	80	–	–	80
Borrowing costs capitalized	8	11	33	52
Cost of sales during the year	(177)	(1,352)	–	(1,529)
Reclassifications to condominium units held for sale	–	1,557	(1,557)	–
Transfers from property and equipment (Notes 11 and 38)	340	–	–	340
Others	50	–	–	50
Balance at end of year	₱29,681	₱22,337	₱1,815	₱53,833
	2024			
	Land and improvements	Condominium units held for sale	Construction in progress	Total
Balance at beginning of year	₱28,312	₱19,191	₱2,591	₱50,094
Construction and development costs incurred	974	1,068	2,277	4,319
Borrowing costs capitalized	69	33	262	364
Cost of sales during the year	(412)	(1,775)	–	(2,187)
Reclassifications to condominium units held for sale	(396)	2,436	(2,040)	–
Transfers to investment properties (Notes 9 and 38)	–	–	(406)	(406)
Others	87	–	–	87
Balance at end of year	₱28,634	₱20,953	₱2,684	₱52,271

Federal Land's capitalized borrowing costs in its real estate inventories are as follows:

	2025	2024
General borrowings	₱44	₱262
Specific borrowings	8	102
	₱52	₱364

The average capitalization rate used to determine the amount of borrowing costs eligible for capitalization ranged from 5.35% to 6.87% in 2025 and 3.10% to 5.57% in 2024.

The Federal Land Group has existing purchase commitments pertaining to its inventories of ongoing projects as of December 31, 2025 and 2024.

Inventories charged to operations follow:

	2025	2024	2023
Cost of goods and services sold (Note 24)	₱217,914	₱201,972	₱189,348
Cost of goods manufactured and sold (Note 25)	46,638	42,748	39,661
Cost of real estate sales	1,517	1,871	5,400
	₱266,069	₱246,591	₱234,409

Allowance for inventory write-down on automotive spare parts inventories follows:

	2025	2024
Balance at beginning of year	₱135	₱194
Provision for inventory write-down (Note 26)	99	45
Write-off of scrap inventories	(81)	(104)
Balance at end of year	₱153	₱135

7. PREPAYMENTS AND OTHER CURRENT ASSETS

This account consists of:

	2025	2024
Creditable withholding taxes (CWT)	₱4,569	₱3,308
Prepaid Ad-valorem tax	2,530	1,723
Tax credits	2,337	2,394
Prepaid expenses (Note 21)	2,004	2,011
Input VAT (Note 14)	1,618	1,335
Advances to contractors and suppliers	899	792
Advances to officers, employees and agents (Note 27)	156	111
Others	338	111
	14,451	11,785
Less: Allowance for impairment losses	300	–
	₱14,151	₱11,785

CWT is attributable to taxes withheld by third parties arising from service fees, real estate revenue, auto sales and rental income.

Prepaid Ad-valorem tax represents advance payments to the BIR and the BOC. These are either advance payment to be applied against taxes on the manufactured vehicles or taxes on unsold inventories.

In 2024, the BIR and the Bureau of Customs (BOC) have granted tax credits to Toyota for the cumulative incremental ad-valorem tax paid of ₱2.98 billion as of December 31, 2023. Tax credits utilized amounted to ₱0.45 billion and ₱0.59 billion in 2025 and 2024, respectively, for payment of VAT and income tax.

Prepaid expenses mainly include prepayments for supplies, commission, taxes and licenses, rentals, and insurance.

Input VAT arises from the Group's purchases of goods and services and will be applied against output VAT on sales in the succeeding periods.

Advances to contractors and suppliers pertain to the Group's advances and initial payments for the purchase of construction materials and supplies and contractor services. These are liquidated every progress billing payment and will be due and demandable upon breach of contract.



Notes to Consolidated Financial Statements

Advances to officers and employees amounting to P146.43 million and P100.68 million as of December 31, 2025 and 2024, respectively, pertain mainly to cash advances for business-related expenses. Advances to officers and employees are liquidated within 30 days after incurrence of expense.

Cash advances to agents amounting to P10.16 million and P10.19 million as of December 31, 2025 and 2024, respectively, pertain to mobilization funds granted to agents to finance their sales-related needs. These advances are subject to liquidation within 30 days after the release of cash advance.

Others include deferred import charges, marginal deposits set aside for payment to the contractors and suppliers, security deposit for operating leases, ancillary services, and deposit for purchase of external services and materials and safeguard bonds represent payments made by Toyota to the BOC for the provisional safeguard duties on imported vehicles

8. INVESTMENTS IN ASSOCIATES AND JOINT VENTURES

This account consists of:

	2025	2024
Investments in associates	P235,301	P204,535
Investments in joint ventures	45,889	44,083
	P281,190	P248,618

There were no impairment losses for these investments in 2025 and 2024.

The movements in the Group's investments in associates follow:

	2025	2024
Cost		
Balance at beginning of year	P116,710	P116,710
Additional investments during the year	8,771	-
Disposals	(62)	-
Balance at end of year	125,419	116,710
Accumulated equity in net earnings		
Balance at beginning of year	93,598	80,201
Equity in net income for the year	28,356	23,505
Dividends received during the year	(9,649)	(10,108)
Disposals	(112)	-
Balance at end of year	112,193	93,598
Accumulated equity in other comprehensive income (loss)		
Balance at beginning of year	(6,737)	(7,611)
Equity in fair value changes on financial assets at FVOCI for the year	2,672	741
Equity in translation adjustments	423	(56)
Equity in remeasurement of life insurance reserves	47	(29)
Equity in net unrealized gain on remeasurement of defined benefit plans	493	131
Equity in cash flow hedge reserve	(126)	87
Balance at end of year	(3,228)	(6,737)
Effect of intragroup transactions, net of movement during the year	917	964
	P235,301	P204,535

*Pertains to intercompany sale of lots in 2014 and 2015, which were sold to third parties in 2025 and 2024.

The movements in the Group's investments in joint ventures follow:

	2025	2024
Cost		
Balance at beginning of year	P43,469	P40,249
Additional investments during the year	-	3,220
Balance at end of year	43,469	43,469
Accumulated equity in net earnings		
Balance at beginning of year	9,191	8,108
Equity in net income for the year	1,699	1,805
Dividends received during the year	(25)	(722)
Balance at end of year	10,865	9,191
Accumulated equity in other comprehensive income (loss)		
Balance at beginning of year	40	(264)
Equity in net unrealized loss on remeasurement of defined benefit plans	(2)	-
Equity in cash flow hedge reserve	(45)	304
Balance at end of year	(7)	40
Effect of intragroup transactions, net of movement during the year	(8,438)	(8,617)
	P45,889	P44,083

Details regarding the Group's associates and joint ventures follow:

	Nature of Business	Country of Incorporation	2025		2024	
			Direct	Indirect	Direct	Indirect
Associates:						
MBTC	Banking	Philippines	39.84	-	37.15	-
MPIC	Infrastructure	-do-	19.62	-	18.20	-
AXA Phils	Insurance	-do-	25.33	11.15 ^A	25.33	10.40 ^A
Crown Central Properties Corporation (CCPC)	Real estate	-do-	-	-	-	48.00
Joint ventures:						
Bonifacio Landmark Corporation (BLC)	-do-	-do-	-	70.00 ^C	-	70.00 ^C
North Bonifacio Landmark Realty and Development Inc. (NBLRDI)	-do-	-do-	-	70.00 ^C	-	70.00 ^C
Federal Land NRE Global, Inc. (FNG)	-do-	-do-	-	66.00 ^C	-	66.00 ^C
Sunshine Fort North Bonifacio Realty and Development Corporation (Sunshine Fort)	-do-	-do-	-	60.00 ^C	-	60.00 ^C
HSL South Food Inc. (HSL)	-do-	-do-	-	60.00 ^C	-	60.00 ^C
Sunshine Fort North Bonifacio Commercial Management Corporation (SFNBCMC)	-do-	-do-	-	51.00 ^C	-	51.00 ^C
Alveo Federal Land Communities, Inc. (AFLCI)	-do-	-do-	-	50.00	-	50.00
ST 6747 Resources Corporation (STRC)	-do-	-do-	-	50.00	-	50.00
Mitsukoshi Federal Retail, Inc. (MFRI)	-do-	-do-	-	40.00	-	40.00
TFSPC	Financing	-do-	40.00	-	40.00	-
SMFC	-do-	-do-	20.00	10.56 ^D	20.00	9.85 ^D

^A First Metro Investment Corp. (FMIC), a subsidiary of MBTC, has a 28.2% stake at Phil AXA. FMIC is 99.28% owned by MBTC.

^B Federal Land disposed of its 48% stake in CCPC for P68.12 million.

^C Federal Land does not exercise control at more than 51% ownership over these joint ventures (JV) entities, but instead exercises joint control as Federal Land and the JV partners have contractually agreed to share control over the relevant economic activities of the JV entities

^D Philippine Savings Bank (PSBank), a subsidiary of MBTC, has a 30% interest in SMFC. PSBank is 88.38% owned by MBTC.



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The following table summarizes cash dividends declared and paid by the Group's associates and joint ventures (amount in millions, except for dividend per share):

	Declaration Date	Per Share	Total	Record Date	Payment Date
2025					
MBTC	February 19, 2025	₱1.50	₱6,746	March 6, 2025	March 28, 2025
MBTC*	February 19, 2025	2.00	8,995	March 6, 2025	March 28, 2025
MPIC	March 12, 2025	47.00	2,750	April 1, 2025	April 29, 2025
SMFC	June 19, 2025	6.33	127	June 4, 2025	July 14, 2025
MPIC	August 6, 2025	64.10	3,750	September 4, 2025	September 29, 2025
MBTC	August 20, 2025	1.50	6,746	September 8, 2025	September 23, 2025

*Special cash dividends

	Declaration Date	Per Share	Total	Record Date	Payment Date
2024					
MBTC	February 21, 2024	₱1.50	₱6,746	March 8, 2024	March 25, 2024
MBTC	February 21, 2024	1.50	6,746	September 5, 2024	September 20, 2024
MBTC*	February 21, 2024	2.00	8,995	March 8, 2024	March 25, 2024
MPIC	March 6, 2024	0.14	4,420	March 22, 2024	April 18, 2024
SMFC	June 28, 2024	5.45	109	June 13, 2024	July 23, 2024
MPIC	August 12, 2024	0.10	3,154	September 2, 2024	September 19, 2024
Phil AXA	December 12, 2024	150.00	1,500	November 30, 2024	December 17, 2024

*Special cash dividends

Investment in MBTC

On various dates in 2025, the Parent Company purchased an aggregate of 121.0 million common shares of MBTC for ₱8.77 billion. These transactions increased the Parent Company's ownership interest in MBTC from 37.15% as of December 31, 2024 to 39.84% as of December 31, 2025 (Notes 3 and 31).

Investment in MPIC

In 2023, MPIC voluntarily delisted its shares from the Philippine Stock Exchange. As of December 31, 2023, the Parent Company's ownership interest in MPIC is at 18.19%, after the acquisition of additional shares from the minority shareholders of MPIC as part of the delisting process and after MPIC's issuance of new common shares in 2023 which the Parent Company did not participate.

In 2024, MPIC bought back a total of 9.07 million shares as it continued to buy back shares held by its minority shareholders which increased the Parent Company's ownership interest in MPIC to 18.20% as of December 31, 2024.

In 2025, MPIC finalized the repurchase of its 4.58 million common shares from Mit-Pacific Infrastructure Holdings Corp. (MPIH). This increased the Parent Company's ownership interest in MPIC to 19.62%.

Investment in BLC

In 2024, Federal Land converted a portion of its loans receivable from BLC amounting to ₱3.22 billion into additional investments in BLC. Interest income earned from loans receivable before conversion amounted to ₱0.13 billion and ₱0.24 billion in 2024 and 2023, respectively.

Investment in NBLRDI

On June 14, 2018, Federal Land entered into a Joint Venture Agreement with ORPI to incorporate a joint venture company, NBLRDI, in which Federal Land held 70% equity interest. The agreement was entered to develop Grand Hyatt Residences Tower II.

Investment in FNG

In January 2022, Federal Land signed a joint venture agreement with Nomura Real Estate Development Co., Ltd. (NRE) to incorporate Federal Land NRE Global, Inc. (FNG), in which Federal Land holds a 66% stake. FNG was incorporated on March 25, 2022. FNG will develop a new urban lifestyle, creating value, and sustainable growth. As its initial project, it will incorporate four areas of land development with a total area of about 250 hectares in Metro Manila, Cavite and Cebu. These include an initial pipeline of residential, office, commercial and industrial facilities.

In 2022, FLI and HLPDC entered into a deed of exchange agreements with NRE where FLI and HLPDC will contribute real estate inventories with a total fair value of 17.66 billion in exchange for common and preferred shares in FNG. The total cost of the said real estate inventories amounting to ₱6.30 billion (Note 6). The Group recognized gain on the asset-for-share swap amounted to ₱3.86 billion. As a result of the asset-for-share swap, the cost of investment in FNG included the cost of inventories and the gain amounting to ₱6.30 billion and ₱3.86 billion, respectively.

In May 2023, the Parent Company and FNG entered into a deed of absolute sale, wherein, the Parent Company agreed to sell to FNG certain real estate inventories located in Cavite with a gross aggregate area of eight hundred eighty-five thousand sixty-seven square meters (885,067 sqm). The total selling price and total cost of the said real estate inventories amounted to ₱9.28 billion and ₱2.74 billion, respectively. The gain on sale recognized from this transaction in 2023 consolidated statements of income amounted to ₱2.16 billion, net of intercompany elimination and applicable taxes.

In May 2023, Federal Land and FNG also entered into a deed of absolute sale, wherein, Federal Land agreed to sell to FNG certain real estate inventories located in Cavite with a gross aggregate area of one million two hundred thirty-four thousand five hundred sixty-six square meters (1,234,566 sqm). The total selling price and total cost of the said real estate inventories amounted to ₱11.41 billion and ₱4.86 billion, respectively. The gain on sale recognized from this transaction at the Federal Land level and recognized in 2023 consolidated statements of income amounted to ₱588.96 million and ₱490.14 million, respectively, net of intercompany elimination and applicable taxes.

Investment in Sunshine Fort

On July 3, 2017, Federal Land entered into a Joint Venture Agreement with NREMI Development Company (NRE) to incorporate a joint venture company in which Federal Land held 60% equity interest. In 2017, Federal Land made an initial investment amounting to ₱288.75 million. In 2018, Federal Land made additional investments amounting to ₱4.33 billion.

Investment in AFLCI

On April 29, 2015, Federal Land and Alveo Land Corp. executed a joint venture agreement for the organization of a joint venture, AFLCI, to manage the development of a 45-hectare property along Laguna Boulevard in Biñan, Laguna. AFLCI was incorporated on June 16, 2015. An initial investment amounting to ₱574.13 million was reflected as additions to the investments in associates and joint ventures in 2015. In 2016, an additional investment amounting to ₱17.00 million was made.

Investment in STRC

In June 2016, SM Development Corporation (SMDC) entered into an agreement with Federal Land to incorporate a joint venture company, STRC, in which Federal Land holds a 50% stake. STRC will develop a three thousand two hundred square meter (3,200 sqm) property located along Ayala Avenue as a high-end luxury residential tower. An initial investment amounting to ₱250.00 million was reflected as additions to the investments in associates and joint ventures in 2016.

On December 12, 2016, the BOD of Federal Land approved the additional investment in STRC amounting to ₱750.00 million divided into preferred shares in the amount of ₱712.50 million and common shares in the amount of ₱37.50 million. On January 10, 2017, Federal Land has fully paid its subscription to STRC. The percentage of ownership is retained as SMDC also invested an equivalent amount.

In 2018 and 2017, Federal Land made additional investments in STRC amounting to ₱0.47 billion and ₱0.03 billion, respectively.

Investment in TFSPC

On August 29, 2014, the Parent Company signed a Sale and Purchase Agreement with MBTC and Philippine Savings Bank (PSBank), a majority owned subsidiary of MBTC, to purchase their respective shares in TFSPC representing 15.00% and 25.00%, respectively, of ownership interest for an aggregate consideration of ₱2.10 billion.

In 2021, 2020 and 2018, the Parent Company remitted ₱800.00 million, ₱800.00 million and ₱720.00 million, respectively, to TFSPC in response to the latter's equity call upon its stockholders.

Investment in SMFC

On August 11, 2017, the Parent Company acquired 4.0 million common shares, representing 20% ownership in SMFC for a total consideration of ₱379.92 million, from PSBank and PSBank Retirement Fund. In relation to the acquisition, the Parent Company capitalized documentary stamp taxes amounting to ₱1.50 million as part of the cost of the investment.

Fair Value of Investments in Associates and Joint Ventures

As of December 31, 2025 and 2024, the fair value of the Group's investment in MBTC based on listed price and share of the Group in the net asset value of MPIC (MPIC shares are unlisted) are below the carrying value of the respective investments (Note 32).

Management considers significant or prolonged decline in the quoted market price of MBTC and the excess of carrying value of the investment in MPIC over the Group's share in its net assets as indicators of impairment. The Group uses the higher of FVLCTS and VIU in determining the recoverable amount on the investment.

The Group performed an impairment assessment of its investment in MBTC in 2025 and 2024.

Notes to Consolidated Financial Statements

The recoverable amount of the investment in MBTC was based on the VIU of MBTC. The discount rate applied to MBTC cash flow projections is 12.24% and 12.56% in 2025 and 2024, respectively. Cash flows beyond the five-year period are extrapolated using a steady growth rate of 3.00% and 2.00% in 2025 and 2024, respectively. The calculation of VIU for the MBTC CGU is most sensitive to the assumptions on revenue and terminal growth rates and discount rate. Based on the Group's impairment testing, the investment in MBTC is determined to be not impaired.

The Group performed an impairment assessment of its investment in MPIC in 2025 and 2024. The recoverable amount of the investment in MPIC is based on VIU using the sum-of-the-parts valuation method. The sum-of-the-parts uses the VIU and FVLCTS of the entities within the MPIC Group. The VIU and FVLCTS calculations for the MPIC CGU are most sensitive to the FVLCTS of its listed associate based on its market price, and the VIU of MPIC's component businesses based on net asset values, cash flow forecasts and applicable discount rate. Based on the Group's impairment testing, the investment in MPIC is determined to be not impaired.

The following tables present the carrying values of the Group's material associates:

Investment in MBTC

	2025	2024
<i>Consolidated Statements of Comprehensive Income</i>		
Net interest income, other income and share in net income of associates and joint ventures	P158,079	P144,099
Expenses and provision for income tax	107,455	94,866
Net income	50,624	49,233
Other comprehensive income	9,000	3,011
Total comprehensive income	59,624	52,244
<i>Consolidated Statements of Financial Position*</i>		
Total assets	3,880,317	3,520,355
Total liabilities	(3,448,150)	(3,123,950)
Net assets	432,167	396,405
Equity attributable to NCI	(10,462)	(10,903)
Net assets attributable to common shareholders of MBTC	421,705	385,502
GT Capital's ownership interest	39.84%	37.15%
GT Capital's share in net assets	168,007	143,214
Notional goodwill**	744	4,162
Fair value adjustments - net of amortization	6,674	2,423
	P175,425	P149,799

*MBTC does not present classified consolidated statements of financial position.

**Net of the P3.42 billion gain on bargain purchase for the acquisition of additional shares in 2025.

Investment in MPIC

	2025	2024
<i>Consolidated Statements of Comprehensive Income</i>		
Revenues	P153,816	P139,277
Expenses and provision for income tax	114,037	104,298
Net income	39,779	34,979
Other comprehensive loss	288	(1,411)
Total comprehensive income	40,067	33,568
<i>Consolidated Statements of Financial Position</i>		
Current assets	102,153	76,577
Noncurrent assets	791,153	732,204
Current liabilities	(116,868)	(123,295)
Noncurrent liabilities	(416,893)	(378,183)
Net assets	359,545	307,303
Equity attributable to NCI	(91,458)	(56,704)
Net assets attributable to common shareholders of MPIC	268,087	250,599
GT Capital's ownership interest	19.62%	18.20%
GT Capital's share in net assets	52,599	45,609
Notional goodwill	3,439	3,439
Fair value adjustments - net of amortization	(807)	1,605
	P55,231	P50,653

The following table presents the carrying value of the Group's material joint venture:

Investment in FNG

	2025	2024
<i>Statements of Comprehensive Income</i>		
Revenues	P1,259	P436
Expenses and provision for income tax	1,500	640
Net loss	(241)	(204)
Total comprehensive loss	(241)	(204)
<i>Statements of Financial Position</i>		
Current assets	46,789	44,742
Noncurrent assets	1,698	1,285
Current liabilities	(1,878)	(781)
Noncurrent liabilities	(1,936)	(331)
Net assets	44,673	44,915
GT Capital's ownership interest	66.00%	66.00%
GT Capital's share in net assets	29,484	29,644
Intercompany eliminations and other adjustments	(15,953)	(15,950)
	P13,531	P13,694

The following table presents the aggregate financial information of the Group's other associates and joint ventures as of and for the years ended December 31, 2025 and 2024:

	2025		2024	
	Associates	Joint ventures	Associates	Joint ventures
Components who do not present classified statements of financial position*				
<i>Statements of Financial Position</i>				
Total assets	P198,212	P176,845	P186,032	P166,752
Total liabilities	179,513	155,559	170,190	146,715
<i>Statements of Comprehensive Income</i>				
Revenues	P19,610	P16,743	P19,359	P15,672
Expenses	16,340	14,845	16,052	13,293
Net income	2,519	1,370	2,480	1,724
Other comprehensive income (loss)	308	(104)	(125)	758
Total comprehensive income	2,827	1,266	2,355	2,482

*AXA Phil and TFSPC do not present classified statements of financial position.

