

SECURITIES AND EXCHANGE COMMISSION

REGISTRATION STATEMENT

SECURING & EXPANDING CAPITAL FOR
REAL ESTATE Non-Traditional SECURITIES
(SEC RENT)

1.

SEC Registration Number

0000003571
2.

Exact name of issuer as specified in its charter

DAMOSA LAND, INC.
3.

Principal Business Address including postal code

Unit 1501, Damosa Diamond Tower, Damosa IT Park, JP Laurel Ave., Brgy. Angliongto Sr., Davao City 8000
4.

Province, country of other jurisdiction of incorporation or organization

Davao Del Sur, Philippines
5.

BIR Tax Identification No.

000-074-418-00000
6.

Industry Group:

Real Estate
7.

Official Email address:

corporateaffairs@anflocor.com
8.

Official company's website

www.damosaland.com
9.

Official Contact Number

(082) 235-2155
10.

Fiscal Year (Day and Month)

31 December

COMPUTATION OF FILING FEE

Title of each class of securities to be registered	Number of Securities to be registered	Proposed Maximum offering price per unit	Proposed maximum aggregate offering price	Amount of registration fee
STANDARD	94	₱50,000	₱4,700,000	₱5,200
DELUXE	4	75,000	300,000	
SUITE	2	100,000	200,000	
TOTAL	100		₱5,200,000	

Registration Statements filed pursuant to Section 12 of the Code shall be accompanied by a fee as follows:

Maximum aggregate price of zonal value of the Property	Amount of filing fee
N/A	N/A

Description	Exhibit No.
1. Certifications and/or Pre-evaluation from SEC Operating Departments	
a. OGA –approved pre-evaluation form in compliance with the Revised SRC Rule 68	-
b. CGFD – Certificate of Qualification of Independent Director and/or Website Template for PLCs	-
c. CRMD – Certificate of good standing and/or no dues collectible	1
d. EIPD – Certificate of no pending case filed or pending with the department against the Issuer and/or its directors and officers	1
e. OGC – Certificate of no pending case filed against the Issuer and/or its directors and officers	2
2. Publication of Notice re: Filing	3
3. Articles of Incorporation and By-laws	4
4. Subsidiaries of the Registrant (if any)	5
5. Instruments defining the rights of security holders (e.g. Certificate of Interest/Participation, Investment Contract)	6
6. Opinion re: Legality	7
7. Opinion re: Tax Matters	8
8. Audited Financial Statements/Audited Interim Financial Statements (Revised SRC Rule 68)	9
9. Consent of Experts and Independent Counsel	10
10. Notarized Curriculum Vitae and Latest Photographs of Officers and Members of the Board of Directors	11
11. Certificate of Qualification of Independent Director	12
12. Authorization re: Issuer’s Bank Account	13
13. Manual on Corporate Governance	14
14. Board Resolution (a) approving the securities offering and authorizing the filing of Registration Statement; (b) approving the disclosure contained in the Registration Statement and Prospectus and assuming liability for the information contained therein	15
15. Secretary Certificate as to adoption by the Board of certain corporate governance principles	16
16. Authorization letter from the registrant designating a representative through whom all dealing with the Commission regarding the application is coursed	17
17. Material Contracts (not in the ordinary course of business)	18
18. Corporate Secretary Certification that all mandated government license, permit are secured and valid Certification that all mandated government permits/licenses are secured and valid, with a table containing the type of permit/license, issuing agency, Issuance date and Expiry date as Annex (or reference to the page of the Prospectus where such table of Permits and Licenses can be found). In case of permits which are still under application, the table shall indicate the name of the permit/license, the issuing agency, the date the application was filed, and the current status of the application. The Commission reserves the right to conduct post audit on this representation.	19

