

COVER SHEET

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S.E.C. Registration Number

G	T	C	A	P	I	T	A	L	H	O	L	D	I	N	G	S	,	I	N	C	.				

(Company's Full Name)

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T	I	O	N	A	L	A	Y	A	L	A	A	V	E	N	U	E	C	O	R	N	E	R	H	.	V
D	E	L	A	C	O	S	T	A	S	T	R	E	E	T	M	A	K	A	T	I	C	I	T	Y	

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

Atty. Maria Sofia A. Lopez

Contact Person

6	3	2	8	8	3	6	4	5	0	0
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Company Telephone Number

1	2
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Month

3	1
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Day

Fiscal Year

SEC Form 20-IS (Preliminary Information Statement)

Form Type

Second Wednesday of May

Regular Meeting

Certificate of Permit to Offer Securities for Sale (Order #092)
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Secondary License type, if applicable

M	S	R	D
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Dept. Requiring this Doc.

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Amended Articles Number/Section

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Total No. of Stockholders

Total amount of Borrowings

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Domestic

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Foreign

To be Accomplished by SEC Personnel concerned

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File Number

LCU

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Document I.D.

Cashier

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Remarks = Pls. use black ink for scanning purposes.



GT CAPITAL
HOLDINGS, INCORPORATED

Notice of Annual Stockholders' Meeting

May 13, 2026 at 2:00 p.m.

Virtual Annual Stockholders' Meeting

To All Stockholders:

Please take notice that the 2026 Annual Stockholders' Meeting of GT Capital Holdings, Inc. ("GT Capital" or the "Corporation") will be conducted virtually on May 13, 2026 at 2:00 p.m. Stockholders of record may attend and participate by following the registration process to be posted in the website of the Corporation, www.gtcapital.com.ph.

A G E N D A

1. Call to order
2. Certification of Notice and Quorum
3. Explanation of Voting Procedures
4. Approval of Minutes of the Annual Stockholders' Meeting held on May 14, 2025
5. Annual Report for the Year 2025
6. General Ratification of the Acts of the Board of Directors, Committees, and Management from the date of the last Annual Stockholders' Meeting up to May 13, 2026
7. Election of Directors for 2026-2027
8. Appointment of External Auditor
9. Other Matters
10. Adjournment

Record Date. The Board of Directors has fixed the end of trading hours of the Philippine Stock Exchange (PSE) on April 10, 2026 as the record date for the determination of stockholders entitled to notice of and to vote at such Meeting and any adjournment thereof.

Pre-registration. Those who shall participate by remote communication may notify the Corporate Secretary by sending an e-mail to ASM2026@gtcapital.com.ph on or before April 30, 2026, together with the following requirements:

For Certificated Stockholders:

(a) Individual Stockholders

- i. A scanned copy of stockholder's valid-government-issued ID showing photo, signature and personal details, preferably with residential address (in JPG, PDF or PNG format). The file size should be no larger than 2MB;
- ii. A valid and active e-mail address and contact number; and
- iii. Accomplished Data Privacy Consent Form, downloadable at the GT Capital website.

For Joint Stockholders, each Joint Owner must submit all of the above requirements, along with an authorization letter signed by all Joint Owners designating who among them is authorized to cast the vote for the account. The authorization letter must be in digital JPG format and must not exceed 2MB in file size.

(b) Corporate Stockholders

- i. A secretary's certificate attesting to the authority of the representative to participate by remote communication for and on behalf of the Corporation (in JPG, PDF, or PNG format). The file size should be no larger than 2MB;
- ii. A scanned copy of representative's valid government-issued ID showing photo, signature and personal details, preferably with residential address (in JPG, PDF, or PNG format). The file size should be no larger than 2MB;
- iii. A valid and active e-mail address and contact number; and
- iv. Accomplished Data Privacy Consent Form, downloadable at the GT Capital website.

For Stockholders under PCD Participant/Brokers account or "Scripless Shares"

- i. A broker certification on the stockholder's number of shareholdings (in JPG, PDF or PNG format). The file size should be no larger than 2MB;

- ii. A scanned copy of stockholder's valid-government-issued ID showing photo, signature and personal details, preferably with residential address (in JPG, PDF, or PNG format). The file size should be no larger than 2MB;
- iii. A valid and active e-mail address and contact number; and
- iv. Accomplished Data Privacy Consent Form, downloadable at the GT Capital website.

Important Note: The Corporation shall continue to accept documents executed by individual stockholders via electronic signature, pursuant to relevant laws. However, documents required to be submitted by corporations (such as the Secretary's Certificate and Broker's Certification) must be notarized. The Corporation reserves the right to request additional information, including submission of original signed and notarized copies of these documents at a later time. Incomplete or inconsistent information may result in an unsuccessful event registration. As a result, such Stockholders who are unable to provide the foregoing may not be allowed to participate in the virtual ASM.

Stockholders who have submitted complete requirements will receive an electronic invitation via e-mail with a complete guide on how to join the meeting and cast votes. For registration concerns, please send an e-mail to ASM2026@gtcapital.com.ph.

Proxy. Those who shall participate by proxy shall accomplish the attached proxy form available at GT Capital's website and return the same by e-mail to the office of the Corporate Secretary at proxies@gtcapital.com.ph on or before April 30, 2026.

Stockholder Questions. Questions regarding the Corporation or the meeting may be sent to ASM2026@gtcapital.com.ph on or before May 8, 2026. Questions that cannot be taken up during the meeting will be responded to via e-mail.

Copies of Relevant Documents. Stockholders may secure physical copies of the Corporation's Information Statement through its Stock and Transfer Agent. Online copies will also be available at GT Capital's website and at PSE Edge.

There will be audio and virtual recording of the meeting. All votes cast shall be subject to the validation by SGV & Co.

Makati City, March 25, 2026.

BY THE ORDER OF THE BOARD OF DIRECTORS


MARIA SOFIA A. LOPEZ
Assistant Corporate Secretary
GT CAPITAL HOLDINGS, INC.

PROXY

The undersigned stockholder of GT Capital Holdings, Inc. (the "Corporation") hereby appoints _____ or in his absence, the Chairman of the meeting, as *attorney and proxy*, with the power of substitution, to present and vote all shares registered in his/her/its name as proxy of the undersigned stockholder, at the Annual Stockholders' Meeting of the Corporation on **May 13, 2026** and at any adjournments thereof for the purpose of acting on the following matters:

- 1. Approval of Minutes of previous Annual Stockholders' Meeting held on May 14, 2025

_____ Yes _____ No _____ Abstain

- 2. Ratification of all acts and resolutions of the Board of Directors, Committees and Management from the date of the last Annual Stockholders' Meeting up to May 13, 2026

_____ Yes _____ No _____ Abstain

- 3. Appointment of Sycip Gorres Velayo & Co. as external auditor

_____ Yes _____ No _____ Abstain

- 4. Election of Directors

_____ Vote for all nominees listed below

_____ Mr. Francisco C. Sebastian
_____ Mr. Alfred Vy Ty
_____ Mr. Arthur Vy Ty
_____ Mr. Carmelo Maria Luza Bautista
_____ Dr. David T. Go
_____ Atty. Regis V. Puno
_____ Mr. Peter B. Favila
_____ Mr. Rene J. Buenaventura
_____ Mr. Gil B. Genio
_____ Ms. Consuelo D. Garcia
_____ Mr. Carlos G. Dominguez III

_____ Withhold authority for all nominees listed above

PRINTED NAME OF STOCKHOLDER	SIGNATURE OF STOCKHOLDER/ AUTHORIZED SIGNATORY	DATE
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THIS PROXY SHOULD BE SENT TO AND RECEIVED BY THE CORPORATE SECRETARY ON OR BEFORE **APRIL 30, 2026**, THE DEADLINE FOR SUBMISSION OF PROXIES.

THIS PROXY IS NOT REQUIRED TO BE NOTARIZED, AND WHEN PROPERLY EXECUTED, WILL BE VOTED IN THE MANNER AS DIRECTED HEREIN BY THE STOCKHOLDER(S). IF NO DIRECTION IS MADE, THIS PROXY WILL BE VOTED FOR THE ELECTION OF ALL NOMINEES AND FOR THE APPROVAL OF THE MATTERS STATED ABOVE AND FOR SUCH OTHER MATTERS AS MAY PROPERLY COME BEFORE THE MEETING IN THE MANNER DESCRIBED IN THE INFORMATION STATEMENT AND/OR AS RECOMMENDED BY MANAGEMENT OR THE BOARD OF DIRECTORS.

A STOCKHOLDER GIVING PROXY HAS THE POWER TO REVOKE IT AT ANY TIME BEFORE THE RIGHT GRANTED IS EXERCISED. A PROXY IS ALSO CONSIDERED REVOKED IF THE STOCKHOLDER HIMSELF/HERSELF ATTENDS THE MEETING AND EXPRESSES HIS OR HER INTENTION TO VOTE.

EXPLANATION / RATIONALE OF AGENDA ITEMS

1. Call to order

The Chairman of the Board will call to order the Annual Stockholders' Meeting of GT Capital Holdings, Inc. ("GT Capital" or the "Corporation").

2. Certification of notice and quorum

The Corporate Secretary will certify that copies of the notice of the meeting were provided to holders of the Corporation's shares of stock as of April 10, 2026 Record Date and that a quorum exists for the valid transaction of the business in the agenda.

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

3. Explanation of Voting Procedures

The Chairman will call on the Corporate Secretary to discuss the rules for registration, participation, and voting in the meeting.

4. Approval of minutes of the May 14, 2025 Annual Stockholders' Meeting

The draft minutes of the May 14, 2025 Annual Stockholders' Meeting has been posted on the GT Capital website since May 15, 2025 and may be accessed using the following link:

<https://www.gtcapital.com.ph/governance/stockholders-meeting>

A resolution covering this matter will be presented during the meeting.

5. Annual Report for the Year 2025

The Chairman of the Board will call on the President, Mr. Carmelo Maria Luza Bautista, to render his report for the year 2025. GT Capital's Annual Report will be posted on the Corporation's website: www.gtcapital.com.ph.

A resolution covering this matter will be presented during the meeting.

6. General Ratification of the Acts of the Board of Directors, Committees, and Management from the date of the last Annual Stockholders' Meeting up to May 13, 2026

This matter includes all acts, transactions, and resolutions of the Board of Directors, the Committees, and Management from the date of the 2025 Annual Stockholders' Meeting up to May 13, 2026.

A resolution covering this matter will be presented during the meeting.

7. Election of Directors for 2026-2027

The Nominations Committee Chairman will explain the nomination procedure under the current SEC rules. The eleven (11) nominees have been pre-qualified by the Nominations Committee as having all of the qualifications and none of the disqualifications to serve as members of the Board for the ensuing year. The profiles of each nominee are provided in the Corporation's Information Statement.

Preliminary votes cast will be presented during the meeting.

8. Appointment of External Auditor

The Audit Committee Chairman will explain the procedure for the appointment of the external auditor. Information on the external auditor proposed for re-appointment is provided in the Corporation's Information Statement.

A resolution covering this matter will be presented during the meeting.

9. Other Matters

The stockholders of the Corporation may raise other matters or questions which may be taken up during the meeting. Questions may be sent to the Corporate Secretary at ASM2026@gtcapital.com.ph on or before May 8, 2026. Questions that cannot be taken up during the meeting will be responded to via e-mail.

10. Adjournment

End of meeting.

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 20-IS

INFORMATION STATEMENT PURSUANT TO SECTION 20
OF THE SECURITIES REGULATION CODE

1. Check the appropriate box:
[X] Preliminary Information Statement [] Definitive Information Statement
2. Name of Registrant as specified in its charter: **GT CAPITAL HOLDINGS, INC.**
3. Province, country or other jurisdiction of incorporation or organization: **Philippines**
4. SEC Identification Number: **CS200711792**
5. BIR Tax Identification Code: **006-806-867**
6. Address of principal office: **43/F, GT Tower International, 6813 Ayala Avenue corner H. V. de la Costa Street, Makati City, Metro Manila, Philippines** Postal Code: **1227**
7. Registrant's telephone number, including area code: **(632) 8836-4500**
8. Date, time and place of the meeting of security holders: To be conducted virtually via Zoom on **May 13, 2026 at 2:00 p.m.**, with links to be designated and provided to GT Capital's shareholders entitled to vote upon registration.
9. Approximate date on which the Information Statement is first to be sent or given to security holders: **April 15, 2026**
10. Securities registered pursuant to Sections 8 and 12 of the Code or Sections 4 and 8 of the SRC (information on number of shares and amount of debt is applicable only to corporate registrants):

a) Shares of Stock

Title of Each Class	Number of Shares
Common Shares	215,284,587
Series B Perpetual Preferred Shares (GTPPB)	7,160,760
Amount of Debt Outstanding	Nil

b) Debt securities: Nil

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

Yes No

If yes, disclose the name of such Stock Exchange and the class of securities listed therein:

Type of Share	Stock Exchange
Common Shares	Philippine Stock Exchange
GTPPB	Philippine Stock Exchange

The Corporation's Voting Preferred Shares are not listed in any stock exchange.

INFORMATION REQUIRED IN INFORMATION STATEMENT

A. GENERAL INFORMATION

Item 1. Date, time and place of meeting of security holders.

- (a) The Annual Stockholders' Meeting ("ASM") of GT Capital Holdings, Inc. ("GT Capital" or the "Corporation") is scheduled to be held on May 13, 2026 at 2:00 p.m. to be conducted virtually via Zoom, with links to be provided to GT Capital's shareholders entitled to vote upon registration, subject to the registration procedure posted on the GT Capital website. The complete mailing address of the principal office of the registrant is 43/F, GT Tower International, 6813 Ayala Avenue corner H. V. de la Costa Street, Makati City, Metro Manila, Philippines 1227. The presiding officer will preside the virtually held meeting in the city where the principal office is located, as defined by Sec. 50 of the Revised Corporation Code.
- (b) The approximate date on which the Information Statement will be sent or given to the stockholders is on April 15, 2026. Stockholders may secure physical copies of the Corporation's Definitive Information Statement through its Stock and Transfer Agent. Online copies will also be available at GT Capital's website and at PSE Edge.

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

Voting Securities

The record date for purposes of determining the stockholders entitled to vote is April 10, 2026. The total number of shares outstanding and entitled to vote in the stockholders' meeting is 389,584,587 shares composed of 215,284,587 Common Shares and 174,300,000 Voting Preferred Shares. Stockholders are entitled to cumulative voting in the election of the Board of Directors, as provided in the Revised Corporation Code of the Philippines (the "Revised Corporation Code").

Item 2. Dissenters' Right of Appraisal

Pursuant to Section 80 of the Revised Corporation Code, a stockholder has the right to dissent and demand payment of the fair value of his shares in the following instances:

- (a) In case any amendment to the Articles of Incorporation has the effect of changing or restricting the rights of any stockholders or class of shares, or of authorizing preferences in any respect superior to those of outstanding shares of any shares of any class, or of extending or shortening the term of corporate existence;
- (b) In case of sale, lease, exchange, transfer, mortgage, pledge or other disposition of all or substantially all of the corporate property and assets as provided in the Revised Corporation Code;
- (c) In case of merger or consolidation; and
- (d) In case of investment of corporate funds for any purpose other than the primary purpose of the Corporation.

A stockholder must have voted against the proposed corporate action in order to avail himself of the appraisal right. The procedure for the exercise by a dissenting stockholder of his appraisal right is as follows:

- (a) The dissenting stockholder shall make a written demand on the corporation within 30 days after the date on which the vote was taken for payment of the fair value of his shares. The failure of the stockholder to make the demand within the 30-day period shall be deemed a waiver on his appraisal right;
- (b) If the proposed corporate action is implemented or effected, the corporation shall pay to such stockholder, upon surrender of corresponding certificate(s) of stock within 10 days after demanding payment for his shares (Section 85), the fair value thereof; and

- (c) Upon payment of the agreed or awarded price, the stockholder shall transfer his share to the Corporation.

There is no agenda item in the Annual Stockholders' Meeting of the Corporation that will trigger the right of appraisal of stockholders.

Item 3. Interest of Certain Persons in or Opposition to Matters to be Acted Upon

- (a) No director or officer of the Corporation since the beginning of the last fiscal year, nominee for election as director, or associate of the foregoing persons, has any substantial interest, direct or indirect, by security holdings or otherwise, in any matter to be acted upon, other than election to office.
- (b) No director in the Corporation has given written notice that he intends to oppose any action to be taken by the Corporation at the meeting.

B. CONTROL AND COMPENSATION INFORMATION

Item 4. Voting Securities and Principal Holders Thereof

- (a) As of February 28, 2026, the total number of shares outstanding and entitled to vote in the stockholders' meeting and the percentage holdings are as follows:

	Total Outstanding Shares	Shares Allowed to Foreigners	Foreign Shares	Local Shares
Common (Listed)	215,284,587	86,113,834.80	52,763,007	162,521,580
Preferred (Unlisted)	174,300,000	69,720,000	1,325,936	172,974,064
Total	389,584,587	155,833,834.80	54,088,943	335,495,644
Percentage	100%	40%	13.88%	86.12%

Each class of shares is entitled to one vote per share.

- (b) The record date for determining the stockholders entitled to notice and to vote is April 10, 2026.
- (c) Stockholders may, subject to validation, attend, participate and vote at the Annual Stockholders' Meeting by remote communication, in absentia, or by proxy. A stockholder who attends *in absentia* as well as a stockholder participating by remote communication shall be deemed present for purposes of quorum. Unless otherwise provided by law, each stockholder shall have one (1) vote for each share of stock entitled to vote, whether Common or Voting Preferred, and recorded in his name in the books of the Corporation. Stockholders are entitled to cumulative voting in the election of the board of directors, as provided in the Revised Corporation Code. At all meetings of the stockholders, all elections and all questions shall be decided by the plurality of vote of stockholders present in person or by proxy and entitled to vote thereat, a quorum being present, except in cases where other provision is made under a statute. Voting shall be done by ballots or by proxy. All votes received shall be tabulated by the office of the Corporate Secretary and the stock transfer agent, and shall be validated by an external independent party. The Corporate Secretary shall report the results on the voting of each matter during the meeting.

In the election of Directors, each stockholder shall be entitled to cumulate his votes in the manner prescribed by Title III, Section 23 of the Revised Corporation Code of the Philippines.

- (d) Security Ownership of Certain Record and Beneficial Owners as of February 28, 2026:

As of February 28, 2026, the following are the owners of more than 5% of the Company's voting stocks:

Title of Class	Name and Address of Record Owner and Relationship with Issuer	Name of Beneficial Owner and Relationship with Record Owner	Citizenship	No. of Shares Held	Percent (%)	Percent as to the Total Voting Shares
Common	Grand Titan Capital Holdings, Inc. 43rd Floor GT Tower International 6813 Ayala Avenue cor. H.V. de la Costa St., Makati City	Same as the Record Owner Arthur Vy Ty is authorized to vote the shares held by Grand Titan Capital Holdings, Inc.	Filipino	120,413,658	55.93%	30.91%
Common	PCD Nominee Corp. (Filipino)	Various Clients ¹	Filipino	41,279,079	19.17%	10.59%
Common	PCD Nominee Corp. (Non-Filipino)	Various Clients ¹	Foreign	52,749,819	24.50%	13.54%
Voting Preferred	Grand Titan Capital Holdings, Inc. 43rd Floor GT Tower International 6813 Ayala Avenue cor. H.V. de la Costa St., Makati City	Same as the Record Owner Arthur Vy Ty is authorized to vote the shares held by Grand Titan Capital Holdings, Inc.	Filipino	54,899,406	31.50%	14.09%
Voting Preferred	Nove Ferum Holdings, Inc. 43rd Floor GT Tower International 6813 Ayala Avenue cor. H.V. de la Costa St., Makati City	Same as the Record Owner Arthur Vy Ty is authorized to vote the shares held by Nove Ferum Holdings, Inc.	Filipino	47,261,757	27.12%	12.13%
Voting Preferred	82 Alpha Holdings Corporation 43rd Floor GT Tower International 6813 Ayala Avenue cor. H.V. de la Costa St., Makati City	Same as the Record Owner Alfred Vy Ty is authorized to vote the shares held by 82 Alpha Holdings Corporation.	Filipino	39,594,789	22.72%	10.16%

Voting Preferred	Neiman Rhodes Holdings, Inc. 43rd Floor GT Tower International 6813 Ayala Avenue cor. H.V. de la Costa St., Makati City	Same as the Record Owner Anjanette Ty Dy Buncio is authorized to vote the shares held by Neiman Rhodes Holdings, Inc.	Filipino	13,299,452	7.63%	3.41%
Voting Preferred	Philippine Geiko Holdings, Inc. 43rd Floor GT Tower International 6813 Ayala Avenue cor. H.V. de la Costa St., Makati City	Same as the Record Owner Alesandra T. Ty is authorized to vote the shares held by Philippine Geiko Holdings, Inc.	Filipino	13,299,452	7.63%	3.41%

(1) PCD Nominee Corporation ("PCDNC") is a wholly-owned subsidiary of the Philippine Central Depository ("PCD") and acts as trustee-nominee for all shares lodged in the PCD system where trades effected on the Philippine Stock Exchange are finally settled and lodged. Persons who opt to trade through the PCD do not receive stock certificates as an evidence of ownership, as trading using the PCD is completely paperless. Beneficial ownership of shares lodged with the PCDNC (Filipino/Non-Filipino) remains with the lodging stockholder.

Security Ownership of Management as of February 28, 2026

Title of Securities	Name of Beneficial Owner of Common Stock	Amount and Nature of Beneficial Ownership (D) direct/ (I) indirect	Citizenship	Percent of Class
Common	Francisco C. Sebastian	112 (D) 173,802 (I)	Filipino	0.0001% 0.0807%
Common	Alfred Vy Ty	111,780 (D) 25,299 (I)	Filipino	0.0519% 0.0117%
Common	Arthur Vy Ty	111,780 (D) 13,149 (I)	Filipino	0.0519% 0.0061%
Common	Carmelo Maria Luza Bautista	1,118 (D) 26,103 (I)	Filipino	0.0005% 0.0121%
Common	Peter B. Favila	200 (I)	Filipino	0.0001%
Common	Rene J. Buenaventura	112 (D)	Filipino	0.0001%
Common	Consuelo D. Garcia	1,000 (I)	Filipino	0.0005%
Common	Gil B. Genio	9,810 (I)	Filipino	0.0045%
Common	Carlos G. Dominguez III	100 (I)	Filipino	0.0000%
Common	David T. Go	112 (D)	Filipino	0.0001%

Common	Regis V. Puno	112 (D) 2,000 (I)	Filipino	0.0001% 0.0010%
Common	Alesandra T. Ty	13,407 (I) 8,387 (D)	Filipino	0.0062% 0.0039%
Perpetual Preferred Shares (GTPPB)		1,100 (I)		0.0154%
Common	Antonio V. Viray	0	Filipino	0.0000%
Common	Jocelyn Y. Kho	14,080 (I)	Filipino	0.0065%
Common	Maria Sofia A. Lopez	0	Filipino	0.0000%
Common	Vicente Jose S. Socco	0	Filipino	0.0000%
Common	George S. Uy-Tioco, Jr.	520	Filipino	0.0002%
Common	Jose B. Crisol, Jr.	0	Filipino	0.0000%
Perpetual Preferred Shares (GTPPB)		50 (I)		0.0007%
Common	Reyna Rose P. Manon-Og	1,424 (I)	Filipino	0.0007%
Common	Stephen John S. Comia	1,140 (I)	Filipino	0.0005%
Common	Joyce B. De Leon	2,700	Filipino	0.0012%
Common	Susan E. Cornelio	0	Filipino	0.0000%
Common	Renee Lynn Miciano-Atienza	50 (I)	Filipino	0.0000%
Perpetual Preferred Shares (GTPPB)		50 (I)		0.0007%
Common	Don David C. Asuncion	0	Filipino	0.0000%
Common	Cheryll B. Sereno	0	Filipino	0.0000%
Common	Mar Loreto A. Apuhin	0	Filipino	0.0000%
Common	Rachel Anne R. De Leon	47 (I)	Filipino	0.0000%
Common	Bruce Ricardo O. Lopez	333 (I)	Filipino	0.0002%
Total Common		233,513 (D) 285,164 (I)		0.2410%
GTPPB		<u>1,200 (I)</u>		0.0168%
		<u>519,877 (Total)</u>		

There are no persons holding more than 5% of a class under a voting trust or any similar agreements as of February 28, 2026.

(e) Change in Control

The Corporation is not aware of any change in control or arrangement that may result in a change in control of the Corporation since the beginning of its last fiscal year.

There are no existing or planned stock warrant offerings. There are no arrangements which may result in a change in control of the Corporation.

Item 5. **Directors and Executive Officers of the Registrant**

(a) The incumbent Directors and Executive Officers of the Corporation are as follows:

(i) Board of Directors

<u>Office</u>	<u>Name</u>	<u>Age</u>	<u>Citizenship</u>
Chairman	Francisco C. Sebastian	72	Filipino
Vice Chairman	Alfred Vy Ty	58	Filipino
Director	Arthur Vy Ty	59	Filipino
Director/President	Carmelo Maria Luza Bautista	68	Filipino
Lead Independent Director	Peter B. Favila	77	Filipino
Independent Director	Rene J. Buenaventura	71	Filipino
Independent Director	Consuelo D. Garcia	71	Filipino
Independent Director	Gil B. Genio	66	Filipino
Independent Director	Carlos G. Dominguez III	80	Filipino
Director	David T. Go	72	Filipino
Director	Regis V. Puno	67	Filipino

Board Advisers

Adviser	Mary Vy Ty	85	Filipino
Adviser	Guillermo Co Choa	66	Filipino
Adviser	Jaime Miguel G. Belmonte	62	Filipino
Adviser	Pascual M. Garcia III	72	Filipino
Adviser	Anjanette Ty Dy Buncio	57	Filipino

Period of Directorship

<u>Name</u>	<u>Date First Elected</u>	<u>No. of Years Served (as of end of term 2024)</u>
Francisco C. Sebastian	May 12, 2014	11
Alfred Vy Ty	February 14, 2012	13
Arthur Vy Ty	June 3, 2011	14
Carmelo Maria Luza Bautista	August 5, 2011	14
Peter B. Favila	May 14, 2025*	3
Rene J. Buenaventura	May 9, 2018	7
Consuelo D. Garcia	May 17, 2021	4
Gil B. Genio	May 11, 2022	3
David T. Go	May 12, 2014	11
Regis V. Puno	May 9, 2018	7
Carlos G. Dominguez III	August 11, 2023	2

**Prior to May 14, 2025, Mr. Favila was first elected as an Independent Director of the Company on May 11, 2015 and served as Independent Director until June 30, 2017.*

Board Committees:

The members of the Executive Committee are:

Francisco C. Sebastian	- Chairman
Alfred Vy Ty	- Vice-Chairman
Arthur Vy Ty	- Member
Carmelo Maria Luza Bautista	- Member
Mary Vy Ty	- Adviser
Solomon S. Cua	- Adviser

The members of the Audit Committee are:

Gil B. Genio	- Chairman
Peter B. Favila	- Member
Rene J. Buenaventura	- Member
Regis V. Puno	- Member

The members of the Risk and Sustainability Oversight Committee are:

Rene J. Buenaventura	- Chairman
Peter B. Favila	- Member
Gil B. Genio	- Member
David T. Go	- Member
Consuelo D. Garcia	- Member

The members of the Compensation Committee are:

Peter B. Favila	- Chairman
Alfred Vy Ty	- Member
Rene J. Buenaventura	- Member

The members of the Nominations Committee are:

Peter B. Favila	- Chairman
Gil B. Genio	- Member
Rene J. Buenaventura	- Member
Carmelo Maria Luza Bautista	- Adviser

The members of the Corporate Governance and Related Party Transactions Committee are:

Peter B. Favila	- Chairman
Gil B. Genio	- Member
Rene J. Buenaventura	- Member
Anjanette Ty Dy Buncio	- Adviser

The business experience of the members of the Board for the last five (5) years is as follows:

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.

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.

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.

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.

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.

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.

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.

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.

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.

The business experience of the Board Advisers for the last five (5) years is as follows:

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.

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.

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 Cignal TV and TV5. He earned his undergraduate degree from the University of the Philippines in Diliman.

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.

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.

Nominee Directors

As of the date of this report, the nominees for independent directors are Messrs. Peter B. Favila, Rene J. Buenaventura, Gil B. Genio, Ms. Consuelo D. Garcia and Mr. Carlos G. Dominguez III. The five (5) nominees for independent directors are not related either by consanguinity or affinity to the person who nominated them.

Based on Section 2.1.4 of GT Capital's Manual on Corporate Governance, the stockholders must elect at least three (3) independent directors as defined by existing laws and regulations.

Aside from the above nominees for independent directors, the other nominees for director are Messrs. Arthur Vy Ty, Alfred Vy Ty, Francisco C. Sebastian, Carmelo Maria Luza Bautista, David T. Go, and Atty. Regis V. Puno.

All the nominees are incumbent directors of GT Capital. The experience and qualifications of the nominated incumbent directors are shown above.

Review of qualifications of candidates nominated as Directors, including Independent Directors, is conducted by the Nominations Committee prior to the stockholders' meeting. The Nominations Committee prepares a Final List of Candidates who have passed the Guidelines, Screening Policies and Parameters for nomination as Director of the Corporation, and which list contains information about the nominees. Only nominees whose names appear on the Final List of Candidates shall be eligible for election as Directors of the Corporation. No other nomination shall be entertained or allowed on the floor during the actual Annual Stockholders' Meeting.

The Directors of the Corporation are elected at the Annual Stockholders' Meeting to hold office until the next succeeding annual meeting and until their respective successors have been appointed or elected and qualified. The Directors possess all the qualifications and none of the disqualifications provided for in the Securities Regulation Code (SRC) and its Implementing Rules and Regulations, as well as the Corporation's By-Laws.

In case of resignation, disqualification or cessation of any directorship, and only after notice has been made with the Commission within five (5) days from such resignation, disqualification or cessation, may the vacancy be filled by the vote of at least a majority of the remaining directors, if still constituting a quorum, upon the nomination of the Nominations Committee; otherwise, said vacancies shall be filled by stockholders in a regular or special meeting called for that purpose. A director so elected to fill a vacancy shall serve only for the unexpired term of his or her predecessor in office.

The Nominations Committee created by the Board under its Manual on Corporate Governance nominated the following for election to the Board of Directors at the forthcoming Annual Stockholders' Meeting:

Francisco C. Sebastian	Consuelo D. Garcia
Alfred Vy Ty	Gil B. Genio
Arthur Vy Ty	Carlos G. Dominguez III
Carmelo Maria Luza Bautista	Dr. David T. Go
Peter B. Favila	Atty. Regis V. Puno
Rene J. Buenaventura	

The Corporation has complied with the Guidelines set forth by SRC Rule 38 regarding the Nomination and Election of Independent Directors. The same provision has been incorporated in the Amended By-Laws of the Corporation.

Period of Officership

<u>Name</u>	<u>Office</u>	<u>Period Held</u>
Carmelo Maria Luza Bautista	President	2011-Present
George S. Uy-Tioco, Jr.	Senior Vice President/Chief Financial Officer and Treasurer	2024-Present
Alesandra T. Ty	Assistant Treasurer	2012-Present
Vicente Jose S. Socco	Chairman of GTCAM	2019-Present
Antonio V. Viray	Corporate Secretary	2009-Present
Jocelyn Y. Kho	Assistant Corporate Secretary	2011-Present
Maria Sofia A. Lopez	Assistant Corporate Secretary	2022-Present
Jose B. Crisol, Jr.	Senior Vice President/Head, Investor Relations, Strategic Planning and Corporate Communication	2012-Present
Reyna Rose P. Manon-og	Senior Vice President/Controller and Head, Accounting and Financial Control	2011-Present
Joyce B. De Leon	Senior Vice President/ Chief Risk Officer and Head of Sustainability	2020-Present
Stephen John S. Comia	First Vice President/ Head of Property Management	2021-Present
Susan E. Cornelio	First Vice President/Head, Human Resources and Administration	2012-Present
Renee Lynn Miciano-Atienza	First Vice President/ Head, Legal and Compliance, Data Protection Officer, and Corporate Governance Officer	2016-Present
Don David C. Asuncion	Vice President of GTCAM	2020-Present
Cheryll B. Sereno	Vice President/ Chief Audit Executive	2023-Present
Mar Loreto A. Apuhin	First Vice President/ Chief Information Security Officer & Head of IT and Security	2025-Present

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.

Reyna Rose P. 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.

Joyce B. De Leon, 52 years old, Filipino, is Chief Risk Officer, Head of Sustainability, and Senior Vice President of GT Capital Holdings, Inc., appointed on October 19, 2020. She provides oversight and strategic advisory on risk management and sustainability/ESG for its operating companies. 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).

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.

Susan E. Cornelio, 54 years old, 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.

Atty. Renee Lynn Miciano-Atienza, 43 years old, Filipino, is the 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: Data Protection Officer and Corporate Governance Officer of GT Capital, 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.

Don David C. Asuncion, 47 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

Cheryll B. Sereno, 46 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.

Mar Loreto A. Apuhin, 49 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.