	2025		2024	
	Associates	Joint ventures	Associates	Joint ventures
Components who present classified statements of financial position				
<i>Statements of Financial Position</i>				
Current assets	P281	P17,748	P254	P27,693
Non-current assets	-	14,269	3	32,489
Current liabilities	75	11,799	76	19,759
Non-current liabilities	7	226	9	6,574
<i>Statements of Comprehensive Income</i>				
Revenues	P50	P9,210	P29	P14,888
Expenses	17	7,145	16	10,510
Net income	26	1,155	12	2,322
Other comprehensive income (loss)	-	10	-	1
Total comprehensive income	26	1,165	12	2,323

The aggregate carrying values of the other associates and joint ventures, which includes Phil AXA, TFSPC, SMFC, CCPC, BLC, NBLRDI, Sunshine Fort, SFNBCMC, AFLCI, STRC, HSL and MFRI, amounted to P37.00 billion and P34.47 billion as of December 31, 2025 and 2024, respectively.

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Limitation on dividend declaration of associates and joint venture

AXA Philippines

Section 195 of the Insurance Code provides that a domestic insurance company shall declare or distribute dividends on its outstanding stock only from profits remaining on hand after retaining the following unimpaired:

- the entire paid-up capital stock;
- the margin of solvency required;
- the legal reserve fund required; and
- a sum sufficient to pay all net losses reported or in the course of settlement and all liabilities for expenses and taxes.

MBTC and TFSPC

The Bangko Sentral ng Pilipinas (BSP) requires banks to keep certain levels of regulatory capital and liquid assets, limit their exposures to other parts of the Group and comply with other regulatory ratios.

As of December 31, 2025 and 2024, there were no agreements entered into by the associates and joint ventures of the Group that may restrict dividends and other capital distributions to be paid, or loans and advances to be made or repaid to or from other entities within the Group.

As of December 31, 2025 and 2024, accumulated equity in net earnings amounting to ₱123.06 billion and ₱102.79 billion, respectively, are not available for dividend declaration. The accumulated equity in net earnings becomes available for dividends upon declaration and receipt of dividends from the investees.

As of December 31, 2025 and 2024, the Group has no share in the commitments and contingencies of its associates and joint ventures.

9. INVESTMENT PROPERTIES

The composition and rollforward analysis of this account follow:

	December 31, 2025					Total
	Land and Improvements	Building and Improvements	Construction-in-Progress	Right-of-use Assets		
Cost						
At January 1	₱8,030	₱12,284	₱6,319	21		₱26,654
Additions	–	340	6	–		346
Reclassification	2	15	(17)	–		–
Transfers (Notes 11 and 38)	–	(91)	–	–		(91)
At December 31	8,032	12,548	6,308	21		26,909
Accumulated Depreciation						
At January 1	32	4,152	–	11		4,195
Depreciation (Note 11)	–	553	–	–		553
Transfer (Notes 11 and 38)	–	(30)	–	–		(30)
At December 31	32	4,675	–	11		4,718
Net Book Value at December 31	₱8,000	₱7,873	₱6,308	₱10		₱22,191

	December 31, 2024					Total
	Land and Improvements	Building and Improvements	Construction-in-Progress	Right-of-use Assets		
Cost						
At January 1	₱8,030	₱11,659	₱6,302	₱–		₱25,991
Additions	–	219	17	21		257
Transfers (Notes 6 and 38)	–	406	–	–		406
At December 31	8,030	12,284	6,319	21		26,654
Accumulated Depreciation						
At January 1	32	3,633	–	–		3,665
Depreciation (Note 11)	–	519	–	11		530
At December 31	32	4,152	–	11		4,195
Net Book Value at December 31	₱7,998	₱8,132	₱6,319	₱10		₱22,459

Various parcels of land are leased to several individuals and corporations including related parties. Some of the lease contracts provide, among others, that within a certain period from the expiration of the contracts, the lessee will have to demolish and remove any and all improvements built within the leased properties. Otherwise, the lessor will cause the demolition and removal thereof and charge the cost to the lessee unless the lessor occupies and appropriates the same for its use and benefit. Rent income recognized from these properties amounted to ₱1.64 billion, ₱1.67 billion and ₱1.51 billion in 2025, 2024 and 2023, respectively (Note 30).

Construction-in-progress pertains to the accumulated cost incurred for the development and redevelopment of Federal Land's malls. The mall redevelopment is expected to be completed in 2026.

The aggregate fair values of the Group's investment properties amounted to ₱84.56 billion and ₱76.73 billion as of December 31, 2025 and 2024, respectively (Note 32). The fair values of the Group's investment properties have been determined based on valuations performed by third party independent appraisers which are accredited by the SEC. The valuation approach and inputs to the valuation of investment properties are discussed in Note 32.

The Group has contractual commitments and obligations for the construction and development costs to be incurred for investment properties amounting to ₱356.61 million and ₱342.99 million as of December 31, 2025 and 2024, respectively. These will be recognized as liabilities in the Group's consolidated financial statements when the related services are received.

10. INVESTMENT SECURITIES

Investment securities consist of:

	2025	2024
Current:		
Financial assets at FVTPL (Note 27)		
Quoted	₱130	₱910
Noncurrent:		
Financial assets at FVOCI		
Quoted	21,598	19,950
Unquoted	195	147
	21,793	20,097
	₱21,923	₱21,007

Financial assets at FVTPL

These pertain to the Parent Company and GTCAM's investments in unit investment trust fund (UITF) (Note 32).

Financial assets at FVOCI

Quoted equity securities

This includes foreign currency-denominated equity investments in Toyota Motor Corporation (TMC), a listed company in the Tokyo Stock Exchange, and investments in Vivant Corporation (VVT), a listed company in the PSE. The total of investments in TMC and VVT amounted to ₱21.19 billion and ₱19.54 billion as of December 31, 2025 and 2024, respectively. The Group has irrevocably elected to classify these investments under this category as it intends to hold these investments for the foreseeable future.

Unquoted equity securities

This account comprises shares of stocks of various unlisted private corporations. The Group has designated these equity securities at FVOCI because they will not be sold in the foreseeable future.

Unquoted equity securities include Toyota Aisin Philippines, Inc. (TAPI), representing 5.00% ownership interest, with carrying values of ₱188.37 million and ₱135.87 million as of December 31, 2025 and 2024, respectively, and unquoted equity securities held by Federal Land amounting to ₱4.94 million and ₱9.94 million as of December 31, 2025 and 2024, respectively.

Unquoted equity securities of Federal Land pertain to preferred shares of a utility company issued to the Group in connection with its subscription to the electricity services of the said utility company needed for Federal Land's real estate projects. The Group does not intend to dispose these investments since these are directly related to the continuity of its business.

Notes to Consolidated Financial Statements

Movements in the fair value reserves on financial assets at FVOCI follow:

	2025		Total
	Attributable to Parent Company	Non-controlling Interest	
Balance at beginning of year	₱7,914	₱271	₱8,185
Changes in fair values of financial assets at FVOCI, net of tax for TMC shares	1,109	21	1,130
Balance at end of year	₱9,023	₱292	₱9,315

	2024		Total
	Attributable to Parent Company	Non-controlling Interest	
Balance at beginning of year	₱5,588	₱302	₱5,890
Changes in fair values of financial assets at FVOCI, net of tax for TMC shares	2,326	(31)	2,295
Balance at end of year	₱7,914	₱271	₱8,185

11. PROPERTY AND EQUIPMENT

The composition and rollforward analysis of this account follow:

	2025									Total
	Building and Land Improvements	Land and Building	Machinery, Tools and Equipment	Furniture, Fixtures and Equipment	Transportation Equipment	Leasehold Improvements	Other Property and Equipment	Right-of-use assets	Construction-in-Progress	
Cost										
At January 1	₱9,941	₱3,516	₱3,116	₱1,838	₱1,131	₱421	₱8,134	₱28	₱1,084	₱29,209
Additions*	684	339	100	216	1,001	63	24	99	489	3,015
Disposals	(2)	(205)	–	(62)	(214)	(44)	(25)	–	–	(552)
Reclassifications	513	–	19	32	44	–	10	–	(618)	–
Transfers (Notes 6 and 9)	(511)	61	(22)	–	–	–	–	–	–	(472)
At December 31	10,625	3,711	3,213	2,024	1,962	440	8,143	127	955	31,200
Accumulated Depreciation and Amortization										
At January 1	2,457	198	2,269	1,196	391	388	6,144	27	–	13,070
Depreciation and amortization	742	12	554	256	274	43	294	17	–	2,192
Disposals	(1)	–	(4)	(62)	(130)	(32)	(25)	–	–	(254)
Transfers (Notes 6 and 9)	(175)	–	(18)	–	–	–	–	–	–	(193)
At December 31	3,023	210	2,801	1,390	535	399	6,413	44	–	14,815
Net Book Value at December 31	₱7,602	₱3,501	₱412	₱634	₱1,427	₱41	1,730	83	₱955	₱16,385

*In 2025, the additions are net of deferred profits of ₱122.51 from intragroup transactions.

	2024									Total
	Building and Land Improvements	Land and Building	Machinery, Tools and Equipment	Furniture, Fixtures and Equipment	Transportation Equipment	Leasehold Improvements	Other Property and Equipment	Right-of-use assets	Construction-in-Progress	
Cost										
At January 1	₱9,388	₱3,340	₱2,856	₱1,479	₱723	₱387	₱6,522	₱127	₱1,292	₱26,114
Additions	471	324	181	297	546	32	1,545	70	450	3,916
Disposals	(82)	(148)	(18)	(92)	(189)	–	(123)	(169)	–	(821)
Reclassifications	164	–	97	154	51	2	190	–	(658)	–
At December 31	9,941	3,516	3,116	1,838	1,131	421	8,134	28	1,084	29,209
Accumulated Depreciation and Amortization										
At January 1	2,180	192	2,081	1,157	413	352	6,104	47	–	12,526
Depreciation and amortization	359	41	206	131	158	36	163	11	–	1,105
Disposals	(82)	(35)	(18)	(92)	(180)	–	(123)	(31)	–	(561)
At December 31	2,457	198	2,269	1,196	391	388	6,144	27	–	13,070
Net Book Value at December 31	₱7,484	₱3,318	₱847	₱642	₱740	₱33	₱1,990	₱1	₱1,084	₱16,139

Construction-in-progress as of December 31, 2025 and 2024 pertains to Federal Land's and Toyota's building construction and improvements, and Toyota Group's machineries and building improvements. Expected completion of construction-in-progress is in subsequent year.

The Group has no significant capital commitments pertaining to its property and equipment as of December 31, 2025 and 2024.

Gain on disposal of property and equipment amounted to ₱52.34 million, ₱46.34 million and ₱18.42 million in 2025, 2024 and 2023, respectively (Note 23).

Details of depreciation and amortization follow:

	2025	2024	2023
Property and equipment	₱2,192	₱1,105	₱1,578
Investment properties (Note 9)	553	530	549
Intangible assets (Note 13)	104	100	69
	₱2,848	₱1,735	₱2,196

Breakdown of depreciation and amortization in the consolidated statements of income follows:

	2025	2024	2023
Consolidated Statements of Income			
Cost of goods manufactured and services sold (Notes 24 and 25)	₱1,171	₱477	₱981
Cost of rental (Note 30)	556	532	550
General and administrative expenses (Note 26)	1,121	726	665
	₱2,848	₱1,735	₱2,196

12. GOODWILL

Goodwill in relation to acquisitions has been attributed to the following CGUs:

	2025	2024
Toyota	₱5,424	₱5,424
TMBC	241	241
TSRLI	173	173
TRDCI	88	88
	₱5,926	₱5,926

Goodwill

Goodwill comprises the excess of the acquisition cost over the fair value of the identifiable assets and liabilities of companies acquired by the Group.

Toyota

The recoverable amount of Toyota CGU was based on VIU calculations using cash flow projections from financial budgets approved by management covering a five-year period. The pre-tax discount rate applied to cash flow projections is 11.52% in 2025 and 11.79% in 2024. Cash flows beyond the five-year period are extrapolated using a steady growth rate of 3.62% in 2025 and 2.97% in 2024. No impairment loss was recognized for goodwill arising from the acquisition of Toyota.

The key assumptions in the VIU calculations of Toyota are the following:

- Budgeted gross margins - Gross margins are based on vehicle models mix per dealer and the foreign exchange movements between the Philippine Peso versus the United States (US) Dollar and the Japanese Yen versus the US Dollar.
- Growth rate - The projected growth rate is based on a conservative steady growth rate that does not exceed the compounded annual growth rate for the global automotive industry; and
- Pre-tax discount rate - Discount rates reflect management's best estimate of the risks associated with the specific CGU. This is the benchmark rate used by management to measure operating performance.

Management believes that no reasonably possible change in any of the aforementioned assumptions would cause the carrying value of the CGU to exceed their recoverable amount.

Notes to Consolidated Financial Statements

TMBC

The recoverable amount of TMBC CGU was based on VIU calculations using cash flow projections from financial budgets approved by management covering a five-year period. The pre-tax discount rate applied to cash flow projections is 11.90% in 2025 and 12.36% in 2024. Cash flows beyond the forecast period are extrapolated using a long-term growth rate of 3.62% in 2025 and 2.97% in 2024. No impairment loss was recognized on the goodwill arising from the acquisition of TMBC.

The key assumptions in the VIU calculations of TMBC CGU are the following:

- Expected future cash inflows from automobile sales - The expected automobile sales is based on outlook and historical performance of the top car dealers.
- Growth rate - The projected growth rate is based on a conservative steady growth rate that does not exceed the compounded annual growth rate for the global automotive industry; and
- Pre-tax discount rate - Discount rate reflects management's best estimate of the risks associated with the specific CGU. This is the benchmark rate used by management to measure operating performance.

Management believes that no reasonably possible change in any of the aforementioned assumptions would cause the carrying value of the CGU to exceed their recoverable amount.

13. INTANGIBLE ASSETS

Intangible assets consist of:

	2025	2024
Customer relationship	P3,883	P3,883
Software costs - net	237	281
Franchise - net	3	3
	P4,123	P4,167

Customer Relationship

Customer relationship pertains to Toyota's contractual arrangements with its top dealer customers which lay out the principal terms upon which its dealers agree to do business. Toyota's relationship with its top dealers adds value to the operations of Toyota and enhances the latter's earnings potential.

The recoverable amount of the customer relationship of the Group was based on VIU calculations using earnings projections from financial budgets approved by management covering a three-year period. The pre-tax discount rate applied to earnings projections is 13.38% and 14.42% in 2025 and 2024, respectively. Cash flows beyond the forecast period are extrapolated using a steady growth rate of 3.57% and 2.97% in 2025 and 2024, respectively. No impairment loss was recognized for the customer relationship arising from the acquisition of Toyota.

The key assumptions in the VIU calculations for the customer relationship are the following assumptions:

- Attrition rate - Sales to key customers for the four-year period are computed by taking into account a 5.00% attrition rate or 95.00% retention rate;
- Earnings before interest and taxes (EBIT) margin on key customers - A 6.01% EBIT margin was used in projecting the net operating profit on sales to key customers for the three-year period; and
- Pre-tax discount rate - Discount rates reflect management's best estimate of the risks associated with the specific CGU. This is the benchmark rate used by management to measure operating performance.

Management believes that no reasonably possible change in any of the aforementioned assumptions would cause the carrying value of the CGU to exceed their recoverable amount.

Software Cost

The Group's software costs pertain to software cost and licenses. The rollforward analysis of the Group's software cost is as follows:

	2025	2024
Cost		
Balance at beginning of year	P1,074	P883
Additions	60	164
Disposals/reclassification	-	27
Balance at end of year	1,134	1,074

(Forward)

	2025	2024
Accumulated Amortization		
Balance at beginning of year	P793	681
Amortization (Note 11)	103	99
Disposals/reclassification	-	13
Balance at end of year	896	793
Net Book Value	P238	281

14. OTHER NONCURRENT ASSETS

This account consists of:

	2025	2024
Rental and other deposits (Note 30)	P347	P311
Derivative asset (Note 17)	48	31
Retirement asset (Note 28)	18	36
Others	85	17
	P498	P395

Rental and other deposits include rental deposits for the leased offices of the Group and deposits for the initial set-up of the services rendered by public utility companies. Rental deposits are to be applied on the last month's rent of the lease contract.

Others include the Group's noncurrent input VAT, deferred input VAT and derivative assets.

15. ACCOUNTS AND OTHER PAYABLES

This account consists of:

	2025	2024
Trade payables	P32,757	P24,717
Accrued expenses	12,759	11,370
Telegraphic transfers, drafts and acceptances payable	6,924	5,136
Deferred income	2,863	1,653
Accrued interest payable	1,326	1,288
Accrued commissions	1,017	1,136
Nontrade payables	558	446
Deferred output tax	529	1,020
Royalty payable	521	331
Retentions payable	400	95
Insurance payable	284	257
Customer advances	24	471
Others	390	1,917
	P60,352	P49,837

The details of trade payables are as follows:

	2025	2024
Automotive	P20,037	P19,805
Real estate	12,529	4,875
Others	191	37
	P32,757	P24,717

Trade payables for automotive pertain to the purchase of raw materials, spare parts and vehicles which are noninterest-bearing and are normally settled on one to 30-day term.

Trade payables for real estate pertain to billings received from contractors for construction costs incurred on a per project basis and commissaries for food products ordered.

Notes to Consolidated Financial Statements

The Group has foreign currency-denominated accounts and other payables (Note 33).

The details of accrued expenses are as follows:

	2025	2024
Dealers' incentives, supports and promotions	P7,388	P6,011
Salaries and employee benefits	1,024	1,086
Taxes	989	1,129
Freight, handling and transportation	761	713
Office supplies	306	173
Utilities and services	242	292
Repairs and maintenance	224	171
Outsourced services	210	262
Professional fees	184	376
Payable to contractors	171	198
Insurance	161	116
Regulatory fees and charges	54	10
Rent	27	10
Others	1,018	823
	P12,759	P11,370

Accrued expenses are noninterest-bearing and are normally settled within a 15-to-60-day term.

Telegraphic transfers and drafts and acceptance payable pertain to the liabilities of Toyota Group arising from importations of materials, spare parts and/or vehicles. These payables are normally settled after a 30-day term.

Accrued interest payables are normally settled within a 15-to-60-day term.

Accrued commissions are settled within one (1) year.

Deferred output tax pertains to VAT on the uncollected portion of the contract price of sold units.

Royalty payable represent cost of license for the use of technical know-how and information on data. The fees are calculated at 6.00% of the local value-added (LVA) of vehicles under production. The LVA represents the selling price less all costs for the knock-down parts, related taxes such as excise and sales tax and a certain percentage of administrative and selling costs. The fees also include charges from related affiliates and third-party suppliers representing initial costs of testing materials and trial parts and tools, sample molds and jigs that were utilized to test TMPC's present technical feasibility for the commercial production of newer car models.

Retentions payable represent a portion of construction cost withheld by the Federal Land Group and paid to the contractors after an agreed period commencing the completion of the project. Retentions payable due beyond one year are presented as noncurrent payable (Note 20).

Customer advances pertain to payments received from buyers for the processing of transfer of units upon turnover.

Others include refunds from cancelled sales from Federal Land and other government-related payables which are non-interest bearing and are normally settled within one year. These also include other non-interest bearing payables which are all due within one year.

16. SHORT-TERM AND LONG-TERM DEBTS

Short-term Debt

	Interest rate range		Outstanding balance	
	2025	2024	2025	2024
<i>Affiliated (Note 27)</i>				
Federal Land Group	5.35% - 5.50%	5.35% - 6.60%	P2,445	P2,945
Toyota Group	4.25% - 6.75%	5.25% - 6.80%	8,560	2,787
GTCAM Group	4.75% - 5.55%	5.60% - 6.30%	695	1,391
<i>Non-affiliated</i>				
Parent Company	4.86% - 4.90%	N/A	6,000	-
Federal Land Group	5.30% - 5.60%	5.35% - 6.00%	12,405	19,795
Toyota Group	4.24% - 6.92%	5.05% - 6.58%	4,760	2,354
GTCAM Group	4.68% - 5.10%	5.70% - 6.35%	675	639
			P35,540	P29,911

*Short term debts are all unsecured

Long-term Debt

	Interest rate range	Face amount		Outstanding balance		Terms
		2025	2024	2025	2024	
<i>Long-term Debt - Affiliated (Note 27)</i>						
Federal Land Group	6.08% - 8.16%	P7,975	P6,650	P7,896	P6,586	5-year unsecured loans; Payable in full upon maturity (Due from 2025 to 2027); Fixed interest
<i>Long-term Debt - Non-affiliated</i>						
Parent Company Peso loans	4.90% - 7.63%	48,078	61,345	47,952	61,184	10 to 13 years unsecured loans; Payable upon maturity (Due from 2025 to 2032); Fixed interest
Parent Company JPY loan (Note 17)	3-month JPY TONA plus 0.80%	7,741	8,082	7,719	8,043	Payable in full upon maturity (due March 2027) with prepayment option; Floating interest
Federal Land Group	4.89% - 7.98%	22,412	18,050	22,351	18,029	5 to 10 years unsecured loans; Payable in full upon maturity (due from 2026 to 2030); Fixed & Floating interest
Toyota Group	2.70% - 4.20%	246	246	246	246	5 to 10 years unsecured loans; Payable in full upon maturity; Fixed interest
GTCAM Group	4.85% - 5.94%	1,500	1,500	78	235	10-year secured loans; Payable in equal quarterly installments (due in 2026); Fixed interest
Total				86,242	94,323	
Less: Current portion				12,122	17,454	
				P74,120	P76,869	

As of December 31, 2025 and 2024, the movements in the deferred financing cost follow:

	2025	2024
Balance at beginning of year	P286	P385
Additions	90	-
Amortization	(87)	(99)
Balance at end of year	P289	P286

Notes to Consolidated Financial Statements

Total interest expense incurred on the above-mentioned debts in 2025, 2024 and 2023 follows:

	Interest expense charged to operations			Interest expense capitalized*		
	2025	2024	2023	2025	2024	2023
Long-term debt	P4,923	P5,819	P6,054	P51	P306	P434
Short-term debt	1,638	800	1,121	1	35	50
Corporate notes	–	91	104	–	23	33

*Capitalized interest pertains to FLI.