Description	Exhibit No.
19. Government Issued Permits and Licenses, Registration (National and Local) e.g. DHSUD, DENR and its attached bureaus/agencies among others	20
20. Articles of Incorporation and By-laws of Condominium Corporation	n/a
21. Profit Sharing Agreement(s) or Distribution Participation Interest	21
22. Approved Condominium/Dormitory/Resort Blue Print	22
23. Project Engineer Certification on Project Status & Completion (if applicable)	n/a
24. Certificate of no derogatory record and/or letter of no objection from DHSUD	23
25. Certificate of Registration and ID as RE Broker/Salesperson, Business Firm and Dealer issued by DHSUD (Certified True Copy) if applicable	24
26. Management Contract Agreement (Condotel/Condo dorm/Dormitel etc.)	18
27. Rental Pool Agreement	21
28. Sample of Transfer Certificate Title of the Unit/Certificate of Participation in the Rental Pool	6
29. Certification on material legal proceedings filed by and against the Issuer, its subsidiaries & affiliates. The Commission reserves the right to conduct post-audit on this representation.	25
30. Certification from parties involved in the preparation and submission of documents involving registration with the Commission were done and with the full knowledge and consent of the parties, i.e. Issuer, Counsel of the Issuer	26

A legal research fee of 1% of the filing fee paid for filings made pursuant to SRC Rule 8.1 shall also be paid at the time of the filing.

PART I - INFORMATION REQUIRED IN PROSPECTUS

- 1. Front of the Registration Statement and Outside Front Cover Page of Prospectus
- 2. Inside Front Cover and First Two or More Pages of Prospectus
- 3. Forward looking Statement
- 4. Definition of Terms
- 5. Executive Summary
- 6. Risk Factors
- 7. Business Information
- 8. Use of Proceeds
- 9. Summary of the Offer
- 10. Plan of Distribution
- 11. Capitalization
- 12. Outstanding Securities and Principal Shareholders
- 13. Board of Directors
- 14. Management
- 15. Financial Information
- 16. Information on Independent Accountant and Other Related Matters
- 17. Independent Auditors and Counsels
- 18. Other Material Factors

**PART II - INFORMATION REQUIRED IN REGISTRATION STATEMENT
BUT NOT REQUIRED IN PROSPECTUS**

- 19. Other Expenses of Issuance and Distribution

Give the itemized statement of all expenses of the offering other than the discounts and commission (if applicable). If any of the securities are registered for sale by security holders, state how much of the expenses the security holders will pay. If the amount of any items are not known, give estimates but identify them as such.

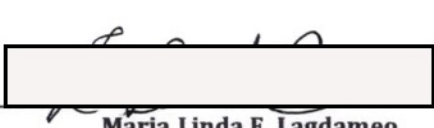
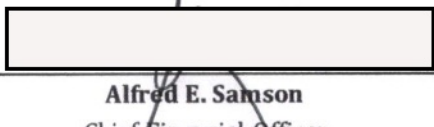
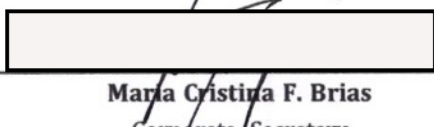
- 20. Exhibits

The exhibits index shall list exhibits in the same order, as the exhibit table. Refer to Part VII (A) of Annex “C” on the description of each document listed below.

- 1. Furnish any other document the omission of which will render the foregoing material facts or any other part of the Registration Statement misleading.

SIGNATURES

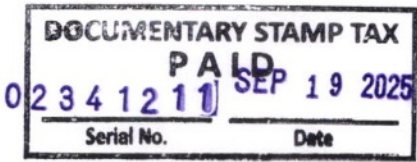
Pursuant to the requirements of the Securities Regulation Code, this registration statement is signed on behalf of the registrant by the undersigned, thereunto duly authorized, in the City of _____ on SEP 19 2025

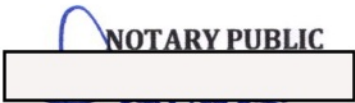
 Ricardo Luis Mateo F. Lagdameo President	 Maria Linda F. Lagdameo Chairman of the Board
 Alfred E. Samson Chief Financial Officer	 Maria Cristina F. Brias Corporate Secretary

SUBSCRIBED AND SWORN to before me this SEP 19 2025 affiants exhibiting to me his/her _____ as follows:

Name	Type of Identification	I.D. Number	Date/Place of Issue
RICARDO LUIS MATEO F. LAGDAMEO	DRIVER'S LICENSE		2023/ PHILIPPINES
MARIA LINDA F. LAGDAMEO	TIN		PHILIPPINES
MARIA CRISTINA F. BRIAS	TIN		PHILIPPINES
ALFRED E. SAMSON	PASSPORT		2020/ PHILIPPINES

Doc. No. 180
Page No. 37
Book No. 5
Series of 1025



NOTARY PUBLIC

FE V. PUYOS
Notary Public for Davao City
Commission No. 2025-318-2026
Valid until December 31, 2026
Roll of Attorneys No. 60179
IBP O.R. No. 505673 • 01/13/2025
PTR O.R. No. 0817520D • 01/07/2025 • Davao City
16th Floor Damosa Diamond Tower,
Brgy. Alfonso Angliongto Sr., Davao City
MCLE Compliance No. VIII-0032157



DAMOSALAND, INC.