Directorships in Other Reporting Companies and Subsidiaries

The following are directorships held by Directors and Executive Officers in other reporting (listed) companies and subsidiaries of the Corporation during the last five (5) years:

<u>Name of Corporation</u>	<u>Position</u>
Francisco C. Sebastian	
Metropolitan Bank & Trust Company	Vice Chairman/ Director
Federal Land, Inc.	Director
Metro Pacific Investments Corporation	Director
AXA Philippines Life and General Insurance Corp.	Director
Alfred Vy Ty	
Toyota Motor Philippines Corporation	Chairman/ Director
Federal Land, Inc.	Chairman/ Director
Metropolitan Bank & Trust Company	Director
Metro Pacific Investment Corporation	Vice Chairman/ Director
GT Capital Auto and Mobility Holdings, Inc.	Director
Arthur Vy Ty	
Metropolitan Bank & Trust Company	Chairman/ Director
Philippine Savings Bank	Vice-Chairman/Director
AXA Philippines Life and General Insurance Corporation	Vice-Chairman/Director*
Federal Land, Inc.	Director*
Carmelo Maria Luza Bautista	
Toyota Motor Philippines Corporation	Director
Federal Land, Inc.	Director
AXA Philippines Life and General Insurance Corporation	Director*
GT Capital Auto and Mobility Holdings, Inc.	Director
Toyota Financial Services Philippines Corporation	Chairman/Director
Vivant Corporation	Independent Director
Peter B. Favila	
The Philippine Stock Exchange, Inc.	Independent Director
Union Bank of the Philippines, Inc.	Independent Director
Rene J. Buenaventura	
Lorenzo Shipping Corporation	Independent Director
DDMP REIT, Inc.	Independent Director
Consuelo D. Garcia	
Lopez Holdings Corporation	Independent Director
Far Eastern University, Incorporated	Independent Director
The Philippine Stock Exchange, Inc.	Independent Director*
ACEN Corporation (formerly AC Energy Corporation)	Independent Director*
Gil B. Genio	
Puregold Price Club, Inc.	Independent Director
Megawide Construction Corporation	Independent Director

Carlos G. Dominguez III	House of Investments, Inc. PetroEnergy Resources Corporation Rizal Commercial Banking Corporation PTFC Redevelopment Corporation	Independent Director Independent Director Independent Director Chairman/President
David T. Go	Toyota Motor Philippines Corporation Toyota Financial Services Philippines Corporation	Vice Chairman Director
Atty. Regis V. Punio	Lepanto Consolidated Mining Co. LMG Corp. (formerly LMG Chemicals Corporation)	Director Director
George S. Uy-Tioco, Jr.	GT Capital Auto and Mobility Holdings, Inc. AXA Philippines Life and General Insurance Corporation	Director Director
Alesandra T. Ty	AXA Philippines Life and General Insurance Corporation	Director
Vicente Jose S. Socco	GT Capital Auto and Mobility Dealership Holdings, Inc. Toyota Motor Philippines Corporation	Chairman/President Director
Renee Lynn Miciano-Atienza	GT Capital Auto and Mobility Holdings, Inc.	Director

**Past Directorships*

The following will be nominated as officers of the Corporation during the Organizational Meeting:

Office	Name
Chairman	Francisco C. Sebastian
Vice Chairman	Alfred Vy Ty
President	Carmelo Maria Luza Bautista
Chief Financial Officer and Treasurer	George S. Uy-Tioco, Jr.
Chairman of GTCAM	Vicente Jose S. Socco
Assistant Treasurer	Alesandra T. Ty
Corporate Secretary	Antonio V. Viray
Assistant Corporate Secretary	Jocelyn Y. Kho
Assistant Corporate Secretary	Maria Sofia A. Lopez
Head, Investor Relations, Strategic Planning & Corporate Communications	Jose B. Crisol, Jr.
Controller and Head, Accounting and Financial Control	Reyna Rose P. Manon-og
Chief Risk Officer and Head of Sustainability	Joyce B. De Leon
Head, Property Management	Stephen John S. Comia
Head, Human Resources and Administration	Susan E. Cornelio
Head, Legal and Compliance, Data Protection Officer, and Corporate Governance Officer	Renee Lynn Miciano-Atienza
Vice President of GTCAM	Don David C. Asuncion
Chief Audit Executive	Cheryll B. Sereno
Chief Information Security Officer and Head of IT & Security	Mar Loreto A. Apuhin

The following will be nominated as Board Advisers during the Organizational Meeting:

Adviser	Mary Vy Ty
Adviser	Guillermo Co Choa
Adviser	Jaime Miguel G. Belmonte
Adviser	Pascual M. Garcia III
Adviser	Anjanette T. Dy Buncio

(b) Significant Employees

The Corporation does not believe that its business is dependent on the services of any particular employee.

(c) Family Relationships

Mary Vy Ty is the wife of the late Dr. George S.K. Ty. Arthur Vy Ty, Alfred Vy Ty, Anjanette T. Dy Buncio, and Alesandra T. Ty are the children of the late Dr. George S.K. Ty and Mary Vy Ty. All other directors and officers are not related either by consanguinity or affinity. There are no other family relationships known to the registrant other than the ones disclosed herein.

(d) Certain Relationships and Related Transactions

There are no known related party transactions other than those described in Note 27 (Related Party Transactions) of the Notes to the Consolidated Financial Statements and those eliminated during consolidation. Related Party Transactions are made on an arm's length basis.

(e) Involvement in Legal Proceedings

The Corporation is not aware of any of the following events having occurred during the past five years up to the date of this report that are material to an evaluation of the ability or integrity of any director, nominee for election as Director, executive officer, underwriter or controlling person of the Corporation:

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

Item 6. **Compensation of Directors and Executive Officers**

Summary compensation table of Directors

Remuneration Item	Executive Directors	Non-Executive Directors (other than independent directors)	Independent Directors
Per diem Allowance	Php 1.80 million	Php 10.28 million	Php 9.50 million
Bonuses	Php 0.95 million	Php 5.83 million	Php 5.50 million
Transportation Allowance	-	Php 0.77 million	Php 2.89 million

The directors receive per diems, bonuses, and allowances that are included in the amounts stated above. Aside from the amounts stated, there are no other compensation plans or arrangements between the directors and the Corporation.

Summary compensation table of Executive Officers

The following table identifies the Corporation's President and four most highly-compensated executive officers (the "Named Executive Officers") and summarizes their aggregate compensation in 2023, 2024, and 2025. The amounts (in P millions) set forth in the table below have been prepared based on what the Corporation paid its executive officers in 2023 and 2024, and what the Corporation expects to pay in 2025.

Name and Principal Position	Year	Salary	Bonus	Other	Annual Compensation
Named Executive Officers*.....	2024	71.27	18.33	-	-
	2025	79.75	20.82		
	2026**	83.74	21.86		
All Other Officers as a Group.....	2024	83.41	24.46		
	2025	82.66	26.18		
	2026**	86.79	27.49		

*Named executive officers include: Carmelo Maria Luza Bautista (President), George S. Uy-Tioco, Jr. (Chief Financial Officer and Treasurer), Vicente Saniel Socco (Chairman of GTCAM), Stephen John S. Comia (First Vice President), and Jose B. Crisol, Jr. (Head, Investor Relations, Strategic Planning and Corporate Communication).

** Figures for the year 2026 are estimates

Employment contracts between the Corporation and named executive officers

The Corporation has no special employment contracts with its executive officers. In the ordinary course of business, the Corporation has employment contracts with all its employees, including officers, in compliance with the applicable labor laws and regulations. The salaries and bonuses of officers are included in the compensation table above.

Warrants and options outstanding

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

Stock option plan

The Corporation has no employee stock option plan.

Item 7. **Independent Public Accountants**

Sycip, Gorres, Velayo & Company is the external auditor for the calendar year 2025. The same external auditor will be recommended for re-appointment at the scheduled stockholders' meeting. Representatives of the said firm are expected to be present at the stockholders' meeting and they will have the opportunity to make a statement if they desire to do so and are expected to be available to respond to appropriate questions.

The Corporation engaged Janet A. Paraiso of SGV & Co. for the examination of the Corporation's financial statements for the calendar years 2025 and 2024. Pursuant to SRC Rule 68, Paragraph 3 (b) (ix) (Rotation of External Auditors), 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 table sets out the aggregate fees for audit and audit-related services, inclusive of out-of-pocket expenses, but exclusive of value added tax for each of the years ended December 31, 2024 and 2025 for professional services rendered by SGV & Co. to GT Capital:

	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 in 2025 and 2024 pertain to third party validation of votes for the Annual Shareholders Meeting.

The Audit Committee has the primary responsibility of recommending to the Board of Directors the appointment, re-appointment or removal of the external auditor and the fixing of the audit fees. The Board of Directors and stockholders approve the Audit Committee's recommendation.

Item 8. **Compensation Plans**

Not applicable.

C. ISSUANCE AND EXCHANGE OF SECURITIES

Item 9. **Authorization or Issuance of Securities Other than for Exchange**

Not applicable.

Item 10. **Modification or Exchange of Securities**

Not applicable.

Item 11. **Financial and Other Information**

Not applicable.

Item 12. **Mergers, Consolidations, Acquisitions and Similar Matters**

Not applicable.

Item 13. **Acquisition or Disposition of Property**

Not applicable.

Item 14. **Restatement of Accounts**

Not applicable.

D. OTHER MATTERS

Item 15. Action with Respect to Reports

The following are to be submitted for approval during the Annual Stockholders' Meeting:

(a) Minutes of the Annual Meeting of Stockholders held on May 14, 2025

The following was the agenda of the said meeting:

- Call to order
- Certification of notice and quorum
- Explanation of Voting Procedures
- Approval of Minutes of the May 8, 2024 Annual Stockholders' Meeting
- Annual Report for the Year 2024
- General Ratification of the Acts of the Board of Directors, Committees, and Management from the date of the last Annual Stockholders' Meeting up to May 14, 2025
- Election of Directors for 2025-2026
- Appointment of External Auditor
- Other Matters
- Adjournment

(b) Ratification of the all acts and resolutions of the Board of Directors, Committees and management from the date of the last Annual Stockholders' Meeting up to May 14, 2025.

(c) Appointment of external auditor

There are no other matters that would require approval of the stockholders.

Item 16. Matters Not Required to be Submitted

Not applicable.

Item 17. Amendment of Charter, By-laws or Other Documents

Not applicable.

Item 18. Other Proposed Action

Other than the matters indicated in the Notice and Agenda, there are no other actions proposed to be taken at the annual meeting.

Item 19. Voting Procedures

(a) Election of Directors

As stated in Section 2 of Article III of the Corporation's By-laws, "The Board of Directors shall be elected during each regular meeting of stockholders and shall hold office for one (1) year and until their successors are elected and qualified."

Section 24 of The Revised Corporation Code of the Philippines states that "At all elections of directors or trustees, there must be present, either in person or by representative authorized to act by written proxy, the owners of a majority of the outstanding capital stock... entitled to vote."

(b) Appointment of External Auditor

As stated in Section 1 of Article VII of the Corporation's By-laws, "At the regular stockholders' meeting the external auditor of the corporation for the ensuing year shall be appointed. The external auditor shall examine, verify and report on the earnings and expenses of the corporation." The stockholders representing the majority of the subscribed capital stock approve the appointment of the external auditor.

Methods by which votes will be counted

All matters subject to vote, except in cases where the law provides otherwise, shall be decided by the plurality vote of stockholders present in person or by proxy and entitled to vote thereat, a quorum being present. Stockholders are entitled to cumulative voting in the election of the board of directors, as provided by the Revised Corporation Code.

Voting shall be done by ballots via electronic polling, or by proxy. All votes received shall be tabulated by the office of the Corporate Secretary and the stock transfer agent, and shall be validated by an external independent party. The Corporate Secretary shall report the preliminary results on the voting of each matter during the meeting, with the final tally of votes being included in the minutes of the meeting.

N.B. UPON WRITTEN REQUEST OF A STOCKHOLDER, GT CAPITAL HOLDINGS, INC. SHALL PROVIDE, FREE OF CHARGE, A COPY OF ITS 2025 ANNUAL REPORT (SEC FORM 17-A). THE REQUEST SHOULD BE ADDRESSED TO THE ATTENTION OF GEORGE S. UY-TIOCO, JR., CHIEF FINANCIAL OFFICER AND TREASURER, 43RD FLOOR, GT TOWER INTERNATIONAL, AYALA AVENUE CORNER H. V. DE LA COSTA ST., MAKATI CITY 1227.

SIGNATURE PAGE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this report is true, complete, and correct. This report is signed in the City of Makati on March 25, 2026.

By:

A black rectangular box redacting the signature of the Assistant Corporate Secretary.

MARIA SOFIA A. LOPEZ

Assistant Corporate Secretary

MANAGEMENT REPORT

A.i Consolidated Audited Financial Statements

The Company's consolidated financial statements for the year ended December 31, 2025 are incorporated herein by reference.

A.ii Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

There were no changes in and disagreements with accountants on accounting and financial disclosures..

A.iii Management’s Discussion and Analysis or Plan of Operation

CALENDAR YEAR ENDED DECEMBER 31, 2025 VERSUS YEAR ENDED DECEMBER 31, 2024

GT Capital Consolidated Statements of Income <i>(In Million Pesos, Except for Percentage)</i>	Audited Year Ended December 31		Increase (Decrease)	
	2025	2024	Amount	Percentage
REVENUE				
Automotive operations	305,723	282,631	23,092	8%
Equity in net income of associates and joint venture	30,055	25,310	4,745	19%
Real estate sales and interest income on real estate sales	2,334	5,163	(2,829)	(55%)
Rent income	1,643	1,668	(25)	(1%)
Interest income	1,254	1,527	(273)	(18%)
Sale of goods and services	1,092	1,211	(119)	(10%)
Commission income	351	354	(3)	(1%)
Other income	4,449	3,663	786	21%
	346,901	321,527	25,374	8%
COSTS AND EXPENSES				
Cost of goods and services sold	217,914	201,972	15,942	8%
Cost of goods manufactured and sold	46,638	42,748	3,890	9%
General and administrative expenses	24,117	23,168	949	4%
Interest expense	6,896	7,306	(410)	(6%)
Cost of real estate sales	1,518	1,871	(353)	(19%)
Cost of rental	889	934	(45)	(5%)
	297,972	277,999	19,973	7%
INCOME BEFORE INCOME TAXES	48,929	43,528	5,401	12%
PROVISION FOR INCOME TAX	5,845	6,010	(165)	(3%)
NET INCOME	43,084	37,518	5,566	15%
ATTRIBUTABLE TO:				
Equity holders of the Parent Company	33,675	28,783	4,892	17%
Non-controlling interests	9,409	8,735	674	8%
	43,084	37,518	5,566	15%

GT Capital Holdings, Inc. (“GT Capital” or the “Parent Company” or the “Company”) consolidated net income attributable to equity holders of the Parent Company grew by 17% from Php28.78 billion in 2024 to Php33.68 billion in 2025. The increase was principally due to the 8% growth in consolidated revenues with growth coming primarily from automotive operations (+8%), and equity in net income of associates and joint ventures (+19%).

Core net income, likewise, grew by 8% from Php28.14 billion in 2024 to Php30.47 billion in 2025. Core net income attributable to equity holders of the Parent Company in 2025 amounted to Php30.47 billion, after deducting the Parent Company’s Php3.42 billion gain on bargain purchase from the purchase price allocation relating to its acquisition of additional Metrobank shares, Php0.20 billion share in tax incentives utilized by Toyota Motor Philippines Corporation (“TMP”) from its participation in the government’s Comprehensive Automotive Resurgence Strategy (“CARS”) program and Php0.50 billion share in various non-recurring gains of Metro Pacific Investments Corporation’s (“MPIC”), and adding back Php0.91 billion amortization of fair value adjustments arising from various business combinations and other adjustments. Core net income attributable to equity holders of the Parent Company in 2024 amounted to Php28.14 billion, after deducting the Php0.77 billion share in various non-recurring gains of MPIC, and adding back Php0.13 billion amortization of fair value adjustments arising from various business combinations.

The financial statements of Federal Land, Inc. ("Federal Land"), TMP, and GT Capital Auto and Mobility Holdings, Inc. ("GTCAM") are consolidated in the financial statements of the Group. The investments in other operating companies Metropolitan Bank and Trust Company ("Metrobank"), AXA Philippines Life and General Insurance Corporation ("AXA Philippines"), Toyota Financial Services Philippines Corporation ("TFSPC"), MPIC and Sumisho Motor Finance Corporation ("SMFC") are reported through equity accounting.

Of the eight (8) operating companies, TMP, GTCAM, Metrobank, MPIC, and AXA Philippines, posted growth in net income, while Federal Land, TFSPC, and SMFC reported declines in their respective net income.

Automotive operations comprising the sale of assembled and imported auto vehicles and spare parts grew by 8% from Php282.63 billion in 2024 to Php305.72 billion in 2025 due to the 4.3% increase in wholesale volume from 218,031 to 227,337 units. Retail sales volume, likewise, grew by 5.2% from 218,019 units to 229,447 units.

Equity in net income of associates and joint ventures increased by 19% from Php25.31 billion in 2024 to Php30.06 billion in 2025 primarily due to Parent Company's Php3.42 billion gain on bargain purchase in relation to the acquisition of additional 2.69% stake in Metrobank, and increases in the net income of the following associates:

1. Metrobank 3% from Php48.14 billion to Php49.72 billion supported by modest asset expansion, resilient margins, healthy trading income and contained cost growth; and
2. MPIC from Php27.88 billion to Php29.69 billion due to higher core income contributions from its operating companies.

Real estate sales and interest income from real estate sales declined by Php2.83 billion from Php5.16 billion to Php2.33 billion reflecting the softer real estate market, and a lower percentage of completion (POC) as Federal Land's condominiums under construction approach turnover.

Interest income dropped by Php0.27 billion due to lower short-term investments and interest-bearing loans receivable.

Sales of goods and services declined by 10% or Php0.12 billion due to lower sales volume in the fuel business and food franchises due to building renovations. A subsidiary of Federal Land operates a petroleum service station and is also engaged in food and restaurant business.

Other income grew by 21% from Php3.66 billion to Php4.45 billion mostly due to TMP's utilization of tax credits from the government's CARS program and its gain on sale of hailstorm-damaged units.

Consolidated costs and expenses increased by 7% from Php278.00 billion in 2024 to Php297.97 billion in 2025. TMP contributed Php242.10 billion comprising cost of goods sold for manufacturing and trading activities, general and administrative expenses and interest expenses. GTCAM contributed Php41.60 billion consisting of cost of goods and services sold, general and administrative expenses and interest expenses. Federal Land contributed Php9.19 billion consisting of cost of real estate sales, cost of goods and services sold, general and administrative expenses, cost of rental and interest expenses. GT Capital Parent Company accounted for the balance of Php5.08 billion consisting of cost of real estate sales, cost of rental, general and administrative expenses and interest expenses.

Cost of goods and services sold grew by 8% from Php201.97 billion to Php217.91 billion relative to the increase in auto sales.

Cost of goods manufactured and sold increased by 9% from Php42.75 billion to Php46.64 billion due to higher number of sales of assembled vehicles.

Interest expense declined by 6% from Php7.31 billion to Php6.90 billion due to settlement of loans payables.

Cost of real estate sales decreased from Php1.87 billion to Php1.52 billion relative to lower POC as Federal Land's condominiums under construction approach turnover.

Cost of rental declined by 5% due to lower operating expenses incurred in the leasing business, particularly utilities and taxes.

Net income attributable to non-controlling interest rose by Php0.67 billion from Php8.73 billion to Php9.40 billion due to higher net income of subsidiaries which are not wholly owned.

GT Capital Consolidated Statements of Financial Position <i>(In Million Pesos, Except for Percentage)</i>	Audited December 31		Increase (Decrease)	
	2025	2024	Amount	Percentage
ASSETS				
Current Assets				
Cash and cash equivalents	19,399	25,341	(5,942)	(23%)
Short-term investments	2,178	–	2,178	100%
Financial assets at fair value through profit or loss	130	910	(780)	(86%)
Receivables	32,537	28,185	4,352	15%
Contract assets	5,017	4,685	332	7%
Inventories	85,610	77,211	8,399	11%
Due from related parties	399	264	135	51%
Prepayments and other current assets	14,151	11,785	2,366	20%
	159,421	148,381	11,040	7%
Noncurrent Assets				
Financial assets at fair value through other comprehensive income	21,793	20,097	1,696	8%
Receivables – net of current portion	705	1,433	(728)	(51%)
Contract asset – net of current portion	5,487	5,185	302	6%
Investment properties	22,191	22,459	(268)	(1%)
Investments in associates and joint ventures	281,190	248,618	32,572	13%
Property and equipment	16,385	16,139	246	2%
Goodwill and intangible assets	10,049	10,093	(44)	(0%)
Deferred tax assets	1,324	1,288	36	3%
Other noncurrent assets	498	395	103	26%
	359,622	325,707	33,915	10%
TOTAL ASSETS	519,043	474,088	44,955	9%
LIABILITIES AND EQUITY				
Current Liabilities				
Accounts and other payables	60,352	49,837	10,515	21%
Contract liabilities – current portion	3,059	2,950	109	4%
Short-term debt	35,540	29,911	5,629	19%
Current portion of long-term debt	12,122	17,454	(5,332)	(31%)
Customers' deposits	1,769	1,594	175	11%
Current portion of liabilities on purchased properties	853	1,001	(148)	(15%)
Due to related parties	541	439	102	23%
Income tax payable	615	1,140	(525)	(46%)
Dividends payable	493	365	128	35%
Other current liabilities	2,505	2,436	69	3%
	117,849	107,127	10,722	10%
Noncurrent Liabilities				
Long term debt – net of current portion	74,120	76,869	(2,749)	(4%)
Pension liabilities	2,031	2,096	(65)	(3%)
Deferred tax liabilities	4,146	5,015	(869)	(17%)
Other noncurrent liabilities	3,564	3,131	433	14%
	83,861	87,111	(3,250)	(4%)
TOTAL LIABILITIES	201,710	194,238	7,472	4%

<i>(In Million Pesos, Except for Percentage)</i>	Audited December 31		Increase (Decrease)	
	2025	2024	Amount	Percentage
Equity attributable to equity holders of Parent Company				
Capital stock	3,370	3,370	–	0%
Additional paid-in capital	94,472	94,472	–	0%
Treasury shares	(484)	(484)	–	0%
Retained earnings				
Unappropriated	193,321	161,334	31,987	20%
Appropriated	–	400	(400)	(100%)
Other comprehensive income	5,677	1,103	4,574	415%
Other equity adjustments	2,322	2,322	–	0%
	298,678	262,517	36,161	14%
Non-controlling interests	18,655	17,333	1,322	8%
TOTAL EQUITY	317,333	279,850	37,483	13%
TOTAL LIABILITIES AND EQUITY	519,043	474,088	44,955	9%

The major changes in GT Capital's consolidated balance sheet from December 31, 2024 to December 31, 2025 are as follows:

Consolidated assets grew by Php44.95 billion from Php474.09 billion as of December 31, 2024 to Php519.04 billion as of December 31, 2025. Total liabilities increased by Php7.47 billion from Php194.24 billion to Php201.71 billion while total equity increased by Php37.48 billion from Php279.85 billion to Php317.33 billion.

ASSETS

Cash and cash equivalents amounted to Php19.40 billion as of December 31, 2025 consisting of cash and money market placements with less than 90-day terms.

Short-term investments amounting to Php2.18 billion pertains to time deposit placements with maturities of more than 90 days but less than 1 year.

Financial assets at fair value through profit or loss declined from Php0.91 billion to Php0.13 due to Parent Company's partial withdrawals of its Unit Investment Trust Fund (UITF) investments to partially fund the payment of long-term debt upon its maturity.

Current portion of receivables increased by Php3.63 billion from Php28.19 billion to Php31.82 billion mostly due to TMP's extension of credit terms to auto dealers, increase in GTCAM dealers' receivables from customers and Federal Land's reclassification from noncurrent portion of its long-term loans receivables.

Contract assets increased by Php0.33 billion attributable to the higher POC over the contractual right to an amount collectible from Federal Land's unit buyers.

Inventories increased by Php8.40 billion from Php77.21 billion to Php85.61 billion mainly due to higher inventory levels of TMP and auto dealers.

Due from related parties increased by Php0.14 billion mostly coming from Federal Land's receivable from its related parties.

Prepayments and other current assets grew by 20% from Php11.79 billion to Php14.15 billion attributable to higher ad valorem tax deposits, creditable taxes withheld and input VAT.

Financial assets at fair value through other comprehensive income rose by Php1.69 billion from Php20.10 billion to Php21.79 billion due to unrealized marked-to-market gains on investments.

Noncurrent portion of contract assets increased by 6% or Php0.30 billion attributable to higher POC over the contractual right to an amount collectible from Federal Land's unit buyers, settlement of which is expected to occur beyond one year.

Investments in associates and joint ventures increased by Php32.57 billion from Php248.62 billion to Php281.19 billion consisting of the Php30.06 billion equity share in net income, Php3.46 billion equity share in other comprehensive income and Php8.77 billion additional investments, offset by Php9.67 billion dividends received and Php0.05 billion effect of intercompany transactions elimination and other adjustments.

Other noncurrent assets increased by Php0.10 billion from Php0.40 billion to Php0.50 billion due to higher rental deposits, utilities, guarantee and construction bonds, and higher advances to suppliers.

LIABILITIES

Accounts and other payables increased to Php60.35 billion from Php49.84 billion primarily due to the higher trade payables of Federal Land and TMP's trade payables and accrued expenses.

Short-term debt grew by Php5.63 billion from Php29.91 billion to Php35.54 billion consisting of Php14.18 billion net loan availments of the Parent Company and TMP, offset by Php8.55 billion net loan payments of Federal Land and GTCAM.

Current portion of long-term debt declined by Php5.33 billion from Php17.45 billion to Php12.12 billion primarily due to Parent Company's settlement of Php12.93 billion in long-term debt which matured in March 2025.

Customers' deposits grew by 11% from Php1.59 billion to Php1.77 billion with TMP and GTCAM accounting for Php1.19 billion and Php0.58 billion, respectively.

Current portion of liabilities on purchased properties declined by Php0.15 billion due to scheduled payment.

Due to related parties increased by P0.10 billion from Php0.44 billion to Php0.54 billion attributable to higher payables by Federal Land to its related parties.

Income tax payable declined by Php0.53 billion from Php1.14 billion to Php0.61 billion attributable to lower taxable income reported by the Group in the last quarter of 2025 compared to the last quarter of 2024.

Dividends payable, which increased by Php0.13 billion, reflect dividends payable to minority shareholders of Toyota Manila Bay Corporation.

Deferred tax liabilities decreased by 17% or Php0.87 billion mostly due to tax impact of elimination of intercompany transactions.

Other noncurrent liabilities rose by 14% or Php0.43 billion due to increase in refundable and other deposits.

EQUITY

Unappropriated retained earnings increased by Php31.99 billion from Php161.33 billion to Php193.32 billion arising from the Php33.68 billion consolidated net income attributable to the Parent Company in 2025 and Php0.40 billion reversal of appropriations, net of Php2.08 billion cash dividends declared.

Appropriated retained earnings of Php0.40 billion were reverted to unappropriated retained earnings upon the approval of the BOD of the Parent Company.

Other comprehensive income grew to Php5.68 billion from Php1.10 billion due to the mark-to-market gains on financial assets measured at FVOCI of subsidiaries and associates.

Non-controlling interests increased by Php1.32 billion from Php17.33 billion to Php18.65 billion arising from Php9.41 billion share in net income of subsidiaries which are not wholly owned, offset by Php8.10 billion dividend of other shareholders of the Group.

Key Performance Indicators of the Company and its component companies

The following are the key performance indicators of the Company for the years ended December 31, 2025, 2024 and 2023.

	In Million Pesos, except for percentages		
Income Statement	2025	2024	2023
Total Revenues	346,901	321,527	307,271
Net Income attributable to Equity Holders of GT Capital Holdings	33,675	28,783	29,313
Balance Sheet			
Total Assets	519,043	474,088	447,186
Total Liabilities	201,710	194,238	199,362
Equity attributable to GT Capital Holdings, Inc.	298,678	262,517	232,011
Return on Equity *	10.64%	11.57%	13.73%

*Core net income attributable to GT Capital's common stockholders divided by the average equity where average equity is the sum of equity attributable to GT Capital's common stockholders at the beginning and end of the year divided by 2.

Banking

Metropolitan Bank & Trust Company (Metrobank)

	In Billion Pesos, except for percentages and ratios		
	2025	2024	2023
Net income attributable to equity holders	49.7	48.1	42.2
Net interest margin on average earning assets	3.64%	3.77%	3.90%
Operating efficiency ratio ¹	50.7%	53.8%	52.1%
Return on average assets ²	1.3%	1.5%	1.4%
Return on average equity ³	12.3%	13.0%	12.5%

	2025	2024	2023
Total assets	3,880.3	3,520.4	3,104.9
Total liabilities	3,448.2	3,124.0	2,738.2
Equity attributable to equity holders of the parent company	421.7	385.5	356.7
Tier 1 capital adequacy ratio	16.1%	15.9%	17.4%
Total capital adequacy ratio ⁴	16.8%	16.7%	18.3%
Non-performing loans ratio ⁵	1.7%	1.4%	1.7%
Non-performing loans coverage ratio ⁶	141.0%	163.5%	180.3%

1. Operating efficiency ratio is the ratio of total operating expenses (excluding provisions for credit and impairment loss and income tax) to total operating income (excluding share in net income of associates and joint venture).

2. Return on average asset is the net income attributable to equity holders of the parent company divided by the average total assets

3. Return on average equity is the net income attributable to equity holders of the parent company divided by the average total equity attributable to equity holders of the parent company

4. Capital adequacy ratios as of December 31, 2023, 2024 and 2025 were computed based on Basel III standards.

5. Non-performing loans ratio is the ratio of net non-performing loans divided by total loans – excluding interbank loans.

6. Non-performing loans coverage ratio is the ratio of the total allowance for probable losses on loans divided by gross non-performing loans

Metrobank net income attributable to equity holders grew by 3.3% from Php48.1 billion in 2024 to Php49.7 billion. This was primarily due to increases in interest income on loans and receivables and investment securities.

Net interest income grew by 9.2% from Php114.1 billion in 2024 to Php124.6 billion in 2025, accounting for 79% of total operating income. Gross loans and receivables increased by 8.8% from Php1.8 trillion in 2024 to Php2.0 trillion in 2025 driven by the growth across all segments, both in commercial and consumer loans. On the other hand, total deposits edged up to Php2.7 trillion in 2025, with CASA deposits growing by 5.9%. As a result, CASA ratio increased to 59.2% in 2025 compared with 57.8% in 2024.

Non-interest income also increased by 11.6% from Php30.0 billion in 2024 to Php33.5 billion in 2025 on account of a 6% growth in fee-based income and a Php2.6 billion increase in trading, securities and forex gain from Php5.6 billion in 2024 to Php8.2 billion in 2025.

Total assets grew by 10.2% from Php3.5 trillion as of December 31, 2024 to Php3.9 trillion as of December 31, 2025, primarily due to increases in cash, net loans and receivables across all segments, investment securities, investment in associates and joint venture and property & equipment, partially offset by decreases in due from BSP & other banks, interbank loans receivable and SPURA, and deferred tax assets.

Total liabilities, increased by 10.4% from Php3.1 trillion in 2024 to Php3.5 trillion as of December 31, 2025, due mainly to increases in deposit liabilities, bonds payable, bills payable and securities sold under repurchase agreements, income taxes payable, partially offset by decline in accrued interest and other expenses.

Equity attributable to equity holders of the parent company stood at Php421.7 billion as of December 31, 2025 higher by 9.4% compared to the previous year, led by the growth in net income reported for the year, favorable movement in net unrealized loss recognized in investment securities at FVOCI but slightly offset by the net effect of cash dividends paid.

Property Development

Federal Land, Inc.

	In Million Pesos, except for ratios		
	2025	2024	2023
Real Estate Sales*	2,045.3	6,194.1	8,467.6
Revenues	9,503.2	11,978.4	16,355.3
Net income attributable to equity holders of the parent	522.3	749.7	2,089.4
	2025	2024	2023
Total assets	131,602.7	126,092.2	124,908.7
Total liabilities	72,144.5	67,180.8	67,017.0
Total equity attributable to equity holders of the parent	59,190.4	58,668.1	57,688.6
Current ratio	1.3x	1.0x	1.4x
Debt to equity ratio	0.8x	0.8x	0.8x

Notes:

1. Current ratio is the ratio of total current assets divided by total current liabilities.
2. Debt to equity ratio is the ratio of total loans divided by total equity attributable to equity holders of the parent company

Federal Land's reservation sales amounted to Php15.0 billion in 2025, 9.8% decline year-on-year due to absence of launches in 2025 and lower available inventory in Bonifacio Global City.

Real estate sales decreased by 67.0% to Php2.0 billion due to the absence of lot sales and lower revenue recognized from percentage-of-completion as projects approach turnover. Total revenues ended at Php9.5 billion, 20.7% lower than the previous year, reflecting lower real estate sales offset by higher contribution from joint venture projects and asset sales. Net income attributable to equity holders of the parent declined by 30.3% from Php749.7 million in 2024 to Php522.3 million in 2025 in line with the decline in revenues.

Total assets of Federal Land ended at Php131.6 billion as of December 31, 2025, from Php126.1 billion in 2024, due to the purchase of lot and increase in net income.