Required Financial Ratios

The table below presents a summary of the financial ratios required to be maintained by each entity within the Group under existing loan agreements.

Entity	Financial Ratio	Required Ratio
<i>Long-term loans</i>		
Parent Company	Debt-to-equity ratio	2.3:1
Federal Land (Affiliated)	Debt-to-equity ratio	3:1
Federal Land (Non-affiliated)	Debt-to-equity ratio	2:1
TMBC	Current ratio	1:1
TMBC	Debt-to-equity ratio	2.5:1
TMBC	Debt service ratio	1.2x

As of December 31, 2025 and 2024, the Group has complied with the foregoing required financial ratios.

17. FOREIGN LONG-TERM DEBT

In July 2022, upon refinancing, the Parent Company entered into an interest rate swap agreement with a non-affiliated foreign bank with the following terms:

Pay	Receive	Terms
0.852%	JPY TONA + 0.65%	¥11.655 billion up to July 2024
0.865%	JPY TONA + 0.65%	¥11.655 billion up to July 2024
1.255%	JPY TONA + 0.80%	¥22.01 billion from July 2024 to March 2027

Under the agreement, the Parent Company, on a quarterly basis, pays fixed interest rate of 0.852% - 1.255% and receives a floating interest rate of JPY TONA plus 0.65% - 0.80% spread from July 2022 to March 2027. On the same date, the Parent Company designated the swap as an effective hedging instrument under a cash flow hedge arrangement (Note 33). As such, the effective portion of the changes in fair value of the swaps was recognized under other comprehensive income amounting to P47.77 million and P31.34 million in 2025 and 2024, respectively. The derivative asset amounted to P47.77 million and P31.34 million as of December 31, 2025 and 2024, respectively (Note 14).

In accordance with the terms of the loan, the Parent Company may prepay on the last day of an interest period applicable thereto, the whole or any part of the loan. In July 2025 and July 2024, the Parent Company prepaid ¥1.40 billion and ¥1.30 billion, respectively.

18. CUSTOMERS' DEPOSITS

As of December 31, 2025 and 2024, customers' deposits represent refundable reservation fees and advance payments received from customers which can be applied as payment to the respective automotive sale transaction with the Group.

As of December 31, 2025 and 2024, the balance of this account amounted to P1.77 billion and P1.59 billion, respectively (Note 27).

19. OTHER CURRENT LIABILITIES

This account consists of:

	2025	2024
VAT payable	P1,780	P1,768
Withholding taxes payable	580	466
Unearned warranty revenue	2	60
Lease liabilities (Note 30)	1	8
Others	142	134
	P2,505	P2,436

Others pertain to payables on utilities, contracted maintenance and security agencies and regulatory premium or contribution payable. These are normally payable within one year.

20. LIABILITIES ON PURCHASED PROPERTIES AND OTHER NONCURRENT LIABILITIES

Liabilities on Purchased Properties

Liabilities on purchased properties are payables to various real estate property sellers. Under the terms of the agreements executed by Federal Land covering the purchase of certain real estate properties, the titles of the subject properties shall be transferred to Federal Land only upon full payment of the real estate loans.

In 2012, Federal Land acquired certain land and investment properties aggregating P3.72 billion, with 20.00% downpayment amounting to P0.74 billion. The outstanding balance amounting to P2.98 billion is payable in 13 years with 3.00% interest per annum. The outstanding balance was discounted at the prevailing market rate of 5.40% and the discounted liability as of December 31, 2025 and 2024 amounted to P0.85 billion and P1.00 billion, respectively.

In November 2019, Federal Land acquired a land located in Makati City. Of the total purchase amount of P1.20 billion, P0.29 billion was paid in 2019 as downpayment and P0.91 billion is payable in five equal annual installments commencing February 1, 2020 to 2024. The loan bears 3.50% interest per annum and is unsecured. The loan was settled in full in 2024.

Current portion of liabilities on purchased properties amounted to P0.85 billion and P1.00 billion as of December 31, 2025 and 2024, respectively. Accretion of interest in 2025, 2024 and 2023 amounted to P17.90 million, P20.40 million and P28.18 million, respectively.

Other Noncurrent Liabilities

This account consists of:

	2025	2024
Retention payable - noncurrent portion	P1,204	P1,215
Refundable and other deposits	1,177	891
Provisions (Note 36)	797	753
Lease liabilities (Note 30)	155	89
Finance lease obligation	142	182
Unearned warranty revenue	88	–
Unearned rent income	1	1
	P3,564	P3,131

Retentions payable represent a portion of construction cost withheld by the Group and paid to the contractors after an agreed period commencing the completion of the project.

Provisions consist of:

	2025	2024
Product warranties	P563	P607
Claims and assessments	234	146
	P797	P753

Notes to Consolidated Financial Statements

TMPC is periodically subject to examinations by the Bureau of Internal Revenue (BIR) covering various tax types, including income tax, withholding taxes, value added tax (VAT), and other regulatory assessments. Based on ongoing BIR audits and consultations with the Company's external tax advisors, management believes that any resulting liabilities arising from these matters, if any, will not have material adverse impact on the Group's financial position or results of operations. The information usually required by PAS 37, *Provisions, Contingent Liabilities and Contingent Assets*, is not disclosed on the grounds that it can be expected to prejudice the outcome of pending litigations. These provisions and contingencies relate to warranty claims and assessment.

Refundable and other deposits consist mainly of tenants' rental deposit from operating lease contracts with terms ranging from five to ten years. Rental deposits are obtained to secure faithful compliance of tenants' obligation under the lease contract and to answer for unpaid bills of lessees affecting the leased premises, any damage to the leased premises, and other similar costs. Rental deposits may also be applied to the unpaid rentals upon termination of the lease contract.

Unearned warranty revenue represents an unamortized portion of the warranty revenue to be recognized beyond one year.

21. CONTRACT BALANCES AND COST TO OBTAIN A CONTRACT

The contract balances of the Group consist of the following:

	2025	2024
Contract Assets		
Current	₱5,017	₱4,685
Noncurrent	5,487	5,185
	10,504	9,870
Contract Liabilities		
Current	₱3,059	₱2,950

Contract assets are initially recognized for revenue earned from real estate sales as receipt of consideration is conditional on successful completion of installation. Upon completion of performance obligation and acceptance by the customer, the amounts recognized as contract assets are reclassified to trade residential and office development receivables.

Contract liabilities consist of collections from real estate customers which have not reached the 10.00% threshold to qualify for revenue recognition and excess of collections over the recognized receivables and contract assets based on percentage of completion.

The amount of revenue recognized in 2025 and 2024 from amounts included in contract liabilities at the beginning of the year amounted to ₱0.58 billion and ₱0.76 billion, respectively.

Cost to Obtain a Contract

The balances below pertain to the cost to obtain contracts included in 'Prepaid expenses' (Note 7):

	2025	2024
Balance at beginning of year	₱94	₱143
Additions during the year	316	464
Amortization	(399)	(513)
Balance at end of year	₱11	₱94

Performance Obligations

Information about Federal Land Group's performance obligations are summarized below:

Real estate sales

The Federal Land Group entered into contracts to sell with one identified performance obligation which is the sale of the real estate unit together with the services to transfer the title to the buyer upon full payment of contract price. The amount of consideration indicated in the contract to sell is fixed and has no variable consideration.

The sale of real estate unit covers condominium units, and Federal Land Group concluded that there is one performance obligation in each of these contracts. Federal Land Group recognizes revenue from the sale of these real estate projects under pre-completed contract over time during the course of the construction.

Payment commences upon signing of the contract to sell and the consideration is payable in cash or under various financing schemes entered with the customer. The financing scheme would include payment of 10%-100% of the contract price to be paid over a maximum of 60 months at a monthly payment based on amortization schedule with remaining balance payable (a) in full at the end of the period either through cash or external financing; or (b) through in-house financing which ranges from five (5) to ten (10) years with fixed monthly payment. The amount due for collection under the amortization schedule for each of the customer does not necessarily coincide with the progress of construction, which results in either a contract asset or contract liability.

After the delivery of the completed real estate unit, Federal Land Group provides one-year warranty to repair minor defects on the delivered condominium unit. This is assessed by the Parent Company as a quality assurance warranty and not treated as a separate performance obligation.

The transaction price allocated to the remaining performance obligations (unsatisfied or partially satisfied) as at December 31 as follows:

	2025	2024
Within one year	₱1,743	₱2,086
More than one year	1,390	1,138
	₱3,133	₱3,224

22. EQUITY

Capital Stock and Additional Paid-in Capital

As of December 31, 2025 and 2024, the paid-up capital consists of the following (amounts in millions, except for number of shares):

	Shares		Amount	
	2025	2024	2025	2024
Voting Preferred stock - ₱0.10 par value				
Authorized	174,300,000	174,300,000		
Issued and outstanding	174,300,000	174,300,000	₱17	₱17
Perpetual Preferred stock - ₱100.00 par value				
Authorized	20,000,000	20,000,000		
Issued and outstanding	12,000,000	12,000,000	1,200	1,200
Common stock - ₱10.00 par value				
Authorized	298,257,000	298,257,000		
Issued and outstanding	215,284,587	215,284,587	2,153	2,153
Subtotal			3,370	3,370
Treasury shares	(4,839,240)	(4,839,240)	(484)	(484)
Additional paid-in capital			94,472	94,472
			₱97,358	₱97,358

The Parent Company's common shares with par value of ₱10.00 were listed on the Philippine Stock Exchange (PSE) on April 20, 2012.

Voting Preferred Shares of Stock

The voting preferred shares has the following features, rights and privileges:

- The voting preferred shares have a par value of ₱0.10 per share.
- The dividend rate of 3.77% was fixed based on the 3-year PDST-R2 on April 13, 2015, subject to re-pricing every ten (10) years and payable annually, in accordance with the amended Articles of Incorporation and the Prospectus. The dividend rate on the voting preferred shares was repriced at 5.8158%, based on the 3-year BVAL as of April 14, 2025, which marks the 10th anniversary from the issue date. These are non-cumulative and the holders thereof are entitled to the payment of current but not past dividends;
- These are non-participating in any other further dividends beyond that specifically payable on the shares;
- These are redeemable at par value, at the sole option of the Parent Company, under terms and conditions approved by the Board of Directors;
- The holders of Voting Preferred Shares shall be entitled to one vote for each share in his name on the books of the Parent Company;
- The holders of Voting Preferred Shares shall have no pre-emptive rights to any issue of shares, Common or Preferred;
- These are not listed and not tradable in the Philippine Stock Exchange.

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Perpetual Preferred Shares of Stock

The perpetual preferred shares shall have the following features, rights and privileges:

- The perpetual preferred shares have a par value of ₱100.00 per share and issued on October 27, 2016 with an issue value of ₱1,000.00 per share. Series A issued amount to ₱4.80 billion with a dividend rate per annum of 4.6299% while Series B issued amount to ₱7.20 billion with a dividend rate per annum of 5.0949%;
- The perpetual preferred shares are cumulative and the holders thereof are entitled to the payment of current as well as any accrued or unpaid dividends before any dividends can be paid to the holders of common shares. No dividend shall be declared or paid on the common shares unless the full accumulated dividends on all the perpetual preferred shares for all past dividend periods and for the current dividend period shall have been declared and paid by the Parent Company;
- The holders of perpetual preferred shares have preference over holders of common shares in the distribution of corporate assets in the event of dissolution, liquidation or winding up of the corporation, whether voluntary or involuntary;
- The perpetual preferred shares are not entitled to vote, except in those cases specifically provided by law;
- The perpetual preferred shares are non-participating in any other further dividends beyond that specifically payable thereon;
- The perpetual preferred shares are non-convertible to common shares or voting preferred shares;
- The perpetual preferred shares have no pre-emptive rights to any issue of shares, common or preferred;
- Both Series A and B of said perpetual preferred shares were listed on the Philippine Stock Exchange on October 27, 2016;
- The Parent Company has the option, but not the obligation, to redeem in whole (but not a part of) the Shares of Series A on 5th anniversary of the Issue Date, or any dividend payment date and for Series B on the 7th anniversary of the Issue Date, or any dividend payment date;
- If not redeemed on the optional redemption date, the dividend rate will be adjusted on the 7th anniversary of the Issue Date for Series A while the 10th anniversary of the Issue Date for Series B;
- The dividend rate for Series A will be adjusted on the relevant Rate Adjustment Date to the higher of (1) Prevailing dividend rate of 4.6299%; or (2) the sum of: (a) simple average of closing 7-year PDST-R2 benchmark rate for each of the 3 consecutive business days immediately preceding and inclusive of the Rate Adjustment date; and (b) Series A adjustment Spread of 1.5% per annum while for Series B will be adjusted to the higher of (1) Prevailing dividend rate of 5.0949%; or (2) the sum of: (a) simple average of closing 10yr PDST-R2 benchmark rate for each of the 3 consecutive business days immediately preceding and inclusive of the Rate Adjustment date; and (b) Series B adjustment Spread of 1.875% per annum.

On October 27, 2023, the Parent Company redeemed all of its 4,839,240 perpetual preferred shares series A (GTPPA) at the issue price of ₱1,000 per share or a total redemption price of ₱4.84 billion including APIC amounting to ₱4.36 billion. There is no redemption of perpetual preferred shares in 2025 and 2024.

Common Shares

On April 20, 2012, the Parent Company was listed with the PSE. A total of 33.00 million common shares were issued at an issue price of ₱455. As of December 31, 2025 and 2024, there are 215.28 million shares listed at the PSE. The number of holders and the closing price of the said common shares is 103 and ₱595 per share, respectively as of December 31, 2025, and 94 and ₱658 per share, respectively, as of December 31, 2024.

The historical information on the Parent Company's share issuances, beginning the initial public offering and including all subsequent issuances, is set below:

Issuance	PSE Listing Date	Issue price	No. of shares listed
Initial Listing	April 20, 2012	₱455	33,000,000
Private placement	January 10, 2013	620	16,300,000
Private placement	April 26, 2017	1,185	18,296,685
Stock dividends	August 2, 2018	997	6,740,899
Stock dividends	August 1, 2019	840	15,947,003

Retained Earnings

On December 6, 2018, the BOD of the Parent Company approved the appropriation of retained earnings amounting to ₱17.00 billion to be earmarked for strategic investment in property development starting in 2019. In March 2019, ₱16.60 billion out of ₱17.00 billion was reversed.

In December 2025, the remaining ₱400.00 million was reverted to unappropriated retained earnings upon the approval of the BOD.

Details of the Parent Company's dividend distributions to preferred shareholders out of the Parent Company's retained earnings as approved by the Parent Company's BOD follow:

Date of declaration	Per share	Total amount (in millions)	Record date	Payment date
Voting Preferred Shares				
May 14, 2025	₱0.00582	₱1.01	May 28, 2025	June 13, 2025
March 13, 2024	0.00377	0.66	March 27, 2024	April 12, 2024
March 20, 2023	0.00377	0.66	April 3, 2023	April 19, 2023
Perpetual Preferred Shares				
Series B				
December 12, 2025	12.73725	91.21	January 5, 2026	January 27, 2026
December 12, 2025	12.73725	91.21	April 6, 2026	April 27, 2026
December 12, 2025	12.73725	91.21	July 6, 2026	July 27, 2026
December 12, 2025	12.73725	91.21	October 5, 2026	October 27, 2026
December 13, 2024	12.73725	91.21	January 6, 2025	January 27, 2025
December 13, 2024	12.73725	91.21	April 7, 2025	April 28, 2025
December 13, 2024	12.73725	91.21	July 7, 2025	July 28, 2025
December 13, 2024	12.73725	91.21	October 6, 2025	October 27, 2025
December 15, 2023	12.73725	91.21	January 5, 2024	January 29, 2024
December 15, 2023	12.73725	91.21	April 5, 2024	April 29, 2024
December 15, 2023	12.73725	91.21	July 5, 2024	July 29, 2024
December 15, 2023	12.73725	91.21	October 7, 2024	October 28, 2024

Details of the Parent Company's dividend distributions to common shareholders out of the Parent Company's retained earnings as approved by the Parent Company's BOD follow:

Date of declaration	Per share	Total amount (in millions)	Record date	Payment date
August 8, 2025 (2nd payout)	₱3.00	₱645.85	August 27, 2025	September 5, 2025
March 21, 2025 (1st payout)	3.00	645.85	April 2, 2025	April 16, 2025
March 21, 2025 (Special)	2.00	430.57	April 2, 2025	April 16, 2025
August 7, 2024 (2nd payout)	3.00	645.85	August 22, 2024	September 6, 2024
March 13, 2024 (1st payout)	3.00	645.85	March 27, 2024	April 12, 2024
March 13, 2024 (Special)	2.00	430.57	March 27, 2024	April 12, 2024
March 20, 2023	3.00	645.85	April 3, 2023	April 19, 2023

The computation of retained earnings available for dividend declaration in accordance with the SEC Memorandum Circular No. 11 issued in December 2008 differs to a certain extent from the Parent Company's stated retained earnings as of December 31, 2025 and 2024.

In addition, certain amount of retained earnings is required to be maintained to enable the Group to meet certain financial ratios as stipulated in the loan covenants.

Details of dividend declarations of the Group's subsidiaries follow:

	Date of declaration	Class of stock	Total amount (in millions)	Record date	Payment date
Federal Land	February 27, 2023	Preferred Shares-A	₱320.00	February 28, 2023	February 28, 2023
Toyota	February 27, 2023	Preferred Shares-B	332.58	February 28, 2023	February 28, 2023
	June 11, 2025	Common	15,046.51	December 31, 2024	October 29, 2025
	June 10, 2024	Common	13,882.82	December 31, 2023	October 29, 2024
	June 8, 2023	Common	5,398.90	December 31, 2022	October 27, 2023

Notes to Consolidated Financial Statements

Other comprehensive income (loss)

Other comprehensive income (loss) consists of the following, net of applicable income taxes:

	2025	2024
Fair value reserves on financial assets at FVOCI (Note 10)	₱9,023	₱7,914
Net unrealized loss on remeasurement of retirement plan	(208)	(191)
Cash flow hedge reserve (Notes 14 and 17)	47	31
Cumulative translation adjustments	5	1
Equity in other comprehensive income (loss) of associates and joint ventures:		
Equity in cumulative translation adjustments	(2,629)	(3,052)
Equity in net unrealized loss on remeasurement of retirement plan	(1,567)	(2,057)
Equity in fair value reserves on financial assets at FVOCI	715	(1,956)
Equity in remeasurement of life insurance reserves	254	207
Equity in cash flow hedge reserves	32	202
Equity in other equity adjustments of associates	5	5
	₱5,677	₱1,103

The movements and analysis of the other comprehensive income are presented in the consolidated statements of comprehensive income.

Non-controlling interests

The following table presents the rollforward of non-controlling interests:

	2025	2024	2023
Balance at beginning of year	₱17,333	₱15,813	₱11,272
Share of non-controlling interest in:			
Net income	9,409	8,735	7,562
Other comprehensive income (loss)	15	(10)	(15)
Cash dividends paid to non-controlling interest shareholders	(8,102)	(7,205)	(3,006)
Balance at end of year	₱18,655	₱17,333	₱15,813

Other equity adjustments

This pertains to the prior years equity transactions with subsidiaries that did not result in any change in control over the investee companies.

Financial Information of Subsidiaries

The financial information of subsidiaries that have material non-controlling interests is provided below:

Proportion of equity interests held by non-controlling interests

TMPC	2025	2024
Direct and Effective Ownership	49.00%	49.00%
Carrying value of material non-controlling interests	₱15,563	₱14,328

Net income for the period allocated to material non-controlling interests

TMPC	2025	2024	2023
	₱8,985	₱8,334	₱7,184

The following table presents the financial information of subsidiaries with material NCI as of and for the years ended December 31, 2025 and 2024:

	2025	2024
	TMPC	TMPC
Statement of Financial Position		
Current assets	₱72,581	₱57,278
Non-current assets	14,899	14,716
Current liabilities	56,908	45,452
Non-current liabilities	3,068	3,077

(Forward)

	2025	2024
	TMPC	TMPC
Statement of Comprehensive Income		
Revenues	₱267,957	₱247,151
Expenses and provision for income tax	248,509	230,727
Net income	19,448	16,424
Total comprehensive income	19,479	16,411
Statement of Cash Flows		
Net cash provided by operating activities	₱8,955	₱27,196
Net cash used in investing activities	(1,648)	(3,628)
Net cash used in financing activities	(7,551)	(21,561)

Dividends paid to non-controlling interests amounted ₱7.77 billion and ₱7.07 billion in 2025 and 2024.

Capital Management

The primary objective of the Group's capital management is to ensure that it maintains a strong and healthy consolidated statement of financial position to support its current business operations and drive its expansion and growth in the future.

The Group maintains its current capital structure, and will make adjustments, if necessary, in order to generate a reasonable level of returns to shareholders over the long term. Equity, which the Group considers as capital, pertains to the equity attributable to equity holders of the Parent Company. The Group's sources of capital are capital stock and retained earnings. No changes were made in the objectives, policies or processes in 2025 and 2024. The Parent Company considers total equity in the Parent Company Financial Statements as its capital amounting to ₱168.96 billion and ₱156.45 billion as of December 31, 2025 and 2024, respectively.

The Parent Company maintains equity at a level that is compliant with its loan covenants.