(A corporation organized and existing under Philippine laws)

Prospectus relating to the Offer and Sale of 100 Certificates of Participation in TRYP by Wyndham Samal At an Offer Price of ₱50,000 to ₱100,000 per Certificate of Participation

This Prospectus is dated as of September 19, 2025.

A REGISTRATION STATEMENT RELATING TO THESE SECURITIES HAS BEEN FILED WITH THE SECURITIES AND EXCHANGE COMMISSION, BUT HAS NOT YET BEEN DECLARED EFFECTIVE. NO OFFER TO BUY THE SECURITIES CAN BE ACCEPTED AND NO PART OF THE PURCHASE PRICE CAN BE RECEIVED UNTIL THE REGISTRATION STATEMENT HAS BECOME EFFECTIVE THEREBY, AND ANY SUCH OFFER MAY BE WITHDRAWN OR REVOKED, WITHOUT OBLIGATION OR COMMITMENT OF ANY KIND. AT ANY TIME PRIOR TO THE NOTICE OF ITS ACCEPTANCE AN INDICATION OF INTEREST IN RESPONSE THERETO INVOLVES NO OBLIGATION OR COMMITMENT OF ANY KIND. THIS PROSPECTUS SHALL NOT CONSTITUTE AN OFFER TO SELL OR BE CONSIDERED A SOLICITATION OF AN OFFER TO BUY.

ONLY THE FOLLOWING AUTHORIZED REPRESENTATIVES OF DAMOSA LAND, INC. ARE PERMITTED TO SELL OR OFFER THESE CERTIFICATES OF PARTICIPATION VIA DIRECT PUBLIC OFFERING: VIRGMARIE O. BACALSO AND GLORIETTA D. NAVARRO. NO OTHER PERSON OR ENTITY IS AUTHORIZED TO SOLICIT OR SELL ON BEHALF OF THE ISSUER. ANY OFFER OR SOLICITATION MADE BY AN UNAUTHORIZED PARTY SHOULD NOT BE RELIED UPON.

THE SECURITIES AND EXCHANGE COMMISSION HAS NOT APPROVED THESE SECURITIES OR DETERMINED IF THIS PROSPECTUS IS ACCURATE OR COMPLETE. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE AND SHOULD BE REPORTED IMMEDIATELY TO THE SECURITIES AND EXCHANGE COMMISSION.

DAMOSALAND, INC.
Unit 1501, Damosa Diamond Tower
Damosa I.T. Park, J.P. Laurel Ave.
Brgy. Angliongto, Davao City
Philippines
Tel No. (082) 235-2000
www.damosaland.com

This Prospectus relates to the offer and sale to the public of *Certificates of Participation “Certificates”* in *TRYP by Wyndham Samal* by **Damosa Land, Inc.**, a corporation organized and existing under the laws of the Republic of the Philippines, the “Issuer” or the “Company” subject to the registration requirements of the Securities and Exchange Commission. The *Certificates* shall be sold at an offer price ranging from **₱50,000.00** to **₱100,000.00** (“Offer Price”) per *Certificate*, depending on the class of *Certificate*, or an aggregate Offer Price of up to **₱5,200,000.00**.

The **ONE HUNDRED certificates** forming part of the Offer corresponds to the total number of *condotel* units in *TRYP by Wyndham Samal*, a condominium project owned and developed by **Damosa Land, Inc.** On **January 24, 2024**, **PHINMA Microtel Hotels, Inc. (PMHI)** and the Company entered into a *Trademark License Agreement* wherein the parties confirmed the agreement between **PMHI** and Company whereby *the Company* undertook to develop, construct and market the condominium as a *condotel* to be called *TRYP by Wyndham Samal* and include as a condition for the sale of the units in the *condotel* the buyers’ obligation to contribute the use of their respective Units to the Project to be operated and managed through a management agreement with a third-party contractor.