Automobile Assembly and Importation and Dealership and Financing

Toyota Motor Philippines (TMP)

	In Million Pesos, except for ratios		
	2025	2024	2023
Sales	263,901.8	245,316.8	227,101.1
Gross Profit	38,363.0	35,487.1	30,379.5
Operating Profit	22,350.3	21,038.6	17,888.3
Net income attributable to Parent	18,954.0	15,947.1	13,832.1
	2025	2024	2023
Total Assets	87,479.8	71,993.5	69,263.9
Total Liabilities	59,976.3	48,528.6	48,073.3
Total Equity	27,503.5	23,464.8	21,190.7
Total Liabilities to Equity ratio ¹	2.2x	2.1x	2.3x

1. Total Liabilities to Equity ratio is a measure of the company's financial leverage which is calculated by dividing total liabilities by total equity

2. Based on CAMPI Market Data as of December 31, 2025

TMP's consolidated sales increased from Php245.3 billion in 2024 to Php263.9 billion in 2025, driven by a 4.3% increase in wholesale volume from 218,031 to 227,337 units. TMP's retail sales volume grew at a faster pace by 5.2% from 218,019 to 229,447 units, faster than the industry retail sales volume which shrunk by 0.8% from 469,062 to 465,273 units². As a result, TMP's market share improved by 2.8% from 46.5% in 2024 to 49.3% as of the same period in 2025.

Consolidated sales was primarily driven by the strong retail sales, particularly the Vios and Avanza. TMP also benefited from greater demand for hybrid electric vehicles which saw a sales volume growth of 8.5% to 19,516 vehicles for Toyota and Lexus models combined. TMP further expanded its electrified offering with the launch of the entry level hybrid Ativ, full battery electric BZ4X, and GR Corolla in the fourth quarter. Together with the 2024 launch of the Corolla Cross HEV, Land Cruiser Prado, Lexus LBX, and Lexus GX, The Next Generation Tamaraw and a refreshed Camry, these new vehicles broadened TMP's already wide range of automotive offerings.

Gross profit margin remained flat at 14.5% between 2024 and 2025. This was mainly due to the favorable models mix and strong Philippine peso vs. the US dollar in the first half of the year. This was further supported by strong performance from the spare parts and services businesses. This improvement was softened by higher advertising expenses, and warranty claims. As a result, TMP attained an operating profit margin of 8.5% in 2025 comparable to 8.6% in the same period of 2024.

Consolidated net income attributable to equity holders reached Php19.0 billion in 2025, higher by 18.9% compared to Php15.9 billion recorded in the same period of the previous year on account of the stronger sales performance, favorable models mix, and the favorable impact of foreign exchange differential from the weaker US dollar in the first half of 2025. Other income also increased year on year due to an asset sale and the utilization of CARS incentives in the fourth quarter.

As of December 31, 2025, TMP directly owned six (6) dealer outlets namely Toyota Makati with one (1) branch – Toyota Bicutan; Toyota San Fernando in Pampanga with two (2) branches – Toyota Plaridel, Bulacan and Toyota Tarlac; and Lexus Manila, situated in Bonifacio Global City, Taguig.

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

	In Million Pesos		
	2025	2024	2023 ¹
Net sales	41,791.7	37,374.9	35,346.1
Gross Profit	3,746.7	3,435.7	3,380.9
Net Income attributable to Parent	554.0	504.0	482.6
	2025	2024	2023
Total Assets	17,334.7	16,030.0	15,198.2
Total Liabilities	7,634.5	6,935.9	6,685.9
Total Equity	9,700.2	9,094.1	8,512.3

1. Includes GT Capital's 58.1% share in TMBC's net income. In October 2023, GT Capital and GTCAM signed a Deed of Assignment of Share of Stocks (DOAS) wherein GT Capital offered to subscribe to common voting shares of GTCAM and to transfer to GTCAM its investment in 58.1% of TMBC's common shares. The DOAS became effective upon the SEC's approval of GTCAM's increase in authorized capital stock in December 2023. As a result, GTCAM took control and, accordingly, consolidated all assets and liabilities of TMBC effective December 2023. The consolidation of TMBC under GTCAM resulted in a gain on bargain purchase amounting to Php2.2 billion in GTCAM's 2023 consolidated net income, which is eliminated in GT Capital's consolidated financial statements.

GTCAM currently owns three (3) dealer outlets namely Toyota Manila Bay with four (4) branches – Toyota Abad Santos, Toyota Cubao and Toyota Marikina, all situated within Metro Manila, and Toyota Dasmariñas in Cavite; Toyota Santa Rosa in Laguna; and Toyota Subic situated in the Subic Bay Freeport Zone, Zambales. GTCAM also holds majority ownership in GT Mobility Ventures, Inc., which holds investments in JBA Philippines, Inc. and Premium Warranty Services Philippines, Inc.

Consolidated sales increased by 11.8% from Php37.4 billion in 2024 to Php41.8 billion in 2025. This growth was driven by a 4.0% increase in automotive retail sales volume rising from 27,736 units in 2024 to 28,846 units in 2025, along with a 6.1% increase in units serviced, from 209,417 to 222,250 units during the same period.

The growth in automotive retail sales was primarily driven by the strong sales performance of Toyota Santa Rosa, which helped offset the slower performance of Toyota Manila Bay, amid the shift of growth in the automotive market toward provincial areas. As a result, GTCAM's consolidated penetration rate – or its share in total Toyota nationwide sales –declined slightly from 12.7% in 2024 to 12.6% in 2025.

Meanwhile, GTCAM's consolidated net income attributable to equity holders reached Php554.0 million, representing a 9.9% increase from Php504.0 million in 2024. The growth was mainly driven by higher retail sales volume, stronger after-sales performance, and increased commission income from insured units.

Toyota Financial Services Philippines Corporation (TFSPC)

	In Million Pesos		
	2025	2024	2023
Gross Interest Income	16,659.9	15,149.1	12,768.4
Net Interest Income	7,273.8	6,906.4	6,434.2
Net Income	1,370.1	1,724.1	1,836.5
	2025	2024	2023
Total Assets	176,845.0	166,751.6	147,336.3
Total Equity	21,286.2	20,037.0	17,554.8
Finance Receivable-net	168,016.5	154,818.0	136,518.4

TFSPC recorded a 10% growth in gross interest income from Php15.1 billion in 2024 to Php16.7 billion in 2025, as finance receivables increased by 9% from Php154.8 billion to Php168.0 billion on a year-on-year basis. Booking volume was flat from 68,260 units in 2024 to 68,166 units in 2025, despite lower penetration rate from 31% to 30% due to higher TMP sales.

TFSPC generated a net profit of Php1.4 billion, on account of higher interest income based on a growing loan base, partially offset by tightening net interest margins and higher ROPA losses in 2025.

Sumisho Motor Finance Corporation (SMFC)

	In Million Pesos		
	2025	2024	2023
Gross Interest Income	1,625.9	1,714.0	1,858.1
Net Interest Income	1,493.2	1,532.3	1,643.8
Net Income	121.0	252.8	216.9
	2025	2024	2023
Total Assets	6,718.0	6,314.4	7,699.0
Total Equity	2,930.2	3,038.8	2,895.2
Finance Receivable	6,648.5	5,961.3	7,006.5

SMFC recorded a 5.1% decline in gross interest income, from Php1.7 billion in 2024 to Php1.6 billion in 2025, primarily due to the lower accruing accounts compared to the same period of last year. This occurred despite the 11.5% growth in finance receivables, which increased from Php6.0 billion as of December 2024 to Php6.6 billion as of December 2025. During the year, bookings grew by 36.9% to 47,429 units in 2025, compared to 34,637 units in the same period of last year.

Despite the increase in bookings, SMFC's net income declined by 52.1% from Php252.8million to Php121.0 million, mainly due to higher credit provisions and losses on ROPA.

Life and Non-Life Insurance

AXA Philippines Life and General Insurance Corporation

	In Million Pesos, except for percentages and ratios		
	2025	2024*	2023*
Gross Premiums	36,174.1	30,442.4	25,577.7
Net income after tax	2,518.5	2,510.0	2,631.3
Net Profit Margin (%) ¹	7.0%	8.2%	10.3%
Total Assets	198,212.1	186,032.5	177,843.1
Total Liabilities	179,513.1	170,159.8	162,855.4
Total Equity	18,699.0	15,872.7	14,987.6
Solvency ratio ²	386%	297%	235%

*Based on audited financial statements

Notes:

1. Net profit margin (%) is the ratio of Net profit over Total Revenues.
2. Solvency ratio is calculated as the insurance company's net worth divided by the Risk-based Capital (RBC) requirement of the Insurance Commission based on Memorandum Circular (IMC) No. 6-2006. Net worth shall include the company's paid-up capital, contributed and contingency surplus, and unassigned surplus.

New business from life insurance expressed in Annualized Premium Equivalent increased by 20.4% from Php4.4 billion in 2024 to Php5.2 billion in 2025, arising from the strong performance in Single Premium-Unit Linked products, namely Asset Master and Asset Protect, and in Regular Premium – Endowment product, AXA Secure Future. As a result, Life unit's gross premium increased to Php32.3 billion in 2025, 18.6% higher than the previous year.

The reported premium revenue mix of life insurance shifted to 46%/54% (Single Premium vs. Regular Premium) in 2025 from 40%/60% in 2024. By distribution platform, sales agency, bancassurance, and other channels accounted for 39%, 54% and 7% of annualized premium equivalent, respectively.

Gross written premiums of the non-life insurance business grew by 24% from Php3.4 billion in 2024 to Php4.2 billion in 2025 mainly due to property and engineering.

Consolidated net income stood at Php2.5 billion in 2025, 0.3% higher than the same period of 2024. Premium Margin went up by 14%, slower than Gross Premium's growth, due to lower contributions from Protection and Health and Traditional products. Growth was further offset by higher distribution costs and unrealized losses on investments compared with gains recorded in 2024.

Infrastructure and Utilities

Metro Pacific Investments Corporation (MPIC)

	In Million Pesos		
	2025	2024	2023
Core net income	27,149	23,612	19,528
Net income attributable to equity holders	29,695	27,885	20,029
	2025	2024	2023
Total assets	893,306	808,781	713,605
Total liabilities	533,761	501,478	424,129
Total equity attributable to owners of Parent Company	268,087	250,599	233,009

MPIC's share in the consolidated operating core income increased by 13% from Php28.4 billion in 2024 to Php32.1 billion in 2025 driven by the following:

- Improved performance of power generation companies; Meralco's core net income contribution was Php22.1 billion, up 12% year-on-year;
- Higher traffic on toll roads and toll rate increases partially offset by higher interest expense; core net income contribution of Metro Pacific Tollways Corporation (MPTC) to MPIC was Php6.1 billion, 3% lower year-on-year;
- Higher net income contribution from Maynilad amounting to Php7.2 billion, 16% higher year-on-year, mainly from higher tariff implemented in January 2025;
- Higher net losses from Light Rail Manila to Php1.1 billion due to amortization of the concession asset related to the 5 new LRT stations inaugurated in November 2024

Reported net income attributable to equity holders is higher by 6% from Php27.9 billion in 2024 to Php29.7 billion in 2025. Excluding non-recurring income and expenses, MPIC reported a core net income of Php27.1 billion in 2025 from Php23.6 billion, up 15% year-on-year.

Except for (ii), (iv),(vi) and (vii), the Company does not know of:

- (i) Any known trends or any known demands, commitments, events, uncertainties that will result or that are reasonably likely to result in the Company's liquidity increasing or decreasing in any material way;
- (ii) Any events that would trigger direct or contingent financial obligation (including contingent obligation) that is material to the Company, including any default or acceleration of an obligation except those disclosed in the note 36 of the financial statements;
- (iii) Any material off balance sheet transactions, arrangements, obligations (including contingent obligations) and other relationships of the Company with unconsolidated entities or other persons created during the reporting period;
- (iv) Any material commitments for capital expenditures, their purpose and sources of funds for such expenditures except as discussed below.

The GT Capital Group's 2026 capital expenditures ("CAPEX") budget is presented as follows:

Component Company	In Php Billion	Nature	Funding source
Metrobank	Php 3.0-5.0B	Mainly for IT investments	Internal
Federal Land ¹	3.0-3.6	Estate development costs, leasing and Head Office capex	Internal and Debt
TMP	6.4	New model introduction, specs upgrade, systems improvements, and special projects	Internal
GTCAM	0.4	Property improvements	Internal and Debt
TFS	0.7	Hardware, Software, FFE, Leasehold improvement	Debt
SMFC	0.05	Software, Computer Equipment, Transportation Equipment, FFE	Internal and Debt
AXA Philippines	0.5	Computer and IT upgrade, Furniture and Fixtures, Office equipment and Refurbishments	Internal
GTCap-Parent	10.0-13.0	Mainly investments/acquisitions and property-related capex	Internal and Debt
Total	Php24.0 - 29.6B		

1. Excludes construction of vertical residential buildings and house construction

- (v) Any known trends, events or uncertainties that have had or are reasonably expected to have a material favorable or unfavorable impact on net sales or revenues or income from continuing operations;
- (vi) Any significant elements of income or loss that did not arise from the Company's continuing operations except those disclosed in the audited financial statements;
- (vii) The causes of any material change from period to period including vertical and horizontal analysis of any material item, the causes of material changes are discussed in the MD&A; and
- (viii) Any seasonal aspects that had a material effect on financial condition or results of operation of the Company.

CALENDAR YEAR ENDED DECEMBER 31, 2024 VERSUS YEAR ENDED DECEMBER 31, 2023

GT Capital Consolidated Statements of Income <i>(In Million Pesos, Except for Percentage)</i>	Audited		Increase (Decrease)	
	Year Ended December 31		Amount	Percentage
	2024	2023		
REVENUE				
Automotive operations	282,631	261,544	21,087	8%
Equity in net income of associates and joint venture	25,310	23,498	1,812	8%
Real estate sales and interest income on real estate sales	5,163	12,870	(7,707)	(60%)
Rent income	1,668	1,509	159	11%
Interest income	1,527	1,278	249	19%
Sale of goods and services	1,211	1,137	74	7%
Commission income	354	958	(604)	(63%)
Other income	3,663	4,477	(814)	(18%)
	321,527	307,271	14,256	5%
COSTS AND EXPENSES				
Cost of goods and services sold	201,972	189,348	12,624	7%
Cost of goods manufactured and sold	42,748	39,661	3,087	8%
General and administrative expenses	23,168	20,257	2,911	14%
Interest expense	7,306	7,888	(582)	(7%)
Cost of real estate sales	1,871	5,400	(3,529)	(65%)
Cost of rental	934	905	29	3%
	277,999	263,459	14,540	6%
INCOME BEFORE INCOME TAXES	43,528	43,812	(284)	(1%)
PROVISION FOR INCOME TAX	6,010	6,937	(927)	(13%)
NET INCOME	37,518	36,875	643	2%
ATTRIBUTABLE TO:				
Equity holders of the Parent Company	28,783	29,313	(530)	(2%)
Non-controlling interests	8,735	7,562	1,173	16%
	37,518	36,875	643	2%

GT Capital Holdings, Inc. ("GT Capital" or the "Parent Company" or the "Company") consolidated net income attributable to equity holders of the Parent Company declined by 2% from Php29.31 billion in 2023 to Php28.78 billion in 2024. The decline was principally due to the 60% decline in real estate sales and interest income on real estate sales as 2023 included the recognition of significant lot sales by the Parent Company and Federal Land.

In 2024, as permitted under the accounting standards, the Parent Company finalized its purchase price allocation relating to the additional acquisition of MPIC shares in 2023. The net effect of the recognition of gain on bargain purchase and loss on dilution amounting to Php0.57 billion resulted to a restatement of the 2023 reports (see Note 8 to the Consolidated Financial Statements).

Core net income, likewise, declined by 2% from Php28.84 billion in 2023 to Php28.14 billion in 2024. Core net income attributable to equity holders of the Parent Company in 2024 amounted to Php28.14 billion, after adding back Php0.13 billion amortization of fair value adjustments arising from various business combinations, and deducting the Php0.77 billion share in various non-recurring gains by Metro Pacific Investments Corporation's ("MPIC"). Core net income attributable to equity holders of the Parent Company in 2023 amounted to Php28.84 billion, after adding back Php0.16 billion amortization of fair value adjustments arising from various business combinations, and deducting the Php0.57 billion gain on bargain purchase on additional acquisition of MPIC shares by the Parent Company and Php0.06 billion share in various non-recurring gains by MPIC.

The financial statements of Federal Land, Inc. ("Federal Land"), Toyota Motor Philippines Corporation ("TMP"), and GT Capital Auto and Mobility Holdings, Inc. ("GTCAM") are consolidated in the financial statements of the Group. The investments in other operating companies Metropolitan Bank and Trust Company ("Metrobank"), AXA Philippines Life and General Insurance Corporation ("AXA Philippines"), Toyota Financial Services Philippines

Corporation ("TFSPC"), MPIC and Sumisho Motor Finance Corporation ("SMFC") are reported through equity accounting.

Effective December 2023, Toyota Manila Bay Corporation ("TMBC") is consolidated under GTCAM pursuant to the Deed of Assignment of TMBC shares between the Parent Company and GTCAM, with the former as the transferor and the latter as the transferee. The transfer of TMBC shares from the Parent Company to GTCAM has no impact on the consolidated financial statements of the Group.

Of the eight (8) operating companies, TMP, GTCAM, Metrobank, MPIC, and SMFC, posted growth in net income, while Federal Land, TFSPC, and AXA Philippines reported declines in their respective net income.

Automotive operations comprising the sale of assembled and imported auto vehicles and spare parts grew by 8% from Php261.54 billion in 2023 to Php282.63 billion in 2024 due to the 6% increase in wholesale volume from 205,113 to 218,031 units. Retail sales volume, likewise, grew by 8% from 200,031 units in 2023 to 218,019 units in 2024.

Equity in net income of associates and joint ventures increased by 8% from Php23.50 billion in 2023 to Php25.31 billion in 2024 primarily due to significant increases in the net income of the following associates:

1. Metrobank by 14% from Php42.24 billion to Php48.14 billion due to the expansion of its loan portfolio, higher net interest margin, trading and securities gain, healthy fee income and improved asset quality;
2. MPIC from Php20.03 billion to Php27.88 billion due to higher core income contributions of its operating companies

Real estate sales and interest income from real estate sales declined by Php7.71 billion from Php12.87 billion to Php5.16 billion as 2023 included Php8.39 billion worth of property sales by the Parent Company and Federal Land to FNG.

Rent income grew by 11% from Php1.51 billion to Php1.67 billion due to Federal Land's higher retail and office space occupancy.

Interest income grew by Php0.25 billion due to higher short-term investments and higher rates.

Sale of goods and services increased by 7% or Php0.07 billion due to higher sales volume and prices in the fuel business, higher sales from food franchises and auction business. A subsidiary of Federal Land maintains a petroleum service station and is also engaged in food and restaurant business.

Commission income declined by 63% from Php0.96 billion in 2023 to Php0.35 billion in 2024 due to lower booked sales of Federal Land's joint venture projects as some projects reached full completion in 2023.

Gain on bargain purchase in 2023 pertains to the Parent Company's gain in relation to the acquisition of additional MPIC shares.

Other income declined by 18% or Php0.81 billion mostly due to the absence of tax credits utilized by TMP from its participation in the Comprehensive Automotive Resurgence Strategy (CARS) program of the government, and lower income from forfeitures, interest, and penalty charges of Federal Land.

Consolidated costs and expenses increased by 6% from Php263.46 billion in 2023 to Php278.00 billion in 2024. TMP contributed Php225.04 billion comprising cost of goods sold for manufacturing and trading activities, general and administrative expenses and interest expenses. GTCAM contributed Php37.19 billion consisting of cost of goods and services sold, general and administrative expenses and interest expenses. Federal Land contributed Php10.87 billion consisting of cost of real estate sales, cost of goods and services sold, general and administrative expenses, cost of rental and interest expenses. GT Capital Parent Company accounted for the balance of Php4.90 billion consisting of interest expenses and general and administrative expenses.

Cost of goods and services sold grew by 7% from Php189.35 billion to Php201.97 billion relative to the increase in auto sales.

Cost of goods manufactured and sold comprising cost of materials, labor and overhead incurred in the assembly of vehicles from TMP increased by 8% from Php39.66 billion to Php42.75 billion due to an increase in the cost of raw materials of assembled vehicles.

General and administrative expenses grew by 14% or Php2.91 billion mainly due to auto delivery and handling services, and advertising and promotional expenses relative to the increase in auto sales.

Interest expense declined by 7% from Php7.89 billion to Php7.31 billion due to settlement of short-term loans, matured bonds payable, and partial payment of long-term loans.

Cost of real estate sales decreased from Php5.40 billion to Php1.87 billion primarily due to the absence of significant lot sales by the Parent Company and Federal Land in 2024.

Provision for income tax declined by Php0.93 billion from Php6.94 billion to Php6.01 billion due to the lower taxable income of the Group in 2024.

Net income attributable to non-controlling interest rose by Php1.17 billion from Php7.56 billion to Php8.73 billion due to an increase in net income of subsidiaries which are not wholly-owned.

GT Capital Consolidated Statements of Financial Position (In Million Pesos, Except for Percentage)	Audited December 31		Increase (Decrease)	
	2024	2023	Amount	Percentage
ASSETS				
Current Assets				
Cash and cash equivalents	25,341	16,731	8,610	51%
Financial assets at fair value through profit or loss	910	871	39	4%
Receivables	28,185	29,203	(1,018)	(3%)
Contract assets	4,685	4,092	593	14%
Inventories	77,211	76,676	535	1%
Due from related parties	264	134	130	97%
Prepayments and other current assets	11,785	12,778	(993)	(8%)
	148,381	140,485	7,896	6%
Noncurrent Assets				
Financial assets at fair value through other comprehensive income	20,097	17,696	2,401	14%
Receivables – net of current portion	1,433	6,390	(4,957)	(78%)
Contract asset – net of current portion	5,185	5,489	(304)	(6%)
Investment properties	22,459	22,326	133	1%
Investments in associates and joint ventures	248,618	229,283	19,335	8%
Property and equipment	16,139	13,589	2,550	19%
Goodwill and intangible assets	10,093	10,014	79	1%
Deferred tax assets	1,288	1,085	203	19%
Other noncurrent assets	395	829	(434)	(52%)
	325,707	306,701	19,006	6%
TOTAL ASSETS	474,088	447,186	26,902	6%
LIABILITIES AND EQUITY				
Current Liabilities				
Accounts and other payables	49,837	43,790	6,047	14%
Contract liabilities – current portion	2,950	3,293	(343)	(10%)
Short-term debt	29,911	21,116	8,795	42%
Current portion of long-term debt	17,454	16,110	1,344	8%
Current portion of bonds payable	–	3,997	(3,997)	(100%)
Customers' deposits	1,594	1,062	532	50%
Current portion of liabilities on purchased properties	1,001	348	653	188%
Due to related parties	439	416	23	6%
Income tax payable	1,140	568	572	101%
Dividends payable	365	365	–	0%
Other current liabilities	2,436	2,149	287	13%
	107,127	93,214	13,913	15%
Noncurrent Liabilities				
Long term debt – net of current portion	76,869	95,528	(18,659)	(20%)
Pension liabilities	2,096	2,040	56	3%
Liabilities on purchased properties - net of current portion	–	981	(981)	(100%)
Deferred tax liabilities	5,015	4,409	606	14%
Other noncurrent liabilities	3,131	3,190	(59)	(2%)
	87,111	106,148	(19,037)	(18%)
TOTAL LIABILITIES	194,238	199,362	(5,124)	(3%)

<i>(In Million Pesos, Except for Percentage)</i>	Audited December 31		Increase (Decrease)	
	2024	2023	Amount	Percentage
Equity attributable to equity holders of Parent Company				
Capital stock	3,370	3,370	–	0%
Additional paid-in capital	94,472	94,472	–	0%
Treasury shares	(484)	(484)	–	0%
Retained earnings				
Unappropriated	161,334	134,408	26,926	20%
Appropriated	400	400	–	0%
Other comprehensive income (loss)	1,103	(2,477)	3,580	145%
Other equity adjustments	2,322	2,322	–	0%
	262,517	232,011	30,506	13%
Non-controlling interests	17,333	15,813	1,520	10%
TOTAL EQUITY	279,850	247,824	32,026	13%
TOTAL LIABILITIES AND EQUITY	474,088	447,186	26,902	6%

The major changes in GT Capital's consolidated balance sheet from December 31, 2023 to December 31, 2024 are as follows:

Consolidated assets grew by Php26.90 billion from Php447.19 billion as of December 31, 2023 to Php474.09 billion as of December 31, 2024. Total liabilities dropped by Php5.12 billion from Php199.36 billion to Php194.24 billion while total equity increased by Php32.03 billion from Php247.82 billion to Php279.85 billion.

ASSETS

Cash and cash equivalents amounted to Php25.34 billion as of December 31, 2024 consisting of cash and money market placements with less than 90-day terms.

Contract assets increased by Php0.59 billion attributable to the higher percentage of completion (POC) over the contractual right to an amount collectible from Federal Land's unit buyers.

Due from related parties doubled from Php0.13 billion to Php0.26 billion mostly coming from Federal Land's receivable from its related parties.

Prepayments and other current assets dropped by 8% from Php12.78 billion to Php11.79 billion due to lower ad valorem taxes and advances to suppliers and contractors.

Financial assets at fair value through other comprehensive income rose by Php2.40 billion from Php17.70 billion to Php20.10 billion due to unrealized marked-to-market gains on investments.

Noncurrent portion of receivables declined by Php4.96 billion due to Federal Land's collections of its long-term receivables and Parent Company's reclassification of noncurrent receivable to current.

Noncurrent portion of contract assets declined by 6% or Php0.31 billion due to reclassifications to receivables and current portion of contract assets.

Investments in associates and joint ventures grew by 8% or Php19.34 billion due to the Php25.31 billion equity share in net income, Php1.18 billion equity share in other comprehensive income, additional P3.22 billion investments, and Php0.46 billion impact of the full adoption of PFRS 15 on significant financing component, offset by Php10.83 billion dividends received.

Property and equipment rose by 19% from Php13.59 billion to Php16.14 billion mostly due to TMP's acquisition of vehicles for use in operations, increase in assets under construction and purchase of dies and jigs primarily for the

new car model Tamaraw. The local production of the next generation Tamaraw is based on Toyota's International Multi-purpose Vehicle (IMV-0) platform for the Asian market.

Deferred tax assets grew by 19% from Php1.09 billion to Php1.29 billion coming from TMP's recognition of deferred tax assets on accruals and other temporary differences.

Other noncurrent assets decreased by Php0.43 billion from Php0.83 billion to Php0.40 billion due to lower rental deposits, utilities, guarantee, and construction bonds.

LIABILITIES

Accounts and other payables increased to Php49.84 billion from Php43.79 billion primarily due to the higher trade payables of TMP and Federal Land.

Contract liabilities declined by 10% or Php0.34 billion attributable to the projects with lower POC over the amount collected from Federal Land's unit buyers.

Short-term debt grew by Php8.80 billion from Php21.11 billion to Php29.91 billion mainly due to Federal Land's loan availments to refinance its long-term debt.

Current portion of long-term debt increased by 8% from Php16.11 billion to Php17.45 billion due to reclassifications from noncurrent portion offset by settlements.

Current portion of bonds payable were paid upon its maturity on August 7, 2024.

Customers' deposit grew by 50% from Php1.06 billion to Php1.59 billion with TMP and GTCAM accounting for Php0.48 billion, and Php0.05 billion, respectively.

Current portion of liabilities on purchased properties increased by Php0.65 billion due to reclassifications from noncurrent portion, offset by scheduled payment.

Due to related parties increased by 6% from Php0.42 billion to Php0.44 billion attributable to higher payables by Federal Land to its related parties.

Income tax payable increased by Php0.57 billion from Php0.57 billion to Php1.14 billion attributable to higher taxable income reported by the Group in the last quarter of 2024 compared to the last quarter of 2023.

Other current liabilities grew by 13% from Php2.15 billion to Php2.44 billion primarily due to higher output VAT payable coming from the increase in revenues.

Long-term debt net of current portion declined by 20% or Php18.66 billion mainly due to the reclassification to current portion of the Parent Company's long-term debt maturing in March 2025 and partial settlement of long-term debt of Federal Land and GTCAM group.

Liabilities on purchased properties net of current portion amounted to nil as of December 31, 2024 due to reclassification to current portion.

Deferred tax liabilities grew by 14% or Php0.61 billion mainly due to GT Capital's deferred tax liabilities on the net unrealized gain on financial assets at fair value through other comprehensive income.

EQUITY

Unappropriated retained earnings increased by Php26.92 billion from Php134.41 billion to Php161.33 billion arising from the Php28.78 billion consolidated net income attributable to the Parent Company in 2024, and Php0.23 billion impact of the full adoption of PFRS 15 on significant financing component, net of Php2.09 billion cash dividends declared.

Other comprehensive loss of Php2.48 billion as of December 31, 2023 improved to other comprehensive income of Php1.10 billion as of December 31, 2024 primarily due to the marked-to-market gains on financial assets at FVOCI of the Group.

Non-controlling interests increased by Php1.52 billion from Php15.81 billion to Php17.33 billion arising from Php8.73 billion share in net income of subsidiaries which are not wholly-owned, offset by Php7.20 billion dividend of other shareholders of the Group.

CALENDAR YEAR ENDED DECEMBER 31, 2023 VERSUS YEAR ENDED DECEMBER 31, 2022

GT Capital Consolidated Statements of Income <i>(In Million Pesos, Except for Percentage)</i>	Audited Year Ended December 31		Increase (Decrease)	
	2023	2022	Amount	Percentage
REVENUE				
Automotive operations	261,544	211,945	49,599	23%
Equity in net income of associates and joint venture	23,498	16,455	7,043	43%
Real estate sales and interest income on real estate sales	12,870	5,793	7,077	122%
Rent income	1,509	1,401	108	8%
Sale of goods and services	1,137	957	180	19%
Commission income	958	667	291	44%
Interest income	1,278	544	734	135%
Other income	4,477	7,545	(3,068)	(41%)
	307,271	245,307	61,964	25%
COSTS AND EXPENSES				
Cost of goods and services sold	189,348	157,079	32,269	21%
Cost of goods manufactured and sold	39,661	36,366	3,295	9%
General and administrative expenses	20,257	17,278	2,979	17%
Interest expense	7,888	7,144	744	10%
Cost of real estate sales	5,400	3,059	2,341	77%
Cost of rental	905	830	75	9%
	263,459	221,756	41,703	19%
INCOME BEFORE INCOME TAXES	43,812	23,551	20,261	86%
PROVISION FOR INCOME TAX	6,937	1,820	5,117	281%
NET INCOME	36,875	21,731	15,144	70%
ATTRIBUTABLE TO:				
Equity holders of the Parent Company	29,313	18,360	10,953	60%
Non-controlling interests	7,562	3,371	4,191	124%
	36,875	21,731	15,144	70%

GT Capital Holdings, Inc. ("GT Capital" or the "Parent Company" or the "Company") consolidated net income attributable to equity holders of the Parent Company grew by 60% from Php18.36 billion in 2022 to Php29.31 billion in 2023. The increase was principally due to the 25% growth in consolidated revenues with growth coming from automotive operations (+23%), real estate sales and interest income on real estate sales (+122%), and equity in net income of associates and joint ventures (+39%).

Core net income, likewise, grew by 82% from Php15.89 billion in 2022 to Php28.84 billion in 2023. Core net income attributable to equity holders of the Parent Company in 2023 amounted to Php28.84 billion, after adding back Php0.16 billion amortization of fair value adjustments arising from various business combinations, and deducting the Php0.57 billion gain on bargain purchase on additional acquisition of Metro Pacific Investments Corporation's ("MPIC") shares by the Parent Company and Php0.06 billion share in various non-recurring gains by MPIC. Core net income attributable to equity holders of the Parent Company in 2022 amounted to Php15.89 billion, after deducting the Php2.64 billion net non-recurring gains earned by the Group mainly from Federal Land's gain on investment in a joint venture, net of non-recurring expenses and MPIC's reversal of impairment loss upon the consolidation of one of its investments, and adding back the Php0.17 billion amortization of fair value adjustments arising from various business combinations.

The financial statements of Federal Land, Inc. ("Federal Land"), Toyota Motor Philippines Corporation ("TMP"), and GT Capital Auto and Mobility Holdings, Inc. ("GTCAM") are consolidated in the financial statements of the Group. The investments in other component companies Metropolitan Bank and Trust Company ("Metrobank"), AXA Philippines Life and General Insurance Corporation ("AXA Philippines"), Toyota Financial Services Philippines Corporation ("TFSPC"), MPIC and Sumisho Motor Finance Corporation ("SMFC") are reported through equity accounting.

Effective December 2023, Toyota Manila Bay Corporation (“TMBC”) is consolidated under GTCAM pursuant to the Deed of Assignment of TMBC shares between the Parent Company and GTCAM, with the former as the transferor and the latter as the transferee. The transfer of TMBC shares from the Parent Company to GTCAM has no impact on the consolidated financial statements of the Group.

Of the eight (8) operating companies, TMP, GTCAM, Metrobank, MPIC, TFSPC, and AXA Philippines, posted growth in net income, while Federal Land and SMFC reported decline in their respective net income.

Automotive operations comprising the sale of assembled and imported auto vehicles and spare parts grew by 23% from Php211.95 billion in 2022 to Php261.54 billion in 2023 due to the 18% increase in wholesale volume from 174,197 to 205,113 units.