23. OTHER INCOME

Other Income

This account consists of:

	2025	2024	2023
Ancillary income	₱1,443	₱1,466	₱1,271
Interest income	1,271	1,561	1,475
Dividend income	619	559	450
CARS incentives (Note 29)	390	–	433
Commission income	351	354	958
Real estate forfeitures, charges and penalties	284	285	545
Management fee (Note 27)	274	410	625
Subscription income	80	62	70
Gain on disposal of property and equipment (Note 11)	52	46	18
Realized and unrealized gain on financial assets at FVTPL	13	41	366
Others (Notes 5 and 8)	1,294	794	699
	₱6,071	₱5,578	₱6,910

Ancillary income represents incentives received by Toyota dealers from financing institutions for vehicles sold to financing customers and from insurance companies for policies written for buyers.

Interest income consists of:

	2025	2024	2023
Cash and cash equivalents and short-term investment (Note 4)	₱1,152	₱1,254	₱886
Receivables (Note 5)	102	273	393
Installment contracts receivable (Note 5)	17	34	196
	₱1,271	₱1,561	₱1,475

Interest income on installment contracts receivable consists of accretion of unamortized discount of and interest income from receivables of the

Notes to Consolidated Financial Statements

Group.

Real estate forfeitures, charges and penalties are earned when a buyer is delinquent on his payment or cancels his purchase of condominium units, after deducting any cash surrender value.

In 2021, Toyota availed of the tax incentives under Executive Order No. 182 Series of 2015 or the Comprehensive Automotive Resurgence Strategy (CARS) Program. Tax credits utilized by Toyota to pay tax dues amounted to ₱390.38 million, nil and ₱433.47 million in 2025, 2024, and 2023 respectively (Note 29).

Management fee includes services rendered by Federal Land in the administration of different projects related to the joint venture (Note 27).

24. COST OF GOODS AND SERVICES SOLD

This account consists of:

	2025	2024	2023
Cost of goods and services sold	₱217,914	₱201,972	₱189,348
Cost of goods manufactured and sold (Note 25)	46,638	42,748	39,661
	₱264,552	₱244,720	₱229,009

Cost of goods and services sold consists of:

	2025	2024	2023
Automotive Segment			
<i>Trading and Services</i>			
Vehicles, materials and other incidental costs	₱218,054	₱188,684	₱197,735
Cost of services	1,570	1,271	1,140
Decrease (increase) in vehicle and spare parts inventories	(2,591)	11,072	(10,590)
	217,033	201,027	188,285
Other Segments			
<i>Food, Gasoline, Retail and Petroleum Products</i>			
Cost of inventories	849	910	1,025
Direct Labor	14	16	17
Overhead	18	19	21
	881	945	1,063
	₱217,914	₱201,972	₱189,348

Overhead includes depreciation and amortization, rent expense and common usage and service area charges.

25. COST OF GOODS MANUFACTURED AND SOLD

Cost of goods manufactured and sold consists of:

	2025	2024	2023
Raw materials used	₱43,340	₱38,584	₱36,199
Royalty and technical assistance fees	1,064	963	802
Depreciation and amortization	1,022	310	518
Employee welfare and benefits	1,011	965	897
Direct labor	546	447	391
Repairs and maintenance	474	447	205
Manufacturing supplies	424	257	222
Indirect labor	336	379	346
Utilities and services	222	196	166
Taxes and licenses, stockyard operational costs and others	95	596	262
	48,534	43,144	40,008
Increases in finished goods and work-in-process inventories	(1,896)	(396)	(347)
	₱46,638	₱42,748	₱39,661

26. GENERAL AND ADMINISTRATIVE EXPENSES

This account consists of:

	2025	2024	2023
Advertising and promotions	₱5,212	₱5,332	₱4,958
Salaries, wages, and employee benefits (Notes 27 and 28)	4,486	4,206	3,621
Delivery and handling	4,232	4,048	3,336
Taxes and licenses	2,516	2,519	2,128
Commissions	1,349	1,655	1,616
Depreciation and amortization (Note 11)	1,121	726	661
Light, water and other utilities	672	616	502
Repairs and maintenance	664	783	614
Office supplies	529	185	194
Warranty	507	207	234
Provision for (recoveries from) credit losses - net (Note 5 & 7)	385	49	(75)
Professional fees	249	284	365
Outside services	246	286	285
Rent (Note 30)	205	189	135
Transportation and travel	175	150	130
Donation	172	40	41
Unrealized foreign exchange loss	166	560	202
Communications	106	104	97
Provision for inventory write-down (Note 6)	99	45	16
Insurance	79	77	71
Administrative and management fees	74	152	236
Entertainment, amusement and recreation	36	44	39
Royalty and service fees	20	26	24
Others	817	885	827
	₱24,117	₱23,168	₱20,257

Other expenses include membership and subscription fees, dealer development, corporate events, and contractual services.

27. RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability, directly, or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions and the parties are subject to common control or common significant influence. Related parties may be individuals or corporate entities. These related parties include subsidiaries, associates, joint venture, key management personnel, stockholders and other related parties which include affiliates.

An entity is considered an affiliate if such entity and the Parent Company have common shareholders. In effect, such entity is a sister company of the Parent Company by virtue of ownership and common control. It is neither a subsidiary nor associate of the Group.

The Group, in its regular conduct of its business, has entered into transactions with its associates, joint ventures and other related parties principally consisting of cash advances for reimbursement of expenses, merger and acquisitions and capital infusion, leasing agreements, management agreements and dividends received from associates.

Transactions with related parties are made at normal market prices. Except as otherwise indicated, outstanding balances at year end are unsecured and settlement occurs generally in cash. There have been no guarantees provided or received for any related party receivables or payables. The Group does not provide any allowance relating to receivable from related parties.

This assessment is undertaken each financial year through examining the financial position of the related parties and the markets in which the related parties operate.

Notes to Consolidated Financial Statements

The following tables show the significant related party transactions included in the consolidated financial statements. Transactions with subsidiaries have been eliminated in the consolidated financial statements.

Category	December 31, 2025		
	Amount/ Volume	Outstanding Balances	Terms and Conditions/Nature
Significant Investor			
Dividends Payable	P964	P-	Dividends paid during the year
Subsidiaries			
Accounts receivable	38,047	2,375	Vehicle and service accounts receivables
Dividend receivables	-	178	Dividends declared during the year
Parts receivables	-	1	Automotive parts receivables
Promo subsidy receivables	-	369	Automotive subsidy receivables
Receivable from affiliate	-	2	Management service income receivable
Rent receivable	-	24	Non-interest bearing; due and demandable
Nontrade receivables	-	1	Non-interest bearing; due and demandable
Due from related parties	123	802	Non-interest bearing; due and demandable
Building and improvements	335	-	Purchase of selected floors of GT Tower
Investment in shares of stock	-	60,470	Investments in stocks of subsidiaries
Investment properties - building	1,778	-	Purchase of selected floors of GT Tower
Right-of-use asset	(86)	68	Rental of office spaces and company car
Transportation Equipment	9	-	Acquisition of new transportation equipment
Security deposits	2	24	Rental deposits
Accounts and other payables	1,502	436	Vehicle accounts payable for swapping of units
Accrued expenses payable	-	2	Property management, outside services, and utilities
Unearned warranty revenue	-	4	Warranty premium not yet earned
Lease payable	33	71	Lease of office spaces and company cars
Notes payable	-	1,917	Vehicle notes payable
Dividend income	8,134	-	Dividend income from subsidiaries
Rent income	60	-	Non-interest bearing; due and demandable
Advertising and publicity	1	-	Share in sponsorship
Amortization expense - ROU	32	-	Amortization of ROU on lease of office space
Dealer operation assistance fees	121	-	Assistance to dealers
Interest expense	3	-	Interest accretion on lease liabilities
Light, water and other utilities	2	-	Electricity and water charges in offices
Other general and administrative expenses	3	-	TDIMS expenses
Outside services	13	-	Security services and assigned staff for properties in Cavite
Rent expense	1	-	Office space rent
Repairs and maintenance	3	-	Repairs and maintenance of properties
Service fees	51	-	Property management fee of inventory land in Cavite
Warranty claims	-	6	Claims for warranties

(Forward)

Category	December 31, 2025		
	Amount/ Volume	Outstanding Balances	Terms and Conditions/Nature
Associates			
Cash and cash equivalents	P1,039,398	P9,500	Unsecured; Interest bearing at prevailing market rate; due and demandable
Cash in bank	3	355	Savings deposit net of withdrawals
Financial assets at FVTPL	782	130	Investment in UITF
Accounts receivable	8	134	Vehicle and service accounts receivables
Commission receivable	-	11	Unsecured; non-interest bearing; due and demandable
Accrued interest receivable	-	18	Interest on time deposits
Rent receivable	-	57	Non-interest bearing; due and demandable
Retirement assets	-	11	Retirement fund
Short-term investments	10,769	-	Short-term placements during the year
Nontrade receivables	47	47	Plant tour fee
Receivable from sharing of expenses	66	-	Non-interest bearing; due and demandable
Due from related parties	-	142	Non-interest bearing; due and demandable
Investment in shares of stock	8,765	126,998	Purchase of additional shares
Due to related parties	-	227	Non-interest bearing; due and demandable
Insurance payable	-	62	Payable to insurance companies
Nontrade payables	54	26	Non-interest bearing; due and demandable
Short-term debt	15,245	10,990	Unsecured; With interest ranging from 3% to 6%; Payable in 2026
Loans payable	-	7,975	Unsecured; With interest ranging from 2.75% to 4.25%; Payable in 2026-2030
Insurance Payable	-	40	
Commission income	23	-	Non-interest bearing; due and demandable
Dividend income	1,275	-	Dividend income from associates
Interest income	348	-	Prevailing interest rate on savings and time deposit accounts
Rent income	313	-	Non-interest bearing; due and demandable
Gain on FVTPL investments	1	-	Realized gain on UITF investments
Agency fees	7	-	Safekeeping and trust agreement
Bank charges	2	-	Charges for miscellaneous transactions
Insurance Expense	5	-	Comprehensive General Liability insurance, Group Life, Car insurance, Fire, Directors and Officers Liability insurance
Interest expense	171	-	Interest on bank loans
Joint Ventures			
Accounts Receivable	26	94	Vehicle and service accounts receivables
Financing Receivable	-	355	Vehicle financing receivable
Commission receivable	-	220	Non-interest bearing; due and demandable
Rent receivable	-	72	Non-interest bearing; due and demandable
Loans receivable	-	705	Unsecured; With interest of 4.5%; Payable in 2032
Management fee receivable	-	146	Non-interest bearing; due and demandable
Nontrade receivables	291	292	Various reimbursable expenses
Other non-current assets	119	88	
Other receivables	-	48	Non-interest bearing; due and demandable
Receivable from sharing of expenses	95	646	Non-interest bearing; due and demandable
Due from related parties	-	253	Non-interest bearing; due and demandable
Investment in shares of stock	-	5,180	
Due to related parties	-	177	Non-interest bearing; due and demandable
Accounts and other payables	41	1	Non-interest bearing; due and demandable
Commission income	328	-	Management commission income
Rent income	377	-	Rent income of components under joint ventures
Service Income	15	-	Management service income
Dividend income	25	-	Dividend income from joint ventures
Interest income	50	-	Interest on loans receivables
Management fee income	354	-	Management service income

Notes to Consolidated Financial Statements

Category	December 31, 2025		
	Amount/ Volume	Outstanding Balances	Terms and Conditions/Nature
Others			
Cash and cash equivalents	P179,647	P1,122	Unsecured; interest bearing at prevailing market rate; due and demandable
Cash in bank	13	35	Unsecured; interest bearing at prevailing market rate; due and demandable
Short-term investments	2,257	2,178	Short-term placements during the year
Accounts receivables	11,198	1,354	Vehicle and service accounts receivables
Interest receivables	–	–	Interest on time deposits
Financing receivables	–	70	Vehicle financing receivable
Nontrade receivables	449	77	Various reimbursable expenses
Investment in shares of stock	7	–	Commission and other fees for the purchase of additional shares
Software cost	2	–	Subscriptions
Accounts and other payables	206,398	19,567	Vehicle accounts payable for swapping of vehicle units; Unsecured and non-interest bearing
Due to related parties	–	136	Unsecured, non-interest bearing; due and demandable
Short-term debt	(64)	–	Loan payments
Loans payable	–	931	Unsecured; With interest of 3%
Dividend income	2	–	–
Interest income	6	–	Interest on time deposits
Rent income	2	–	Office space lease
Other income	1	–	–
Donation	100	–	Cash donations
Advertising and promotions	1	–	Pamphlet design and flyer printing
Interest expense	20	–	–
Royalty and assistance fees	419	–	Unsecured; Non-interest bearing

Category	December 31, 2024		
	Amount/ Volume	Outstanding Balances	Terms and Conditions/Nature
Subsidiaries			
Accounts receivable	P–	P321	Promo subsidy, warranty claims, parts and service receivables
Trade receivables	35,907	930	Unsecured; Due and demandable
Rent receivable	–	2	Unsecured; Due and demandable
Due from related parties	84	990	Non-interest bearing; due and demandable
Real estate inventories	(316)	–	Cost of lots sold to a related party
Investment Properties	(126)	–	Cost of condominium units sold to a related party
Prepayments	1	1	Amortization of CUSA prepayment
Security deposit	53	24	Rental deposits
Transportation equipment	3	4	Purchase of vehicles
Right-of-use asset	25	102	Office space rent
Land and improvements	1,065	–	Lots acquired from a related party
Building and improvements	132	–	Condominium units acquired from a related party
Land	2	2	Down payment for acquisition of parking lot
Nontrade receivables	–	1	Unsecured; Due and demandable
Investment in shares of stock	–	60,469	Investments in common shares
Accounts payable	105	1,205	Property management fees; payable for purchase of vehicles
Trade payables	957	71	Unpaid car rental fees
Accrued other expense payable	1,065	905	Amount payable for the lots and condominium purchased from a related party
Unearned warranty revenue	–	4	Unamortized portion of the warranty revenue
Lease payable	72	165	Lease of office space
Due to related parties	1	1	Unsecured; Non-interest bearing; due and demandable
Real estate sales	1,065	–	Sale of lots to a related party
Dividend income	7,285	–	Dividend income from subsidiaries

(Forward)

Category	December 31, 2024		
	Amount/ Volume	Outstanding Balances	Terms and Conditions/Nature
Rent income	P65	P–	Non-interest bearing; due and demandable
Gain on sale of fixed assets	5	–	Gain on sale of condominium units to a related party
Cost of real estate sales	316	–	Cost of lots sold to a related party
Advertising and promotions	1	–	Marketing and promotional events
Amortization expense – ROU	29	–	Amortization of office and parking space leases
Cost of rental	3	–	Janitorial and security services
Dealer operation assistance fees	81	–	Assistance to dealers
Earned warranty revenue	1	–	Amortized portion of the warranty expense
Interest expense	4	–	Interest expense on loans receivable
Outside services	11	–	Security services and assigned staff for properties in Cavite
Rent expense	5	–	Office space rent and maintenance; Subject to 5% escalation annually
Repairs and maintenance	6	–	Repairs and maintenance of properties
TDIMS fees	2	–	–
Utilities expense	1	–	Electricity & water charges in offices

Category	December 31, 2024		
	Amount/ Volume	Outstanding Balances	Terms and Conditions/Nature
Associates			
Cash and cash equivalents	1,039,910	15,862	Unsecured; Interest bearing at prevailing market rate; due and demandable
Accounts receivable	–	115	Service, vehicle and financing receivables
Trade receivables	77	77	Unsecured; Non-interest bearing; due and demandable
Commission receivable	–	8	Unsecured; Non-interest bearing; due and demandable
Dividend receivable	(253)	–	Collection of dividend during the year
Rent receivable	–	(21)	Unsecured; Due and demandable
Accrued interest receivables	–	1	Interest on savings deposits
Interest receivable	–	74	Interest on loans to associates
Receivable from sharing of expenses	13	66	Non-interest bearing; due and demandable
Retirement asset	14	–	Retirement fund
Nontrade receivables	112	5	Non-interest bearing; due and demandable
FVTPL investments	6	910	Investment in UITF
Due from related parties	(57)	–	Unsecured; Non-interest bearing; due and demandable
Investment in shares of stock	–	118,227	–
Accounts payable	6	–	–
Trade payables	12	12	Non-interest bearing; due and demandable
Short-term loan	3,672	5,923	Unsecured; With interest ranging from 3% to 6%; Payable in 2023
Due to related parties	–	213	Unsecured; Non-interest bearing; due and demandable
Loans payable	–	6,650	Unsecured; With interest ranging from 2.75% to 4.25%; Payable on 2024-2029
Insurance payable	–	61	–
Nontrade payables	51	20	Non-interest bearing; due and demandable
Commission income	29	–	Non-interest bearing; due and demandable
Dividend income	1,184	–	Dividend income from associates
Rent income	322	–	Rent income from associates
Interest income	474	–	Prevailing interest rate on regular peso savings deposit account and time deposit placements
Gain on FVTPL investments	1	–	Prevailing interest rate on regular peso savings deposit account and time deposit placements
Agency fee	9	–	Gain on investment in UITF
Insurance expense	17	–	Safekeeping and trust agreement
Interest expense	143	–	Group life, car insurance, fire, Directors and Officers Liability insurance
Bank charges	2	–	Miscellaneous bank charges

(Forward)

Notes to Consolidated Financial Statements

Category	December 31, 2024		
	Amount/ Volume	Outstanding Balances	Terms and Conditions/Nature
Joint ventures			
Accounts receivable	P-	P535	Unsecured; Non-interest bearing; due and demandable
Trade receivables	424	428	Promo subsidy and vehicle, service & financing
Rent receivables	-	26	Unsecured; Non-interest bearing rate; due and demandable
Interest receivables	-	14	Interest from loans paid during the year
Loans receivables	(4,011)	-	Unsecured; Interest bearing at prevailing market rate; due and demandable
Commission receivable	-	269	Non-interest bearing; due and demandable
Due from related parties	(257)	-	Unsecured; Non-interest bearing; due and demandable
Management fee receivables	-	260	Unsecured; Non-interest bearing; due and demandable
Nontrade receivables	40	6	Unsecured; Non-interest bearing; due and demandable
Receivable from sharing of expenses	4	60	Unsecured; Non-interest bearing; due and demandable
Other non-current assets	96	111	
Investments in shares of stocks	-	5,561	
Security deposit	(1)	-	
Trade payables	58	-	
Management fee income	444		Management service income
Rent income	391		Rent income of components under joint ventures
Service income	11		Management service income
Commission income	285		Management commission income
Interest income	129		Interest on loans receivables
Dividend income	22		Dividend income from joint ventures
Others			
Cash and cash equivalents	199,916	1,279	Unsecured; Interest bearing at prevailing market rate; due and demandable
Accounts receivable	-	309	Service and vehicle receivables
FVTPL investments	(849)	-	
Trade receivables	10,878	1,101	Unsecured; Non-interest bearing; due and demandable
Management fee receivables	-	48	Unsecured; Non-interest bearing; due and demandable
Commission receivable	-	11	Unsecured; Non-interest bearing; due and demandable
Rent receivables	-	1	
Interest receivable	-	1	Interest on time deposit placements
Loan receivable	-	1,866	Unsecured; With interest of 4.5%; Payable in 2032
Receivable from sharing of expenses	94	484	Unsecured; Non-interest bearing; due and demandable
Nontrade receivables	152	85	Various reimbursable expenses
Other receivables	-	48	Unsecured; Non-interest bearing; due and demandable
Due from related parties	-	176	Unsecured; Non-interest bearing; due and demandable
Trade payables	193,604	19,602	Unsecured; Non-interest bearing; due and demandable
Short-term loans	(36)	64	Unsecured; Interest bearing
Due to related parties	-	264	Unsecured; Non-interest bearing; due and demandable
Loans payable	(22)	1,001	Unsecured; With 3% interest; payable annually until 2025
Long-term debt	-	79	Unsecured; Interest bearing
Commission income	40		Management commission income
Dividend income	13		
Interest income	268		Interest on time deposit placements
Rent income	1		Rent income from affiliates
Service income	5		Management service income
Other income	1		
Royalty and technical assistance fees	1,014		25th day of the second month after the end of the quarter, non-interest bearing, unsecured
Interest expense	25		Interest on loans

Category	December 31, 2023		
	Amount/ Volume	Outstanding Balances	Terms and Conditions/Nature
Subsidiaries			
Accounts receivable	(P111)	P181	Receivable from sale of lots; Vehicle swapping; Current - accordingly, no provision for losses is required.
Rent receivable	-	3	Unsecured; Due and demandable
Prepayments	1	1	Advance rental payments
Security deposit	-	21	Rental deposits
Right-of-use asset	43	101	Lease of office and parking spaces
Investment in shares of stock	16,308	57,652	Additional subscription to common shares; share swap
Accounts payable	14,742	1,834	Represent payables arising from sales adjustments, warranty, sales promotions, and reimbursable expenses
Lease payable	32	82	Lease of office and parking spaces
Dividend income	3,406		Dividend income from subsidiaries
Rent income	25		Rent income from lease of office space
Amortization expense - ROU	32		Amortization of office and parking space leases
Cost of rental	3		Janitorial and security services
Dealer operation assistance fees	86		
Interest expense	5		
Service fees	56		Property management fees for properties in Cavite
Outside services	12		Security services for properties in Cavite
Rent expense	36		Office space rent and maintenance; Subject to 5% escalation annually
Repairs and maintenance	5		Repairs and maintenance of properties
Subscription fees	2		
Utilities expense	1		
Associates			
Cash and cash equivalents	1,018,420	8,661	Unsecured; Interest bearing at prevailing market rate; due and demandable
Accounts receivable	-	109	Unsecured; Non-interest bearing; due and demandable
Commission receivable	-	13	Unsecured; Non-interest bearing; due and demandable
Dividend receivable	-	253	Unsecured; Due and demandable
Rent receivable	-	52	Unsecured; Due and demandable
Interest receivable	-	6	
Receivable from sharing of expenses	6	4	Unsecured; Non-interest bearing; due and demandable
Due from related parties	-	57	Unsecured; Non-interest bearing; due and demandable
Prepaid insurance	14	3	
Other receivables	-	15	Unsecured; Non-interest bearing; due and demandable
FVTPL investments	(5)	22	Investment in UITF
Investment in shares of stock	4,391	118,227	
Short-term debt	46,750	8,540	Interest bearing; Payable within 90 days from the date of the availment
Due to related parties	-	139	Unsecured; Non-interest bearing; due and demandable
Loans payable	-	7,325	Unsecured; With interest ranging from 2.75% to 4.25%; Payable on 2024-2029
Insurance payable	-	20	