In exchange for their participation in the Project and their contribution of their respective Units to the Project, and subject to certain conditions discussed in this Prospectus, the unit owners in the *condotel* (each a “Unit Owner”), to whom the *Certificates* shall be exclusively offered and sold, and who have satisfied the Eligibility Requirements as defined in this Prospectus, shall receive, in their capacity as holders of the *Certificates* (each a “Certificate Holder”) (i) a rental pool/profit share on the *Certificate* based on the Final Unit Owner’s Rental Pool Share (“Final Share”) as defined herein, and (ii) other annual usage privileges, subject to the terms and conditions hereinafter set forth in this Prospectus.

On **June 27, 2025**, the Board of Directors of the Company authorized the offer and sale of **one hundred (100) Certificates** at the following Offer Price:

Class	No. of Certificate Per Class	Offer Price per Certificate	Aggregate Offer Price Per Class
STANDARD	94	₱50,000	₱4,700,000
DELUXE	4	75,000	300,000
SUITE	2	100,000	200,000
Total	100		₱5,200,000

The stockholders of the Company approved the issuance of the said securities on June 27, 2025.

The total proceeds to be raised by the Issuer from the Offer will cover portion of costs to be incurred during initial commercial operations.

The *Certificates* are being offered for sale solely in the Philippines. The distribution of this Prospectus and offer and sale of the *Certificates* may, in certain jurisdictions, be restricted by law. The Company requires persons into whose possession this Prospectus comes, to inform themselves of the applicable legal requirements under the laws and regulations of the countries of their nationality, residence or domicile, and as to any relevant tax or foreign exchange control laws and regulations affecting them personally. This Prospectus does not constitute an offer of any securities or any offer to sell, or a solicitation of any offer to buy any securities of the Company in any jurisdiction, to or from any person whom it is unlawful to make such offer in such jurisdiction.

The information contained in this Prospectus relating to the Issuer and its operations has been supplied by the Issuer, unless otherwise stated herein. To the best of its knowledge and belief, the Issuer which has taken reasonable care to ensure that such is the case, confirms that, as of the date of this Prospectus, the information contained in this Prospectus relating to it and its operations is correct, and that there is

no material misstatements or omission of facts which would make any statement in this Prospectus misleading in any material respect and that the Issuer hereby accepts full and sole responsibility for the accuracy of information contained in the Prospectus with respect to the same.

Each investor must comply with all laws applicable to it and must obtain the necessary consent, approvals or permission for its purchase, offer or sale under the laws and regulation in force to which it is subject.

The company is organized under the Philippine Law. The Company is authorized to distribute dividends out of its surplus profit, in cash, properties of the Company, shares of stock. Dividends paid in the form of cash or property, are subject to approval of the Board of Directors of the Company. The Board may not declare dividends as determined by the Board, taking into consideration factors such as implementation of business plans, debt service requirements, operating expenses, budgets, funding of new investments and acquisitions and appropriate reserves and working capital.

Unless otherwise indicated, all information in this Final Prospectus is as of the date of this Final Prospectus. Neither the delivery of this Final Prospectus nor any sale made pursuant to this Final Prospectus shall, under any circumstances, create implication that the information contained herein is correct as of any date subsequent to the date hereof or that there has been no change in the affairs of the Company since such date.

No person has been authorized to give any information or to make any representation not contained in this Final Prospectus. If given or made, any such information or representation must not be relied upon as having been authorized by the Company. This Final Prospectus does not constitute an offer or any securities, or any offer to sell or solicitation of any offer to buy any of the securities of the Company in any jurisdiction, to or from any person to whom it is unlawful to make such offer or solicitation in such jurisdiction.

Before making an investment decision, investor must rely on their own due diligence examination of the Company and the terms of the Offer including the risks involved.

The Issuer has included in this Statement all of its representation about this offering. If anyone gives you more or different information, you should ignore it. You should carefully review and rely only on the information in this Statement in making an investment decision. The Investors should be aware that risks and uncertainties might occur.

ALL REGISTRATION REQUIREMENTS HAVE BEEN MET AND ALL INFORMATION CONTAINED THEREIN IS TRUE AND CURRENT.