Equity in net income of associates and joint ventures increased by 43% from Php16.46 billion in 2022 to Php23.50 billion in 2023 primarily due to significant increases in the net income of the following associates:

1. Metrobank by 29% from Php32.78 billion to Php42.24 billion due to the expansion of its loan portfolio, higher net interest margin, healthy fee income and improved asset quality;
2. MPIC from Php10.49 billion to Php20.03 billion due to higher core income contributions of its operating companies; and
3. TFSPC by 13% from Php1.63 billion to Php1.84 billion arising from the increase in net interest income from its steady annuity income stream, and improving asset quality.

Real estate sales and interest income from real estate sales rose by Php7.08 billion from Php5.79 billion to Php12.87 billion due to lot sales realized by the Parent Company and Federal Land from Federal Land NRE Global, Inc., the joint venture company between Federal Land and Nomura Real Estate in the second quarter, including project completion and percentage of completion from Federal Land’s existing projects.

Rent income grew by 8% from Php1.40 billion to Php1.51 billion due to higher occupancy of Federal Land’s retail operations.

Sale of goods and services increased by 19% or Php0.18 billion due to higher sales realized from food franchises.

Commission income increased by Php0.29 billion from Php0.67 billion in 2022 to Php0.96 billion in 2023 due to an increase in booked sales of Federal Land’s joint venture projects.

Interest income grew by Php0.73 billion due to higher short-term investments and higher rates.

Other income declined by 41% or Php3.07 billion mostly Federal Land’s gain on investments in 2022.

Consolidated costs and expenses increased by 19% from Php221.76 billion in 2022 to Php263.46 billion in 2023. TMP contributed Php209.01 billion comprising cost of goods sold for manufacturing and trading activities, general and administrative expenses and interest expenses. GTCAM contributed Php35.08 billion consisting of cost of goods and services sold, general and administrative expenses and interest expenses. Federal Land contributed Php12.57 billion consisting of cost of real estate sales, cost of goods and services sold, general and administrative expenses, cost of rental and interest expenses. GT Capital Parent Company accounted for the balance of Php6.80 billion consisting of interest expenses and general and administrative expenses.

Cost of goods and services sold grew by 21% from Php157.08 billion to Php189.35 billion relative to the increase in auto sales.

Cost of goods manufactured comprising cost of materials, labor and overhead incurred in the assembly of vehicles from TMP increased by 9% from Php36.37 billion to Php39.66 billion due to an increase in materials costs of assembled vehicles.

General and administrative expenses increased by 17% or Php2.98 billion mainly due to auto delivery and handling services, and advertising and promotional expenses relative to the increase in auto sales.

Interest expense increased by 10% from Php7.14 billion to Php7.89 billion due to higher lending rates in spite of lower outstanding loan balances.

Cost of real estate sales rose to Php5.40 billion from Php3.06 billion primarily due to the cost of lots sold during the year by the Parent Company and Federal Land and cost of real estate sales incurred by Federal Land on its ongoing projects.

Cost of rental grew by 9% from Php0.83 billion to Php0.91 billion due to an increase in common use service area expenses relative to higher occupancy.

Provision for income tax increased by Php5.12 billion from Php1.82 billion to Php6.94 billion due to the higher taxable income of the Group in 2023.

Net income attributable to non-controlling interest increased by Php4.19 billion from Php3.37 billion to Php7.56 billion due to an increase in net income of subsidiaries which are not wholly-owned.

GT Capital Consolidated Statements of Financial Position (In Million Pesos, Except for Percentage)	Audited December 31		Increase (Decrease)	
	2023	2022	Amount	Percentage
ASSETS				
Current Assets				
Cash and cash equivalents	16,731	24,005	(7,274)	(30%)
Financial assets at fair value through profit or loss	871	11,160	(10,289)	(92%)
Receivables	29,203	14,135	15,068	107%
Contract assets	4,092	4,707	(615)	(13%)
Inventories	76,676	69,399	7,277	10%
Due from related parties	134	356	(222)	(62%)
Prepayments and other current assets	12,778	17,109	(4,331)	(25%)
	140,485	140,871	(386)	(0%)
Noncurrent Assets				
Financial assets at fair value through other comprehensive income	17,696	13,345	4,351	33%
Receivables – net of current portion	6,390	6,250	140	2%
Contract asset – net of current portion	5,489	5,636	(147)	(3%)
Investment properties	22,326	22,247	79	0%
Investments in associates and joint ventures	229,283	200,238	29,045	15%
Property and equipment	13,589	13,951	(362)	(3%)
Goodwill and intangible assets	10,014	10,025	(11)	(0%)
Deferred tax assets	1,085	1,277	(192)	(15%)
Other noncurrent assets	829	3,316	(2,487)	(75%)
	306,701	276,285	30,416	7%
TOTAL ASSETS	447,186	417,156	30,030	7%
LIABILITIES AND EQUITY				
Current Liabilities				
Accounts and other payables	43,790	36,948	6,842	19%
Contract liabilities – current portion	3,293	3,207	86	3%
Short-term debt	21,116	14,582	6,534	45%
Current portion of long-term debt	16,110	7,758	8,352	108%
Current portion of bonds payable	3,997	6,099	(2,102)	(34%)
Customers' deposits	1,062	928	134	14%
Current portion of liabilities on purchased properties	348	348	–	0%
Due to related parties	416	166	250	151%
Income tax payable	568	302	266	88%
Dividends payable	365	589	(224)	(38%)
Other current liabilities	2,149	1,513	636	42%
	93,214	72,440	20,774	29%
Noncurrent Liabilities				
Long term debt – net of current portion	95,528	118,033	(22,505)	(19%)
Pension liabilities	2,040	1,657	383	23%
Liabilities on purchased properties - net of current portion	981	1,300	(319)	(25%)
Bonds payable – net of current portion	–	3,992	(3,992)	(100%)
Deferred tax liabilities	4,409	3,414	995	29%
Other noncurrent liabilities	3,190	3,306	(116)	(4%)
	106,148	131,702	(25,554)	(19%)
TOTAL LIABILITIES	199,362	204,142	(4,780)	(2%)

<i>(In Million Pesos, Except for Percentage)</i>	Audited December 31		Increase (Decrease)	
	2023	2022	Amount	Percentage
Equity attributable to equity holders of Parent Company				
Capital stock	3,370	3,370	–	0%
Additional paid-in capital	94,472	98,827	(4,355)	(4%)
Treasury shares	(484)	–	(484)	(100%)
Retained earnings				
Unappropriated	134,408	106,107	28,301	27%
Appropriated	400	400	–	0%
Other comprehensive loss	(2,477)	(9,284)	6,807	(73%)
Other equity adjustments	2,322	2,322	–	0%
	232,011	201,742	30,269	15%
Non-controlling interests	15,813	11,272	4,541	40%
TOTAL EQUITY	247,824	213,014	34,810	16%
TOTAL LIABILITIES AND EQUITY	447,186	417,156	30,030	7%

The major changes in GT Capital's consolidated balance sheet from December 31, 2022 to December 31, 2023 are as follows:

Consolidated assets grew by Php30.03 billion from Php417.16 billion as of December 31, 2022 to Php447.19 billion as of December 31, 2023. Total liabilities dropped by Php4.78 billion from Php204.14 billion to Php199.36 billion while total equity increased by Php34.81 billion from Php213.01 billion to Php247.82 billion.

ASSETS

Cash and cash equivalents amounted to Php16.73 billion as of December 31, 2023 consisting of money market placements with less than 90-day terms.

Financial assets at fair value through profit or loss decreased by Php10.29 billion from Php11.16 billion to Php0.87 billion to fund additional investment in other operating companies.

Current portion of receivables grew by Php15.07 billion mostly trade receivables of TMP resulting from higher auto sales to its dealers and extension of credit terms.

Contract assets decreased by Php0.62 billion attributable to the reclassification from current to long-term portion of receivables during the year. Contract assets are the excess of percentage of completion (POC) over the right to an amount collectible from Federal Land's unit buyers.

Inventories grew by Php7.28 billion from Php69.40 billion to Php76.68 billion primarily due to the higher level of the inventories of TMP.

Due from related parties declined by Php0.22 billion from Php0.36 billion to Php0.13 billion coming from management fees earned by Federal Land from its joint venture entities.

Prepayments and other current assets dropped by 25% from Php17.11 billion to Php12.78 billion mainly ad valorem and excise taxes, input VAT, creditable withholding taxes, advances to contractors and suppliers, prepaid expenses and other current assets.

Financial assets at fair value through other comprehensive income rose by Php4.35 billion from Php13.35 billion to Php17.70 billion due to marked-to-market gains on investments.

Investments in associates and joint ventures grew by 15% or Php29.05 billion mainly Federal Land's additional capital contribution to FNG and equity share in net income of associates and joint ventures.

Deferred tax assets declined by 15% from Php1.28 billion to Php1.09 billion due to a decrease in Federal Land's deferred tax assets.

Other noncurrent assets decreased by Php2.49 billion from Php3.32 billion to Php0.83 billion due to lower rental deposits, utilities, guarantee, and construction bonds.

LIABILITIES

Accounts and other payables increased to Php43.79 billion from Php36.95 billion primarily due to the higher trade payables of TMP and auto dealers.

Short-term debt grew by Php6.53 billion from Php14.58 billion to Php21.11 billion due to Php70.54 billion loan payments, offset by Php77.08 billion loan availments.

Current portion of long-term debt increased from Php7.76 billion to Php16.11 billion partly due to reclassifications from noncurrent portion.

Current portion of bonds payable decreased due to the payment of Php6.10 billion bonds upon its maturity on February 27, 2023, offset by the reclassification of Php4.00 billion bonds due on August 7, 2024.

Customers' deposit grew by 14% from Php0.93 billion to Php1.06 billion with TMP and GTCAM accounting for Php0.58 billion, and Php0.48 billion, respectively.

Due to related parties increased by Php0.25 billion from Php0.17 billion to Php0.42 billion attributable to higher payables by Federal Land to its related parties.

Income tax payable increased by 88% from Php0.30 billion to Php0.57 billion attributable to higher taxable income reported by the Group.

Dividends payable declined by Php0.22 billion from Php0.59 billion to Php0.37 billion mainly due to the redemption of the series A preferred shares of the Parent Company.

Other current liabilities increased by 42% from Php1.51 billion to Php2.15 billion primarily due to higher output VAT payable coming from the increase in revenues.

Non-current portion of long-term debt declined by 19% or Php22.51 billion mainly due to the payments made by Federal Land and long-term debt reclassification to current portion.

Pension liabilities increased by 23% from Php1.66 billion to Php2.04 billion due to the accrual of retirement expenses for the period December 31, 2023.

Non-current liabilities on purchased properties decreased by Php0.32 billion due to a reclassification to current portion and amortization of deferred financing cost.

Non-current portion of bonds payable decreased by Php3.99 billion due to its reclassification to current portion.

Deferred tax liabilities grew by 29% or Php0.99 billion mainly due to GT Capital's deferred tax liabilities on the net unrealized gain on financial assets at fair value through other comprehensive income.

EQUITY

Unappropriated retained earnings increased by Php28.30 billion from Php106.11 billion to Php134.41 billion arising from the Php29.31 billion consolidated net income earned attributable to the Parent Company in 2023, net of Php1.01 billion cash dividends declared.

Treasury shares came from the Parent Company's redemption of all its 4,839,240 perpetual preferred shares series A (GTPPA) on October 27, 2023, at the issue price of Php1,000 per share or a total redemption price of Php4.84 billion.

Other comprehensive loss improved from Php9.28 billion as of December 31, 2022 to Php2.48 billion as of December 31, 2023 due to the marked-to-market gains on financial assets at FVOCI of the Group.

Non-controlling interest increased by Php4.54 billion from Php11.27 billion to Php15.81 billion relative to the increase in net income of subsidiaries which are not wholly-owned.

LIQUIDITY AND CAPITAL RESOURCES

In 2025, 2024 and 2023, GT Capital's principal source of liquidity came from the operations of its consolidated entities, cash dividends received from the investee companies, interest income received and availment of loans. As of December 31, 2025, GT Capital's cash and cash equivalents reached Php19.40 billion.

The following table sets forth selected information from GT Capital's statement of cash flows for the periods indicated.

	In Million Pesos		
	2025	2024	2023
Net cash provided by operating activities	8,799	25,008	28,195
Net cash used in investing activities	(11,919)	(3,621)	(16,508)
Net cash used in financing activities	(2,656)	(12,217)	(18,759)
Effects 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 the beginning of the period	25,341	16,731	24,005
Cash and cash equivalents at the end of the period	19,399	25,341	16,731

Cash flows from operating activities

Net cash provided by operating activities in 2025, 2024 and 2023 amounted to Php8.80 billion, Php25.01 billion and Php28.20 billion, respectively. In 2025, cash generated from operations, dividend, and interest received amounting to Php21.79 billion, Php10.32 billion, and Php1.51 billion, respectively, were used to pay interest, dividends and income taxes amounting to Php6.74 billion, Php10.06 billion, and Php7.56 billion, respectively. In 2024, cash generated from operations, dividend, and interest received amounting to Php33.80 billion, Php11.64 billion, and Php2.01 billion, respectively, were used to pay interest, dividends and income taxes amounting to Php6.86 billion, Php9.29 billion, and Php6.04 billion, respectively. In 2023, cash generated from operations, dividend, and interest received amounting to Php39.71 billion, Php6.12 billion, and Php0.96 billion, respectively, were used to pay interest, dividends and income taxes amounting to Php7.11 billion, Php4.24 billion, and Php6.61 billion, respectively.

Cash flows used in investing activities

Net cash used in investing activities amounted to Php11.92 billion, Php3.62 billion and Php16.51 billion in 2025, 2024 and 2023, respectively. In 2025, cash flows used in investing activities went to the acquisition of additional investments in associate and property and equipment by Php8.77 billion and Php3.04 billion, respectively. In 2024, cash flows used in investing activities went to the acquisition of additional property and equipment by Php3.85 billion. In 2023, cash flows used in investing activities went to the additional investments in joint ventures by Php16.39 billion.

Cash flows from financing activities

Net cash used in financing activities amounted to Php2.66 billion, Php12.22 billion and Php18.76 billion in 2025, 2024 and 2023, respectively. In 2025, the cash flows from financing activities that came from the proceeds from loan availments amounting to Php106.79 billion were used to refinance other loans amounting to Php109.53 billion, and partially settle liabilities on purchased properties amounting to Php0.17 billion. In 2024, the cash flows from financing activities that came from the proceeds from loan availments amounting to Php51.03 billion were used to refinance other loans amounting to Php59.08 billion, and settle bonds payable amounting to Php4.00 billion and partially settle liabilities on purchased properties amounting to Php0.35 billion. In 2023, the cash flows from financing activities that came from the proceeds from loan availments amounting to Php77.63 billion were used to refinance other loans amounting to Php84.78 billion, settle bonds payable amounting to Php6.10 billion and redeem Php4.84 billion preferred shares series A.

A.iv Brief Description of the General Nature and Scope of the Corporation's Business and Its Subsidiaries

Item 1. Business

GT Capital Holdings, Inc. (GT Capital or the Company or the Parent Company or the Group) was incorporated in the Republic of the Philippines on July 26, 2007. The Company's registered office address and principal place of business is at 43/F GT Tower International, 6813 Ayala Avenue corner H. V. Dela Costa St., Makati City, Metro Manila, Philippines. GT Capital is a listed company, of which 56.17% of common shares is owned by Grand Titan Capital Holdings, Inc. (Grand Titan) and the directors and senior officers of GT Capital, while the balance of 43.83% is publicly owned as of December 31, 2025.

GT Capital is a major Philippine conglomerate with interests in market-leading businesses across banking, automotive assembly, importation, distribution, dealership and financing, property development, life and non-life insurance, and infrastructure and utilities. GT Capital is the primary vehicle for the holding and management of the diversified business interests of the Ty family in the Philippines. GT Capital's business management, investment decisions and future business development are and will be firmly rooted in its corporate values of integrity, competence, respect, entrepreneurial spirit and commitment to value creation.

As a testament to its market position, GT Capital was listed on the Philippine Stock Exchange (PSE) in April 2012, included in the PSE Index in September 2013, in the Financial Times Stock Exchange (FTSE) All-World Index in March 2014, and in the Morgan Stanley Capital International (MSCI) Philippine Index in May 2015.

GT Capital's portfolio of businesses is well-positioned to benefit from broad-based growth in the Philippine economy and domestic consumption in particular. The portfolio as of December 31, 2025 comprises directly-held interests in the following GT Capital component companies:

- **Automotive assembly, importation, distribution, dealership and financing** – GT Capital primarily conducts its automotive business through its 51% interest in Toyota Motor Philippines Corporation (TMP), the country's largest automotive company. TMP assembles, imports, and distributes Toyota vehicles, and sells parts and accessories locally and abroad. TMP also distributes Lexus vehicle in the Philippines.

TMP owns Toyota Makati (including the Toyota Bicutan branch), 55% of Toyota San Fernando (with branches in Plaridel and Tarlac), and 75% of Lexus Manila. It also holds 100% of Toyota Motor Philippines Logistics, Inc. (TLI), which provides logistics and vehicle distribution services, and of Toyota Mobility Solutions Philippines Inc. (TMSPH), which delivers fleet and mobility-related solutions.

GT Capital conducts its automotive dealership business through its wholly-owned subsidiary, GT Capital Auto and Mobility Holdings, Inc. (GTCAM). GTCAM, formerly GT Capital Auto Dealership Holdings, Inc. (GTCAD), holds a 58.1% interest in Toyota Manila Bay Corp. (TMBC), 55.0% interest in Toyota Subic, Inc. (TSB) and 60.0% interest in Toyota Santa Rosa Laguna, Inc. (TSR). GTCAM also has businesses in the pre-owned vehicle sector through its 40% effective ownership interest in JBA Philippines, Inc. and 46.67% effective ownership interest in Premium Warranty Services Philippines, Inc.

On October 11, 2023, GT Capital and GTCAM signed a Deed of Assignment of Shares of Stocks (DOAS), wherein, GT Capital offered to subscribe to 1,715,408,377 common voting shares of GTCAM with a par value of Php1.00 per share, and to transfer to GTCAM, in payment of such subscription, its investments in the common shares of TMBC totaling 386,353,238 common shares, with a total book value of Php1,715,408,377. The effective date of the DOAS was upon SEC's approval of GTCAM's increase in authorized capital stock, which was approved by the SEC in December 2023. As a result, GTCAM took control of TMBC in December 2023, and accordingly, all assets and liabilities of TMBC were consolidated under GTCAM effective December 2023. Prior to this, GT Capital directly held its 58.1% ownership interest in TMBC.

TMBC, TSR, and TSB exclusively distribute Toyota motor vehicles in the Luzon Island, primarily serving the areas of Metro Manila, Cavite, Laguna, and the Subic Bay Freeport Zone in Zambales. They also offer genuine Toyota brand motor vehicle parts and accessories, and provide after-sales services to Toyota vehicles.

GT Capital also provides financing for the acquisition of Toyota motor vehicles through its 40.00% interest in Toyota Financial Services Philippines Corporation (TFSPH). TFSPH offers retail loans, finance lease and full-service operating lease to its individual and corporate clients for the acquisition of brand-new and/or certified pre-owned Toyota vehicles. In October 19, 2021, TFSPH launched myTOYOTA Wallet, a digital payment app that brings together a range of payment options in a single platform connected to the entire Toyota ecosystem.

TFSPP established an insurance agency, Toyota Insurance Services Philippines Corporation (TISPP or Subsidiary Company), a wholly owned subsidiary. TISPP was registered with the Philippine Securities and Exchange Commission (SEC) on September 10, 2025, with capitalization of P10.00 million. The subsidiary company commenced its operation in December 2025.

- **Banking** – GT Capital conducts banking services through its 39.84% interest in Metropolitan Bank & Trust company (“MBT” or “Metrobank”). MBT is a universal bank that provides, through itself and other members of the MBT Group, a full range of banking and other financial products and services including corporate, commercial and consumer banking products and services as well as credit card, investment banking and trust services. Metrobank has been listed on the Philippine Stock Exchange since 1981. As of December 31, 2025, the MBT Group had a total of over 967 branches in the Philippines, and over 2,242 automated teller machines (ATMs).
- **Property development** – GT Capital engages in property development business through its wholly-owned subsidiary, Federal Land, Inc. (“Federal Land”). Federal Land primarily focuses on the development of high-rise, vertical residential condominium projects, as well as on master-planned communities that offer residential, retail, office and commercial space. It caters mainly to the upper mid-end market segment with projects in key, strategic urban communities.
- **Life and Non-Life Insurance** – GT Capital conducts its life and non-life insurance business through its 25.3% interest in AXA Philippines Life and General Insurance Corporation (Formerly Philippine AXA Life Insurance Corporation), which offers personal and group insurance products in the country, including investment-linked insurance products. AXA Philippines fully absorbed its subsidiary, Charter Ping An Insurance Corporation (Charter Ping An or CPAIC), with the former being the surviving entity as approved by the Securities and Exchange Commission (SEC) on December 28, 2022. With the merger, AXA Philippines is now a provider of non-life insurance products that include fire/property, marine, motor car, personal accident, other casualty, and engineering insurance, among others. AXA Philippines distributes its products through a multi-channel distribution network comprised of agents, bancassurance (through MBT and PSBank branches), and corporate solutions.
- **Infrastructure and Utilities** – GT Capital, through its 19.62% stake in Metro Pacific Investments Corporation (MPIC), the Philippines’ largest infrastructure conglomerate, has exposure in high-growth businesses such as toll roads, water, power, railways, health, fuel storage, real estate, food, and agriculture. Among MPIC’s portfolio is Manila Electric Company (MERALCO), the country’s largest power distribution utility; Maynilad Water Services, Inc., which manages Metro Manila’s widest water distribution network; and Metro Pacific Tollways Corporation, operator of the country’s largest toll road network.
- **Motorcycle Financing** – GT Capital owns a 20.0% stake in Sumisho Motor Finance Corporation (SMFC), which offers end-user financing for Japanese motorcycle brands. SMFC is a joint venture among GT Capital, PSBank, and Sumitomo Corporation of Japan. Sumisho provides a total financing package that hopes to deliver simple, convenient and hassle-free motorcycle ownership for its clients.

A.v Corporation’s Directors and Executive Officers

Please refer to Item 5 of the Information Statement for the discussion on the identity of each of the Corporation’s directors and executive officers including their principal occupation or employment, name, and principal business of any organization by which such persons are employed.

A.vi Market Price, Shareholder and Dividend Information Market Information

The Company’s common shares have been listed and traded at the Philippine Stock Exchange since April 20, 2012. The high and low sales prices for each period within the last two calendar years are as follows:

In Php	High	Low
	2024	
1 st Quarter (Jan 1 to Mar 31)	730.50	584.00
2 nd Quarter (Apr 1 to June 30)	725.00	553.00
3 rd Quarter (July 1 to Sept 30)	743.00	561.00
4 th Quarter (Oct 1 to Dec 31)	741.00	606.00

	2025	
1 st Quarter (Jan 1 to Mar 31)	656.00	480.20
2 nd Quarter (Apr 1 to June 30)	609.00	460.00
3 rd Quarter (July 1 to Sept 30)	726.00	563.00
4 th Quarter (Oct 1 to Dec 31)	605.00	504.00

As of December 29, 2025, the closing price of the Company's common shares of stock is Php595.00 per share.

Shareholder and Dividend Information

The top 20 stockholders of the Corporation's Common Shares as of December 31, 2025 are as follows:

	NAME OF STOCKHOLDER	NO OF SHARES *	RATIO (%) TO TOTAL AMOUNT SUBSCRIBED
1.	Grand Titan Capital Holdings, Inc.	120,413,658	55.932%
2.	PCD Nominee Corp. (Non-Filipino)	49,751,131	23.110%
3.	PCD Nominee Corp. (Filipino)	44,277,431	20.567%
4.	Ty Siao Kian	223,560	0.104%
5.	Ty, Alfred Vy	111,780	0.052%
	Ty, Arthur Vy	111,780	0.052%
6.	Ty, Mary Vy	110,662	0.051%
7.	Catienza, Emily Chua	97,650	0.045%
8.	Bloomington Enterprises, Inc.	42,261	0.020%
9.	Catienza, Beniya Antoinette Chua	23,500	0.011%
10.	Chua, Josephine Ty	12,871	0.006%
11.	United Life Assurance Corporation	11,178	0.005%
12.	Ty, Alesandra T.	8,387	0.004%
13.	Chan, Asuncion C.	6,707	0.003%
14.	Choi, Anita C.	4,471	0.002%
15.	Lee, Sang Won	4,160	0.002%
16.	Cai, Ziwen	3,600	0.002%
17.	Mar, Peter or Annabelle C. Mar	3,353	0.002%
18.	Keh, Yvonne Ong-Chua	3,300	0.002%
19.	Carousel Holdings, Inc.	2,836	0.001%
20.	Keh, Yvonne Ong-Chua ITF Mitchell Jonathan Kew Stewart	2,550	0.001%

* Fully subscribed and paid up

As of December 31, 2025, the Corporation had approximately 103 stockholders of record for its common shares, including PCD Nominee Corporation (Filipino) and PCD Nominee Corporation (Non-Filipino).

Starting 2024, the Corporation had a target annual dividend payout of Php6.00 per share, payable out of its unrestricted retained earnings. Such declaration takes into consideration factors such as restrictions that may be imposed by current and prospective financial covenants; projected levels of operating results, working capital needs and long-term capital expenditures; and regulatory requirements on dividend payments, among others. As such, the Company paid cash dividends to its stockholders as follows:

Year	Common stock	Total	Voting Preferred Stock	Total	Record Date	Payment Date
2024	Php3.00 per share (regular)	Php645.9 million (regular)	-	-	March 27, 2024	April 12, 2024
	Php2.00 per share (special)	Php430.6 million (special)				

Year	Common stock	Total	Voting Preferred Stock	Total	Record Date	Payment Date
2024	-	-	3.77% PDST-R2 3Y rate as of April 13, 2015 (regular)	Php1,013,694.00 (regular)	March 27, 2024	April 12, 2024
2024	Php3.00 per share (regular)	Php645.9 million (regular)	-	-	August 22, 2024	September 6, 2024
2025	Php3.00 per share (regular) Php2.00 per share (special)	Php645.9 million (regular) Php430.6 million (special)	-	-	April 2, 2025	April 16, 2025
2025	-	-	5.8158% 3Y BVAL rate as of April 14, 2025 (regular)	Php1,013,694.00 (regular)	May 28, 2025	June 13, 2025
2025	Php3.00 per share (regular)	Php645.9 million (regular)	-	-	August 27, 2025	September 5, 2025

On March 23, 2026, the Board of Directors of the Corporation approved the declaration of cash dividends for common and voting preferred stockholders, as shown below, payable out of its unrestricted retained earnings. There are also no restrictions limiting payment of dividends on common shares.

Year	Common stock	Total	Voting Preferred Stock	Total	Record Date	Payment Date
2026	Php3.00 per share (regular) Php4.08 per share (special)	Php645.9 million (regular) Php878.4 million (special)	-	-	April 8, 2026	April 22, 2026
2026	-	-	5.8158% 3Y BVAL rate as of April 14, 2025 (regular)	Php1,013,694.00 (regular)	April 8, 2026	April 22, 2026
2026	Php3.00 per share (regular) Php4.08 per share (special)	Php645.9 million (regular) Php878.4 million (special)	-	-	TBD	TBD

A.vii Recent Sale of Unregistered or Exempt Securities

There has been no sale of unregistered or exempt securities in the past three (3) years

A.viii Legal Proceedings

There are no material pending legal proceedings to which the Corporation or any of its subsidiaries or affiliates is a party or of which any of their property is the subject.

A.ix. Corporate Governance

The Corporation adopted its Manual on Corporate Governance (the –Governance Manual) on December 2, 2011. It was last amended on November 10, 2023. The policy of corporate governance is based on the Governance Manual. The Governance Manual lays down the principles of good corporate governance in the entire organization. The Governance Manual provides that it is the Board’s responsibility to initiate compliance with the principles of good corporate governance, to foster long-term success and to secure the Corporation’s sustained competitiveness in a manner consistent with its fiduciary responsibility.

The Corporation’s By-laws and Governance Manual provide that the Board shall have at least three (3) independent directors or such number as to constitute at least one-third (1/3) of the members of the board, whichever is higher. The Corporation espouses the definition of independence pursuant to the Securities Regulation Code. The Corporation considers as an independent director one who, except for his director’s fees and shareholdings, is independent of management and free from any business or other relationship which, or could reasonably be perceived to, materially interfere with his exercise of independent judgment in carrying out his responsibilities as an independent director of GT Capital.

The Governance Manual embodies the Corporation’s policies on disclosure and transparency, and mandates the conduct of communication and training programs on corporate governance. The Governance Manual further provides for the rights of all shareholders and the protection of the interests of minority stockholders. Commission of any violation of the Governance Manual is punishable by a penalty ranging from reprimand to dismissal, depending on the frequency of commission as well as the gravity thereof.

The Board has constituted six (6) committees to effectively oversee the Corporation’s operations: (i) the Executive Committee (ii) the Audit Committee; (iii) the Nominations Committee; (iv) the Compensation Committee; (v) the Corporate Governance Committee and Related Party Transactions Committee; and (vi) the Risk and Sustainability Oversight Committee. There have been no deviations from the Corporation’s Governance Manual as of this date.

Board Attendance

In 2024, the Board held a total of six (6) meetings. The Board meeting attendance is as follows:

Name	Position	No. of Meetings Attended
Francisco C. Sebastian	Chairman	6/6 (100%)
Alfred Vy Ty	Vice Chairman	6/6 (100%)
Arthur Vy Ty	Director	5/6 (83%)
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%)
David T. Go	Director	6/6 (100%)
Regis V. Puno	Director	6/6 (100%)

*Elected on May 14, 2025

All directors attended the Annual Stockholders’ Meeting of the Corporation held on May 14, 2025.

Committee Attendance

The attendance of the directors in their respective committee meetings is as follows:

Executive Committee

Member	Position Held in Committee	Meetings Attended
Francisco C. Sebastian	Chairman	13/13
Alfred Vy Ty	Vice Chairman	13/13
Arthur Vy Ty	Member	13/13
Carmelo Maria Luza Bautista	Member	13/13
Mary Vy Ty	Adviser	13/13
Solomon S. Cua	Adviser	10/13

Nominations Committee

Member	Position Held in Committee	Meetings Attended
Peter B. Favila*	Chairman	N/A
Rene J. Buenaventura	Member	3/3
Gil B. Genio	Member	3/3
Carmelo Maria Luza Bautista	Adviser	3/3

*Elected on May 14, 2025 (was not yet elected at the time of the 2025 Nominations Committee meetings)

Audit Committee

Member	Position Held in Committee	Meetings Attended
Gil B. Genio	Chairman	4/4
Peter B. Favila*	Member	2/2
Rene J. Buenaventura	Member	4/4
Regis V. Puno	Member	4/4

*Elected on May 14, 2025

Risk and Sustainability Oversight Committee

Member	Position Held in Committee	Meetings Attended
Rene J. Buenaventura	Chairman	4/4
Peter B. Favila*	Member	3/3
Consuelo D. Garcia	Member	4/4
Gil B. Genio	Member	4/4
David T. Go	Member	4/4

*Elected on May 14, 2025

Corporate Governance and Related Party Transactions Committee

Member	Position Held in Committee	Meetings Attended
Peter B. Favila*	Chairman	4/4
Rene J. Buenaventura	Member	5/5
Gil B. Genio	Member	5/5
Anjanette Ty Dy Buncio	Adviser	4/5

*Elected on May 14, 2025

Compensation Committee

Member	Position Held in Committee	Meetings Attended
Peter B. Favila*	Chairman	N/A
Rene J. Buenaventura	Member	1/1
Alfred V. Ty	Member	1/1

*Elected on May 14, 2025 (was not yet elected at the time of the 2025 Compensation Committee meeting)

In 2025, the directors of the Corporation attended the following trainings on corporate governance:

Name	Title of Training	Training Provider	Date
Francisco C. Sebastian	Corporate Governance Training for the Board of Directors and Senior Management of Metrobank Group	Reyes Tacandong & Company	November 13, 2025
	2025 Annual Corporate Governance Enhancement <ul style="list-style-type: none"> • Session: Winning with AI: Embracing Change and Optimizing Decisions at Scale • Supercreativity: Leading in the Age of AI 	Metro Pacific Investments Corporation	November 18, 2025
Alfred V. Ty	Corporate Governance Training for the Board of Directors and Senior Management of Metrobank Group	Reyes Tacandong & Company	October 24, 2025
	2025 Annual Corporate Governance Enhancement Session: <ul style="list-style-type: none"> • Winning with AI: Embracing Change and Optimizing Decisions at Scale • Supercreativity: Leading in the Age of AI 	Metro Pacific Investments Corporation	November 18, 2025
Carmelo Maria Luza Bautista	Corporate Governance <ul style="list-style-type: none"> • Updates on AMLA • Sustainability Finance • Beyond IT: Cybersecurity as a Governance and Risk Imperative 	Center for Global Best Practices in collaboration with Toyota Financial Services Philippines Corporation	November 11, 2025
Arthur Vy Ty	Corporate Governance Training for the Board of Directors and Senior Management of Metrobank Group	Reyes Tacandong & Company	October 24, 2025
David T. Go	Corporate Governance <ul style="list-style-type: none"> • Updates on AMLA • Sustainability Finance • Beyond IT: Cybersecurity as a Governance and Risk Imperative 	Center for Global Best Practices in collaboration with Toyota Financial Services Philippines Corporation	November 11, 2025

Name	Title of Training	Training Provider	Date
Francisco C. Sebastian	Corporate Governance Training for the Board of Directors and Senior Management of Metrobank Group	Reyes Tacandong & Company	November 13, 2025
	2025 Annual Corporate Governance Enhancement <ul style="list-style-type: none"> • Session: Winning with AI: Embracing Change and Optimizing Decisions at Scale • Supercreativity: Leading in the Age of AI 	Metro Pacific Investments Corporation	November 18, 2025
Regis V. Puno	Annual Corporate Governance Seminar <ul style="list-style-type: none"> • Board Oversight into a Converging Risk Landscape • Cyber Resilience & Third-Party Risk • Financial Crime & AML • Basel IV, Emerging Risk Governance, Digitalization & AI Adoption 	Reyes Tacandong & Company	November 13, 2025
Peter B. Favila	2025 YGC Annual Corporate Governance Seminar "Strategy in Motion: The Evolving Role of Governance"	Yuchengco Group of Companies	September 27, 2025
Rene J. Buenaventura	Beyond the Algorithm: Exploring the Cybersecurity & AI Revolution	Institute of Corporate Directors	May 29-30, 2025
Consuelo D. Garcia	Corporate Governance Seminar	SGV & Co.	October 24, 2025
Gil B. Genio	ISSB: Applying the IFRS Sustainability Disclosure Standards	Sustainable Stock Exchange Initiative and International Finance Corp.	May 29, 2025
	Global Internal Audit Standards (GIAS) Briefing	Institute of Corporate Directors & Institute of Internal Auditors Philippines	September 23, 2025
	Masterclass The Fifth Series: Session 4 Governance of Internal Audit by the Board Audit Committee	Institute of Corporate Directors	October 30, 2025
Carlos G. Dominguez III	2025 YGC Annual Corporate Governance	Yuchengco Group of Companies	September 27, 2025

Name	Title of Training	Training Provider	Date
Francisco C. Sebastian	Corporate Governance Training for the Board of Directors and Senior Management of Metrobank Group	Reyes Tacandong & Company	November 13, 2025
	2025 Annual Corporate Governance Enhancement <ul style="list-style-type: none"> Session: Winning with AI: Embracing Change and Optimizing Decisions at Scale Supercreativity: Leading in the Age of AI 	Metro Pacific Investments Corporation	November 18, 2025
	Seminar "Strategy in Motion: The Evolving Role of Governance"		

Appraisals and Performance Reports

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.