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Category	December 31, 2023		
	Amount/ Volume	Outstanding Balances	Terms and Conditions/Nature
Other payables	₱30	₱–	Unsecured; Non-interest bearing; due and demandable
Commission income	1		
Dividend income	5,883		Dividend income from associates
Rent income	374		Rent income from associates
Interest income	442		Prevailing interest rate on regular peso savings deposit account and time deposit placements
Gain on FVTPL investment	1		
Insurance expense	2		
Interest expense	259		Interest expense on loans payable
Bank charges	3		
Joint ventures			
Accounts receivable	–	477	Unsecured; Non-interest bearing; due and demandable
Rent receivables	–	99	Unsecured; Non-interest bearing; due and demandable
Interest receivables	–	686	Unsecured; Interest bearing at prevailing market rate; due and demandable
Loans receivables	–	4,011	Unsecured; Interest bearing at prevailing market rate; due and demandable
Commission receivable	–	905	Unsecured; Non-interest bearing; due and demandable
Due from related parties	–	257	Unsecured; Non-interest bearing; due and demandable
Management fee receivables	–	164	Unsecured; Non-interest bearing; due and demandable
Nontrade receivables	7	2	Unsecured; Non-interest bearing; due and demandable
Receivable from sharing of expenses	–	1	Unsecured; Non-interest bearing; due and demandable
Investments in shares of stocks	–	5,561	
Security deposit	–	1	
Real estate sales	9,283		Sale of lots in various locations
Management fee income	333		Management service income
Rent income	109		Rent income of components under joint ventures
Commission income	958		
Interest income	262		
Dividend income	38		Dividend income of components under joint ventures
Others			
Cash and cash equivalents	226,315	2,519	Unsecured; Interest bearing at prevailing market rate; due and demandable
Accounts receivable	–	221	Unsecured; Non-interest bearing; due and demandable
FVTPL investments	(10,285)	849	
Trade receivables	–		Unsecured; Non-interest bearing; due and demandable
Management fee receivables	–	90	Unsecured; Non-interest bearing; due and demandable
Commission receivable	–	7	Unsecured; Non-interest bearing; due and demandable
Interest receivable	–	1	Interest on time deposit placements
Loan receivable	–	1,978	Unsecured; With interest of 4.5%; Payable in 2032
Receivable from sharing of expenses	5	4	Unsecured; Non-interest bearing; due and demandable
Other receivables	–	48	Unsecured; Non-interest bearing; due and demandable
Due from related parties	–	67	Unsecured; Non-interest bearing; due and demandable
Retirement asset	5	–	
Accounts payable	17	2	Unsecured; Non-interest bearing; due and demandable
Due to related parties	–	277	Unsecured; Non-interest bearing; due and demandable
Loans payable	(22)	1,147	With 3% interest; payable annually until 2025
Commission income	7		
Interest income	47		Interest on time deposit placements
Rent income	2		Rent income from affiliates
Advisory fees	6		Retainer's fee
Agency fees	5		Safekeeping and trust agreement
Interest expense	22		
Management fees	65		Management service fees for the year 2023
Administration expense	2		

Details of the transactions with affiliates are as follows:

Cash and cash equivalents and short-term investments

The Group maintains cash and short-term deposits accounts with MBTC, an associate. The Group also has cash and short-term deposits with other related party such as PSBank, which is a subsidiary of MBTC. Cash and cash equivalents earn interest at the prevailing investment rates (Note 4).

Financial assets at FVTPL

As of December 31, 2025 and 2024, the Group's investment in UITF of related parties amounted to ₱0.13 billion and ₱0.91 billion, respectively (Note 10).

Operating advances

Due from and to related parties consist mostly of operating advances which are non-interest bearing and due and demandable.

Loans receivable

In 2012, 2021 and 2022, Federal Land entered into loan agreements with CIRC, an affiliate company. Federal Land agreed to lend to CIRC a total amount of ₱855.00 million with a nominal and effective interest rates ranging from 3.15% to 6.00%. The outstanding balance of loans receivable as of December 31, 2025 and 2024 amounted to ₱705.00 million and ₱805.00 million, respectively (Note 5).

Affiliated bank loans

The Group's loans payable to an affiliated commercial bank bears interest rates ranging from 4.25% to 6.75%, 5.25% to 6.80% and 4.50% to 6.50% per annum in 2025, 2024 and 2023, respectively (Note 16).

Management fee

Management fee amounting to ₱431.25 million and ₱444.39 million in 2025 and 2024, respectively, pertains to the income received from a joint venture of Federal Land with FNG, SFNBRDC, NBLRDI, BLC and STRC (Note 23).

Lease agreements

Federal Land entered into operating lease agreements for the use of office spaces in GT Tower International Building. The terms of lease range from five (5) to ten (10) years and are generally renewable for five (5) years. The rent is payable monthly with annual rent escalation rates ranging from 5.00% to 8.00%. The rental income on these leases amounted to ₱640.77 million, ₱779.71 million and ₱518.40 million in 2025, 2024 and 2023, respectively (Note 30).

Compensation of key management personnel for the years ended December 31, 2025, 2024 and 2023 follow:

	2025	2024	2023
Short-term employee benefits	₱1,223	₱1,227	₱1,035
Post-employment benefits	131	137	173
	₱1,354	₱1,364	₱1,208

Transactions with the Group Retirement Funds

The retirement funds of the Group's employees are being managed and maintained by MBTC as trustee bank. The total carrying amount and fair value of the retirement funds with MBTC as of December 31, 2025 and 2024 amounted to ₱1.98 billion and ₱1.90 billion, respectively. The assets and investments of the fund include cash and cash equivalents, investments in government securities and equity securities, among others.

The following tables show the amounts of related party transactions of the Group with the retirement funds of the subsidiaries' employees as of December 31, 2025, 2024 and 2023 (in absolute amounts):

Category	December 31, 2025		
	Amount/ Volume	Outstanding Balances	Terms and Conditions/Nature
Parent Company			
Investment in equity securities	₱–	₱3,492,650	No impairment
Dividend income	55,390	–	Cash dividends
Loss on sale of investments	(886,635)	–	Loss from sale of equity securities

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December 31, 2025			
Category	Amount/ Volume	Outstanding Balances	Terms and Conditions/Nature
Associate			
Savings deposits	P-	P91,530	Savings account earning regular annual interest; unsecured and no impairment;
Time deposits	-	170,000	Interest-bearing; unsecured and no impairment
Investment in equity securities	-	11,843,650	No impairment
Investment in UITF	-	134,183,052	No impairment
Interest income	168,168		Income earned from savings and time deposit
Dividend income	1,930,970		Cash dividends
Trust fees	-		
Unrealized/realized gain on investment	2,725,771		Income from sale of UITF
December 31, 2024			
Category	Amount/ Volume	Outstanding Balances	Terms and Conditions/Nature
Parent Company			
Investment in equity securities	P-	P7,889,420	No impairment
Dividend income	99,620	-	Cash dividends
Loss on sale of investments	(146,225)	-	Loss from sale of equity securities
Associate			
Savings deposits	-	583,025	Savings account earning regular annual interest; unsecured and no impairment;
Time deposits	-	11,300,000	Interest-bearing; unsecured and no impairment
Investment in equity securities	-	14,879,520	No impairment
Investment in UITF	-	41,414,032	No impairment
Interest income	173,097		Income earned from savings and time deposit
Dividend income	940,675		Cash dividends
Trust fees	-		
Unrealized/realized gain on investment	2,579,349		Income from sale of UITF
December 31, 2023			
Category	Amount/ Volume	Outstanding Balances	Terms and Conditions/Nature
Parent Company			
Investment in equity securities	P3,191,560	P7,859,980	No impairment
Dividend income	23,226	-	Cash dividends
Loss on sale of investments	(1,441,289)	-	Loss from sale of equity securities
Associate			
Savings deposits	(410,563)	34,655,198	Savings account earning regular annual interest; unsecured and no impairment;
Time deposits	(31,600,000)	4,500,000	Interest-bearing; unsecured and no impairment
Investment in equity securities	(498,798)	9,733,662	No impairment
Investment in UITF	164,180,380	184,286,617	No impairment
Investment in other security and debt instruments	154,201,883	-	No impairment
Interest income	826,532		Income earned from savings and time deposit
Dividend income	606,126		Cash dividends
Trust fees	976,769		
Unrealized/realized gain on investment	732,119		Income from sale of UITF

Transactions relating to the retirement plans are approved by the subsidiaries' respective Retirement Committees. The voting rights over the investments in the shares of entities within the Group are exercised by the Retirement Committee, who are either officers or directors of the subsidiaries.

28. PENSION PLAN

The Group provides defined benefit pension plans for substantially all of its employees. Provisions for pension obligations are established for benefits payable in the form of retirement pensions. Benefits are dependent on years of service and the respective employee's final compensation. Actuarial valuations are made annually.

Principal actuarial assumptions used to determine pension obligations follow:

	Date of Actuarial Valuation	2025 Actuarial Assumptions		
		Expected Return on Plan Assets	Salary Rate Increase	Discount Rate
Real estate	December 31, 2025	5.55%	4.00% to 8.00%	6.31% to 6.55%
Automotive	-do-	5.37% to 6.82%	2.00% to 7.00%	6.31% to 6.44%
Financial	-do-	5.00%	8.00%	6.38%
2024				
	Date of Actuarial Valuation	Expected Return on Plan Assets	Salary Rate Increase	Discount Rate
Real estate	December 31, 2024	3.69% to 5.34%	3.00% to 8.00%	6.07% to 6.18%
Automotive	-do-	5.50% to 6.38%	2.00% to 8.00%	5.50% to 6.12%
Financial	-do-	5.04%	8.00%	6.11%

The overall expected rate of return on plan assets is determined based on the market prices prevailing on that date applicable to the period over which the obligation is to be settled.

Net retirement liability (asset) included in the consolidated statements of financial position follow:

	2025	2024
Retirement liability	P2,031	P2,096
Retirement asset (Note 14)	(18)	(36)
Net retirement liability	P2,013	P2,060

The net pension liability and asset recognized in the Group's consolidated statements of financial position are as follows:

	January 1, 2025	Net benefit cost				Benefits paid	Remeasurements in other comprehensive income					December 31, 2025	
		Current service cost	Net interest cost	Past service cost	Subtotal		Return on plan assets (excluding amount included in net interest)	Actuarial changes arising from experience adjustments	Actuarial changes arising from demographic assumptions	Actuarial changes arising from financial assumptions	Subtotal		Contributions paid
Present value of defined benefit obligation	P3,956	P271	P209	P-	P480	(P474)	P-	(P85)	(P62)	P174	P27	P-	P3,989
Less: Fair value of plan assets	1,896	-	103	P-	103	(465)	(8)	-	-	-	(8)	450	1,976
Net defined benefit liability	P2,060	P271	P106	P-	P377	(P9)	P8	(P85)	(P62)	P174	P35	(P450)	P2,013
Remeasurements in other comprehensive income													
	January 1, 2024	Current service cost	Net interest cost	Past service cost	Subtotal	Benefits paid	Return on plan assets (excluding amount included in net interest)	Actuarial changes arising from experience adjustments	Actuarial changes arising from demographic assumptions	Actuarial changes arising from financial assumptions	Subtotal	Contributions paid	December 31, 2024
Present value of defined benefit obligation	P3,910	P297	P200	P-	P497	(P346)	P-	(P107)	P-	P2	(P105)	P-	P3,956
Less: Fair value of plan assets	1,927	-	97	-	97	(330)	(P29)	-	-	-	(29)	231	1,896
Net defined benefit liability	P1,983	P297	P103	P-	P400	(P16)	P29	(P107)	P-	P2	(P76)	(P231)	P2,060

Notes to Consolidated Financial Statements

The maximum economic benefit available is a combination of expected refunds from the plan and reductions in future contributions. The fair values of plan assets by each class as at the end of the reporting periods are as follows:

	2025	2024
Cash and cash equivalents	P1	P12
Investment in government securities	1,515	1,455
Investment in equity securities	210	276
Investment in debt and other securities	110	84
Investment in mutual funds	134	41
Receivables	4	31
Others	6	-
Liabilities	(3)	(3)
	P1,976	P1,896

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

	Possible Fluctuations	2025 Increase (Decrease)	2024 Increase (Decrease)
Discount rates	+1%	(P259)	(P325)
	-1%	298	249
Future salary increase rate	+1%	313	262
	-1%	(277)	(342)

The Group expects to contribute P490.37 million to its defined benefit pension plan in 2026.

The average duration of the defined benefit retirement liability at the end of the reporting period is 12.98 years for the Group.

Shown below is the maturity analysis of the undiscounted benefit payments as of December 31, 2025:

	2025	2024
Less than 1 year	P496	P509
More than 1 year to 5 years	1,928	1,903
More than 5 years to 10 years	1,699	1,736
More than 10 years to 15 years	2,440	2,074
More than 15 years to 20 years	2,874	2,866
More than 20 years	6,854	7,475

The Group does not currently have any asset-liability matching study.

29. INCOME TAXES

On March 26, 2021, RA No. 11534, otherwise known as Corporate Recovery and Tax Incentives for Enterprises (CREATE) Act was signed into law. CREATE reduced the RCIT rate from 30.00% to 25.00% depending on the criteria set by the law effective July 1, 2020. With the implementation of this Act, interest expense allowed as a deductible expense shall be reduced by 20.00% of the interest income subjected to final tax, compared to the 33.00% reduction prior to the Act. The regulations also provide for MCIT of 2.00% (prior to CREATE) and 1.00% from July 1, 2020 to June 30, 2023 before reverting to 2.00% on modified gross income and allow a NOLCO. The MCIT and NOLCO may be applied against the Group's income tax liability and taxable income, respectively, over a three-year period from the year of inception. For the taxable years 2020 and 2021, the NOLCO incurred can be carried over as a deduction for the next five (5) consecutive taxable years, pursuant to Revenue Regulation (RR) No. 25-2020.

Provision for income tax consists of:

	2025	2024	2023
Current	P6,886	P6,369	P6,584
Deferred	(1,259)	(602)	61
Final	218	243	292
	P5,845	P6,010	P6,937

The components of the Group's deferred taxes as of December 31, 2025 and 2024 are as follows:

Net deferred tax assets:

	2025	2024
Deferred tax assets on:		
Retirement benefit obligation	P541	P503
Warranties payable and other provisions	445	148
Allowance for impairment losses	129	208
Accrued expenses	107	68
Allowance for inventory obsolescence	38	38
Deferred intercompany gain	26	319
Deferred gross profit	19	431
Unamortized past service cost from pension obligation	6	13
Unrealized foreign exchange loss	1	88
Others	286	19
	1,598	1,835
Deferred tax liabilities on:		
Unearned gross profit in ending inventories	104	367
Capitalized customs duties	95	49
Unrealized foreign exchange loss	46	104
Others	27	27
	272	547
Net deferred tax assets	P1,326	P1,288

Net deferred tax liabilities:

	2025	2024
Deferred tax assets on:		
Unrealized gain on sale of land	P1,092	P332
NOLCO	75	89
Excess of cost over fair value of investment property	63	63
Unearned gross profit in ending inventories	57	58
Unearned income	35	35
Prepaid commission	31	32
Retirement benefit obligation	29	29
Provision for impairment losses on receivables	18	18
Interest expense on Day 1 loss	8	8
Allowance for impairment loss on inventories	3	3
Others	7	6
	1,418	673
Deferred tax liabilities on:		
Mark-to-market gain on FVOCI investments	2,811	2,450
Fair value adjustment on acquisition by Parent Company	1,962	1,971
Capitalized borrowing cost and guarantee fees	420	693
Fair value adjustment on acquisition by subsidiaries	103	106
Excess of book basis over tax basis of deferred gross profit	97	278
Unrealized gross profit on sale of land	75	89
Unamortized discount on long-term payable	37	37
Lease differential	33	24
Retirement asset	3	17
Others	23	23
	5,564	5,688
Net deferred tax liabilities	P4,146	P5,015

The Group recognized deferred tax expense amounting to P352.46 million and P694.25 million in other comprehensive income in 2025 and 2024, respectively.

Notes to Consolidated Financial Statements

NOLCO

As of December 31, 2025, the Group has incurred NOLCO before taxable year 2025 which can be claimed as deduction from the regular taxable income for the next three (3) consecutive taxable years.

Summary of the Group's NOLCO as follows:

Year Incurred	Availment Period	Amount	Expired	Applied	NOLCO Unapplied
2025	2026-2028	₱2,988	₱-	₱-	₱2,988
2024	2025-2027	3,507	-	-	3,507
2023	2024-2026	36	-	-	36
2022	2023-2025	3,168	3,152	16	-
2021	2022-2026	4,030	-	9	4,021
2020	2021-2025	4,243	1,261	2,983	-
		₱17,972	₱4,413	₱3,008	₱10,552

MCIT

Details of the Group's MCIT follow:

Year Incurred	Amount	Expired/Applied	Balance	Expiry Date
2025	₱26	₱-	₱26	2028
2024	26	-	26	2027
2023	116	-	116	2026
2022	22	22	-	2025
	₱190	₱22	₱168	

The Group has NOLCO and excess MCIT over RCIT for which deferred tax assets have not been recognized since management believes that it is not probable that sufficient taxable income will be available against which the carryforward benefit of NOLCO and excess MCIT over RCIT can be utilized prior to their expiration. These NOLCO and excess MCIT over RCIT are as follows:

	2025	2024
NOLCO	₱10,251	₱11,860
Excess MCIT over RCIT	165	162

The reconciliation of the provision for income tax computed at the statutory income tax rate to the provision for income tax shown in the consolidated statements of income follows:

	2025	2024	2023
Provision for income tax computed at statutory rates	25.00%	25.00%	25.00%
Tax effects of:			
Nontaxable income	(16.36)	(15.63)	(9.72)
Changes in unrecognized deferred tax assets	1.77	2.57	(1.39)
Nondeductible interest and other expenses	1.67	1.69	1.43
Income subjected to final tax	(0.12)	(0.18)	(0.19)
Income subjected to lower tax rate	(0.01)	(0.01)	0.26
Others	0.00	0.38	0.44
Effective income tax rates	11.95%	13.81%	15.83%

TMPC is registered with the BOI as a:

- Participant in the Car Development Program and Commercial Vehicle Development Program.
- Participant in Comprehensive Automotive Resurgence Strategy (CARS) program. BOI approved TMPC's enrollment of its locally-produced vehicle model to the CARS program on June 17, 2016. Under the terms of registration, TMPC shall be entitled to Fixed Investment Support and Production Volume Incentive, subject to achievement of productive volume and localization of body shells and large plastic parts (Note 23).

30. LEASE COMMITMENTS

Group as a lessee

The Group is a party under various lease agreements including the lease of premises occupied by the Parent Company, office space leased for the Group's branches, land leased for Federal Land Group's mall and gasoline station and lease of parking spaces with terms ranging from one (1) to 10 years.

The Group recognized interest expense on lease liabilities (included in 'Interest expense' in the consolidated statements of income) amounting to ₱16.17 million, ₱11.91 million, and ₱22.09 million in 2025, 2024, and 2023, respectively. Rent expense from short-term leases and leases of low-value assets amounting to ₱205.15 million, ₱188.71 million, and ₱135.38 million in 2025, 2024, and 2023, respectively.

As of December 31, 2025 and 2024, the carrying amounts of lease liabilities are as follows (Notes 19 and 20):

	2025	2024
Beginning balance	₱96	₱168
Additions	111	96
Accretion of interest	16	21
Payments	(137)	(210)
Adjustments	70	21
	₱156	₱96

As of December 31, 2025 and 2024, the future minimum rental payments are as follows:

	2025	2024
Within one year	₱51	₱32
After one year but not more than five years	104	86
	₱155	₱118

Group as a lessor

The Group has entered into commercial property leases on its investment properties consisting of office spaces, land, mall and parking spaces with lease terms ranging from five (5) to ten (10) years. The Group's rental income on these leases amounted to ₱1.64 billion, ₱1.67 billion and ₱1.51 billion in 2025, 2024 and 2023, respectively (Note 9). The cost of rental services amounting to ₱889.67 million, ₱934.35 million and ₱905.15 million in 2025, 2024 and 2023, respectively, includes maintenance fee, depreciation, repairs and maintenance, and taxes and licenses (Note 11).

As of December 31, 2025 and 2024, the future minimum rental receipts from these lease commitments are as follows:

	2025	2024
Within one year	₱2,965	₱2,861
After one year but not more than five years	3,214	3,158
More than five years	3,821	25,427
	₱10,000	₱31,446

31. PURCHASE PRICE ALLOCATION

Investment in MBTC

In 2025, the Group performed purchase price allocation relating to the purchase of additional shares of MBTC, representing 2.69% additional ownership interest (Note 8). The purchase price allocated resulted in ₱3.42 billion gain on bargain purchase recognized in the equity in net income, representing the difference between the Parent Company's share in the net fair values of MBTC's specific identifiable assets and liabilities determined at the acquisition date amounting to ₱12.19 billion over the Parent Company's cost of additional investment amounting to ₱8.77 billion.