The criteria for the Self-Assessment of the Board, the Committees, and individual directors are as follows:

Board Self-Assessment	Director Self-Assessment	Committee Self-Assessment
<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 Directors' 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.

A.x Undertaking to provide without charge a copy of the Corporation's Annual Report

The Corporation will provide without charge a copy of the Corporation's Annual Report on SEC Form 17-A to its stockholders upon receipt of a written request addressed to Mr. George S. Uy-Tioco, Jr., Senior Vice President, Chief Financial Officer and Treasurer at 43rd Floor, GT Tower International, Ayala Avenue corner H.V. de la Costa St., 1227 Makati City, Metro Manila, Philippines.

CERTIFICATION OF INDEPENDENT DIRECTORS

I, **PETER B. FAVILA**, Filipino, of legal age and a resident of [REDACTED] after having been duly sworn to in accordance with law do hereby declare that:

1. I am a nominee for independent director of **GT CAPITAL HOLDINGS, INC.** and have been an independent director since May 14, 2025. Prior to that, I was first elected as independent director on May 11, 2015 and served as independent director until May 9, 2018.
2. I am affiliated with the following companies or organizations (including Government-Owned and Controlled Corporations):

Company/Organization	Position/Relationship	Period of Service
Union Bank of the Philippines	Independent Director	2025 - present
Credit Information Bureau Inc.	Independent Director	2024 - present
Philippine Stock Exchange	Independent Director	2023 - present
Securities Clearing Corp. of the Phils.	Independent Director	2023 - present
Sun Life Grepa Financial Inc.	Independent Director	2023 - present
Malayan Insurance Corp.	Independent Director	2023 - present
Bangko Sentral ng Pilipinas	Monetary Board Member	2008 - 2014 2017 - 2023
Department of Trade and Industry (DTI)	Secretary	2005 - 2010
Allied Banking Corporation	President	1998 - 2001
Philippine National Bank	President/ Vice Chairman	1995 - 1998
Security Bank Corporation	President	1991 - 1995
Exchange Capital Corp.	Director	1988 - 1991
Metropolitan Bank & Trust Corp.	Senior Vice-President	1975 - 1988
Citibank (Philippines)	Money Trader	1971 - 1975
Merchants Banking Corp.	General Bookkeeper	1967 - 1971

3. I possess all the qualifications and none of the disqualifications to serve as an Independent Director of **GT CAPITAL HOLDINGS, INC.**, as provided for in Section 38 of the Securities Regulation Code ("SRC"), its implementing Rules and Regulations and other issuances by the Securities and Exchange Commission ("SEC").
4. I am not related to any director/officer/substantial shareholder of **GT CAPITAL HOLDINGS, INC.** and its subsidiaries and affiliates other than the relation provided under Rule 38.2.3 of the SRC.
5. To the best of my knowledge, I am not subject of any pending criminal or administrative investigation or proceeding.
6. I shall faithfully and diligently comply with my duties and responsibilities as independent director under the SRC and its Implementing Rules and Regulations, the Code of Corporate Governance, and other SEC issuances.

7. I shall inform the corporate secretary of GT Capital Holdings, Inc. of any changes in the abovementioned information within (5) days from its occurrence.

Done this 17 MAR 2026 2026 at Makati City.


PETER B. FAVILA
Affiant

REPUBLIC OF THE PHILIPPINES)
CITY OF MAKATI)S.S.

SUBSCRIBED AND SWORN to before me this 17 MAR 2026, affiant exhibiting to me his 

Doc No. 363;
Page No. 54;
Book No. 60;
Series of 2026.


ATTY. MARIA SOPHIA LOTEZ
Notary Public for Makati City
Appointment No. M-072 until December 31, 2025
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 - 00.8092
PTR No. 10771721; 01.08.2026, Makati City
IEP No. 592551, 01.09.2026, Pasig City



MAR 2026

CERTIFICATION OF INDEPENDENT DIRECTORS

I, **RENE J. BUENAVENTURA**, Filipino, of legal age and a resident of [REDACTED] after having been duly sworn to in accordance with law do hereby declare that:

1. I am a nominee for independent director of **GT CAPITAL HOLDINGS, INC.** and have been an independent director since May 9, 2018;
2. I am affiliated with the following companies or organizations (including Government-Owned and Controlled Corporations):

Company/Organization	Position/Relationship	Period of Service
Equitable Foundation, Inc.	Trustee	2002 to Present
Equicom Manila Holdings, Inc.	Vice Chairman	2006 to Present
Gramercy Holdings Corporation	President	2006 to Present
Canyon Crest Holdings Corp.	President	2006 to Present
Equicom Inc.	Director	2007 to Present
Equicom Services Inc.	Director	2007 to Present
Cliveden Management Corp.	President	2007 to Present
Maxicare Healthcare Corporation	Director	2007 to Present
Pin-An Holdings Corporation	Director	2007 to Present
GO KIM PAH Foundation, Inc.	Trustee	2006 to Present
ALGO Leasing and Finance, Inc.	Vice Chairman	2008 to Present
Equicom Savings Bank	Vice Chairman	2008 to Present
UBS Investment Philippines, Inc.	Independent Director	2010 to Present
Hengrave Holdings Corporation	Director and President	2013 to Present
Steel Asia Manufacturing Corporation	Director	2016 to Present
Steel Asia Development and Management Corp.	Director	2016 to Present
Candelaria Steel	Director	2016 to Present
Consumer CreditScore Philippines, Inc.	Chairman	2016 to Present
Lorenzo Shipping Corporation	Independent Director	2017 to Present
DDMP REIT, Inc.	Independent Director	2020 to Present
DDMP REIT Fund Managers, Inc.	Independent Director and Chairman	2020 to Present
DDMP REIT Property Managers, Inc.	Independent Director and Chairman	2020 to Present
Maxicare Life Insurance Corporation	Adviser	2022 to Present
Apple One Group Inc.	Independent Director	December 2025 to Present

3. I possess all the qualifications and none of the disqualifications to serve as an Independent Director of **GT CAPITAL HOLDINGS, INC.**, as provided for in Section 38 of the Securities Regulation Code (“SRC”), its implementing Rules and Regulations and other issuances by the Securities and Exchange Commission (“SEC”).

4. I am **not** related to any director/officer/substantial shareholder of **GT CAPITAL HOLDINGS, INC.** and its subsidiaries and affiliates other than the relation provided under Rule 38.2.3 of the SRC.
5. To the best of my knowledge, I am not subject of any pending criminal or administrative investigation or proceeding.
6. I shall faithfully and diligently comply with my duties and responsibilities as independent director under the SRC and its Implementing Rules and Regulations, the Code of Corporate Governance, and other SEC issuances.
7. I shall inform the corporate secretary of GT Capital Holdings, Inc. of any changes in the abovementioned information within (5) days from its occurrence.

Done this 17 MAR 2026 2026 at Makati City.

[REDACTED]
RENE J. BUENAVENTURA
Affiant

REPUBLIC OF THE PHILIPPINES)
CITY OF MAKATI)S.S.

SUBSCRIBED AND SWORN to before me this 17 MAR 2026, affiant exhibiting to me his PH
[REDACTED]

Doc No. 304;
Page No. 54;
Book No. 60;
Series of 2026.

[REDACTED]
ATTY. MARIA SOFIA N LOPEZ
Notary Public for Makati City
Appointment No. M-072 until December 31, 2026
45/F GT Tower Int'l Ayala Ave. cor.H.V. dela Costa St, Makati City
Roll No. 38610/05.13.1993/MCLE Corp. No. VIII - 00.8092
PTP No. 10771721; 01.08.2026, Makati City
Lif No. 532051, 01.08.2020, Pasig City



MAR 2026

CERTIFICATION OF INDEPENDENT DIRECTORS

I, **CONSUELO D. GARCIA**, Filipino, of legal age and a resident of [REDACTED] after having duly sworn to in accordance with the law do hereby declare that:

1. I am a nominee for independent director of **GT CAPITAL HOLDINGS, INC.** and have been an independent director since May 17, 2021;
2. I am affiliated with the following companies or organizations (including Government-Owned and Controlled Corporations):

Company/Organization	Position/Relationship	Period of Service
Lopez Holdings Corporation	Independent Director	June 2023 to Present
Sun Life Investment Management and Trust Corporation	Independent Director	September 2020 to Present
Far Eastern University, Incorporated	Independent Director	November 2020 to Present
Philippine Payments Management Inc (PPMI)	Independent Director	June 2025 to Present
TS EVO PH Finance Inc	Independent Director	June 2025 to Present
FINEX Academy, Inc.	Member, Board of Trustees	January 2023 to Present
Institute of Corporate Directors (ICD)	Fellow	April 2020 to Present
Filipina CEO Circle (FCC)	Member	2017 to Present
Murrayhill Realty and Development Corporation	Director	October 2020 to Present

3. I possess all the qualifications and none of the disqualifications to serve as an Independent Director of GT Capital Holdings, Inc., as provided for in Section 38 of the Securities Regulation Code ("SRC") and its implementing Rules and Regulations and other issuances by the Securities and Exchange Commission ("SEC").
4. I am not related to any director / officer / substantial shareholder of GT Capital Holdings, Inc. and its subsidiaries and affiliates other than the relation provided under Rule 38.2.3 of the SRC.
5. To the best of my knowledge, I am not subject of any pending criminal or administrative investigation or proceeding.
6. I shall faithfully and diligently comply with my duties and responsibilities as independent director under the SRC and its implementing Rules and Regulations, the Code of Corporate Governance, and other issuances by the SEC.
7. I shall inform the corporate secretary of GT Capital Holdings, Inc. of any changes in the abovementioned information within (5) days from its occurrence.

Done this 17 MAR 2026 2026 at Makati City.

[REDACTED]
CONSUELO D. GARCIA
Affiant

REPUBLIC OF THE PHILIPPINES)
CITY OF MAKATI)S.S.

17 MAR 2026

SUBSCRIBED AND SWORN to before me this _____, affiant exhibiting to me her Driver's

Doc No. 362
Page No. 57
Book No. 66
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 - 00.8092
PTR No. 10771721; 01.08.2026, Makati City
ILP No. 532551, 01.09.2026, Pasig City



CERTIFICATION OF INDEPENDENT DIRECTORS

I, **GIL B. GENIO**, Filipino, of legal age and a resident of [REDACTED] after having been duly sworn to in accordance with law do hereby declare that:

- 1. I am a nominee for independent director of **GT CAPITAL HOLDINGS, INC.** and have been an independent director since May 11, 2022;
- 2. I am affiliated with the following companies or organizations (including Government-Owned and Controlled Corporations):

Company/Organization	Position/Relationship	Period of Service
Institute of Corporate Directors	Member/Fellow	February 2022 to Present
Management Association of the Philippines (MAP)	Member; Member of the Board of Governors (2025-2026)	2015 to Present 2025 to Present
Puregold Price Club, Inc.	Independent Director	May 2023 to Present
Analytics and AI Association of the Philippines	Member	2024 to Present
Megawide Construction Corp	Independent Director	October 2025 to Present

- 3. I possess all the qualifications and none of the disqualifications to serve as an Independent Director of **GT CAPITAL HOLDINGS, INC.**, as provided for in Section 38 of the Securities Regulation Code ("SRC"), its implementing Rules and Regulations and other issuances by the Securities and Exchange Commission ("SEC") issuances.
- 4. I am **not** related to any director/officer/substantial shareholder of **GT CAPITAL HOLDINGS, INC.** and its subsidiaries and affiliates other than the relation provided under Rule 38.2.3 of the SRC.
- 5. To the best of my knowledge, I am not subject of any pending criminal or administrative investigation or proceeding.
- 6. I shall faithfully and diligently comply with my duties and responsibilities as independent director under the SRC and its Implementing Rules and Regulations, the Code of Corporate Governance and other SEC issuances.
- 7. I shall inform the Corporate Secretary of GT Capital Holdings, Inc. of any changes in the abovementioned information within (5) days from its occurrence.

Done this 17 MAR 2026 2026 at Makati City.

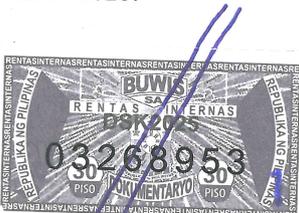
[REDACTED]
GIL B. GENIO
Affiant

REPUBLIC OF THE PHILIPPINES)
CITY OF MAKATI) S.S.

SUBSCRIBED AND SWORN to before me this 17 MAR 2026 affiant exhibiting to me [REDACTED]

Doc No. 361;
Page No. 54;
Book No. 60;
Series of 2026.

ATTY. MARIA SOFIA N. LOPEZ
Notary Public for Makati City
Appointment No. M-072 until December 31, 2026
43/F GT Tower Int'l Ayala Ave. cor.H.V. dela Costa St, Makati City
Roll No. 38610/05.13.1993/MCLE Comp. No. VIII - 00.8092
PTP No. 10771721; 01.08.2026, Makati City
LRF No. 53251, 01.09.2026, Pasig City



CERTIFICATION OF INDEPENDENT DIRECTORS

I, **CARLOS G. DOMINGUEZ III**, Filipino, of legal age and a resident of [REDACTED] after having been duly sworn to in accordance with law do hereby declare that:

- 1. I am a nominee for independent director of **GT CAPITAL HOLDINGS, INC.** and have been an independent director since August 11, 2023;
- 2. I am affiliated with the following companies or organizations (including Government-Owned and Controlled Corporations):

Company/Organization	Position/Relationship	Period of Service
House of Investments, Inc.	Independent Director	July 11, 2023 to Present
PetroEnergy Resources Corporation	Independent Director	July 27, 2023 to Present
Sun Life Grepa Financial, Inc.	Independent Director	June 4, 2024 to Present
PTFC Redevelopment Corporation	President and Chairman	July 15, 2025 to Present
Rizal Commercial Banking Corporation	Independent Director	July 28, 2025 to Present

- 3. I possess all the qualifications and none of the disqualifications to serve as an Independent Director of **GT CAPITAL HOLDINGS, INC.**, as provided for in Section 38 of the Securities Regulation Code (“SRC”), its implementing Rules and Regulations and other issuances by the Securities and Exchange Commission (“SEC”) issuances.
- 4. I am **not** related to any director/officer/substantial shareholder of **GT CAPITAL HOLDINGS, INC.** and its subsidiaries and affiliates other than the relation provided under Rule 38.2.3 of the SRC.
- 5. To the best of my knowledge, I am not subject of any pending criminal or administrative investigation or proceeding.
- 6. I shall faithfully and diligently comply with my duties and responsibilities as independent director under the SRC and its Implementing Rules and Regulations, the Code of Corporate Governance and other SEC issuances.
- 7. I shall inform the Corporate Secretary of GT Capital Holdings, Inc. of any changes in the abovementioned information within (5) days from its occurrence.

Done this 17 MAR 2026 2026 at Makati City.

[REDACTED]
CARLOS G. DOMINGUEZ III
Affiant

REPUBLIC OF THE PHILIPPINES)
CITY OF MAKATI) S.S.

SUBSCRIBED AND SWORN to before me this 17 MAR 2026 affiant exhibiting to me [REDACTED]

Doc No. 305
Page No. 04
Book No. 60
Series of 2026.

ATTY. MARIA SOFIA A. LOPEZ
Notary Public for Makati City
Appointment No. M-072 until December 31, 2026
43rd GT Tower Int'l Ayala Ave. cor. H.V. dela Costa St, Makati City
Roll No. 98810/05.13.1993/MCLE Comp. No. VIII - 00, 6092
PT No. 10771721; 01.08.2026, Makati City
Tel No. 856011, 01002601, 0001 0001





GT CAPITAL
HOLDINGS, INCORPORATED

25 March 2026

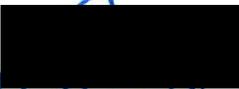
Securities and Exchange Commission
7907 Makati Avenue, Salcedo Village
Bel-Air Makati City, 1209

Attention: **Oliver O. Leonardo**
Director, Markets and Securities Regulation Department

Gentlemen:

This is to certify that to the best of our knowledge, none of the directors or officers of GT Capital Holdings, Inc. mentioned in its Preliminary Information Statement for the Annual Stockholders' Meeting on May 13, 2026 holds any position or is connected with any Philippine government agency or instrumentality.

Very truly yours,


ATTY. RENEE LYNN MICIANO-ATIENZA
FVP/Head, Legal and Compliance Department



**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.

Signature:

[Redacted Signature]

Francisco C. Sebastian, Chairman of the Board

[Handwritten Signature]

Signature:

[Redacted Signature]

Carmelo Maria L. Bautista, President

[Handwritten Signature]

Signature:

[Redacted Signature]

George S. Uy-Tioco, Jr., Chief Financial Officer

[Handwritten Signature]

March 23, 2026

REPUBLIC OF THE PHILIPPINES)
CITY OF MAKATI) S.S.

SUBSCRIBED AND SWORN to before me on 24 MAR 2026, affiants exhibiting to me their respective Tax Identification Numbers, as follows:

Francisco C. Sebastian
Carmelo Maria L. Bautista
George S. Uy-Tioco, Jr.




ATTY. MARIA SOFIA M. 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 - 00,8092
PTP No. 10771721; 01.08.2026, Makati City
L.P. No. 592J51, 01.09.2026, Pasig City

Doc. No. 371
Page No. 56
Book No. 00
Series of 2026

Documentary Stamp Tax Affixed	
<u>03268984</u>	<u>03/24/26</u>
Serial Number	Date Affixed

COVER SHEET

for
AUDITED FINANCIAL STATEMENTS

SEC Registration Number

C	S	2	0	0	7	1	1	7	9	2
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COMPANY NAME

G	T	C	A	P	I	T	A	L	H	O	L	D	I	N	G	S	,	I	N	C	.	A	N	D
S	U	B	S	I	D	I	A	R	I	E	S													

PRINCIPAL OFFICE (No. / Street / Barangay / City / Town / Province)

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Form Type	Department requiring the report	Secondary License Type, If Applicable													
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A	A	C	F	S											

COMPANY INFORMATION

Company's Email Address	Company's Telephone Number	Mobile Number			
<table border="1" style="width: 100%;"> <tr> <td>gtcap@gtcapital.com.ph</td> </tr> </table>	gtcap@gtcapital.com.ph	<table border="1" style="width: 100%;"> <tr> <td>8836-4500</td> </tr> </table>	8836-4500	<table border="1" style="width: 100%;"> <tr> <td></td> </tr> </table>	
gtcap@gtcapital.com.ph					
8836-4500					
No. of Stockholders	Annual Meeting (Month / Day)	Fiscal Year (Month / Day)			
<table border="1" style="width: 100%;"> <tr> <td>103</td> </tr> </table>	103	<table border="1" style="width: 100%;"> <tr> <td>2nd Wednesday of May</td> </tr> </table>	2 nd Wednesday of May	<table border="1" style="width: 100%;"> <tr> <td>12/31</td> </tr> </table>	12/31
103					
2 nd Wednesday of May					
12/31					

CONTACT PERSON INFORMATION

The designated contact person **MUST** be an Officer of the Corporation

Name of Contact Person	Email Address	Telephone Number/s	Mobile Number				
<table border="1" style="width: 100%;"> <tr> <td>George S. Uy-Tioco, Jr.</td> </tr> </table>	George S. Uy-Tioco, Jr.	<table border="1" style="width: 100%;"> <tr> <td>george.uytioco@gtcapital.com.ph</td> </tr> </table>	george.uytioco@gtcapital.com.ph	<table border="1" style="width: 100%;"> <tr> <td>8836-4500</td> </tr> </table>	8836-4500	<table border="1" style="width: 100%;"> <tr> <td></td> </tr> </table>	
George S. Uy-Tioco, Jr.							
george.uytioco@gtcapital.com.ph							
8836-4500							

CONTACT PERSON'S ADDRESS

43rd Floor, GT Tower International, Ayala Avenue corner H.V. Dela Costa St., Makati City
--

NOTE 1 : In case of death, resignation or cessation of office of the officer designated as contact person, such incident shall be reported to the Commission within thirty (30) calendar days from the occurrence thereof with information and complete contact details of the new contact person designated.

2 : All Boxes must be properly and completely filled-up. Failure to do so shall cause the delay in updating the corporation's records with the Commission and/or non-receipt of Notice of Deficiencies. Further, non-receipt of Notice of Deficiencies shall not excuse the corporation from liability for its deficiencies.



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.



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 reperformed 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.

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.


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

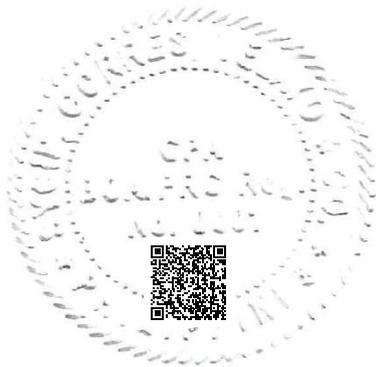
SEC Firm Accreditation No. 0001-SEC (Group A)

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



GT CAPITAL HOLDINGS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(In Millions)

	December 31	
	2025	2024
ASSETS		
Current Assets		
Cash and cash equivalents (Note 4)	₱19,399	₱25,341
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
	₱519,043	₱474,088
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)	₱74,120	₱76,869
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
	₱519,043	₱474,088

See accompanying Notes to Consolidated Financial Statements.



GT CAPITAL HOLDINGS, INC. AND SUBSIDIARIES**CONSOLIDATED STATEMENTS OF INCOME**

(In Millions, Except Earnings Per Share)

	Years Ended December 31		
	2025	2024	2023
REVENUE			
Automotive operations	₱305,723	₱282,631	₱261,544
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	₱43,084	₱37,518	₱36,875
NET INCOME ATTRIBUTABLE TO:			
Equity holders of the Parent Company	₱33,675	₱28,783	₱29,313
Non-controlling interests	9,409	8,735	7,562
	₱43,084	₱37,518	₱36,875
Basic/Diluted Earnings Per Share Attributable to Equity Holders of the Parent Company (Note 34)	₱154.72	₱132.00	₱134.46

See accompanying Notes to Consolidated Financial Statements.

GT CAPITAL HOLDINGS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In Millions)

	Years Ended December 31		
	2025	2024	2023
NET INCOME	₱43,084	₱37,518	₱36,875
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	₱47,673	₱41,088	₱43,667
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:			
Equity holders of the Parent Company	₱38,249	₱32,363	₱36,120
Non-controlling interests	9,424	8,725	7,547
	₱47,673	₱41,088	₱43,667

See accompanying Notes to Consolidated Financial Statements.



GT CAPITAL HOLDINGS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(In Millions)

	Attributable to Equity Holders of the Parent Company							Total	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)			
Balance at January 1, 2025	₱3,370	₱94,472	(₱484)	₱161,334	₱400	₱1,103	₱2,322	₱262,517	₱17,333	₱279,850
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	₱3,370	₱94,472	(₱484)	₱193,321	₱–	₱5,677	₱2,322	₱298,678	₱18,655	₱317,333
Balance at January 1, 2024	₱3,370	₱94,472	(₱484)	₱134,408	₱400	(₱2,477)	₱2,322	₱232,011	₱15,813	₱247,824
Effect of full adoption of PFRS 15, <i>Significant Financing Component</i> (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	₱3,370	₱94,472	(₱484)	₱161,334	₱400	₱1,103	₱2,322	₱262,517	₱17,333	₱279,850
Balance at January 1, 2023	₱3,370	₱98,827	₱–	₱106,107	₱400	(₱9,284)	₱2,322	₱201,742	₱11,272	₱213,014
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	₱3,370	₱94,472	(₱484)	₱134,408	₱400	(₱2,477)	₱2,322	₱232,011	₱15,813	₱247,824

See accompanying Notes to Consolidated Financial Statements.



GT CAPITAL HOLDINGS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In Millions)

	Years Ended December 31		
	2025	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES			
Income before income tax	₱48,929	₱43,528	₱43,812
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 for (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)



	Years Ended December 31		
	2025	2024	2023
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from:			
Disposal of property and equipment (Note 11)	₱350	₱241	₱49
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)	₱19,399	₱25,341	₱16,731

See accompanying Notes to Consolidated Financial Statements.



GT CAPITAL HOLDINGS, INC. AND SUBSIDIARIES

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 (₱), 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).

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:

- i. the contractual arrangement with the other vote holders of the investee
- ii. rights arising from other contractual arrangements
- iii. 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.



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

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.

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.

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.

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.

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.

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:

As of January 1, 2024			
Consolidated Statements of Financial Position <i>(amounts in millions)</i>	As previously stated	Adjustments	As restated
ASSETS			
Current assets			
Contract Assets (Note 21)	P4,092	(P145)	P3,947
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.

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.

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.



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.

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	₱16	₱90
Cash in banks and other financial institutions (Note 27)	6,089	5,391
Cash equivalents (Note 27)	13,294	19,860
	₱19,399	₱25,341



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).

5. **Receivables**

This account consists of:

	2025	2024
Trade receivables	₱25,557	₱22,469
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
	₱33,242	₱29,618

Total receivables shown in the consolidated statements of financial position follow:

	2025	2024
Current	₱32,537	₱28,185
Noncurrent	705	1,433
	₱33,242	₱29,618

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:

<u>Counterparties</u>	<u>Principal</u>	<u>Interest rates</u>	<u>Availment</u>	<u>Maturity</u>	<u>Outstanding balance</u>	
					<u>2025</u>	<u>2024</u>
Cathay International Resources Corp.	₱705	3.15%	2012	2032	₱705	₱705
-do-	150	4.15%	2022	2032	–	100
Multi Fortune Holdings, Inc.	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
					₱1,852	₱1,866

Interest income earned from these loans receivable amounted to ₱0.08 billion, ₱0.12 billion, and ₱0.12 billion in 2025, 2024, and 2023, respectively amounts to:

Noncurrent receivables pertains to noncurrent portion of loans receivables amounting to ₱0.71 billion and ₱1.43 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	₱71	₱716	₱787
Provision for credit losses – net (Note 26)	60	25	85
Write-offs	–	(393)	(393)
Balance at end of year	₱131	₱348	₱479

	December 31, 2024		
	Trade Receivables	Other Receivables	Total
Balance at beginning of year	₱174	₱694	₱868
Provision for credit losses -net (Note 26)	12	37	49
Write-offs	(115)	(15)	(130)
Balance at end of year	₱71	₱716	₱787

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.

Advances to officers and employees amounting to ₱146.43 million and ₱100.68 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 ₱10.16 million and ₱10.19 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	₱235,301	₱204,535
Investments in joint ventures	45,889	44,083
	₱281,190	₱248,618

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	₱116,710	₱116,710
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
	₱235,301	₱204,535

*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	₱43,469	₱40,249
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)
	₱45,889	₱44,083

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 ₱68.12 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.



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. 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	₱158,079	₱144,099
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
	₱175,425	₱149,799

*MBTC does not present classified consolidated statements of financial position.

**Net of the ₱3.42 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	₱153,816	₱139,277
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)

(Forward)



	2025	2024
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
	₱55,231	₱50,653

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	₱1,259	₱436
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)
	₱13,531	₱13,694

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	₱198,212	₱176,845	₱186,032	₱166,752
Total liabilities	179,513	155,559	170,190	146,715
<i>Statements of Comprehensive Income</i>				
Revenues	₱19,610	₱16,743	₱19,359	₱15,672
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	₱281	₱17,748	₱254	₱27,693
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	₱50	₱9,210	₱29	₱14,888
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 ₱37.00 billion and ₱34.47 billion as of December 31, 2025 and 2024, respectively.

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				
	Land and Improvements	Building and Improvements	Construction-in-Progress	Right-of-use Assets	Total
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				
	Land and Improvements	Building and Improvements	Construction-in-Progress	Right-of-use Assets	Total
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.



Movements in the fair value reserves on financial assets at FVOCI follow:

	2025		
	Attributable to Parent Company	Non-controlling Interest	Total
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		
	Attributable to Parent Company	Non-controlling Interest	Total
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									
	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	Total
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									
	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	Total
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)	₱1,172	₱477	₱981
Cost of rental (Note 30)	556	532	550
General and administrative expenses (Note 26)	1,121	726	665
	₱2,849	₱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.

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	₱3,883	₱3,883
Software costs - net	237	281
Franchise - net	3	3
	₱4,123	₱4,167

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	₱1,074	₱883
Additions	60	164
Disposals/reclassification	-	27
Balance at end of year	1,134	1,074
Accumulated Amortization		
Balance at beginning of year	793	681
Amortization (Note 11)	103	99
Disposals/reclassification	-	13
Balance at end of year	896	793
Net Book Value	₱238	₱281

14. Other Noncurrent Assets

This account consists of:

	2025	2024
Rental and other deposits (Note 30)	₱347	₱311
Derivative asset (Note 17)	48	31
Retirement asset (Note 28)	18	36
Others	85	17
	₱498	₱395



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	₱32,757	₱24,717
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
	₱60,352	₱49,837

The details of trade payables are as follows:

	2025	2024
Automotive	₱20,037	₱19,805
Real estate	12,529	4,875
Others	191	37
	₱32,757	₱24,717

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.

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	₱7,388	₱6,011
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
	₱12,759	₱11,370

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%	₱2,445	₱2,945
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
			₱35,540	₱29,911

*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%	₱7,975	₱6,650	₱7,896	₱6,586	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	
				₱74,120	₱76,869	



As of December 31, 2025 and 2024, the movements in the deferred financing cost follow:

	2025	2024
Balance at beginning of year	₱286	₱385
Additions	90	-
Amortization	(87)	(99)
Balance at end of year	₱289	₱286

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	₱4,923	₱5,819	₱6,054	₱51	₱306	₱434
Short-term debt	1,638	800	1,121	1	35	50
Corporate notes	-	91	104	-	23	33

*Capitalized interest pertains to FLL.

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 ₱47.77 million and ₱31.34 million in 2025 and 2024, respectively. The derivative asset amounted to ₱47.77 million and ₱31.34 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 ₱1.77 billion and ₱1.59 billion, respectively (Note 27).

19. Other Current Liabilities

This account consists of:

	2025	2024
VAT payable	₱1,780	₱1,768
Withholding taxes payable	580	466
Unearned warranty revenue	2	60
Lease liabilities (Note 30)	1	8
Others	142	134
	₱2,505	₱2,436

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 ₱3.72 billion, with 20.00% downpayment amounting to ₱0.74 billion. The outstanding balance amounting to ₱2.98 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 ₱0.85 billion and ₱1.00 billion, respectively.

In November 2019, Federal Land acquired a land located in Makati City. Of the total purchase amount of ₱1.20 billion, ₱0.29 billion was paid in 2019 as downpayment and ₱0.91 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 ₱0.85 billion and ₱1.00 billion as of December 31, 2025 and 2024, respectively. Accretion of interest in 2025, 2024 and 2023 amounted to ₱37.29 million, ₱20.40 million and ₱28.18 million, respectively.

Other Noncurrent Liabilities

This account consists of:

	2025	2024
Retention payable - noncurrent portion	₱1,204	₱1,215
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
	₱3,564	₱3,131

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	₱563	₱607
Claims and assessments	234	146
	₱797	₱753

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:

- a. The voting preferred shares have a par value of ₱0.10 per share.
- b. 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.

- c. These are non-cumulative and the holders thereof are entitled to the payment of current but not past dividends;
- d. These are non-participating in any other further dividends beyond that specifically payable on the shares;
- e. These are redeemable at par value, at the sole option of the Parent Company, under terms and conditions approved by the Board of Directors;
- f. 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;
- g. The holders of Voting Preferred Shares shall have no pre-emptive rights to any issue of shares, Common or Preferred;
- h. These are not listed and not tradable in the Philippine Stock Exchange.

Perpetual Preferred Shares of Stock

The perpetual preferred shares shall have the following features, rights and privileges:

- a. 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%;
- b. 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;
- c. 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;
- d. The perpetual preferred shares are not entitled to vote, except in those cases specifically provided by law;
- e. The perpetual preferred shares are non-participating in any other further dividends beyond that specifically payable thereon;
- f. The perpetual preferred shares are non-convertible to common shares or voting preferred shares;
- g. The perpetual preferred shares have no pre-emptive rights to any issue of shares, common or preferred;
- h. Both Series A and B of said perpetual preferred shares were listed on the Philippine Stock Exchange on October 27, 2016;
- i. 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;
- j. 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;
- k. 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
	February 27, 2023	Preferred Shares-B	332.58	February 28, 2023	February 28, 2023
Toyota	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

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

	2025	2024
TMPC		
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

	2025	2024	2023
TMPC	₱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
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

(Forward)



	2025	2024
	TMPC	TMPC
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 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
	₱217,914	₱201,972	₱189,348

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

(Forward)



	2025	2024	2023
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.



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.

December 31, 2025			
Category	Amount/ Volume	Outstanding Balances	Terms and Conditions/Nature
Significant Investor			
Dividends Payable	₱964	₱–	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
Associates			
Cash and cash equivalents	1,039,398	9,500	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

(Forward)



December 31, 2025

Category	Amount/ Volume	Outstanding Balances	Terms and Conditions/Nature
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
Others			
Cash and cash equivalents	179,647	1,122	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	399	Unsecured; Non-interest bearing



December 31, 2024

Category	Amount/ Volume	Outstanding Balances	Terms and Conditions/Nature
Subsidiaries			
Accounts receivable	₱-	₱321	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
Rent income	65		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
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

(Forward)



December 31, 2024			
Category	Amount/ Volume	Outstanding Balances	Terms and Conditions/Nature
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
Joint ventures			
Accounts receivable	-	535	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

(Forward)



December 31, 2024			
Category	Amount/ Volume	Outstanding Balances	Terms and Conditions/Nature
Due to related parties	P-	P264	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
December 31, 2023			
Category	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	

(Forward)



December 31, 2023			
Category	Amount/ Volume	Outstanding Balances	Terms and Conditions/Nature
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	
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 on loans payable
Interest expense	259		
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

(Forward)



Category	December 31, 2023		Terms and Conditions/Nature
	Amount/ Volume	Outstanding Balances	
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 ₱805.00 million and ₱705.00 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
Associate			
Savings deposits	-	91,530	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	₱-	₱7,889,420	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



Category	December 31, 2023		
	Amount/ Volume	Outstanding Balances	Terms and Conditions/Nature
Parent Company			
Investment in equity securities	₱3,191,560	₱7,859,980	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%
	Date of Actuarial Valuation	2024		
		Actuarial Assumptions		
		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	₱2,031	₱2,096
Retirement asset (Note 14)	(18)	(36)
Net retirement liability	₱2,013	₱2,060



The net pension liability and asset recognized in the Group's consolidated statements of financial position are as follows:

	Net benefit cost					Remeasurements in other comprehensive income							December 31, 2025
	January 1, 2025	Current service cost	Net Interest	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	
Present value of defined benefit obligation	₱3,956	₱271	₱209	₱-	₱480	(₱474)	₱-	(₱85)	(₱62)	₱174	₱27	₱-	₱3,989
Less: Fair value of plan assets	1,896	-	103	-	103	(465)	(8)	-	-	-	(8)	450	1,976
Net defined benefit liability	₱2,060	₱271	₱106	₱-	₱377	(₱9)	₱8	(₱85)	(₱62)	₱174	₱35	(₱450)	₱2,013

	Net benefit cost					Remeasurements in other comprehensive income							December 31, 2024
	January 1, 2024	Current service cost	Net Interest	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	
Present value of defined benefit obligation	₱3,910	₱297	₱200	₱-	₱497	(₱346)	₱-	(₱107)	₱-	₱2	(₱105)	₱-	₱3,956
Less: Fair value of plan assets	1,927	-	97	-	97	(330)	(29)	-	-	-	(29)	231	1,896
Net defined benefit liability	₱1,983	₱297	₱103	₱-	₱400	(₱16)	₱29	(₱107)	₱-	₱2	(₱76)	(₱231)	₱2,060

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	₱1	₱12
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)
	₱1,976	₱1,896

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	2025	2024
	Fluctuations	Increase (Decrease)	Increase (Decrease)
Discount rates	+1%	(₱259)	(₱325)
	-1%	298	249
Future salary increase rate	+1%	313	262
	-1%	(277)	(342)

The Group expects to contribute ₱490.37 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	₱496	₱509
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	₱6,886	₱6,369	₱6,584
Deferred	(1,259)	(602)	61
Final	218	243	292
	₱5,845	₱6,010	₱6,937

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	₱541	₱503
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	₱1,326	₱1,288



Net deferred tax liabilities:

	2025	2024
Deferred tax assets on:		
Unrealized gain on sale of land	₱1,092	₱332
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	₱4,146	₱5,015

The Group recognized deferred tax expense (benefit) amounting to (₱352.46 million) and ₱694.25 million in other comprehensive income in 2025 and 2024, respectively.

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.

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	₱130	₱–	₱130	₱–	₱130
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
	₱21,971	₱21,598	₱ 373	₱–	₱21,971

(Forward)



2025					
	Carrying Value	Level 1	Level 2	Level 3	Total Fair Value
Assets for which fair values are disclosed:					
Financial Assets					
Loans and receivables					
Loans receivables	₱705	₱-	₱-	₱705	₱705
Non-financial Assets					
Investment in listed associate	176,387	122,636	-	-	122,636
Investment properties	22,191	-	-	84,562	84,562
	₱199,283	₱122,636	₱-	₱85,267	₱207,903
Liabilities for which fair values are disclosed:					
Financial Liabilities					
Loans payable	₱74,120	₱-	₱-	₱76,689	₱76,689
2024					
	Carrying Value	Level 1	Level 2	Level 3	Total Fair Value
Assets measured at fair value:					
Financial Assets					
Financial assets at FVTPL	₱910	₱-	₱910	₱-	₱910
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
	₱21,038	₱19,950	₱1,088	₱-	₱21,038
Assets for which fair values are disclosed:					
Financial Assets					
Loans and receivables					
Loans receivables	₱1,433	₱-	₱-	₱1,433	₱1,433
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	₱76,869	₱-	₱-	₱78,332	₱78,332

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.

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.



Significant Unobservable Inputs

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.



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		
	High Grade	Medium Grade	Low Grade	Total	Individually Impaired	Individually Impaired	Total
Cash and cash equivalents* (Note 4)	₱19,384	₱-	₱-	₱19,384	₱-	₱-	₱19,384
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
	₱48,513	₱340	₱305	₱49,158	₱6,131	₱393	₱55,683

*Excludes cash on hand amounting to ₱15.92 million



	December 31, 2024							
	Neither Past Due Nor Individually Impaired				Past Due but not Individually Impaired			
	High Grade	Medium Grade	Low Grade	Total	Individually Impaired	Individually Impaired	Total	
Cash and cash equivalents* (Note 4)	₱25,251	₱–	₱–	₱25,251	₱–	₱–	₱25,251	
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	
	₱49,181	₱329	₱219	₱49,729	₱5,436	₱755	₱55,920	

*Excludes cash on hand amounting to ₱90.12 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)	₱19,384	₱-	₱-	₱-	₱-	₱-	₱-	₱-	₱19,384
Short-term investment	2,178	-	-	-	-	-	-	-	2,178
Receivables (Note 5)									
Trade receivable	19,772	1,301	1,964	455	400	1,626	5,746	39	25,557
Loans receivable	1,852	-	-	-	-	-	-	-	1,852
Accrued rent and commission income	948	1	2	-	2	5	10	269	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
	₱49,158	₱1,446	₱2,006	₱502	₱431	₱1,746	₱6,131	₱393	₱55,682

*Excludes cash on hand amounting to ₱15.92 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)	₱25,251	₱-	₱-	₱-	₱-	₱-	₱-	₱-	₱25,251
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
	₱49,729	₱1,566	₱2,032	₱814	₱405	₱619	₱5,436	₱755	₱55,920

*Excludes cash on hand amounting to ₱90.12 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			Total
	Up to 1 year	> 1 to 5 years	> 5 years	
Financial assets				
Cash and cash equivalents* (Note 4)	₱19,399	₱-	₱-	₱19,399
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	₱55,182	₱48	₱22,703	₱77,933
Other financial liabilities				
Accounts and other payables (Note 15)				
Trade payables	₱32,757	₱-	₱-	₱32,757
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
Other noncurrent liabilities				
Derivative liabilities (Note 20)	-	-	-	-
Total undiscounted financial liabilities	₱106,247	₱62,221	₱26,161	₱194,629
Liquidity Gap	(₱51,066)	(₱62,173)	(₱3,458)	(₱116,697)

*Excludes cash on hand amounting to ₱15.92 million.



	December 31, 2024			Total
	Up to 1 year	> 1 to 5 years	> 5 years	
Financial assets				
Cash and cash equivalents* (Note 4)	₱25,267	₱–	₱–	₱25,267
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	₱55,525	₱1,880	₱20,096	₱77,501
Other financial liabilities				
Accounts and other payables (Note 15)				
Trade payables	₱24,682	₱–	₱–	₱24,682
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
Other noncurrent liabilities				
Derivative liabilities (Note 20)	–	–	–	–
Total undiscounted financial liabilities	₱100,709	₱59,430	₱34,647	₱194,786
Liquidity Gap	(₱45,184)	(₱57,550)	(₱14,551)	(₱117,285)

*Excludes cash on hand amounting to ₱90.12 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.

The following table demonstrates the sensitivity to a reasonably possible change in the Philippine peso-US dollar and Philippine peso-JP¥ 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\$	0.90	(₱62)
		(0.90)	62
	JP¥	(0.0139)	(10)
		0.0139	10
2024	US\$	(2.41)	296
		2.41	(296)
	JP¥	(0.0247)	382
		0.0247	(382)
2023	US\$	(2.51)	311
		2.51	(311)
	JP¥	(0.0233)	396
		0.0233	(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-JP¥ 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 hedge ratio for hedge accounting purposes is 1:1 or 100% since only a layer of the long-term loan which exactly matches the notional amount of the hedged item was designated as hedging instrument.

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	¥48	¥48	¥48	¥–



December 31, 2024				
	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	₱31	₱31	₱31	₱-

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	₱31	(₱14)
Net unrealized gain (loss) on cash flow hedge	17	45
Balance at end of year (net of tax)	₱48	₱31

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%	₱321
	Decrease by 19.28%	(321)
2024	Increase by 23.48%	₱385
	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%	₱4,376
	Decrease by 22.41%	(4,376)
2024	Increase by 17.69%	3,165
	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	₱33,675	₱28,783	₱29,313
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)	₱154.72	₱132.00	₱134.46

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.



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						
	Real Estate	Financial Institution	Automotive Operations	Infrastructure	Others	Intersegement transactions and conso eliminations	Total
Revenue	₱4,176	₱–	₱305,633	₱–	₱1	(₱127)	₱309,683
Other income	4,309	–	4,405	–	659	(3,481)	5,892
Equity in net income of associates and joint venture	1,326	23,111	–	5,783	–	(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)	₱752	₱23,111	₱20,391	₱5,783	(₱4,051)	(₱2,902)	₱43,084
Segment assets	₱131,384	₱–	₱104,815	₱–	₱234,415	₱48,429	₱519,043
Segment liabilities	₱71,925	₱–	₱67,611	₱–	₱65,451	(₱3,277)	₱201,710



December 31, 2024

	Real Estate	Financial Institution	Automotive Operations	Infrastructure	Others	Intersegement transactions and conso eliminations	Total
Revenue	₱7,970	₱-	₱282,638	₱-	₱1	(₱1,180)	₱289,429
Other income	2,639	-	2,044	-	586	(42)	5,227
Equity in net income of associates and joint venture	1,071	19,284	-	4,955	-	-	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)	₱750	₱19,284	₱17,289	₱4,955	(₱4,044)	(₱716)	₱37,518
Segment assets	₱126,038	₱-	₱88,024	₱-	₱229,022	₱31,004	₱474,088
Segment liabilities	₱67,122	₱-	₱55,465	₱-	₱72,576	(₱925)	₱194,238



December 31, 2023

	Real Estate	Financial Institution	Automotive Operations	Infrastructure	Others	Intersegement transactions and conso eliminations	Total
Revenue	₱14,404	₱-	₱262,419	₱-	₱1	(₱1,098)	₱275,726
Other income	3,713	-	4,337	-	798	(2,276)	6,572
Equity in net income of associates and joint venture	2,269	17,084	-	4,022	-	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	₱3,943	₱17,084	₱17,258	₱4,022	(₱4,030)	(₱1,402)	₱36,875
Segment assets	₱124,714	₱-	₱92,314	₱-	₱220,383	₱9,775	₱447,186
Segment liabilities	₱66,822	₱-	₱58,950	₱-	₱77,563	(₱3,973)	₱199,362



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	₱335,406	₱310,327	₱296,435
Foreign	11,495	11,200	10,836
	₱346,901	₱321,527	₱307,271

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 ₱0.19 billion and ₱0.51 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 ₱91.21 million, or ₱12.74 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 ₱1.29 billion, or ₱6.00 per common share payable on a semi-annual basis. The first tranche of ₱3.00 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 ₱1.76 billion, or ₱8.16 per common share payable on a semi-annual basis. The first tranche of ₱4.08 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.

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 ₱340.31 million
- Transfer from investment properties to property and equipment amounting to ₱61.46 million
- Capitalized interest in inventories amounted to ₱51.92 million
- Recognition of ROU assets amounting to ₱99.33 million which is net of elimination of intra-group transactions
- Foreign exchange translation loss on JPY-denominated long-term debt amounting to ₱196.84 million

2024

- Conversion of long-term loans receivable amounting to ₱3.22 billion into additional equity interest in a joint venture
- Transfer from inventories to investment properties amounting to ₱406.64 million
- Capitalized interest in inventories amounted to ₱364.70 million
- Recognition of ROU assets and lease liabilities amounting to ₱69.50 million
- Foreign exchange translation gain on JPY-denominated long-term debt amounting to ₱597.50 million

2023

- Transfer from inventories to investment properties amounting to ₱153.21 million
- Transfer from investment properties to inventories amounting to ₱761.74 million
- Capitalized interest in inventories amounted to ₱516.80 million
- Recognition of ROU assets and lease liabilities amounting to ₱274.43 million
- Foreign exchange translation gain on JPY-denominated long-term debt amounting to ₱568.76 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)	₱29,911	₱94,879	(₱89,257)	₱7	₱-	₱-	₱-	₱35,540
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
	₱125,235	₱106,789	(₱109,697)	₱203	₱18	₱86	₱-	₱122,634

* Others include reclassification from noncurrent to current portion.

**Availments net of documentary stamp taxes amounting to ₱90 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)	₱21,116	₱51,025	(₱42,259)	₱29	₱-	₱-	₱-	₱29,911
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)	-
	₱138,080	₱51,025	(₱63,423)	(₱569)	₱20	₱102	₱-	₱125,235

* 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.

INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY SCHEDULES

The Stockholders and the Board of Directors
GT Capital Holdings, Inc.
43rd Floor, GT Tower International
Ayala Avenue corner H.V. Dela Costa St.
Makati City

We have audited in accordance with Philippine Standards on Auditing the consolidated financial statements of GT Capital Holdings, Inc. and its subsidiaries (the Group) as at December 31, 2025 and 2024 and for each of the three years in the period ended December 31, 2025 and have issued our report thereon dated March 23, 2026. Our audits were made for the purpose of forming an opinion on the basic consolidated financial statements taken as a whole. The schedules listed in the Index to the Supplementary Schedules are the responsibility of the Group's management. These schedules are presented for purposes of complying with the Revised Securities Regulation Code Rule 68, and are not part of the basic consolidated financial statements. These schedules have been subjected to the auditing procedures applied in the audit of the basic consolidated financial statements and, in our opinion, fairly state, in all material respects, the financial information required to be set forth therein in relation to the basic consolidated financial statements taken as a whole.

SYCIP GORRES VELAYO & CO.


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

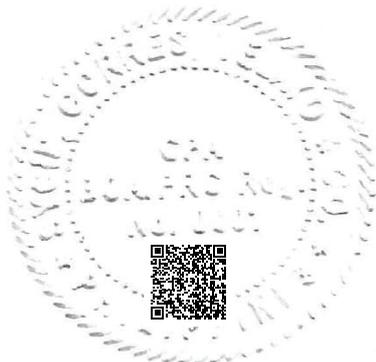
SEC Firm Accreditation No. 0001-SEC (Group A)

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



INDEPENDENT AUDITOR'S REPORT COMPONENTS OF FINANCIAL SOUNDNESS INDICATORS

The Stockholders and the Board of Directors
GT Capital Holdings, Inc.
43rd Floor, GT Tower International
Ayala Avenue corner H.V. Dela Costa St.
Makati City

We have audited in accordance with Philippine Standards on Auditing the consolidated financial statements of GT Capital Holdings, Inc. and its subsidiaries (the Group) as at December 31, 2025 and 2024 and for each of the three years in the period ended December 31, 2025, and have issued our report thereon dated March 23, 2026. Our audits were made for the purpose of forming an opinion on the basic consolidated financial statements taken as a whole. The Supplementary Schedule on Components of Financial Soundness Indicators, including their definitions, formulas, calculations, and their appropriateness or usefulness to the intended users, are the responsibility of the Group's management. These financial soundness indicators are not measures of operating performance defined by Philippine Financial Reporting Standards (PFRS) Accounting Standards and may not be comparable to similarly titled measures presented by other companies. This schedule is presented for the purpose of complying with the Revised Securities Regulation Code (SRC) Rule 68 issued by the Securities and Exchange Commission, and is not a required part of the basic consolidated financial statements prepared in accordance with PFRS Accounting Standards. The components of these financial soundness indicators have been traced to the Group's consolidated financial statements as at December 31, 2025 and 2024 and for each of the three years in the period ended December 31, 2025 and no material exceptions were noted.

SYCIP GORRES VELAYO & CO.

[Redacted Signature]

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

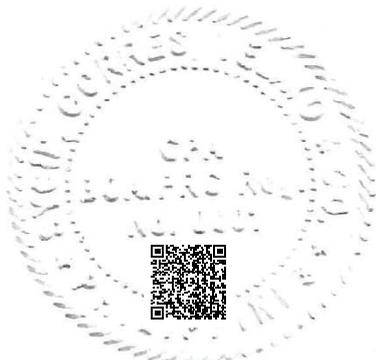
SEC Firm Accreditation No. 0001-SEC (Group A)

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



GT CAPITAL HOLDINGS, INC.

**INDEX TO THE CONSOLIDATED FINANCIAL STATEMENTS
AND SUPPLEMENTARY SCHEDULES
DECEMBER 31, 2025**

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Map of Relationship between and among the Parent Company and its Ultimate Parent, Subsidiaries, Associates and Joint ventures	Schedule III
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GT CAPITAL HOLDINGS, INC. AND SUBSIDIARIES

**RECONCILIATION OF RETAINED EARNINGS AVAILABLE FOR DIVIDEND
DECLARATION**

FOR THE YEAR ENDED DECEMBER 31, 2025

(In Millions)

Unappropriated Retained Earnings, beginning		₱46,494
Add: Category A: Items that are directly credited to Unappropriated Retained Earnings		
Reversal of retained earnings appropriation	400	
Less: Category B: Items that are directly debited to Unappropriated Retained Earnings		
Dividend declaration during the reporting period	(2,088)	1,688
Unappropriated Retained Earnings, as adjusted		44,806
Add: Net Income for the current year		13,504
Less: Category C.1: Unrealized income recognized in the profit or loss during the reporting period (net of tax)		
Unrealized foreign exchange gain, except those attributed to cash and cash equivalents	(8)	
Other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS (PFRS interest accretion)	(17)	(26)
TOTAL RETAINED EARNINGS, END OF THE YEAR AVAILABLE FOR DIVIDEND		₱58,284

GT CAPITAL HOLDINGS, INC. AND SUBSIDIARIES

SUPPLEMENTARY SCHEDULES REQUIRED BY ANNEX 68-J

FOR THE YEAR ENDED DECEMBER 31, 2025

(In Millions)

Schedule A. Financial Assets

Name of issuing entity and association of each issue (i)	Number of shares or principal amount of bonds and notes	Amount shown in the balance sheet (ii)	Valued based on market quotation at end of reporting period (iii)	Income received and accrued
Investment securities				
Financial assets at FVTPL	Various	₱130	₱130	₱89
Financial assets at FVOCI				
Quoted	Various	21,598	21,598	617
Unquoted	Various	195	195	2

Schedule B. Amounts Receivable from Directors, Officers, Employees, Related Parties and Principal Stockholders (Other than Related parties)

Name of debtor	Designation of debtor	Balance of beginning of period	Additions	Amounts collected (ii)	Amounts written off (iii)	Current	Not Current	Balance at end of period
A. L. Laureta	Rank & File / Supervisor	₱-	₱1	₱-	₱-	₱-	₱1	₱1
A. B. Mogol	Rank & File / Supervisor	-	1	-	-	-	1	1
H. H. Hara	Rank & File / Supervisor	-	1	-	-	-	1	1
R. G. Pane	Rank & File / Supervisor	-	1	-	-	-	1	1
E. A. Rogador	Rank & File / Supervisor	-	1	-	-	-	1	1
R. M. Cantalejo	Rank & File / Supervisor	-	1	-	-	-	1	1
E. D. Parala	Rank & File / Supervisor	-	1	-	-	-	1	1
J. B. Tablizo	Rank & File / Supervisor	-	1	-	-	-	1	1
P. D. De Torres	Rank & File / Supervisor	-	1	-	-	-	1	1
N. O. Bravante	Officer	-	1	-	-	-	1	1
R. M. Bolledo	Rank & File / Supervisor	-	1	-	-	-	1	1
E. O. Garcia	Rank & File / Supervisor	-	1	-	-	-	1	1
A. A. Guico	Officer	-	2	-	-	1	1	2
R. O. Escasura	Officer	-	2	(1)	-	-	1	1
P. P. Bausa	Rank & File / Supervisor	-	1	-	-	-	1	1
M. A. Zalameda	Officer	-	1	-	-	-	1	1
M. L. Lubugan	Rank & File / Supervisor	-	1	-	-	-	1	1
M. N. Caraan	Rank & File / Supervisor	-	1	-	-	-	1	1
E. S. Araracap	Rank & File / Supervisor	-	1	-	-	-	1	1

Name of debtor	Designation of debtor	Balance of beginning of period	Additions	Amounts collected (ii)	Amounts written off (iii)	Current	Not Current	Balance at end of period
		₱-	₱1	₱-	₱-	₱-	₱1	₱1
L. A. Gregorio	Rank & File / Supervisor	₱-	₱1	₱-	₱-	₱-	₱1	₱1
R. S. Tabaranza	Rank & File / Supervisor	-	1	-	-	-	1	1
D. M. Libao	Rank & File / Supervisor	-	2	(1)	-	-	1	1
R. C. Cay	Rank & File / Supervisor	-	2	(1)	-	-	1	1
A. P. Binauhan	Rank & File / Supervisor	-	1	-	-	-	1	1
M. B. Celmar	Rank & File / Supervisor	-	1	-	-	-	1	1
M. G. Dinulos	Rank & File / Supervisor	-	1	-	-	-	1	1
M. G. Sese	Rank & File / Supervisor	-	1	-	-	-	1	1
M. L. Latumbo	Rank & File / Supervisor	-	1	-	-	-	1	1
F. M. Montero	Rank & File / Supervisor	-	1	-	-	-	1	1
L. R. Aspiras	Rank & File / Supervisor	-	2	(1)	-	-	1	1
N. D. Alcoran	Rank & File / Supervisor	-	1	-	-	-	1	1
W. L. Duena Jr.	Rank & File / Supervisor	-	2	(1)	-	-	1	1
R. B. Leochico	Officer	-	1	-	-	-	1	1
R. L. Garcia	Rank & File / Supervisor	-	1	-	-	-	1	1
J. A. Grate	Rank & File / Supervisor	-	1	-	-	-	1	1
A. S. Masa	Rank & File / Supervisor	-	2	(1)	-	-	1	1
L. G. Balajadia	Rank & File / Supervisor	-	1	(1)	-	-	-	-
R. A. Abustan	Rank & File / Supervisor	-	1	-	-	-	1	1
J. B. Sison	Officer	-	2	(1)	-	-	1	1
D. C. Simbahan	Rank & File / Supervisor	-	1	-	-	-	1	1
D. C. Claro	Rank & File / Supervisor	-	1	-	-	-	1	1
M. S. Villanueva	Rank & File / Supervisor	-	2	(1)	-	-	1	1
A. R. Olaes	Rank & File / Supervisor	-	1	-	-	-	1	1
R. T. Ramos	Rank & File / Supervisor	-	2	(1)	-	-	1	1
E. C. Chozas	Rank & File / Supervisor	-	1	-	-	-	1	1
C. R. Ramos	Rank & File / Supervisor	-	1	-	-	-	1	1
R. P. Habaña	Rank & File / Supervisor	-	2	(1)	-	-	1	1
C. D. Rodriguez	Rank & File / Supervisor	-	2	(1)	-	-	1	1
J. Y. Amanca	Rank & File / Supervisor	-	2	(1)	-	-	1	1

Name of debtor	Designation of debtor	Balance of beginning of period	Additions	Amounts collected (ii)	Amounts written off (iii)	Current	Not Current	Balance at end of period
G. A. Infante	Rank & File / Supervisor	₱-	₱2	(₱1)	₱-	₱-	₱1	₱1
G. M. Canzon	Rank & File / Supervisor	-	2	(1)	-	-	1	1
R. A. Santos	Rank & File / Supervisor	1	-	(1)	-	-	-	-
J. C. Villanueva	Officer	-	1	-	-	-	1	1
R. B. Magdaong	Rank & File / Supervisor	-	2	(1)	-	-	1	1
L. M. Abuzo	Rank & File / Supervisor	1	-	(1)	-	-	-	-
D. T. Roma	Rank & File / Supervisor	1	-	(1)	-	-	-	-
R. T. Bascon	Rank & File / Supervisor	1	-	(1)	-	-	-	-
A. V. Pesigan	Rank & File / Supervisor	1	-	(1)	-	-	-	-
J. D. Manaig	Rank & File / Supervisor	1	-	(1)	-	-	-	-
A. V. Peralta	Rank & File / Supervisor	1	-	-	-	1	-	1
V. Q. Oclarino	Officer	1	-	(1)	-	-	-	-
A. C. Llarena	Officer	1	-	(1)	-	-	-	-
I. C. Sincioco	Officer	1	-	-	-	-	1	1
B. O. Añonuevo	Rank & File / Supervisor	1	-	(1)	-	-	-	-
E. O. Natividad	Rank & File / Supervisor	1	-	(1)	-	-	-	-
A. A. Palomares	Rank & File / Supervisor	1	-	(1)	-	1	(1)	-
A. C. Dacoco	Rank & File / Supervisor	1	-	(1)	-	-	-	-
J. V. Maghirang	Rank & File / Supervisor	1	-	(1)	-	-	-	-
K. A. Portus	Rank & File / Supervisor	1	-	(1)	-	-	-	-
D. T. Calma	Rank & File / Supervisor	1	-	(1)	-	-	-	-
M. B. Bicongo	Rank & File / Supervisor	1	-	(1)	-	-	-	-
J. M. Mañalac	Rank & File / Supervisor	1	-	(1)	-	-	-	-
R. M. Maunahan	Rank & File / Supervisor	1	-	(1)	-	-	-	-
R. V. Cortez	Rank & File / Supervisor	1	-	(1)	-	-	-	-
M. P. Garcia	Rank & File / Supervisor	1	-	(1)	-	-	-	-
E. C. Anido	Rank & File / Supervisor	1	-	(1)	-	-	-	-
G. E. Vicencio	Rank & File / Supervisor	1	-	(1)	-	-	-	-
J. D. Francisco	Rank & File / Supervisor	1	-	(1)	-	-	-	-
R. A. Ymson	Rank & File / Supervisor	1	1	(1)	-	-	1	1

Name of debtor	Designation of debtor	Balance of beginning of period	Additions	Amounts collected (ii)	Amounts written off (iii)	Current	Not Current	Balance at end of period
E. M. Claro	Officer	₱1	₱-	(₱1)	₱-	₱-	₱-	₱-
M. B. Rarela	Rank & File / Supervisor	1	1	(1)	-	-	1	1
A. S. Paguio Jr.	Rank & File / Supervisor	1	-	(1)	-	-	-	-
B. L. Abraham	Rank & File / Supervisor	1	-	(1)	-	-	-	-
R. M. Mercado	Rank & File / Supervisor	1	-	(1)	-	-	-	-
C. R. Belen	Rank & File / Supervisor	1	-	-	-	-	1	1
M. E. Rios	Rank & File / Supervisor	1	-	(1)	-	-	-	-
I. D. Ducay	Rank & File / Supervisor	1	-	(1)	-	-	-	-
E. P. Magpantay	Rank & File / Supervisor	1	-	-	-	-	1	1
R. T. Namó	Rank & File / Supervisor	1	-	(1)	-	-	-	-
J. A. Mamonong	Officer	1	-	(1)	-	-	-	-
A. S. Dayrit	Officer	1	-	(1)	-	-	-	-
H. L. Buendia	Officer	1	-	(1)	-	-	-	-
M. J. Nagera	Officer	1	-	(1)	-	-	-	-
B. Z. Villaroman Iii	Officer	1	-	(1)	-	-	-	-
A. C. Hayag	Rank & File / Supervisor	1	-	(1)	-	-	-	-
R. B. Dugang	Officer	1	-	(1)	-	-	-	-
J. A. Maraña	Rank & File / Supervisor	1	-	(1)	-	-	-	-
S. D. Dela Rosa	Rank & File / Supervisor	1	-	(1)	-	-	-	-
J. C. Cayman	Rank & File / Supervisor	1	-	(1)	-	-	-	-
R. B. Fabula	Rank & File / Supervisor	1	-	-	-	-	1	1
R. S. Aquino	Rank & File / Supervisor	1	-	(1)	-	-	-	-
A. E. Cayabyab	Rank & File / Supervisor	1	-	(1)	-	-	-	-
A. A. Nazareth	Rank & File / Supervisor	1	-	(1)	-	-	-	-
M. C. Buena	Officer	1	-	(1)	-	-	-	-
V. D. Arceo	Rank & File / Supervisor	1	-	(1)	-	-	-	-
E. T. Ochoa Jr.	Officer	1	-	(1)	-	-	-	-
L. C. Capidos	Rank & File / Supervisor	1	-	(1)	-	-	-	-
M. P. De Leon	Rank & File / Supervisor	1	-	(1)	-	-	-	-
A. F. Furio	Rank & File / Supervisor	1	-	(1)	-	-	-	-
M. D. Nuque	Rank & File / Supervisor	1	-	-	-	-	1	1

Name of debtor	Designation of debtor	Balance of beginning of period	Additions	Amounts collected (ii)	Amounts written off (iii)	Current	Not Current	Balance at end of period
M. N. Arevalo	Officer	₱1	₱-	(₱1)	₱-	₱-	₱-	₱-
A. D. Bargo	Officer	1	-	(1)	-	-	-	-
J. I. Leonardo	Rank & File / Supervisor	1	-	-	-	-	1	1
J. P. Mazo	Rank & File / Supervisor	1	-	(1)	-	-	-	-
R. C. Castillo	Rank & File / Supervisor	1	-	-	-	-	1	1
A. L. Garces	Rank & File / Supervisor	1	-	-	-	-	1	1
R. N. Metica	Rank & File / Supervisor	1	-	-	-	1	-	1
M. L. Gardiner	Officer	1	-	(1)	-	-	-	-
O. N. Muya	Rank & File / Supervisor	1	-	-	-	-	1	1
D. M. Abrematea	Rank & File / Supervisor	1	-	-	-	-	1	1
R. B. Gaza	Officer	1	-	(1)	-	-	-	-
L. F. Ternate	Rank & File / Supervisor	1	-	(1)	-	-	-	-
A. D. Bautista	Rank & File / Supervisor	1	-	-	-	-	1	1
M. L. Gopez I	Officer	1	-	(1)	-	-	-	-
C. M. Aberin Jr.	Rank & File / Supervisor	1	-	(1)	-	-	-	-
C. T. Bolaños	Officer	1	-	-	-	1	-	1
C. G. Sevilla	Officer	1	-	(1)	-	-	-	-
D. B. Gregorio	Officer	1	-	-	-	-	1	1
P. C. Castro	Officer	1	-	-	-	-	1	1
M. C. Masamayor	Officer	1	-	-	-	-	1	1
R. A. Kalambacal	Rank & File / Supervisor	1	-	-	-	-	1	1
R. P. Ugates	Officer	1	-	-	-	-	1	1
I. E. Claudio	Officer	1	-	-	-	-	1	1
J. D. Cabrera	Rank & File / Supervisor	1	-	-	-	-	1	1
J. S. Bernal	Officer	1	-	-	-	-	1	1
G. H. Dacillo	Officer	1	-	(1)	-	-	-	-
D. C. Cruz	Officer	1	2	(1)	-	-	2	2
J. K. Pineda	Officer	1	-	-	-	-	1	1
B. P. Oclarino	Officer	1	-	-	-	-	1	1
T. T. Lopez Jr.	Officer	1	-	(1)	-	-	-	-
R. B. Santilles	Rank & File / Supervisor	1	-	(1)	-	-	-	-
R. B. Valdez	Officer	1	-	-	-	1	-	1
L. D. Tejano	Officer	1	-	-	-	-	1	1