Investment in MPIC

In 2024, the Group finalized its purchase price allocation relating to the additional acquisition of MPIC shares in 2023 (Note 8). As a result, the Parent Company recorded a net gain on bargain purchase of ₱0.57 billion recognized in the equity in net income, representing the difference between the Parent Company's share in the net fair values of MPIC's identifiable assets and liabilities that were determined at the acquisition date amounting to ₱6.71 billion over the cost of the additional investment amounting to ₱4.39 billion, and after considering the effect of dilution of interest over MPIC. The gain on bargain purchase was offset by the effect of the dilution in ownership interest where the Parent Company recognized a loss of ₱1.75 billion representing the difference between the carrying value of the investment in MPIC before and after deemed partial disposal of ownership interest.

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32. FAIR VALUE MEASUREMENT

The methods and assumptions used by the Group in estimating the fair value of the financial instruments are as follows:

Cash and cash equivalents

The fair value of cash and cash equivalents approximate the carrying amounts at initial recognition due to the short-term maturities of these instruments.

Receivables

The fair value of receivables due within one year approximates their carrying amounts. The fair values of installment contracts receivable are based on the discounted value of future cash flows using the applicable rates for similar types of instruments. The discount rates used were 8.00% as of December 31, 2025 and 2024. For the long-term loan receivable, the Group used discounted cash flow analyses to measure the fair value of the loan based on the average bank lending rate for December 31, 2025 and 2024.

Due from and to related parties

The carrying amounts approximate fair values due to short-term in nature. Related party receivables and payables are due and demandable.

Financial assets at FVTPL

These pertain to the Group's investment in UITFs. UITFs are ready-made investments that allow pooling of funds from different investors with similar investments objectives. These UITFs are managed by professional fund managers and may be invested in various financial instruments such as money market securities, bonds and equities, which are normally available to large investors only. A UITF uses the mark-to-market method based on published NAV in valuing the fund's securities.

Financial assets at FVOCI - quoted

The fair value of quoted equity securities is based on the quoted market prices or binding dealer price quotations, without any deduction for transaction cost.

Financial assets at FVOCI - unquoted

The fair value of unquoted equity securities is estimated based on the market data approach that makes use of market multiples derived from a set of comparables. Multiples were determined that is most relevant to assessing the value of unquoted securities (e.g., earnings, book value). The selection of the appropriate multiple within the range is based on qualitative and quantitative factors specific to the measurement.

Derivative financial instruments

The fair values of interest rate swap transactions are derived using acceptable valuation method. The valuation assumptions are based on market conditions existing at the reporting dates.

Accounts and other payables

The fair values of accounts and other payables approximate the carrying amounts due to the short-term nature of these transactions.

Loans payable and bonds payable

Current portion of loans payable approximates its fair value due to its short-term maturity. Long-term portion of loans payable subjected to quarterly repricing is not discounted. Estimated fair value of long-term portion of loans payable with fixed interest and not subjected to quarterly repricing is based on the discounted value of future cash flows using applicable interest rates for similar types of loans as of reporting date. The interest rates used ranged from 2.03% to 6.03% and 2.22% to 6.03% as of December 31, 2025 and 2024, respectively.

Liabilities on purchased properties

Estimated fair value was based on the discounted value of future cash flows using the applicable interest rates for similar types of loans as of reporting date. Long-term payables were incurred in 2019 and 2012 with interest rates ranging from 3.00% to 3.25% per annum. As of December 31, 2025 and 2024, the liabilities on purchased properties are payable in the following month and thus the fair value approximates the carrying amounts.

The following tables summarize the carrying amount and fair values of financial assets and liabilities, as well as nonfinancial assets, analyzed based on the fair value hierarchy (see accounting policy on Fair Value Measurement), except for assets and liabilities where the carrying values as reflected in the consolidated statements of financial position and related notes approximate their respective fair values.

	2025				Total Fair Value
	Carrying Value	Level 1	Level 2	Level 3	
Assets measured at fair value:					
Financial Assets					
Financial assets at FVTPL	P130	P-	P130	P-	P130
Financial assets at FVOCI					
Quoted equity securities	21,598	21,598	-	-	21,598
Unquoted equity securities	195	-	195	-	195
Other noncurrent assets					
Derivative assets	48	-	48	-	48
	P21,971	P21,598	P373	P-	P21,971
Assets for which fair values are disclosed:					
Financial Assets					
Loans and receivables					
Loans receivables	705	-	-	705	705,731
Non-financial Assets					
Investment in listed associate	176,387	122,636	-	-	122,636
Investment properties	22,191	-	-	84,562	84,562
	P199,283	P122,636	P-	P85,267	P207,903
Liabilities for which fair values are disclosed:					
Financial Liabilities					
Loans payable	P74,120	P-	P-	P76,689	P76,689
2024					
	Carrying Value	Level 1	Level 2	Level 3	Total Fair Value
Assets measured at fair value:					
Financial Assets					
Financial assets at FVTPL	P910	P-	P910	P-	P910
Financial assets at FVOCI					
Quoted equity securities	19,950	19,950	-	-	19,950
Unquoted equity securities	147	-	147	-	147
Other noncurrent assets					
Derivative assets	31	-	31	-	31
	P21,038	P19,950	P1,088	P-	P21,038
Assets for which fair values are disclosed:					
Financial Assets					
Loans and receivables					
Loans receivables	1,433	-	-	1,433	1,433,731
Non-financial Assets					
Investment in listed associate	149,799	120,284	-	-	120,284
Investment properties	22,459	-	-	76,734	76,734
	173,691	120,284	-	78,167	198,451
Liabilities for which fair values are disclosed:					
Financial Liabilities					
Loans payable	P76,869	P-	P-	P78,332	P78,332

As of December 31, 2025 and 2024, no transfers were made among the three levels in the fair value hierarchy.

Inputs used in estimating fair values of financial instruments carried at cost and categorized under Level 3 include risk-free rates and applicable risk premium.

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The fair value of the Group's investment properties has been determined based on valuations performed by third-party valuers.

The table below summarizes the valuation techniques used and the significant unobservable inputs valuation for each type of investment properties held by the Group:

	Valuation Techniques	Significant Unobservable Inputs
Land	Market Data Approach	Price per square meter, size, location, shape, time element and corner influence.
Building and Land Improvements	Income Approach or Cost Approach	Lease income growth rate, expected cash flows, and discount rate; Lineal and square meter, current cost of materials, labor and equipment, contractor's profits, overhead, taxes and fees

Description of the valuation techniques and significant unobservable inputs used in the valuation of the Group's investment properties are as follows:

Valuation Techniques

Market Data Approach	A process of comparing the subject property being appraised to similar comparable properties recently sold or being offered for sale.
Income Approach	A process where all expected cash flows from the assets were projected and discounted using the appropriate discount rate reflective of the market expectations.
Cost Approach	A process of determining the cost to reproduce or replace in new condition the assets appraised in accordance with current market prices for similar assets, with allowance for accrued depreciation on physical wear and tear, and obsolescence.

Significant Unobservable Inputs

Reproduction Cost New	The cost to create a virtual replica of the existing structure, employing the same design and similar building materials.
Size	Size of lot in terms of area. Evaluate if the lot size of property or comparable conforms to the average cut of the lots in the area and estimate the impact of lot size differences on land value.
Shape	Particular form or configuration of the lot. A highly irregular shape limits the usable area whereas an ideal lot configuration maximizes the usable area of the lot which is associated in designing an improvement which conforms with the highest and best use of the property.
Location	Location of comparative properties whether on a Main Road, or secondary road. Road width could also be a consideration if data is available. As a rule, properties located along a Main Road are superior to properties located along a secondary road.
Time Element	"An adjustment for market conditions is made if general property values have appreciated or depreciated since the transaction dates due to inflation or deflation or a change in investors' perceptions of the market over time". In which case, the current data is superior to historic data.
Discount	Generally, asking prices in ads posted for sale are negotiable. Discount is the amount the seller or developer is willing to deduct from the posted selling price if the transaction will be in cash or equivalent.
Corner influence	Bounded by two (2) roads.

33. FINANCIAL RISK MANAGEMENT AND OBJECTIVES

The Group's principal financial instruments are composed of cash and cash equivalents, financial assets at FVTPL and FVOCI, receivables, due from related parties, accounts and other payables, dividends payable, due to related parties, loans payable, bonds payable, liabilities on purchased properties and derivative financial instruments.

Exposures to credit, liquidity, foreign currency, interest rate, and equity price risks arise in the normal course of the Group's business activities. The main objectives of the Group's financial risk management are as follows:

- to identify and monitor such risks on an ongoing basis;
- to minimize and mitigate such risks; and
- to provide a degree of certainty about costs.

The use of financial derivative instruments (if any) is solely for the management of the Group's financial risk exposures. It is the Group's policy not to enter into derivative transactions for speculative purposes.

The Group's respective financing and treasury functions focus on managing financial risks and activities as well as providing optimum investment yield and cost-efficient funding for the Group.

Credit Risk

The Group's credit risks are primarily attributable to its financial assets. To manage credit risks, the Group maintains defined credit policies and monitors on a continuous basis its exposure to credit risks. Given the Group's diverse base of counterparties, it is not exposed to large concentrations of credit risk.

Financial assets comprise cash and cash equivalents, receivables, due from related parties and investment securities. The Group adheres to fixed limits and guidelines in its dealings with counterparty banks and its investment in financial instruments. Bank limits are established on the basis of an internal rating system that principally covers the areas of liquidity, capital adequacy and financial stability. The rating system likewise makes use of available international credit ratings. Given the high credit standing of its accredited counterparty banks, management does not expect any of these financial institutions to fail in meeting their obligations.

In respect of installment receivables from the sale of properties, credit risk is managed primarily through credit reviews and an analysis of receivables on a continuous basis. The Group also undertakes supplemental credit review procedures for certain installment payment structures. Customer payments are facilitated through various collection modes including the use of postdated checks and auto-debit arrangements. Exposure to bad debts is not significant and the requirement for remedial procedures is minimal given the profile of buyers.

Maximum exposure to credit risk after taking into account collateral held or other credit enhancements

As of December 31, 2025 and 2024, the maximum exposure to credit risk of the Group's financial assets is equal to its carrying value except for installment contracts receivable with nil exposure to credit risk since the fair value of the related condominium and residential units collateral is greater than the carrying value of the installment contracts receivable.

a. Credit quality per class of financial assets

The credit quality of the financial assets was determined as follows:

Cash and cash equivalents - based on the nature of the counterparty and the Group's internal rating system.

Receivables - high grade pertains to receivables that had no default in payment; medium grade pertains to receivables with a history of being 30 to 90 days past due; and low grade pertains to receivables with a history of being over 90 days past due.

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The table below shows the credit quality per class of financial assets based on the Group's rating system:

	December 31, 2025						
	Neither Past Due Nor Individually Impaired				Past Due but not Individually Impaired	Individually Impaired	Total
	High Grade	Medium Grade	Low Grade	Total			
Cash and cash equivalents* (Note 4)	P19,384	P-	P-	P19,384	P-	P-	P19,384
Short-term investments	2,178	-	-	2,178	-	-	2,178
Receivables (Note 5)							
Trade receivables	19,507	265	-	19,772	5,746	39	25,557
Loans receivable	1,852	-	-	1,852	-	-	1,852
Accrued rent and commission income	948	-	-	948	10	269	1,227
Nontrade receivables	1,667	75	70	1,812	239	-	2,051
Accrued interest receivable	562	-	-	562	-	85	647
Management fee receivables	765	-	-	765	-	-	765
Installment contracts receivable	254	-	-	254	135	-	389
Others	997	-	235	1,232	1	-	1,233
Due from related parties (Note 27)	399	-	-	399	-	-	399
	P48,513	P340	P305	P49,158	P6,131	P393	P55,683

*Excludes cash on hand amounting to P15.92 million

	December 31, 2024						
	Neither Past Due Nor Individually Impaired				Past Due but not Individually Impaired	Individually Impaired	Total
	High Grade	Medium Grade	Low Grade	Total			
Cash and cash equivalents* (Note 4)	P25,251	P-	P-	P25,251	P-	P-	P25,251
Receivables (Note 5)							
Trade receivables	17,001	290	-	17,291	5,145	33	22,469
Loans receivable	1,866	-	-	1,866	-	-	1,866
Accrued rent and commission income	1,213	-	-	1,213	12	619	1,844
Nontrade receivables	1,537	39	76	1,652	153	4	1,809
Accrued interest receivable	787	-	-	787	-	99	886
Management fee receivables	394	-	-	394	-	-	394
Installment contracts receivable	235	-	-	235	125	-	360
Others	633	-	143	776	1	-	777
Due from related parties (Note 27)	264	-	-	264	-	-	264
	P49,181	P329	P219	P49,729	P5,436	P755	P55,920

*Excludes cash on hand amounting to P90.12 million

As of December 31, 2025 and 2024, the aging analysis of past due but not individually impaired financial assets presented per class, is as follows:

	December 31, 2025								
	Neither Past Due nor Individually Impaired	Past Due but not Individually Impaired					Total	Individually Impaired	Total
		<30 days	30-60 days	61-90 days	91-120 days	>120 days			
Cash and cash equivalents* (Note 4)	P19,384	P-	P-	P-	P-	P-	P-	P19,384	
Short-term investment	2,178	-	-	-	-	-	-	2,178	
Receivables (Note 5)									
Trade receivable	19,772	1,301	1,964	455	400	1,626	5,746	25,557	
Loans receivable	1,852	-	-	-	-	-	-	1,852	
Accrued rent and commission income	948	1	2	-	2	5	10	1,227	
Non-trade receivable	1,812	101	13	2	29	94	239	2,051	
Accrued interest receivable	562	-	-	-	-	-	85	647	
Installment contracts receivable	254	43	26	45	-	21	135	389	
Management fee receivables	765	-	-	-	-	-	-	765	
Others	1,232	-	1	-	-	-	1	1,233	
Due from related parties (Note 27)	399	-	-	-	-	-	-	399	
	P49,158	P1,446	P2,006	P502	P431	P1,746	P6,131	P55,682	

*Excludes cash on hand amounting to P15.92 million

	December 31, 2024								
	Neither Past Due nor Individually Impaired	Past Due but not Individually Impaired					Total	Individually Impaired	Total
		<30 days	30-60 days	61-90 days	91-120 days	>120 days			
Cash and cash equivalents* (Note 4)	P25,251	P-	P-	P-	P-	P-	P-	P-	P25,251
Receivables (Note 5)									
Trade receivable	17,291	1,456	1,966	766	400	557	5,145	33	22,469
Loans receivable	1,866	-	-	-	-	-	-	-	1,866
Accrued rent and commission income	1,213	2	2	1	2	5	12	619	1,844
Non-trade receivable	1,652	67	40	5	3	38	153	4	1,809
Accrued interest receivable	787	-	-	-	-	-	-	99	886
Installment contracts receivable	235	40	24	42	-	19	125	-	360
Management fee receivables	394	-	-	-	-	-	-	-	394
Others	776	1	-	-	-	-	1	-	777
Due from related parties (Note 27)	264	-	-	-	-	-	-	-	264
	P49,729	P1,566	P2,032	P814	P405	P619	P5,436	P755	P55,920

*Excludes cash on hand amounting to P90.12 million

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 and cash equivalents deemed sufficient to finance operations and to mitigate the effects of fluctuation in cash flows. Accordingly, its loan maturity profile is regularly reviewed to ensure availability of funding through an adequate amount of credit facilities with financial institutions. Overall, the Group's funding arrangements are designed to keep an appropriate balance between equity and debt, to give financing flexibility while continuously enhancing the Group's businesses. To serve as back-up liquidity, management develops variable funding alternatives either by issuing debt or raising capital.

The tables below summarize the maturity profile of the Group's financial assets and liabilities based on undiscounted contractual payments:

	December 31, 2025			
	Up to 1 year	> 1 to 5 years	> 5 years	Total
Financial assets				
Cash and cash equivalents* (Note 4)	P19,399	P-	P-	P19,399
Short-term investments	2,178	-	-	2,178
Receivables (Note 5)				
Trade receivables	25,618	-	-	25,618
Loans receivable	1,147	-	909	2,056
Accrued rent and commission income	1,226	-	-	1,226
Nontrade receivable	2,051	-	-	2,051
Installment contracts receivables	389	-	-	389
Accrued interest receivable	647	-	-	647
Dividend receivable	-	-	-	-
Management fee receivable	765	-	-	765
Others	1,233	-	-	1,233
Due from related parties (Note 27)	399	-	-	399
Financial assets at FVTPL (Note 10)				
Investments in UITF	130	-	-	130
Financial assets at FVOCI (Note 10)				
Equity securities				
Quoted	-	-	21,599	21,599
Unquoted	-	-	195	195
Other noncurrent assets				
Derivative assets (Note 14)	-	48	-	48
Total undiscounted financial assets	P55,182	P48	P22,703	P77,933

(Forward)



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	December 31, 2025			
	Up to 1 year	> 1 to 5 years	> 5 years	Total
Other financial liabilities				
Accounts and other payables (Note 15)				
Trade payables	P32,757	P-	P-	P32,757
Accrued expenses	12,638	-	-	12,638
Telegraphic transfers and drafts and acceptances payable	6,924	-	-	6,924
Retentions payable	400	1,205	-	1,605
Accrued commissions	1,017	-	-	1,017
Accrued interest payable	1,326	-	-	1,326
Insurance payable	161	-	-	161
Royalty payable	521	-	-	521
Nontrade payables	558	-	-	558
Others	3,438	-	-	3,438
Dividends payable	493	-	-	493
Loans payable (Note 16)	44,620	61,016	26,161	131,797
Due to related parties (Note 27)	541	-	-	541
Liabilities on purchased properties (Note 20)	853	-	-	853,271
Other noncurrent liabilities				
Derivative liabilities (Note 20)	P-	P-	P-	P-
Total undiscounted financial liabilities	P106,247	P62,221	P26,161	P194,629
Liquidity Gap	(P51,066)	(P62,173)	(P3,458)	(P116,697)

*Excludes cash on hand amounting to P15.92 million.

	December 31, 2024			
	Up to 1 year	> 1 to 5 years	> 5 years	Total
Financial assets				
Cash and cash equivalents* (Note 4)	P25,267	P-	P-	P25,267
Receivables (Note 5)				
Trade receivables	22,551	-	-	22,551
Loans receivable	433	1,849	-	2,282
Accrued rent and commission income	1,844	-	-	1,844
Nontrade receivable	1,809	-	-	1,809
Installment contracts receivables	360	-	-	360
Accrued interest receivable	886	-	-	886
Dividend receivable	-	-	-	-
Management fee receivable	394	-	-	394
Others	807	-	-	807
Due from related parties (Note 27)	264	-	-	264
Financial assets at FVTPL (Note 10)				
Investments in UITF	910	-	-	910
Financial assets at FVOCI (Note 10)				
Equity securities				
Quoted	-	-	19,949	19,949
Unquoted	-	-	147	147
Other noncurrent assets				
Derivative assets (Note 14)	-	31	-	31
Total undiscounted financial assets	P55,525	P1,880	P20,096	P77,501

(Forward)

	December 31, 2024			
	Up to 1 year	> 1 to 5 years	> 5 years	Total
Other financial liabilities				
Accounts and other payables (Note 15)				
Trade payables	P24,682	P-	P-	P24,682
Accrued expenses	11,231	-	-	11,231
Telegraphic transfers and drafts and acceptances payable	5,136	-	-	5,136
Retentions payable	95	1,215	-	1,310
Accrued commissions	1,136	-	-	1,136
Accrued interest payable	1,288	-	-	1,288
Royalty payable	331	-	-	331
Nontrade payables	446	-	-	446
Others	4,698	-	-	4,698
Dividends payable	365	-	-	365
Loans payable (Note 16)	49,591	58,215	34,647	142,453
Due to related parties (Note 27)	439	-	-	439
Liabilities on purchased properties (Note 20)	1,271	-	-	1,271,271
Other noncurrent liabilities				
Derivative liabilities (Note 20)	-	-	-	-
Total undiscounted financial liabilities	P100,709	P59,430	P34,647	P194,786
Liquidity Gap	(P45,184)	(P57,550)	(P14,551)	(P117,285)

*Excludes cash on hand amounting to P90.12 million.

Foreign currency risk

Foreign currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rate. The Group's primary risk management objective is to reduce the Group's exposure to changes in foreign exchange rates. To manage the currency risk, the Group enters into hedging activities.

The Group's foreign currency-denominated financial instruments are included in cash and cash equivalents, short-term investments, receivables, accounts and other payables and loans payable.

Cash and cash equivalents denominated in foreign currency amounted to US\$53.90 million and JP¥1.00 billion as of December 31, 2025, US\$80.38 million and JP¥1.42 billion as of December 31, 2024 and US\$73.52 million and JP¥1.82 billion as of December 31, 2023.

Short-term investments denominated in foreign currency amounted to US\$37.04 million in 2025 and nil in 2024 and 2023.

Receivables denominated in foreign currency amounted to US\$20.64 million, US\$19.34 million and US\$15.97 million as of December 31, 2025, 2024 and 2023, respectively.

Accounts and other payables denominated in foreign currency amounted to US\$198.71 million and JP¥12.77 million as of December 31, 2025, US\$256.95 million and JP¥3.90 million as of December 31, 2024 and US\$238.26 million and JP¥1.18 billion as of December 31, 2023.

Loans payables denominated in foreign currency amounted to US\$5.70 million and JP¥20.61 billion as of December 31, 2025, US\$6.50 million and JP¥22.01 billion as of December 31, 2024 and US\$16.45 million and JP¥23.31 billion as of December 31, 2023.

In translating the foreign currency-denominated monetary assets and liabilities into peso amounts, the exchange rates used were 58.81 to US\$1.00 and 0.38 to JP¥1.00 as at December 31, 2025, 58.01 to US\$1.00 and 0.37 to JP¥1.00 as at December 31, 2024 and 55.57 to US\$1.00 and 0.39 to JP¥1.00 as at December 31, 2023.