Name of debtor	Designation of debtor	Balance of beginning of period	Additions	Amounts collected (ii)	Amounts written off (iii)	Current	Not Current	Balance at end of period
M. J. Rosario	Officer	₱1	₱-	₱-	₱-	₱-	₱1	₱1
J. L. Agustin	Rank & File / Supervisor	1	-	(1)	-	-	-	-
R. S. Camo	Rank & File / Supervisor	1	-	(1)	-	-	-	-
G. J. Villafuerte	Rank & File / Supervisor	1	-	-	-	-	1	1
A. D. Cruzado	Rank & File / Supervisor	1	-	-	-	-	1	1
E. A. Olayta	Rank & File / Supervisor	1	-	-	-	-	1	1
E. M. Lacibal	Rank & File / Supervisor	1	-	-	-	-	1	1
R. M. Pardiñas	Rank & File / Supervisor	1	-	(1)	-	-	-	-
J. J. Lacatan	Rank & File / Supervisor	1	-	-	-	-	1	1
B. C. Punzalan Jr.	Rank & File / Supervisor	1	-	-	-	-	1	1
R. R. Lucila	Rank & File / Supervisor	1	-	-	-	-	1	1
R. M. Mercado	Rank & File / Supervisor	1	-	(1)	-	-	-	-
A. R. Laude	Rank & File / Supervisor	1	-	-	-	-	1	1
A. M. Punzalan Jr.	Rank & File / Supervisor	1	-	-	-	-	1	1
C. A. Osia	Rank & File / Supervisor	1	-	-	-	-	1	1
R. G. Jaspe	Rank & File / Supervisor	1	-	-	-	-	1	1
E. C. Pedriña	Rank & File / Supervisor	1	-	(1)	-	-	-	-
V. M. Perlas Jr.	Rank & File / Supervisor	1	-	-	-	-	1	1
A. M. Micu	Rank & File / Supervisor	1	-	-	-	-	1	1
J. Z. Alam	Rank & File / Supervisor	1	-	-	-	-	1	1
D. C. Soria	Rank & File / Supervisor	1	-	(1)	-	-	-	-
M. L. Alonte	Rank & File / Supervisor	1	-	(1)	-	-	-	-
R. C. Santiago	Officer	1	-	-	-	-	1	1
P. Y. Sanchez Jr.	Rank & File / Supervisor	1	-	-	-	-	1	1
N. R. Buenavidez	Rank & File / Supervisor	1	-	-	-	-	1	1
A. A. Gallega	Rank & File / Supervisor	1	-	-	-	-	1	1
R. R. Rafer	Rank & File / Supervisor	1	-	-	-	-	1	1
D. L. Samson	Rank & File / Supervisor	1	-	-	-	-	1	1
A. A. Andallo	Rank & File / Supervisor	1	-	-	-	-	1	1
F. A. Macatangay	Rank & File / Supervisor	1	-	-	-	-	1	1

Name of debtor	Designation of debtor	Balance of beginning of period	Additions	Amounts collected (ii)	Amounts written off (iii)	Current	Not Current	Balance at end of period
R. P. Prado	Rank & File / Supervisor	₱1	₱-	₱-	₱-	₱-	₱1	₱1
R. F. Bustamante	Rank & File / Supervisor	1	-	-	-	-	1	1
N. S. Francisco	Rank & File / Supervisor	1	-	-	-	-	1	1
J. B. Mandigma	Rank & File / Supervisor	1	-	-	-	-	1	1
J. H. Vito	Rank & File / Supervisor	1	-	-	-	-	1	1
A. B. Godoy	Rank & File / Supervisor	1	-	-	-	-	1	1
N. T. Espejon	Rank & File / Supervisor	1	-	-	-	-	1	1
E. N. Alcantara Jr.	Rank & File / Supervisor	1	-	-	-	-	1	1
A. E. Rizaldo	Rank & File / Supervisor	1	-	-	-	-	1	1
L. L. Cabauatan	Rank & File / Supervisor	1	-	-	-	-	1	1
A. C. Prado	Rank & File / Supervisor	1	-	-	-	-	1	1
M. M. Peria	Rank & File / Supervisor	1	-	-	-	-	1	1
M. H. Espeso	Rank & File / Supervisor	1	-	-	-	-	1	1
L. F. Brechia	Rank & File / Supervisor	1	-	-	-	-	1	1
A. A. Marcellana	Rank & File / Supervisor	1	-	-	-	-	1	1
R. G. Guevarra	Officer	1	-	(1)	-	-	-	-
M. A. Alcaraz	Rank & File / Supervisor	1	-	-	-	-	1	1
E. D. Palma Jr.	Rank & File / Supervisor	1	-	-	-	-	1	1
J. A. Dela Cruz	Rank & File / Supervisor	1	-	-	-	-	1	1
R. M. Torrechilla	Rank & File / Supervisor	1	-	-	-	-	1	1
M. C. Sangel	Rank & File / Supervisor	1	-	-	-	-	1	1
V. S. Leonen	Rank & File / Supervisor	1	-	-	-	-	1	1
J. G. Mercado	Rank & File / Supervisor	1	-	-	-	-	1	1
G. V. Rodriguez	Rank & File / Supervisor	1	-	(1)	-	-	-	-
R. N. Ongchangco	Rank & File / Supervisor	1	-	-	-	-	1	1
R. M. Simon	Rank & File / Supervisor	1	-	-	-	-	1	1
E. G. Luciano	Officer	1	-	-	-	-	1	1
N. O. Manglo	Officer	1	-	-	-	-	1	1
A. L. Cansicio	Rank & File / Supervisor	1	-	-	-	-	1	1
C. G. Alcancia	Officer	1	-	-	-	-	1	1

Name of debtor	Designation of debtor	Balance of beginning of period	Additions	Amounts collected (ii)	Amounts written off (iii)	Current	Not Current	Balance at end of period
D. T. Tagubase	Officer	₱1	₱-	₱-	₱-	₱-	₱1	₱1
C. T. Dionela	Officer	1	-	-	-	-	1	1
J. S. Abes	Officer	1	-	-	-	-	1	1
N. A. Recto	Rank & File / Supervisor	1	-	-	-	-	1	1
M. S. Santos	Rank & File / Supervisor	1	-	-	-	-	1	1
R. F. Ison	Officer	1	-	-	-	-	1	1
M. V. Ulanday	Officer	1	-	-	-	-	1	1
D. Z. Robosa	Officer	1	-	-	-	-	1	1
D. R. Escuro	Officer	2	-	(1)	-	-	1	1
W. V. Gonzales	Officer	1	-	-	-	-	1	1
J. D. Sison	Officer	1	-	-	-	-	1	1
R. A. Evangelista	Rank & File / Supervisor	1	-	-	-	-	1	1
K. S. Manalo	Rank & File / Supervisor	1	-	-	-	-	1	1
A. B. Nuñez	Rank & File / Supervisor	-	2	(1)	-	-	1	1
J. M. Tardeo	Rank & File / Supervisor	-	1	(1)	-	-	-	-
R. P. Gabiana	Rank & File / Supervisor	-	1	-	-	-	1	1
J. E. Estolonio	Rank & File / Supervisor	-	1	-	-	-	1	1
M. M. Faustino	Officer	-	1	-	-	-	1	1
R. D. Lontoc	Rank & File / Supervisor	-	1	-	-	-	1	1
A. J. De Dios	Officer	-	2	(1)	-	-	1	1
I. M. Maghari	Officer	-	2	-	-	1	1	2
J. D. Bernardo	Rank & File / Supervisor	-	1	-	-	-	1	1
M. B. Ancheta	Rank & File / Supervisor	-	1	-	-	-	1	1
D. M. Natividad	Rank & File / Supervisor	-	1	-	-	-	1	1
M. C. Ordillo	Rank & File / Supervisor	-	1	-	-	-	1	1
R. D. Bueno	Rank & File / Supervisor	-	1	-	-	-	1	1
J. S. Honrado	Rank & File / Supervisor	-	1	-	-	-	1	1
J. O. Panopio	Rank & File / Supervisor	-	1	(1)	-	-	-	-
D. F. De Torres	Rank & File / Supervisor	-	1	-	-	-	1	1
P. C. Hechanova	Officer	-	2	(1)	-	-	1	1
A. A. Alvis	Rank & File / Supervisor	-	1	-	-	-	1	1
M. G. Saberola	Rank & File / Supervisor	-	1	-	-	-	1	1

Name of debtor	Designation of debtor	Balance of beginning of period	Additions	Amounts collected (ii)	Amounts written off (iii)	Current	Not Current	Balance at end of period
A. A. Fajardo	Rank & File / Supervisor	₱-	₱1	₱-	₱-	₱-	₱1	₱1
A. C. Alavaren	Rank & File / Supervisor	-	1	-	-	-	1	1
N. O. Ilag	Rank & File / Supervisor	-	1	-	-	-	1	1
R. A. Dano	Rank & File / Supervisor	-	1	-	-	-	1	1
A. M. Beratio	Rank & File / Supervisor	-	1	-	-	-	1	1
J. A. Deticio	Rank & File / Supervisor	-	1	-	-	-	1	1
J. C. Almero Jr.	Rank & File / Supervisor	-	1	-	-	-	1	1
A. B. Magtarayo	Rank & File / Supervisor	-	1	-	-	-	1	1
A. V. Cariño	Rank & File / Supervisor	-	1	-	-	-	1	1
J. P. Plaza	Rank & File / Supervisor	-	1	(1)	-	-	-	-
P. Arriola	Officer	-	1	-	-	-	1	1
R. D. Laguyo	Rank & File / Supervisor	-	1	-	-	-	1	1
R. S. Clerigo	Rank & File / Supervisor	-	1	-	-	-	1	1
E. T. Rosales	Rank & File / Supervisor	-	1	-	-	-	1	1
F. A. Iglesias	Rank & File / Supervisor	-	1	-	-	-	1	1
J. C. Robles	Officer	-	1	(1)	-	-	-	-
J. O. Castillo	Rank & File / Supervisor	-	1	-	-	-	1	1
R. V. Bubos Jr.	Rank & File / Supervisor	-	1	-	-	-	1	1
J. C. Mitra	Rank & File / Supervisor	-	2	(1)	-	-	1	1
G. A. Datay	Rank & File / Supervisor	-	1	-	-	-	1	1
D. L. Carandang	Rank & File / Supervisor	-	1	-	-	-	1	1
D. M. Dimapilis	Rank & File / Supervisor	-	1	-	-	-	1	1
G. B. Barrios	Rank & File / Supervisor	-	1	-	-	-	1	1
J. R. Bueno	Rank & File / Supervisor	-	1	-	-	-	1	1
I. L. Villamor	Rank & File / Supervisor	-	2	(1)	-	-	1	1
D. A. Marcon	Rank & File / Supervisor	-	1	-	-	-	1	1
S. P. Oña	Rank & File / Supervisor	-	1	-	-	-	1	1
M. A. Matienzo	Rank & File / Supervisor	-	2	(1)	-	-	1	1
	Total	₱164	₱127	(₱100)	₱-	₱7	₱184	₱191

Schedule C. Amounts Receivable from Related Parties which are Eliminated During the Consolidation of Financial Statements

Name of debtor	Relationship	Balance at beginning of period	Net Transaction	Current	Not Current	Balance at end of period
Toyota San Fernando Pampanga, Inc.	Subsidiary of Toyota Motor Philippines	₱ 419	₱ 154	₱ 573	₱-	₱573
Toyota Makati, Inc.	-do-	540	161	701	-	700
Lexus Manila, Inc.	-do-	180	184	364	-	364
TMP Logistics, Inc.	-do-	8	(6)	2	-	2
Toyota Mobility Solutions Philippines, Inc.	-do-	8	4	12	-	12
Toyota Motor Philippines Corp.	Affiliate of Federal Land, Inc.	-	679	679	-	679
Federal Land, Inc.	Affiliate of Toyota Motor Philippines	-	969	969	-	969
Toyota Sta. Rosa Laguna Inc.	Affiliate of Toyota Motor Philippines	1	-	1	-	1
Federal Land, Inc.	Affiliate of Lexus Manila, Inc.	-	665	665	-	665
Topsphere Realty Development Co. Inc.	Subsidiary of Federal Land, Inc.	1,118	(58)	1,060	-	1,060
Federal Property Management Corp.	-do-	4	-	4	-	4
Central Realty & Dev't Corp.	-do-	228	-	228	-	228
Horizon Land Property Development Corp.	-do-	2,392	(1,701)	691	-	691
Toyota Motor Philippines Corp.	Affiliate of Federal Land, Inc.	905	(226)	679	-	679
Oxfordshire Holdings, Inc.	Subsidiary of Toyota Manila Bay Corporation	13	3	16	-	16
TMBC Insurance Agency Corporation	-do-	1	6	7	-	7
Toyota Manila Bay Corporation	Subsidiary of GT Capital Auto and Mobility Holdings, Inc.	-	178	178	-	178
Toyota Santa Rosa Laguna, Insurance Agency, Inc.	Subsidiary of Toyota Santa Rosa Laguna Inc.	1	(1)	-	-	-
Toyota Sta. Rosa Laguna Inc.	Parent of Toyota Santa Rosa Laguna, Insurance Agency, Inc.	87	36	123	-	123
		₱5,905	₱1,047	₱6,952	₱-	₱6,951

Schedule D. Long Term Debt

Title of issue and type of obligation (i)	Amount authorized by indenture	Amount shown under caption "Current portion of long-term debt" in related balance sheet (ii)	Amount shown under caption "Long-Term Debt" in related balance sheet (iii)	Other details
Loans payable	₱2,000	₱2	₱1,985	Interest rate of 6.0526% and will mature on December 4, 2027
Loans payable	4,000	4	3,968	Interest rate of 6.0375% and will mature on December 3, 2027
Loans payable	2,000	2	1,983	Interest rate of 6.1842% and will mature on December 22, 2028
Loans payable	4,000	3,974	–	Interest rate of 5.7895% and will mature on December 22, 2026
Loans payable	10,000	100	9,567	Interest rate of 7.3232% and will mature on March 27, 2030
Loans payable	15,000	150	14,369	Interest rate of 6.8453% and will mature on March 27, 2028
Loans payable	3,000	30	2,900	Interest rate of 5.6640% and will mature on November 4, 2029
Loans payable	4,000	40	3,902	Interest rate of 5.5843% and will mature on February 24, 2032
Loans payable	5,000	50	4,926	Interest rate of 4.9002% and will mature on July 13, 2032
Loans payable	8,082	–	7,719	Interest rate of 3-month JPY TONA plus 0.80% and will mature on July 13, 2027
Loans payable	79	–	79	Interest rate of 4.2% and will mature on February 26, 2026, subject to automatic renewal for another 5 years upon maturity
Loans payable	91	–	91	Interest rate of 2.7% and will mature on September 28, 2025, subject to automatic renewal for another 10 years upon maturity
Loans payable	76	–	76	Interest rate of 2.7% and will mature on October 23, 2026, subject to automatic renewal for another 10 years upon maturity
Loans payable	1,100	78	–	Interest rates ranging from 4.85% to 5.94% and will mature on May 29, 2026
Loans payable	199	197	–	Interest rate of 5.8633% subject to equal annual principal amortization of ₱0.2 million starting on May 29, 2021 and fully payable on May 29, 2026
Loans payable	625	618	–	Interest rate of 7.98% per annum and payable in 2026
Loans payable	313	309	–	Interest rate of 7.59% per annum and payable in 2026
Loans payable	650	642	–	Interest rate of 8.31% per annum and payable in 2026
Loans payable	3,000	2,963	–	Interest rate of 5.00% per annum and payable in 2026
Loans payable	2,608	–	2,601	Interest rate of 6.10% per annum and payable in 2028
Loans payable	1,800	1,778	–	₱2,000 million with interest rate of 8.42% per annum will mature on September 6, 2026; ₱1,000 million with interest rate of 8.42% will mature on September 8, 2026
Loans payable	1,200	1,185	–	Interest rate of 8.42% per annum and payable on September 8, 2026
Loans payable	439	–	438	Interest rate of 6.15% per annum and payable in 2029
Loans payable	878	–	876	Interest rate of 6.73% per annum and payable in 2029
Loans payable	1,360	–	1,358	Interest rate of 8.16% per annum and payable in 2027
Loans payable	765	–	764	Interest rate of 8.16% per annum and payable in 2027
Loans payable	850	–	848	Interest rate of 8.16% per annum and payable in 2027
Loans payable	1,500	–	1,496	Interest rate of 6.87% per annum and payable in 2027
Loans payable	1,500	–	1,496	Interest rate of 6.87% per annum and payable in 2027
Loans payable	700	–	698	Interest rate of 6.43% per annum and payable in 2028
Loans payable	10,000	–	9,983	Interest rate of 5.97% per annum and payable in 2030
Loans payable	2,000	–	1,997	Interest rate of 6.08% per annum and payable in 2030
	₱88,815	₱12,122	₱74,120	

Schedule E. Indebtedness to Related Parties (Long-term Loans from Related Companies)

Name of related party	Balance at beginning of period	Balance at end of period	Remarks
Metropolitan Bank & Trust Co.	₱6,586	₱7,975	Due to availments during the year
Toyota Aisin Philippines, Inc.	79	79	

Schedule F. Guarantees of Securities of Other Issuers

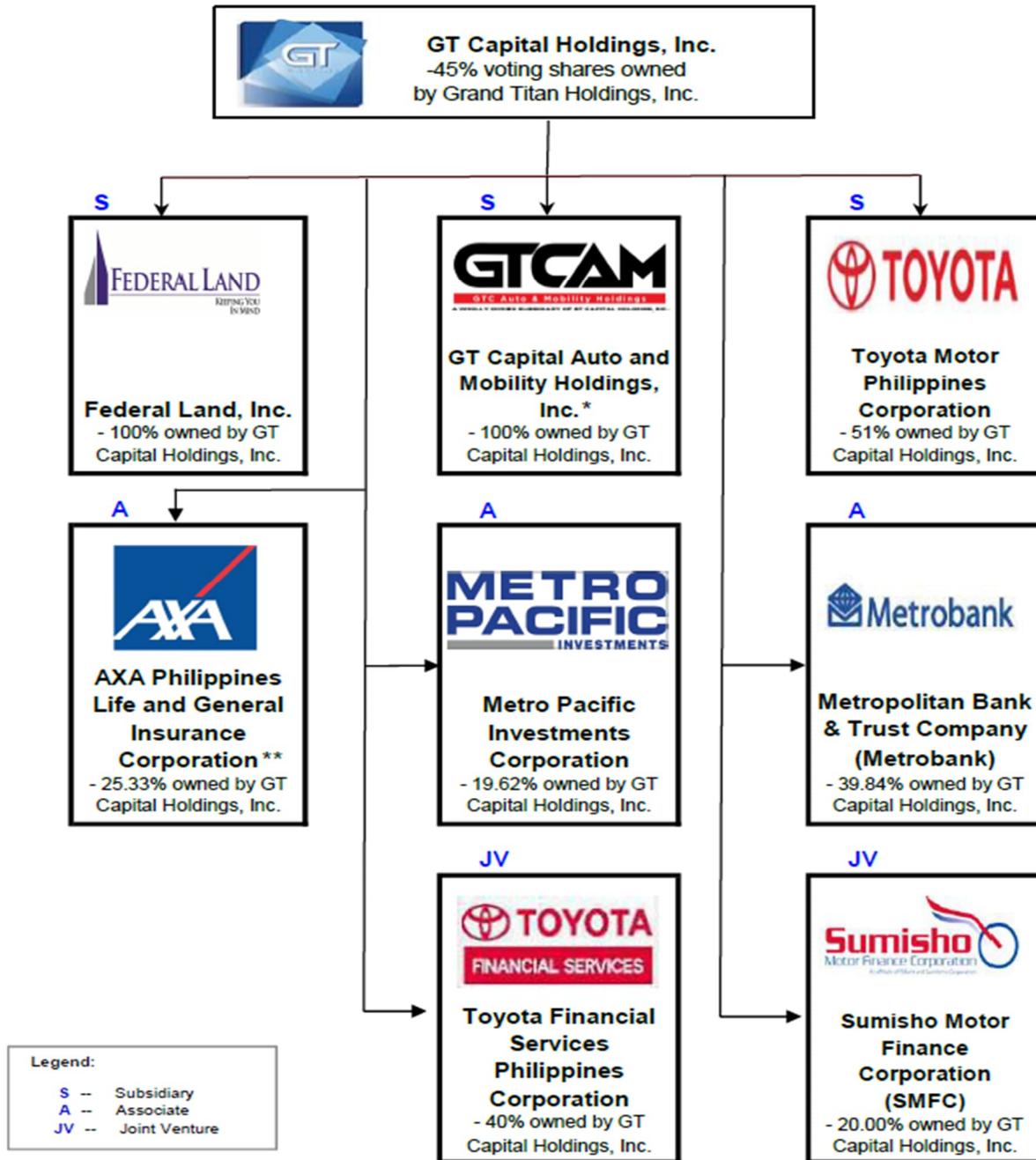
Name of issuing entity of securities guaranteed by the company for which this statement is filed	Title of issue of each class of securities guaranteed	Total amount guaranteed and outstanding	Amount owned by person for which statement is filed	Nature of guarantee
NONE				

Schedule G. Capital Stock (in absolute amounts)

Title of issue	Number of Shares authorized	Number of Shares issued and outstanding and shown under related balance sheet caption	Number of shares reserved for options, warrants, conversion and other rights	Number of shares held by related parties	Directors, officers and employees	Others
Common stock	298,257,000	215,284,587	—	120,413,658	519,646	94,351,283
Voting preferred stock	174,300,000	174,300,000	—	55,847,403	2,674,519	115,778,078
Perpetual preferred stock	20,000,000	7,160,760	—	—	1,200	7,159,560

GT CAPITAL HOLDINGS, INC. AND SUBSIDIARIES

MAP OF RELATIONSHIP BETWEEN AND AMONG THE PARENT COMPANY AND ITS SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES AS OF DECEMBER 31, 2025



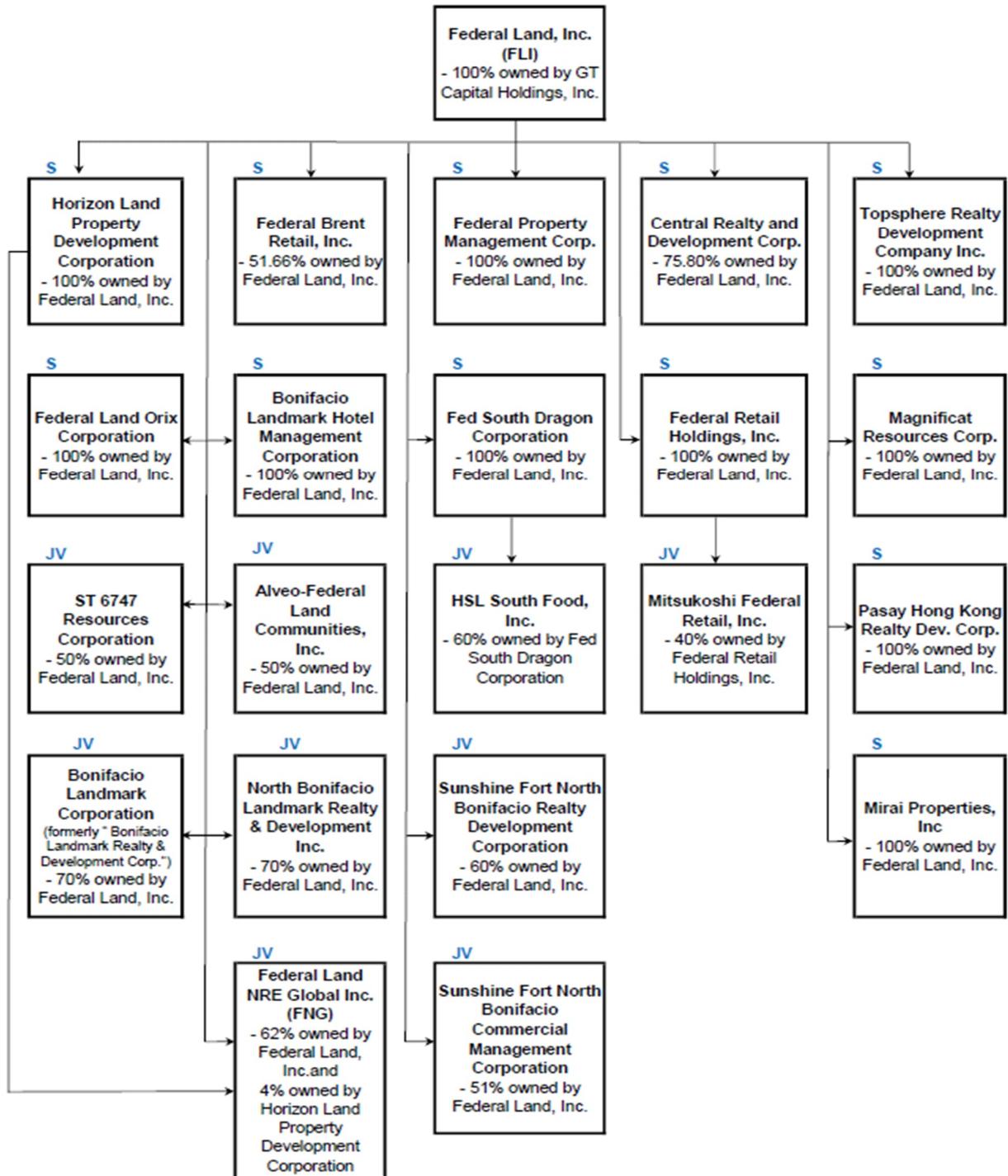
* Formerly GT Capital Auto Dealership Holdings, Inc.

** Formerly Philippine AXA Life Insurance Corporation

FEDERAL LAND, INC.

SUBSIDIARIES AND JOINT VENTURES

AS OF DECEMBER 31, 2025

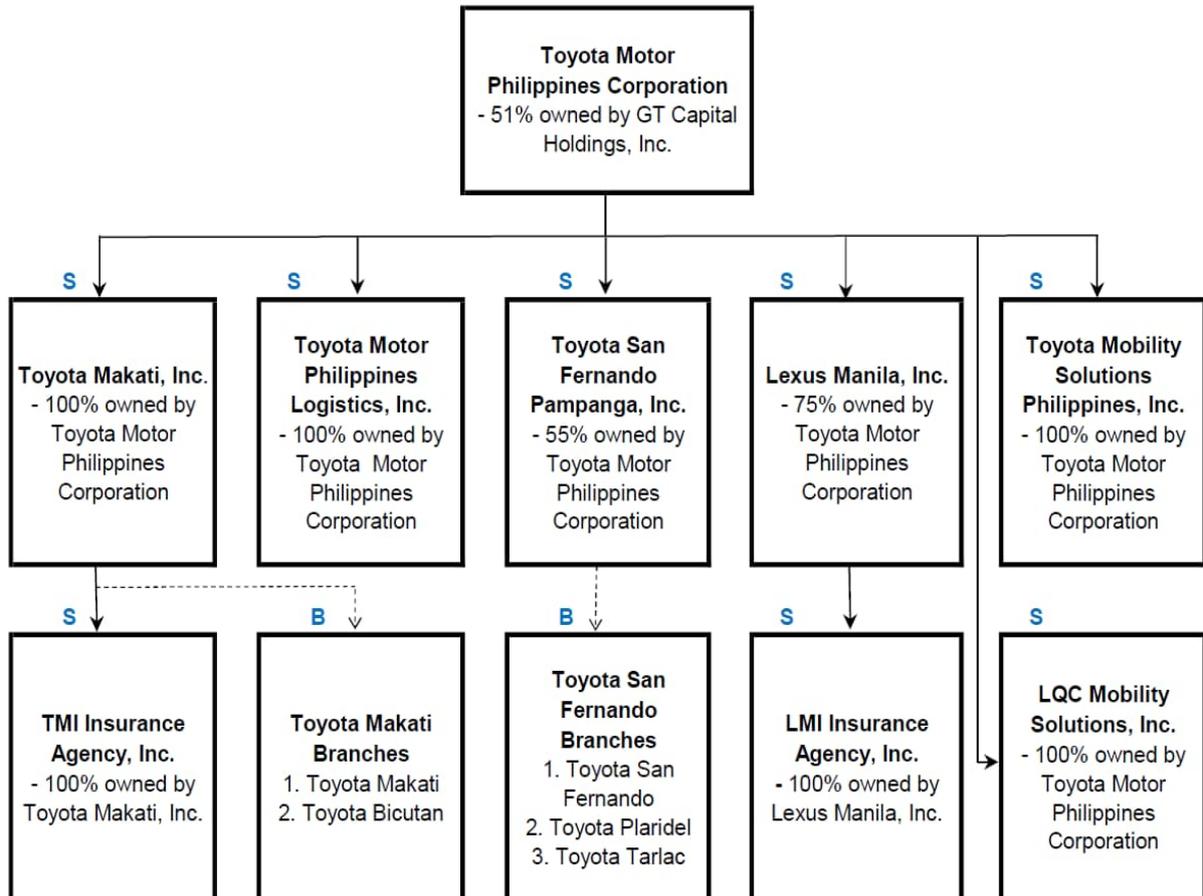


LEGEND:
Subsidiary (S)
Associate (A)
Joint Venture (JV)

TOYOTA MOTOR PHILIPPINES CORPORATION

SUBSIDIARIES

AS OF DECEMBER 31, 2025



LEGEND:

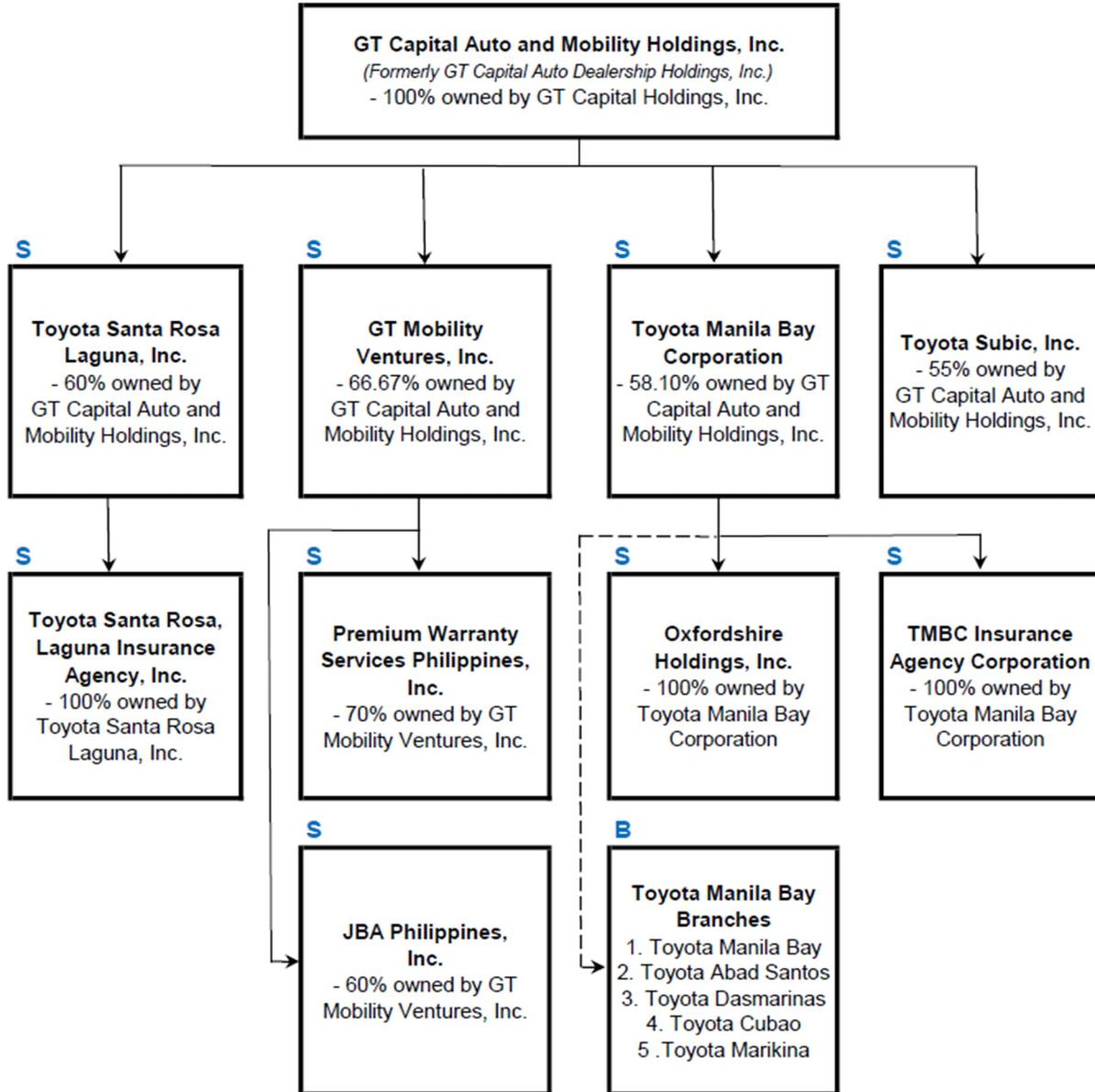
Subsidiary (S)

Branch (B)

GT CAPITAL AUTO AND MOBILITY HOLDINGS, INC.