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The following table demonstrates the sensitivity to a reasonably possible change in the Philippine peso-US dollar and Philippine peso-JPY exchange rates, with all variables held constant, of the Group's profit before tax (due to changes in the fair value of monetary assets and liabilities) on December 31, 2025, 2024 and 2023. There is no other impact on the Group's equity other than those already affecting the consolidated statements of comprehensive income.

	Currency	Increase (Decrease) in foreign exchange rate	Increase (Decrease) in Income Before Tax
2025	US\$	P0.90 (0.90)	(P62) 62
	JP¥	(0.0139) 0.0139	(10) 10
2024	US\$	(2.41) 2.41	296 (296)
	JP¥	(0.0247) 0.0247	382 (382)
2023	US\$	(2.51) 2.51	311 (311)
	JP¥	(0.0233) 0.0233	396 (396)

The Group determined the reasonably possible change in foreign exchange rate by using the absolute average change in Philippine peso-US dollar and Philippine peso-JPY exchange rates for the past three (3) years.

Fair Value Hedge

The Parent Company's primary risk management strategy is to reduce the Parent Company's exposure to changes in foreign exchange rates. In this regard, the Parent Company designated a layer of its JPY-denominated long-term loan (the "Hedging Instrument") to hedge the variability in the fair value arising from the translation of its investment in Toyota Motor Corporation (TMC) (the "Hedged Item") amounting to ¥20.61 billion and ¥22.01 billion as of December 31, 2025 and 2024, respectively, due to fluctuations in JPY/PHP foreign exchange (FX) rates. The hedged risk is the variability in the fair value arising from the translation of the investments (the Hedged Items) due to fluctuations in JPY/PHP FX rates (foreign currency risk). The hedging instrument is the ¥20.61 billion and ¥22.01 billion layer of the principal amount of its long-term loan with various lenders as of December 31, 2025 and 2024, respectively. The terms of the hedging relationships will end in March 2027. The effectiveness of hedging relationship is tested prospectively. All designated hedging relationships were sufficiently effective as of December 31, 2025 and 2024. Economic relation between the hedged item and the hedging instrument was qualitatively tested by matching their critical terms. The hedged items create a foreign currency risk on the translation of investments amounting to ¥20.61 billion and ¥22.01 billion as of December 31, 2025 and 2024, respectively, while the hedging instruments create the exact offset of this risk. Since the critical terms of the hedged item and hedging instrument matched, a clear economic relationship was established. The Parent Company's and the counterparty's credit risk were monitored for adverse changes. The Parent Company assessed that the risk associated with them and the counterparty is considered minimal, at inception, and during the year and did not dominate the value changes that result from the economic relationship. The prepayment of loans in 2025 and 2024 resulted in a reduction in the hedged portion of the hedged item. Accordingly, the hedge ratio for hedge accounting purposes remains to be 1:1 in 2025 and 2024. The remaining portion of the hedged item was left exposed to FX risk after the prepayments.

Interest rate risk

The Group's interest rate exposure management policy centers on reducing the Group's overall interest expense and exposure to changes in interest rates. Changes in market interest rates relate primarily to the Group's interest-bearing debt obligations with floating interest rate as it can cause a change in the amount of interest payments.

The Group manages its interest rate risk by leveraging on its premier credit rating and maintaining a debt portfolio mix of both fixed and floating interest rates. The portfolio mix is a function of historical, current trend and outlook of interest rates, volatility of short-term interest rates, the steepness of the yield curve and degree of variability of cash flows.

As of December 31, 2025 and 2024, except for the Parent Company's JPY loans, the Group has no financial instruments subject to floating interest rates. There is no sensitivity to the changes in interest rates on the Group's income before tax through the impact of floating rate borrowings because the risk is effectively hedged by an interest rate swap.

Cash Flow Hedge

Interest rate swap

The Parent Company entered into an interest rate swap ("IRS") agreement to hedge the variability in the interest cash flows arising from its floating rate loan with various lenders (the "Loan"), attributable to changes in the three-month JPY TONA ("3m JPY TONA") (Note 16). The hedged risk is variability in interest cash flows of the Loan attributable to changes in the 3m JPY TONA (interest rate risk). The hedged item is the interest cash flows on the Loan which is based on 3m JPY TONA (floored at 0%) + margin. The hedging instrument is an IRS under which the Parent Company will pay fixed interest at a rate of 0.852% to 1.255% per annum and receive variable interest based on 3m JPY TONA. The terms of the hedging relationships will end in March 2027. The effectiveness of hedging relationship is tested prospectively. The designated hedging relationship was sufficiently effective as of December 31, 2025 and 2024.

An economic relation between the hedged item and the hedging instrument was qualitatively tested by matching their critical terms. The hedged item creates an exposure to pay 3m JPY TONA (floored at 0%) + 0.65% to 0.80%, settled quarterly. The hedging instrument creates an exact offset of this exposure with a consequence of paying a fixed interest payment of 0.852% to 1.255% per annum. Since most of the critical terms of the hedged item and hedging instrument matched, a clear economic relationship was established. The Parent Company's and the counterparty's credit risk was monitored for adverse changes. The Parent Company assessed that the risk associated with them and the counterparty is considered minimal, at inception, and during the year and did not dominate the value changes that result from the economic relationship. The hedge ratio for hedge accounting purposes is 1:1 or 100% since the notional amount of the IRS exactly matches the notional amount of the Loan. The hedge ineffectiveness can arise from the counterparties' credit risk differently impacting the fair value movements of the hedging instrument and the hedged item.

The Group is holding the following hedging instruments designated as cash flow hedges as of December 31, 2025 and 2024:

	Maturity				
	Up to 3 months	> 3 to 6 months	> 6 to 12 months	> 1 to 2 years	More than 2 years
2025					
Interest rate swap					
Fixed interest rate (%)					
¥20.61 billion until March 2027	1.255%	1.255%	1.255%	1.255%	–
2024					
Interest rate swap					
Fixed interest rate (%)					
¥22.01 billion until March 2027	1.255%	1.255%	1.255%	1.255%	1.255%

In accordance with the terms of the loan, the Parent Company may prepay on the last day of an interest period applicable thereto, the whole or any part of the loan. In July 2025 and July 2024, the Parent Company prepaid ¥1.40 billion and ¥1.30 billion, respectively, and redesignated remaining balance of the loan.

The tables set out the outcome of the Group's hedging strategy, the carrying amounts of the derivatives the Group uses as hedging instruments and the changes in fair values used for measuring hedge ineffectiveness separately showing the effective and ineffective portions as of December 31, 2025 and 2024:

	December 31, 2025			
	Carrying value	Change in fair value of hedged item used for measuring ineffectiveness	Effective portion recognized in OCI	Hedge ineffectiveness recognized in the consolidated statement of income
Floating rate loans				
Interest rate swap				
Derivative asset	P48	P48	P48	P–

Notes to Consolidated Financial Statements

	December 31, 2024			Hedge ineffectiveness recognized in the consolidated statement of income
	Carrying value	Change in fair value of hedged item used for measuring ineffectiveness	Effective portion recognized in OCI	
Floating rate loans				
Interest rate swap				
Derivative asset	P31	P31	P31	P-

The Group follows a prudent policy in managing its assets and liabilities so as to ensure that exposure to fluctuations in interest are kept within acceptable limits. There is no ineffectiveness recognized in the profit or loss as the changes in the fair value of the hedged items used as basis for recognizing hedge ineffectiveness equals to the carrying amount of the hedging instruments.

The movement in cash flow hedge reserve follows:

	2025	2024
Balance at beginning of year	P31	(P14)
Net unrealized gain (loss) on cash flow hedge	17	45
Balance at end of year (net of tax)	P48	P31

Equity price risk

Equity price risk is the risk that the fair values of investments in quoted equity securities could decrease as a result of changes in the levels of equity indices and the value of individual stocks.

The Group is exposed to equity securities price risk because of financial assets at FVOCI held by the Group.

The table below shows the sensitivity to a reasonably possible change in the Philippine Stock Exchange index (PSEi), with all other variables held constant, of the Group's equity (through other comprehensive income) due to changes in the carrying value of the Group's financial assets at FVOCI. The analysis links PSEi changes, which proxies for general market movements, to individual stock prices through their betas. Betas are coefficients depicting the sensitivity of individual prices to market movements.

The sensitivity range is based on the historical volatility of the PSEi for the past year. The analysis is based on the assumption that last year's PSEi volatility will be more or less the same in the following year.

	Percentage change in PSEi	Increase (decrease) in total comprehensive income
2025	Increase by 19.28%	P321
	Decrease by 19.28%	(321)
2024	Increase by 23.48%	P385
	Decrease by 23.48%	(385)

The table below shows the sensitivity to a reasonably possible change in the Tokyo Stock Exchange index (TSEi), with all other variables held constant, of the Group's equity (through other comprehensive income) due to changes in the carrying value of the Group's financial assets at FVOCI. The analysis links TSEi changes, which proxies for general market movements, to individual stock prices through their betas. Betas are coefficients depicting the sensitivity of individual prices to market movements.

The sensitivity range is based on the historical volatility of the TSEi for the past year. The analysis is based on the assumption that last year's TSEi volatility will be more or less the same in the following year.

	Percentage change in TSEi	Increase (decrease) in total comprehensive income
2025	Increase by 22.41%	P4,376
	Decrease by 22.41%	(4,376)
2024	Increase by 17.69%	P3,165
	Decrease by 17.69%	(3,165)

34. BASIC/DILUTED EARNINGS PER SHARE

The basic/diluted earnings per share attributable to equity holders of the Parent Company for the years ended December 31, 2025, 2024 and 2023 were computed as follows (amounts in millions, except earnings per share):

	2025	2024	2023
a. Net income attributable to equity holders of the Parent Company	P33,675	P28,783	P29,313
b. Effect of dividends declared to voting and perpetual preferred shareholders of the Parent Company	(366)	(365)	(365)
c. Net income attributable to common shareholders of the Parent Company	33,309	28,418	28,948
d. Weighted average number of outstanding common shares of the Parent Company (Note 22)	215	215	215
e. Basic/diluted earnings per share (c / d)	P154.72	P132.00	P134.46

Basic and diluted earnings per share are the same due to the absence of dilutive potential common shares.

35. OPERATING SEGMENTS

Segment Information

For management purposes, the Group is organized into business units based on their products and activities and has the following reportable segments:

- Real estate is engaged in real estate and leasing, development and selling of properties of every kind and description, as well as ancillary trading of goods such as petroleum, non-fuel products on wholesale or retail basis, maintenance of a petroleum service station, engaging in food and restaurant service and acting as a marketing agent for and in behalf of any real estate development company or companies;
- Financial institutions are engaged in the banking and insurance industry and financing institution;
- Automotive operations are engaged in the assembly, manufacture, importation, sale and distribution of all kinds of automobiles including automobile parts, accessories, and instruments;
- Infrastructure is engaged in the water distribution, toll operation, power sector, hospitals and rail; and
- Others pertain to other corporate activities of the Group (i.e., capital-raising activities, acquisitions and investments).

The Chief Operating Decision Maker (CODM), which is the Executive Committee, monitors the operating results of the Group for making decisions about resource allocation and performance assessment. Segment performance is evaluated based on revenue, earnings before interest, taxes and depreciation/amortization (EBITDA) and pretax income which are measured similarly under PFRS Accounting Standards, except for EBITDA. EBITDA is computed by reconciling net interest income (expense) and provision for income taxes to the net income and adding back depreciation and amortization expenses for the year.

In 2025, 2024 and 2023, there were no revenue transactions with a single external customer which accounted for 10% or more of the consolidated revenue from external customers. Intragroup transactions were eliminated during consolidation.

Segment Assets

Segment assets are resources owned by each of the operating segments that are employed in its operating activities.

Segment Liabilities

Segment liabilities are obligations incurred by each of the operating segments from its operating activities.

Intersegment transfers or transactions are entered into under the normal commercial terms and conditions that would be available to unrelated third parties. Segment revenue, segment expense and segment results include transfers between operating segments. Those transfers are eliminated during consolidation.

Notes to Consolidated Financial Statements

The following tables present the financial information of the operating segments of the Group as of and for the years ended December 31, 2025, 2024 and 2023:

	December 31, 2025						Intersegement transactions and conso eliminations	Total
	Real Estate	Financial Institution	Automotive Operations	Infrastructure	Others			
Revenue	P4,176	P-	P305,633	P-	P1	(P127)	P309,683	
Other income	4,309	-	4,405	-	659	(3,481)	5,892	
Equity in net income of associates and joint venture	1,326	-	-	-	-	(165)	30,055	
	9,811	23,111	310,038	5,783	660	(3,773)	345,630	
Cost of goods and services sold	881	-	216,877	-	-	156	217,914	
Cost of goods manufactured and sold	-	-	46,707	-	-	(69)	46,638	
Cost of rental	882	-	-	-	2	5	889	
Cost of real estate sales	1,530	-	-	-	-	(12)	1,518	
General and administrative expenses	3,274	-	19,698	-	1,361	(216)	24,117	
	6,567	-	283,282	-	1,363	(136)	291,076	
Earnings before interest and taxes	3,244	23,111	26,756	5,783	(703)	(3,637)	54,554	
Depreciation and amortization	648	-	2,233	-	53	(85)	2,849	
EBITDA	3,892	23,111	28,989	5,783	(650)	(3,722)	57,403	
Interest income	101	-	788	-	382	-	1,271	
Interest expense	(2,821)	-	(461)	-	(3,631)	17	(6,896)	
Depreciation and amortization	(648)	-	(2,233)	-	(53)	85	(2,849)	
Pretax income (loss)	524	23,111	27,083	5,783	(3,952)	(3,620)	48,929	
Provision for income tax	228	-	(6,692)	-	(99)	718	(5,845)	
Net income (loss)	P752	P23,111	P20,391	P5,783	(P4,051)	(P2,902)	P43,084	
Segment assets	P131,384	P-	P104,815	P-	P234,415	P48,429	P519,043	
Segment liabilities	P71,925	P-	P67,611	P-	P65,451	(P3,277)	P201,710	

	December 31, 2024						Intersegement transactions and conso eliminations	Total
	Real Estate	Financial Institution	Automotive Operations	Infrastructure	Others			
Revenue	P7,970	P-	P282,638	P-	P1	(P1,180)	P289,429	
Other income	2,639	-	2,044	-	586	(42)	5,227	
Equity in net income of associates and joint venture	1,071	-	-	-	-	-	25,310	
	11,680	19,284	284,682	4,955	587	(1,222)	319,966	
Cost of goods and services sold	945	-	201,244	-	-	(217)	201,972	
Cost of goods manufactured and sold	-	-	42,525	-	-	223	42,748	
Cost of rental	928	-	-	-	1	5	934	
Cost of real estate sales	2,187	-	-	-	-	(316)	1,871	
General and administrative expenses	4,375	-	18,154	-	841	(202)	23,168	
	8,435	-	261,923	-	842	(507)	270,693	
Earnings before interest and taxes	3,245	19,284	22,759	4,955	(255)	(715)	49,273	
Depreciation and amortization	655	-	1,131	-	34	(85)	1,735	
EBITDA	3,900	19,284	23,890	4,955	(221)	(800)	51,008	
Interest income	272	-	844	-	445	-	1,561	
Interest expense	(2,736)	-	(455)	-	(4,128)	13	(7,306)	
Depreciation and amortization	(655)	-	(1,131)	-	(34)	85	(1,735)	
Pretax income (loss)	781	19,284	23,148	4,955	(3,938)	(702)	43,528	
Provision for income tax	(31)	-	(5,859)	-	(106)	(14)	(6,010)	
Net income (loss)	P750	P19,284	P17,289	P4,955	(P4,044)	(P716)	P37,518	
Segment assets	P126,038	P-	P88,024	P-	P229,022	P31,004	P474,088	
Segment liabilities	P67,122	P-	P55,465	P-	P72,576	(P925)	P194,238	

	December 31, 2023						Intersegement transactions and conso eliminations	Total
	Real Estate	Financial Institution	Automotive Operations	Infrastructure	Others			
Revenue	P14,404	P-	P262,419	P-	P1	(P1,098)	P275,726	
Other income	3,713	-	4,337	-	798	(2,276)	6,572	
Equity in net income of associates and joint venture	2,269	-	-	-	-	123	23,498	
	20,386	17,084	266,756	4,022	799	(3,251)	305,796	
Cost of goods and services sold	1,063	-	188,909	-	-	(624)	189,348	
Cost of goods manufactured and sold	-	-	39,777	-	-	(116)	39,661	
Cost of rental	888	-	-	-	22	(5)	905	
Cost of real estate sales	6,357	-	-	-	-	(957)	5,400	
General and administrative expenses	3,938	-	15,699	-	751	(131)	20,257	
	12,246	-	244,385	-	773	(1,833)	255,571	
Earnings before interest and taxes	8,140	17,084	22,371	4,022	26	(1,418)	50,225	
Depreciation and amortization	649	-	1,600	-	32	(85)	2,196	
EBITDA	8,789	17,084	23,971	4,022	58	(1,503)	52,421	
Interest income	524	-	428	-	523	-	1,475	
Interest expense	(3,062)	-	(592)	-	(4,256)	22	(7,888)	
Depreciation and amortization	(649)	-	(1,600)	-	(32)	85	(2,196)	
Pretax income	5,602	17,084	22,207	4,022	(3,707)	(1,396)	43,812	
Provision for income tax	(1,659)	-	(4,949)	-	(323)	(6)	(6,937)	
Net income	P3,943	P17,084	P17,258	P4,022	(P4,030)	(P1,402)	P36,875	
Segment assets	P124,714	P-	P92,314	P-	P220,383	P9,775	P447,186	
Segment liabilities	P66,822	P-	P58,950	P-	P77,563	(P3,973)	P199,362	

Geographical Information

The following table shows the distribution of the Group's consolidated revenues to external customers by geographical market, regardless of where the goods were produced:

	2025	2024	2023
Domestic	P335,406	P310,327	P296,435
Foreign	11,495	11,200	10,836
	P346,901	P321,527	P307,271

36. CONTINGENCIES

In the normal course of the Group's operations, certain entities within the Group have pending tax assessments/claims which are in various stages of protest/appeal with the tax authorities, the amounts of which cannot be reasonably estimated. The information usually required by PAS 37 is not disclosed on the ground that it can be expected to prejudice the outcome of pending litigations.

In order to partially guarantee the completion of Federal Land's ongoing projects and in the ordinary course of the Group's business, the Parent Company issued Letters of Guarantee (LG) in favor of the Department of Human Settlements and Urban Development (formerly Housing and Land Use Regulatory Board) for a total guarantee amount of P0.19 billion and P0.51 billion as of December 31, 2025 and 2024, respectively.

37. EVENTS AFTER THE REPORTING DATE

On January 27, 2026, the Parent Company paid the quarterly cash dividends amounting to P91.21 million, or P12.74 per share in favor of GT Capital's perpetual preferred series B stockholders of record date January 5, 2026.

On March 23, 2026, the Board of Directors (BOD) of the Parent Company approved the declaration of regular cash dividends amounting to P1.29 billion, or P6.00 per common share payable on a semi-annual basis. The first tranche of P3.00 per share in favor of GT Capital's common stockholders of record as of April 8, 2026 is payable on April 22, 2026. The exact dates of the second payout will be determined during the regular meeting of the Board of Directors in August 2026.

On March 23, 2026, the Board of Directors (BOD) of the Parent Company approved the declaration of special cash dividends amounting to P1.76 billion, or P8.16 per common share payable on a semi-annual basis. The first tranche of P4.08 per share in favor of GT Capital's common stockholders of record as of April 8, 2026 is payable on April 22, 2026. The exact dates of the second payout will be determined during the regular meeting of the Board of Directors in August 2026.

Notes to Consolidated Financial Statements

On March 23, 2026, the BOD of the Parent Company approved the declaration of the regular cash dividends in favor of its voting preferred stockholders at a dividend rate of 5.8158%, with a record date on April 8, 2026 and payment date on April 22, 2026.

38. NOTES TO CONSOLIDATED STATEMENTS OF CASH FLOWS

Below are the noncash operating, investing and financing transactions of the Group:

2025

- Transfer from property and equipment to inventories amounting to P340.31 million
- Transfer from investment properties to property and equipment amounting to P61.46 million
- Capitalized interest in inventories amounted to P51.92 million
- Recognition of ROU assets amounting to P99.33 million which is net of elimination of intra-group transactions
- Foreign exchange translation loss on JPY-denominated long-term debt amounting to P196.84 million

2024

- Conversion of long-term loans receivable amounting to P3.22 billion into additional equity interest in a joint venture
- Transfer from inventories to investment properties amounting to P406.64 million
- Capitalized interest in inventories amounted to P364.70 million
- Recognition of ROU assets and lease liabilities amounting to P69.50 million
- Foreign exchange translation gain on JPY-denominated long-term debt amounting to P597.50 million

2023

- Transfer from inventories to investment properties amounting to P153.21 million
- Transfer from investment properties to inventories amounting to P761.74 million
- Capitalized interest in inventories amounted to P516.80 million
- Recognition of ROU assets and lease liabilities amounting to P274.43 million
- Foreign exchange translation gain on JPY-denominated long-term debt amounting to P568.76 million

The following are the changes in liabilities in 2025 and 2024 arising from financing activities including both cash and non-cash changes:

	January 1, 2025	Availment**	Payment	Forex movement	Amortization of day 1 loss	Amortization of deferred financing cost	Others*	December 31, 2025
Short-term debt (Note 16)	P29,911	P94,879	(P89,257)	P7	P-	P-	P-	P35,540
Current portion of long-term debt (Note 16)	17,454	-	(19,737)	-	-	(2)	14,406	12,121
Long-term debt - net of current portion (Note 16)	76,869	11,910	(537)	196	-	88	(14,406)	74,120
Current portion of liabilities on purchased properties (Notes 20 and 27)	1,001	-	(166)	-	18	-	-	853
	P125,235	P106,789	(P109,697)	P203	P18	P86	P-	P122,634

*Others include reclassification from noncurrent to current portion.

**Availments net of documentary stamp taxes amounting to P90 million.

	January 1, 2024	Availment	Payment	Forex movement	Amortization of day 1 loss	Amortization of deferred financing cost	Others*	December 31, 2024
Short-term debt (Note 16)	P21,116	P51,025	(P42,259)	P29	P-	P-	P-	P29,911
Current portion of long-term debt (Note 16)	16,110	-	(12,404)	-	-	-	13,748	17,454
Long-term debt - net of current portion (Note 16)	95,528	-	(4,412)	(598)	-	99	(13,748)	76,869
Current portion of bonds payable (Note 17)	3,997	-	(4,000)	-	-	3	-	-
Current portion of liabilities on purchased properties (Notes 20 and 27)	348	-	(348)	-	20	-	981	1,001
Liabilities on purchased properties - net of current portion (Notes 20 and 27)	981	-	-	-	-	-	(981)	-
	P138,080	P51,025	(P63,423)	(P569)	P20	P102	P-	P125,235

*Others include reclassification from noncurrent to current portion.

39. APPROVAL FOR THE ISSUANCE OF THE CONSOLIDATED FINANCIAL STATEMENTS

The accompanying consolidated financial statements of the Group were approved and authorized for issue by the Parent Company's BOD on March 23, 2026.

GRI Content Index

DISCLOSURE REQUIREMENT	DESCRIPTION	LOCATION
GRI 2: General Disclosures 2021	2-1 Organizational details	Operating Companies Cover About the Company p 4 Company Portfolio p 5
	2-2 Entities included in the organization's sustainability reporting	About the Report p 2
	2-3 Reporting period, frequency and contact point	About the Report p 2
	2-4 Restatements of information	ESG Performance Summary p 250-256
	2-6 Activities, value chain and other business relationships	Value Creation Model p 21-23 Our Stakeholders p 28-29 Our Community Engagement p 90-109
	2-7 Employees	ESG Performance Summary p 250-256
	2-8 Workers who are not employees	ESG Performance Summary p 250-256
	2-9 Governance structure and composition	Our Leadership and Governance p 110-135 Our Corporate Governance pp 136-147
	2-10 Nomination and selection of the highest governance body	Our Corporate Governance pp 136-147
	2-11 Chair of the highest governance body	GT Capital Organizational Structure p 113 Board of Directors Profiles p 120-123
	2-12 Role of the highest governance body in overseeing the management of impacts	Our Corporate Governance pp 136-147
	2-13 Delegation of responsibility for managing impacts	GT Capital Organizational Structure p 113 Our Corporate Governance pp 136-147
	2-14 Role of the highest governance body in sustainability reporting	GT Capital Organizational Structure p 113 Our Corporate Governance pp 136-147
	2-15 Conflicts of interest	Our Corporate Governance pp 136-147 Policy on Conflicts of Interest p 138
	2-16 Communication of critical concerns	Our Stakeholders p 28-29 Our Corporate Governance pp 136-147
	2-17 Collective knowledge of the highest governance body	Board of Directors Profiles p 122-125
2-18 Evaluation of the performance of the highest governance body	Our Corporate Governance pp 136-147	
2-19 Remuneration policies	Our Corporate Governance pp 136-147	
2-20 Process to determine remuneration	Our Corporate Governance pp 136-147	
2-21 Annual total compensation ratio	Our Corporate Governance pp 136-147	
2-22 Statement on sustainable development strategy	Commitment to Responsible Investing p 18-19 Value Creation Model p 21-23	
2-23 Policy commitments	Commitment to Responsible Investing p 18-19	
2-24 Embedding policy commitments	Commitment to Responsible Investing p 18-19	
2-25 Processes to remediate negative impacts	Our Stakeholders p 28-29 Risk and Opportunities p 142-143	
2-26 Mechanisms for seeking advice and raising concerns	Our Stakeholders p 28-29 Our Corporate Governance pp 136-147	
2-27 Compliance with laws and regulations	Our Corporate Governance pp 136-147	
2-29 Approach to stakeholder engagement	Our Stakeholders p 28-29	
2-30 Collective bargaining agreements	ESG Performance Summary p 250-256	

GRI Content Index, continued

DISCLOSURE REQUIREMENT	DESCRIPTION	LOCATION
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Our Approach to Materiality p 25-27
	3-2 List of material topics	Our Approach to Materiality p 25-27
	3-3 Management of material topics	Our Approach to Materiality p 25-27
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	ESG Performance Summary p 250-256
GRI 203: Indirect Economic Impacts 2016	203-2 Significant indirect economic impacts	Our Stakeholders p 28-29 ESG Performance Summary p 250-256
GRI 302: Energy 2016	302-1 Energy consumption within the organization	ESG Performance Summary p 250-256
	302-3 Energy intensity	ESG Performance Summary p 250-256
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	ESG Performance Summary p 250-256
	305-2 Energy indirect (Scope 2) GHG emissions	ESG Performance Summary p 250-256
	305-3 Other indirect (Scope 3) GHG emissions	ESG Performance Summary p 250-256
	305-4 GHG emissions intensity	ESG Performance Summary p 250-256
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	ESG Performance Summary p 250-256
	401-3 Parental leave	ESG Performance Summary p 250-256
GRI 403: Occupational Health and Safety 2018	403-5 Worker training on occupational health and safety	Human Capital Strategy p 43-45
	403-6 Promotion of worker health	Human Capital Strategy p 43-45
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Human Capital Strategy p 43-45
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	ESG Performance Summary p 250-256
	404-2 Programs for upgrading employee skills and transition assistance programs	Human Capital Strategy p 43-45
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Board of Directors Profiles p 120-123 Senior Management p 124-131 Group Management p 132-135
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Human Capital Strategy p 45
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Our Community Engagement p 90-109
	413-2 Operations with significant actual and potential negative impacts on local communities	Our Community Engagement p 90-109
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	Green Purchasing Guidelines p 62
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	Selling Practices and Product Labelling p 56
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Data Security and Customer Privacy p 57

IFRS Sustainable Disclosure Standards Index

DISCLOSURE REQUIREMENT	DESCRIPTION	LOCATION
IFRS S1:17-18	Materiality	Our Approach to Materiality p 25-27 Risk and Opportunities p 38-41
IFRS S1:21-22, IFRS S2:13	Connected Information Business Model and Value Chain	Value Creation Model p 21-23
IFRS S1:27, IFRS S2:6	Governance	GT Capital Organizational Structure p 113 Risk and Sustainability Oversight Committee p 144-145
IFRS S1:29, IFRS S2:9, IFRS S2:14	Strategy	Commitment to Responsible Investing p 18-19 Business Strategy p 42
IFRS S1:30-42, IFRS S2:10	Sustainability-related and Climate-related Risks and Opportunities	Risk and Opportunities p 38-41 Industry Risks and Future Outlook p 50, 59-60, 69-70, 76-77, 85
IFRS S1:44, IFRS S2:25	Risk Management	Risk and Opportunities p 34-41
IFRS S1:46-52, IFRS S2:27-37	Metrics and Targets	Key Performance Indicators and Impacts p 51-52, 60-61, 70-72, 77-79, 87 Environmental and Social Performance and Impacts p 53-54, 62-65, 73, 80-82, 88-89 ESG Performance Summary p 251-258

ESG Performance Summary

GRI 2-4, 2-7, 2-8, 2-30, 201-1, 203-2, 302-1, 302-3, 305-1, 305-2, 305-3, 305-4, 401-1, 401-3, 404-1, IFRS S1:46-52, S2:27-37

Economic Data

ECONOMIC PERFORMANCE (In Php Billion)	2023	2024	2025
Direct Economic Value Generated	307.3	321.5	346.9
Direct Economic Value Distributed	271.3	286.7	307.2
Operating Costs	235.3	247.5	267.0
Employee Wages and Benefits	3.6	4.2	4.5
Payments to Suppliers, Other Operating Costs	14.5	16.4	16.9
Payments to Providers of Capital	8.9	9.4	9.0
Payments to Government	9.0	9.1	9.6
Community Investments (In Php Million)	41	40	172
Direct Economic Value Retained	35.9	34.8	39.7

DIRECT ECONOMIC VALUE GENERATED (In Php Billion)	2023	2024	2025
GT Capital Holdings, Inc.	307.3	321.5	346.9
Metropolitan Bank & Trust Company	155.5	182.3	192.5
Toyota Motor Philippines Corporation	224.6	241.9	260.5
Federal Land, Inc.	12.9	11.1	8.4
AXA Philippines	19.2	19.4	16.7
Metro Pacific Investments Corporation	61.3	73.0	83.3

DIRECT ECONOMIC VALUE DISTRIBUTED (In Php Billion)	2023	2024	2025
GT Capital Holdings, Inc.	271.3	286.7	307.2
Metropolitan Bank & Trust Company	126.9	162.3	163.3
Toyota Motor Philippines Corporation	234.2	261.3	283.8
Federal Land, Inc.	8.2	5.4	5.5
AXA Philippines	17.3	18.4	14.2
Metro Pacific Investments Corporation	59.8	71.0	83.5

DIRECT ECONOMIC VALUE RETAINED (In Php Billion)	2023	2024	2025
GT Capital Holdings, Inc.	35.9	34.8	39.7
Metropolitan Bank & Trust Company	28.6	20.0	29.2
Toyota Motor Philippines Corporation	(9.6)	(19.4)	(23.4)
Federal Land, Inc.	4.8	5.7	2.9
AXA Philippines	2.0	1.0	2.5
Metro Pacific Investments Corporation	1.5	2.0	(0.1)

PAYMENTS TO GOVERNMENT (In Php Billion)	2023	2024	2025
GT Capital Holdings, Inc.	9.0	9.1	9.6
Metropolitan Bank & Trust Company	21.7	27.7	24.3
Toyota Motor Philippines Corporation	31.3	35.4	43.1
Federal Land, Inc.	2.2	1.0	1.0
AXA Philippines	1.1	0.9	0.8
Metro Pacific Investments Corporation	6.0	7.0	7.7

*currently reported in billions hence rounded down to "0.0"

Governance Data

BOARD OF DIRECTORS	POSITION	DIRECTORSHIP	AGE	GENDER	TENURE	BOARD ATTENDANCE
Francisco C. Sebastian	Chairman	Non-Executive	72	M	12	6/6 (100%)
Alfred V. Ty	Vice Chairman	Non-Executive	58	M	14	6/6 (100%)
Arthur V. Ty	Director	Non-Executive	59	M	15	5/6 (83%)
Carmelo Maria Luza Bautista	Director	Executive	68	M	15	6/6 (100%)
Regis V. Puno	Director	Non-Executive	67	M	8	6/6 (100%)
David T. Go	Director	Non-Executive	72	M	12	6/6 (100%)
Peter B. Favila	Lead Independent Director	Independent	77	M	3*	5/5 (100%)
Carlos G. Dominguez III	Director	Independent	80	M	3	6/6 (100%)
Rene J. Buenaventura	Director	Independent	71	M	8	6/6 (100%)
Gil B. Genio	Director	Independent	66	M	4	6/6 (100%)
Consuelo D. Garcia	Director	Independent	71	F	5	6/6 (100%)

*Prior to May 14, 2025, Mr. Favila was first elected as an independent director of the Corporation on May 11, 2015 and served as an independent director until July 1, 2017

Environmental Data

ELECTRICITY CONSUMPTION (in '000 MWh)	2023	2024	2025
Metropolitan Bank & Trust Company	43.8	43.0	41.2
Toyota Motor Philippines Corporation	27.0	27.7	30.6
Federal Land, Inc.	26.2	37.3	35.3
AXA Philippines	1.1	1.1	1.1
Metro Pacific Investments Corporation	324.0	335.4	389.5
TOTAL	422.2	444.4	497.8

FUEL CONSUMPTION (in '000 MWh)	2023	2024	2025
Metropolitan Bank & Trust Company	1.4	1.5	1.3
Toyota Motor Philippines Corporation	36.7	37.7	40.5
Federal Land, Inc.	0.3	5.6	2.5
AXA Philippines	0.6	0.6	0.6
Metro Pacific Investments Corporation	36,741.6	45,728.9	39,133.3
TOTAL	36,780.6	45,774.3	39,178.1



ESG Performance Summary, continued

ENERGY CONSUMPTION (in '000 MWh)	2023	2024	2025
Metropolitan Bank & Trust Company	45.2	44.5	42.5
Toyota Motor Philippines Corporation	63.8	65.3	71.2
Federal Land, Inc.	26.5	42.9	37.8
AXA Philippines	1.7	1.6	1.7
Metro Pacific Investments Corporation	37,065.7	46,064.3	39,522.8
TOTAL	37,202.8	46,218.7	39,675.9

ENERGY INTENSITY (In MWh per Million Php Revenue)	2023	2024	2025
Metropolitan Bank & Trust Company	291	244	221
Toyota Motor Philippines Corporation	284	270	273
Federal Land, Inc.	2,053	3,871	4,503
AXA Philippines	89	85	103
Metro Pacific Investments Corporation	604,384	631,018	476,178
TOTAL	121,075	143,747	114,373

ELECTRICITY CONSUMPTION (% Renewable)	2023	2024	2025
Metropolitan Bank & Trust Company	0%	0%	0%
Toyota Motor Philippines Corporation	6%	96%	96%
Federal Land, Inc.	0%	40%	4%
AXA Philippines	68%	0%	0%
Metro Pacific Investments Corporation	10%	8%	4%
TOTAL	9%	16%	9%

GHG EMISSIONS (in tons CO ₂ e) Equity-Adjusted	2023 ¹	2024 ¹	2025 ¹
Scope 1	893,849	945,059	1,370,383
Scope 2	252,659	267,460	284,664
Scope 3	3,140,888	3,254,933	3,489,574
TOTAL	4,287,396	4,467,451	5,144,621

¹ Emissions data in 2023 and 2024 have been restated using the equity-share approach comparable to 2025.

SCOPE 1 EMISSIONS (in tons CO ₂ e)	2023	2024	2025
Metropolitan Bank & Trust Company	345	375	307
Toyota Motor Philippines Corporation	8,280	12,203	9,333
Federal Land, Inc.	83	1,056	481
AXA Philippines	136	141	146
Metro Pacific Investments Corporation	4,889,390	5,154,503	6,956,908
TOTAL	4,898,236	5,168,278	6,967,175

SCOPE 2 EMISSIONS (in tons CO ₂ e)	2023	2024	2025
Metropolitan Bank & Trust Company	31,454	30,852	30,569
Toyota Motor Philippines Corporation	19,870	20,222	22,960
Federal Land, Inc.	20,423	24,183	26,448
AXA Philippines	282	827	875
Metro Pacific Investments Corporation	1,156,379	1,227,215	1,192,636
TOTAL	1,228,408	1,303,299	1,273,488

GHG INTENSITY (In Million tons-CO ₂ e per Php Million Revenue)	2023	2024	2025
Scope 1	2,909	2,939	3,950
Scope 2	822	832	821
Scope 3	10,222	10,123	10,059

WATER WITHDRAWAL (in cu m)	2023	2024	2025
Metropolitan Bank & Trust Company	267,805	271,241	272,616
Toyota Motor Philippines Corporation	263,316	272,307	258,550
Federal Land, Inc.	227,271	280,225	274,390
AXA Philippines	2,417	747	1,021
Metro Pacific Investments Corporation	2,496,657,241	2,478,724,555	5,915,489,553
TOTAL	2,497,418,050	2,479,549,075	5,916,296,130

NON-HAZARDOUS WASTE GENERATION (in tons)	2023	2024	2025
Metropolitan Bank & Trust Company	237	179	238
Toyota Motor Philippines Corporation	5,133	6,130	6,160
Federal Land, Inc.	1,011	1,039	1,133
AXA Philippines	41	20	23
Metro Pacific Investments Corporation	515,801	348,699	549,789
TOTAL	522,222	356,068	557,343

HAZARDOUS WASTE GENERATION (in tons)	2023	2024	2025
Metropolitan Bank & Trust Company	15	15	9
Toyota Motor Philippines Corporation	645	677	809
Federal Land, Inc.	1,011	1,039	4
AXA Philippines	-	-	-
Metro Pacific Investments Corporation	3,315	2,433	2,152
TOTAL	4,985	4,165	2,975



ESG Performance Summary, continued

Social Data

PERMANENT & TEMPORARY EMPLOYEES	2023	2024	2025
GT Capital Holdings, Inc.	58	59	63
Metropolitan Bank & Trust Company	16,987	18,574	18,255
Toyota Motor Philippines Corporation	3,968	4,383	4,469
Federal Land, Inc.	603	591	619
AXA Philippines	2,135	2,197	2,222
Metro Pacific Investments Corporation	17,594	22,549	21,113
TOTAL	41,345	48,353	46,741

PERMANENT EMPLOYEES (% Female)	2023	2024	2025
GT Capital Holdings, Inc.	50%	46%	49%
Metropolitan Bank & Trust Company	65%	65%	65%
Toyota Motor Philippines Corporation	20%	19%	19%
Federal Land, Inc.	58%	61%	61%
AXA Philippines	61%	61%	62%
Metro Pacific Investments Corporation	30%	27%	27%

PERMANENT EMPLOYEES (Age Less than 30yrs)	2023	2024	2025
GT Capital Holdings, Inc.	19%	22%	17%
Metropolitan Bank & Trust Company	37%	37%	36%
Toyota Motor Philippines Corporation	24%	30%	28%
Federal Land, Inc.	32%	28%	26%
AXA Philippines	33%	34%	28%
Metro Pacific Investments Corporation	28%	28%	29%

PERMANENT EMPLOYEES (Age 30-50yrs)	2023	2024	2025
GT Capital Holdings, Inc.	62%	59%	60%
Metropolitan Bank & Trust Company	54%	55%	56%
Toyota Motor Philippines Corporation	63%	59%	61%
Federal Land, Inc.	62%	65%	66%
AXA Philippines	62%	61%	65%
Metro Pacific Investments Corporation	58%	59%	59%

PERMANENT EMPLOYEES (Rank & File)	2023	2024	2025
GT Capital Holdings, Inc.	7%	7%	8%
Metropolitan Bank & Trust Company	50%	48%	46%
Toyota Motor Philippines Corporation	67%	70%	69%
Federal Land, Inc.	44%	44%	41%
AXA Philippines	76%	75%	73%
Metro Pacific Investments Corporation	69%	75%	80%

PERMANENT EMPLOYEES (Junior & Middle Management)	2023	2024	2025
GT Capital Holdings, Inc.	59%	61%	60%
Metropolitan Bank & Trust Company	46%	47%	49%
Toyota Motor Philippines Corporation	32%	29%	30%
Federal Land, Inc.	48%	49%	53%
AXA Philippines	24%	25%	27%
Metro Pacific Investments Corporation	25%	20%	15%

PERMANENT EMPLOYEES (Senior Management)	2023	2024	2025
GT Capital Holdings, Inc.	34.5%	32.2%	31.7%
Metropolitan Bank & Trust Company	4.7%	4.9%	5.3%
Toyota Motor Philippines Corporation	1.1%	1.0%	1.0%
Federal Land, Inc.	7.4%	7.1%	6.0%
AXA Philippines	0.4%	0.3%	0.4%
Metro Pacific Investments Corporation	6.4%	5.3%	5.7%

FEMALE REPRESENTATION IN SENIOR MANAGEMENT	2023	2024	2025
GT Capital Holdings, Inc.	40%	42%	40%
Metropolitan Bank & Trust Company	56%	58%	63%
Toyota Motor Philippines Corporation	21%	15%	20%
Federal Land, Inc.	43%	48%	50%
AXA Philippines	38%	33%	25%
Metro Pacific Investments Corporation	28%	29%	29%

NEW HIRES (% of Permanent Employees)	2023	2024	2025
GT Capital Holdings, Inc.	21%	19%	11%
Metropolitan Bank & Trust Company	20%	16%	9%
Toyota Motor Philippines Corporation	6%	18%	6%
Federal Land, Inc.	31%	24%	19%
AXA Philippines	36%	34%	36%
Metro Pacific Investments Corporation	30%	22%	24%

FEMALE NEW HIRES (% of New Hires)	2023	2024	2025
GT Capital Holdings, Inc.	50%	18%	71%
Metropolitan Bank & Trust Company	65%	62%	65%
Toyota Motor Philippines Corporation	39%	12%	32%
Federal Land, Inc.	61%	62%	62%
AXA Philippines	60%	64%	61%
Metro Pacific Investments Corporation	28%	30%	24%



ESG Performance Summary, continued

EMPLOYEE TURNOVER RATE (%)	2023	2024	2025
GT Capital Holdings, Inc.	14%	19%	5%
Metropolitan Bank & Trust Company	13%	10%	11%
Toyota Motor Philippines Corporation	5%	4%	3%
Federal Land, Inc.	19%	18%	15%
AXA Philippines	33%	27%	32%
Metro Pacific Investments Corporation	20%	13%	15%

AVERAGE TRAINING HOURS (Hrs)	2023	2024	2025
GT Capital Holdings, Inc.	26	47	51
Metropolitan Bank & Trust Company	31	32	17
Toyota Motor Philippines Corporation	7	12	10
Federal Land, Inc.	14	61	63
AXA Philippines	43	33	33
Metro Pacific Investments Corporation	29	23	26
TOTAL	28	27	22

PARENTAL LEAVES: RETURN TO WORK RATES (Female)	2023	2024	2025
GT Capital Holdings, Inc.	N/A	N/A	N/A
Metropolitan Bank & Trust Company	100%	100%	100%
Toyota Motor Philippines Corporation	100%	100%	100%
Federal Land, Inc.	78%	78%	100%
AXA Philippines	77%	100%	100%
Metro Pacific Investments Corporation	99%	99%	97%

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