SUBSIDIARIES

AS OF DECEMBER 31, 2025



LEGEND:

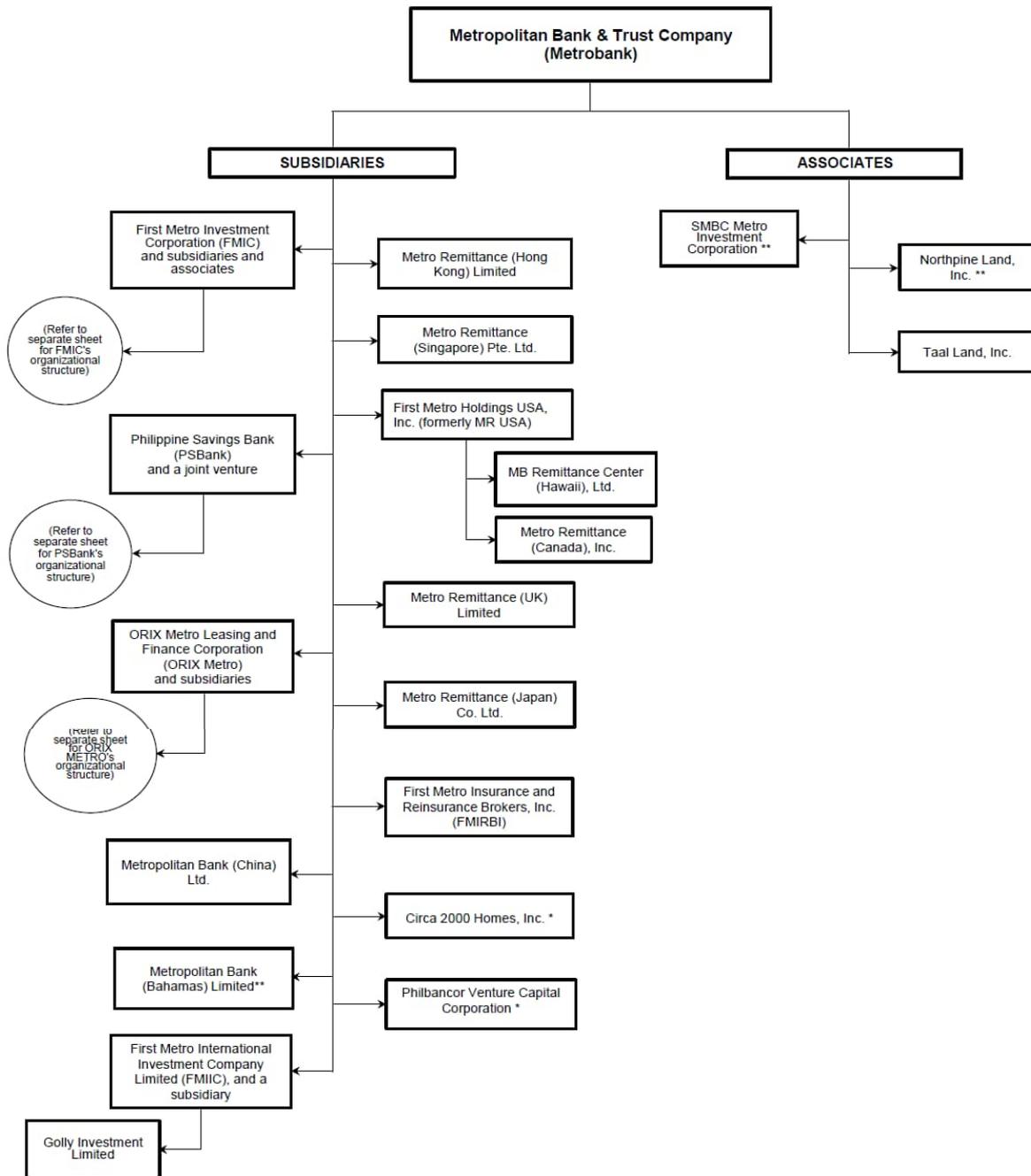
Subsidiary (S)

Branches (B)

METROPOLITAN BANK & TRUST COMPANY

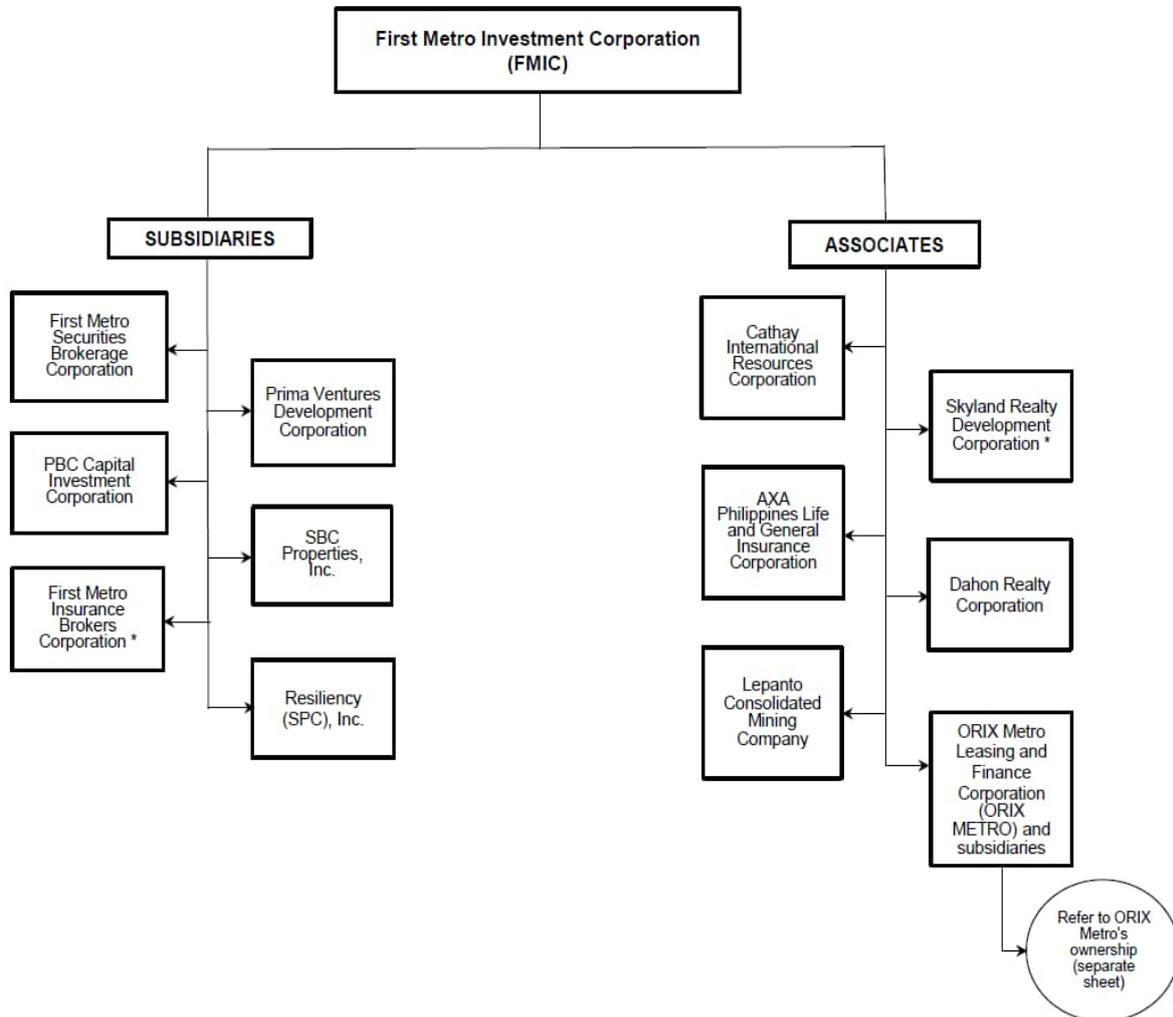
SUBSIDIARIES AND ASSOCIATES

AS OF DECEMBER 31, 2025



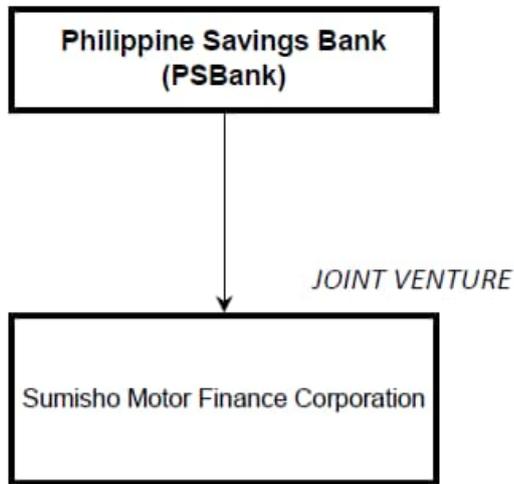
* In process of dissolution
 ** In process of liquidation

First Metro Investment Corporation
 Subsidiaries, Joint Venture and Associates
 As of December 31, 2025

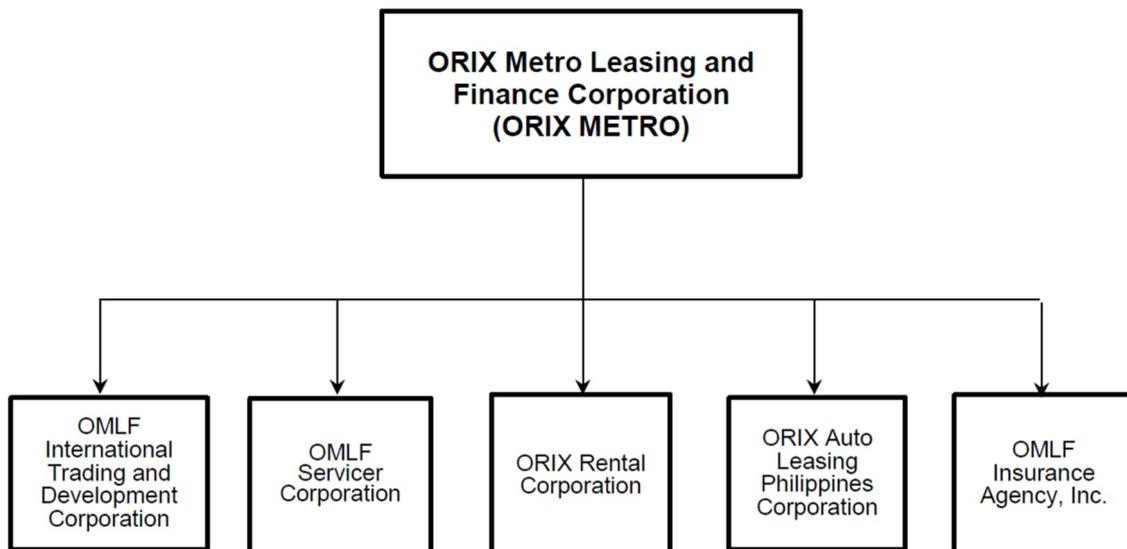


* In process of dissolution

Philippine Savings Bank
Joint Venture
As of December 31, 2025



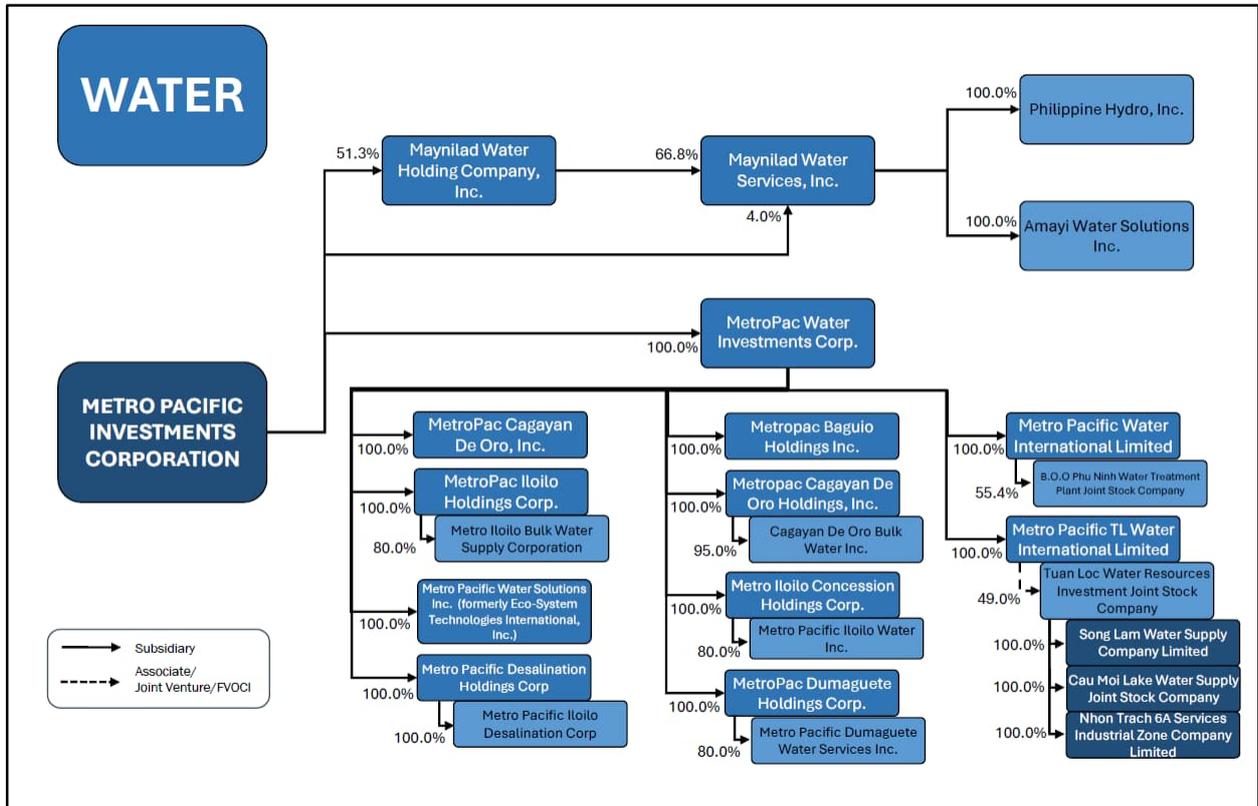
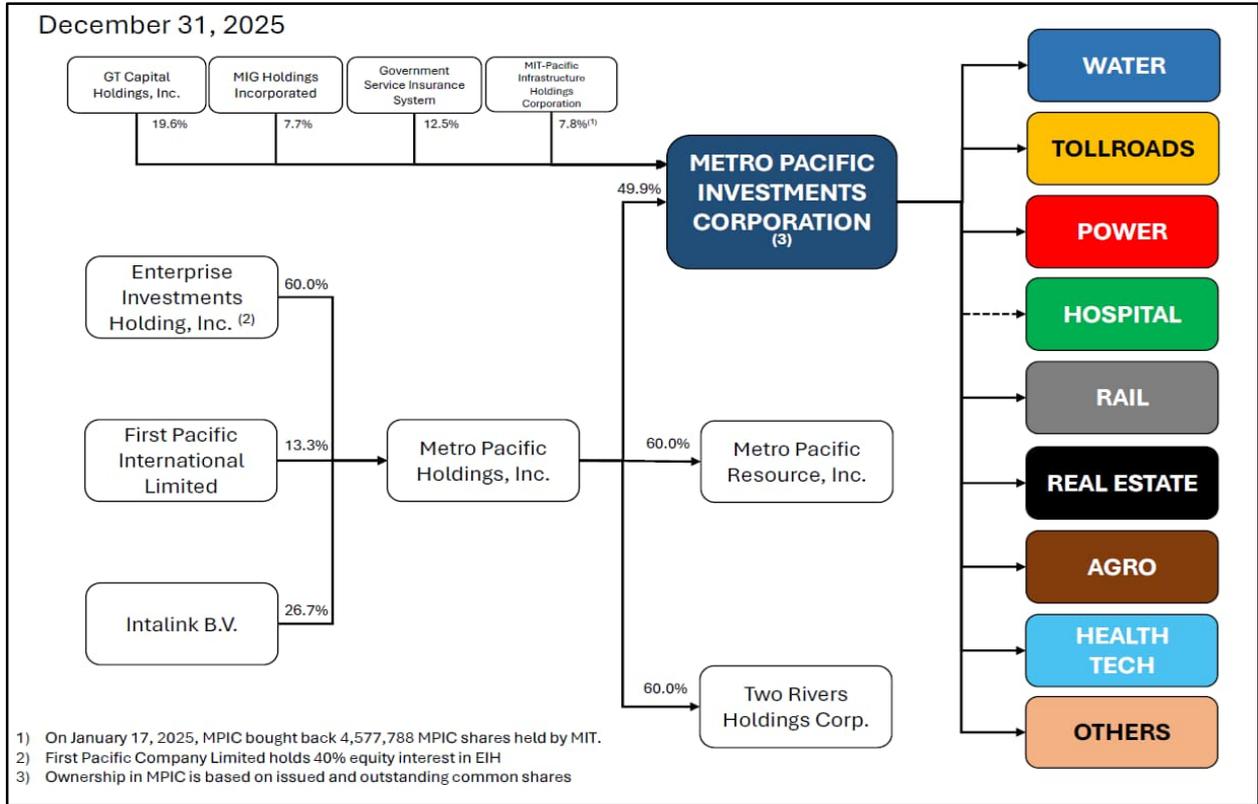
ORIX Metro Leasing and Finance Corporation (ORIX METRO)
Subsidiaries
As of December 31, 2025



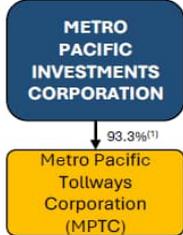
METRO PACIFIC INVESTMENTS CORPORATION

SUBSIDIARIES

AS OF DECEMBER 31, 2025



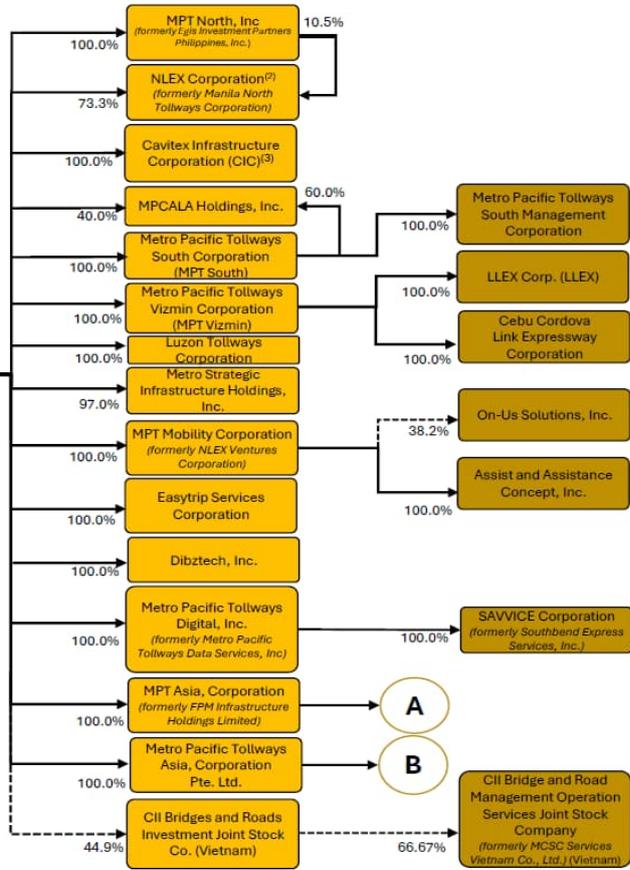
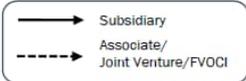
TOLLROADS



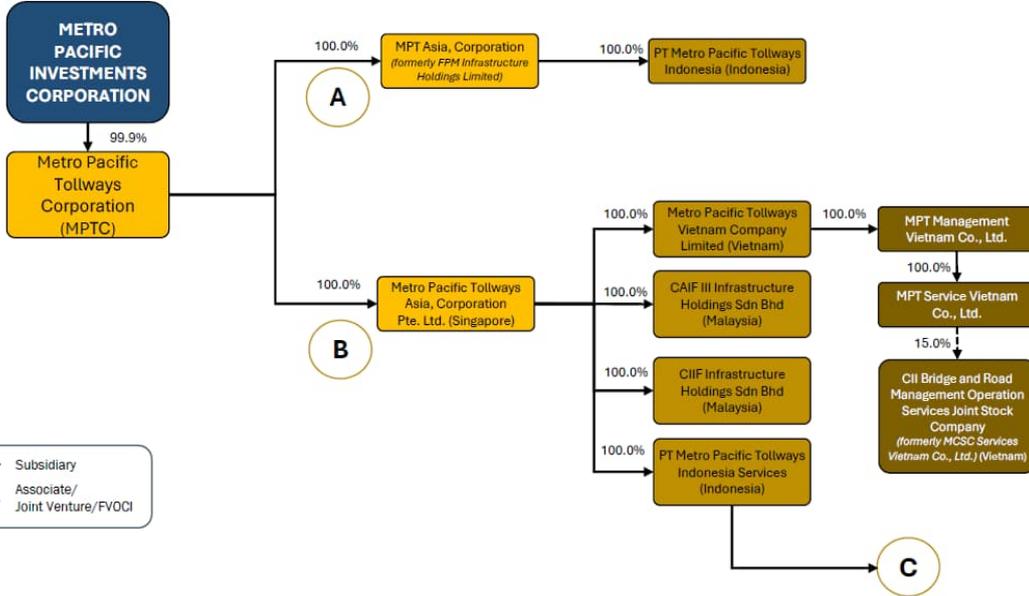
⁽¹⁾ On January 17, 2025, MPIC issued exchangeable bonds covering 1,495,258 MPTC shares.

⁽²⁾ NLEX Corporation is effectively owned by MPTC at 83.8% from Mar. 14, 2025.

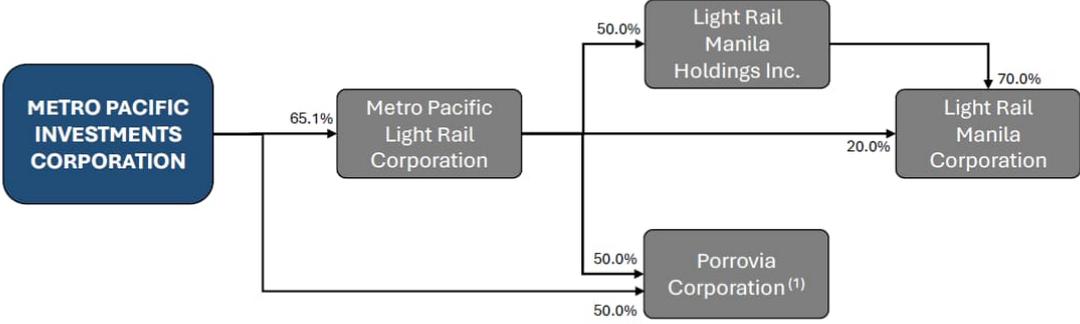
⁽³⁾ By virtue of the Management Letter-Agreement dated Dec. 27, 2012, MPTC acquired 100% control over CIC effective Jan. 2, 2013.



TOLLROADS



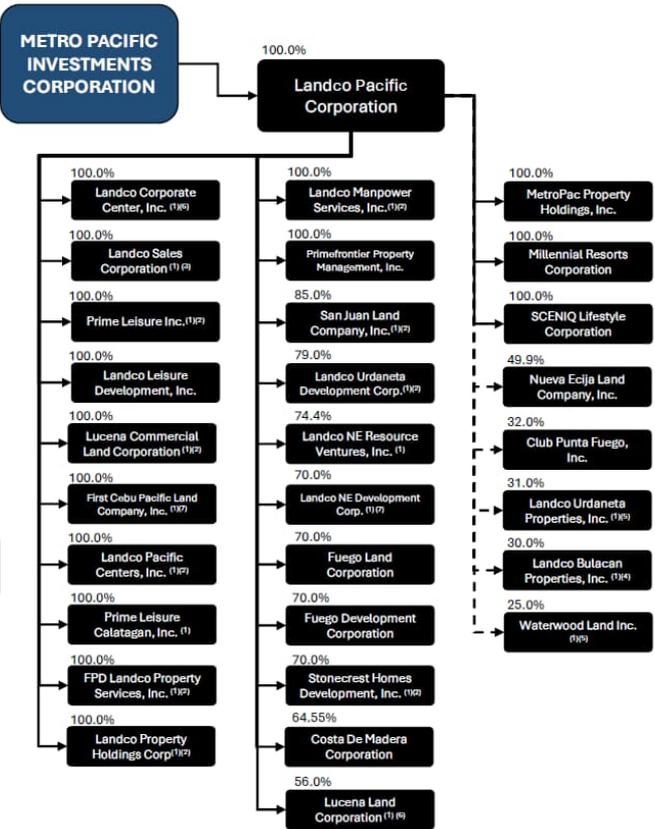
RAIL



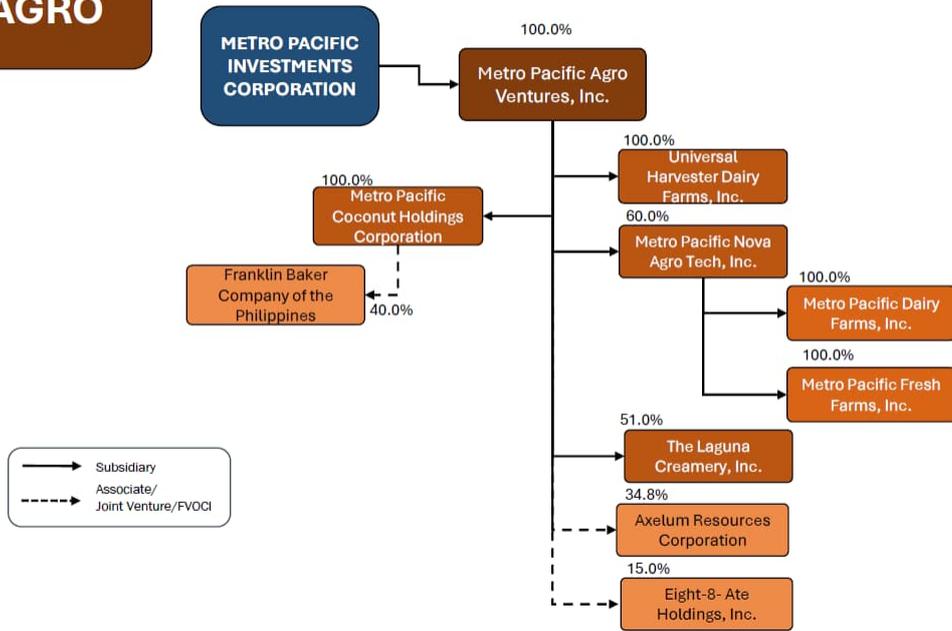
(1) Corporate life has been shortened to until March 31, 2019.

REAL ESTATE

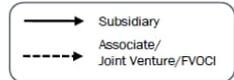
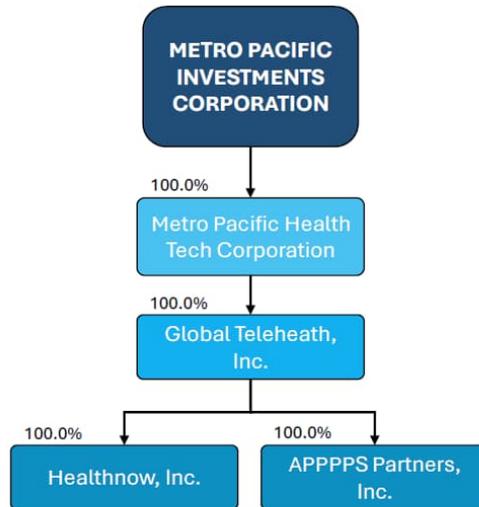
(1) Dormant.
 (2) Corporate life has been shortened to until July 31, 2018.
 (3) Corporate life has been shortened to until February 28, 2019.
 (4) Corporate life has been shortened to until September 30, 2019.
 (5) Corporate life has been shortened to until July 31, 2026.
 (6) Corporate life has been shortened to until September 30, 2026.
 (7) Corporate life has been shortened to until October 31, 2026.



AGRO



HEALTH TECH

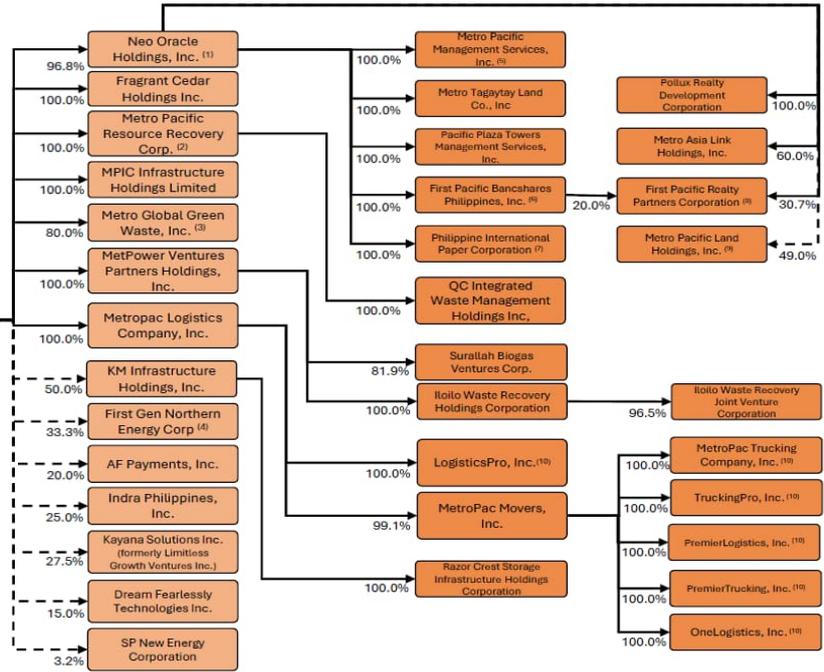


OTHERS

METRO PACIFIC INVESTMENTS CORPORATION



⁽¹⁾ End of corporate life (under liquidation).
⁽²⁾ Formerly MetroPac Clean Energy Holdings Corporation.
⁽³⁾ Corporate life has been shortened to until December 31, 2017.
⁽⁴⁾ Corporate life has been shortened to until December 31, 2016.
⁽⁵⁾ Corporate life has been shortened to until October 31, 2022.
⁽⁶⁾ Corporate life has been shortened to until October 31, 2019.
⁽⁷⁾ Corporate life has been shortened to until February 26, 2020.
⁽⁸⁾ Corporate life has been shortened to until May 31, 2018.
⁽⁹⁾ Corporate life has been shortened to until July 31, 2019.
⁽¹⁰⁾ Corporate life ended in December 2022.



GT CAPITAL HOLDINGS, INC. AND SUBSIDIARIES**SCHEDULE OF FINANCIAL SOUNDNESS INDICATORS****AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2025, 2024 AND 2023**

	2025	2024	2023
Liquidity Ratio			
Current ratio	1.35	1.39	1.51
Current assets	₱159,421	₱148,381	₱140,485
Current liabilities	117,849	107,127	93,214
Solvency Ratio			
Total liabilities to total equity ratio	0.64	0.69	0.80
Total liabilities	₱201,710	₱194,238	₱199,362
Total equity	317,333	279,850	247,824
Debt to equity ratio	0.39	0.45	0.56
Total debt	₱122,635	₱125,235	₱138,080
Total equity	317,333	279,850	247,824
Asset to Equity Ratio			
Asset to equity ratio	1.64	1.69	1.80
Total assets	₱519,043	₱474,088	₱447,186
Total equity	317,333	279,850	247,824
Interest Rate Coverage Ratio*			
Interest rate coverage ratio	7.91	6.74	6.37
Earnings before interest and taxes (EBIT)	₱54,554	₱49,273	₱50,225
Interest expense	6,896	7,306	7,888
Profitability Ratio			
Return on average assets	6.78%	6.25%	6.78%
Net income attributable to Parent Company	₱33,675	₱28,783	₱29,313
Total Assets	519,043	474,088	447,186
Average assets	496,566	460,637	432,171
Return on Average Equity	12%	11.64%	13.52%
Net income attributable to Parent Company	₱33,675	₱28,783	₱29,313
Equity attributable to Parent Company	298,678	262,517	232,011
Average equity attributable to Parent Company	280,598	247,264	216,877
Income before income tax	₱48,929	₱43,528	₱43,812
Interest expense	6,896	7,306	7,888
Interest income	1,271	1,561	1,475
EBIT	54,554	49,273	50,225

* computed as EBIT/Interest Expense

GT CAPITAL HOLDINGS, INC. AND SUBSIDIARIES
SUPPLEMENTARY SCHEDULE OF EXTERNAL AUDITOR FEE-RELATED
INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2025 AND 2024
(In millions)

	2025	2024
Total Audit Fees	₱22	₱21
Non-audit service fees:		
Tax services	1	7
All other services	1	3
Total Non-audit Fees	2	10
Total Audit and Non-audit Fees	₱24	₱31