(signature page to follow)

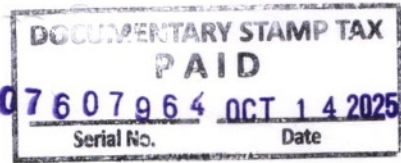
By:


RICARDO LUIS MATEO F. LAGDAMEO
President

SUBSCRIBED AND SWORN to before me this **OCT 14 2025** affiants exhibiting to me his _____ as follows:

Name	Type of Identification	I.D. Number	Date/Place of Issue
RICARDO LUIS MATEO F. LAGDAMEO	DRIVER'S LICENSE		2023/ PHILIPPINES

Doc. No. 319
Page No. 65
Book No. 42
Series of 2025




NOTARY PUBLIC
NICOLAS A. BANGA
Notary Public for Davao City
Commission No. 2024-134-2025
Valid until December 31, 2025
Roll of Attorneys No. 51915
IBP Lifetime Membership No. 011469 • 01/16/2013
PTR No. 0538593D • 12/26/2024 • Davao City
Office Address: 16th Floor Damosa Diamond Tower,
Brgy. Alfonso Angliongto St., Davao City
MCLE Compliance No. VIII-0027973

TABLE OF CONTENTS

FORWARD LOOKING STATEMENTS 1

DEFINITION OF TERMS..... 2

EXECUTIVE SUMMARY..... 5

 Brief Background of the Issuer 5

 Risk of Investing 6

RISK FACTORS6

 General Risk Warning 6

 Company-Related Risks..... 6

 Geographic and Political Risks..... 8

 Market-Related Risks 8

 Legal and Regulatory Risks 9

 Environmental Risks 9

BUSINESS INFORMATION 10

THE REGISTRANT..... 10

 Damosa Land, Inc.10

 TRYP by Wyndham Samal16

 The Projects.....22

 Subsidiaries25

PERMITS AND LICENSES 26

COMPETITION 27

 Strategic Positioning of Issuer.....28

EMPLOYEES 29

LABOR REQUIREMENTS..... 29

PROPERTIES..... 29

LEGAL PROCEEDINGS OF COMPANY, ITS SUBSIDIARIES AND/OR AFFILIATES 31

TRANSACTION WITH AND/OR DEPENDENCE ON RELATED PARTIES 31

USE OF PROCEEDS..... 32

 Net Proceeds32

 Detailed Use of Net Proceeds33

SUMMARY OF THE OFFER 34

 Description of the Offer34

 Determination of the Offer Price39

 Investor Restrictions.....39

PLAN OF DISTRIBUTION 40

CAPITALIZATION..... 40

 Capital Stock.....41

OUTSTANDING CERTIFICATES AND PRINCIPAL SHAREHOLDERS..... 41

 Outstanding Securities.....41

 Stockholders41

DESCRIPTION OF PROPERTY	41
BOARD OF DIRECTORS.....	42
Directors.....	42
Business and Work Experience	42
Security Ownership of Directors.....	43
MANAGEMENT	43
Officer, Manager and Key Person	43
Security Ownership of Officers, Managers and Key Persons.....	45
Compensation	45
Arrangements with Officers, Directors, Managers and Key Persons	45
Insolvency Legal Proceedings of Management and Key Personnel.....	46
Certain Legal Proceedings	46
Litigation	46
Family Relationship	47
Certain Relationship and Related Party Transactions.....	47
FINANCIAL INFORMATION.....	48
Projected Financial Performance of the Condotel Operations	49
Liquidity and Capital Resources.....	51
Capital Expenditures.....	51
Trends, Events, and Uncertainties	51
Summary of Historical Financial Information	51
INFORMATION ON INDEPENDENT ACCOUNTANT AND OTHER RELATED MATTERS	63
External Audit Fees and Services.....	63
Changes in and Disagreements with Accountants on Accounting and Financial Disclosure	63
Taxation.....	63
RECENT RELEVANT PHILIPPINE TAXATION LAW.....	63
A. TAXATION ON SALE OF CONDO UNITS	63
Documentary Stamp Tax	64
Value Added Tax.....	64
Local Transfer Tax.....	64
Real Property Tax	64
B. TAXATION ON ISSUANCE OF CERTIFICATE OF PARTICIPATION.....	64
Documentary Stamp Tax	65
C. TAXATION ON FINAL UNIT OWNER’S RENTAL POOL SHARE	65
Final Withholding Tax.....	65
D. TAXATION ON TRANSFER OR SALE OF THE CONDOTEL UNIT/S	65
Capital Gains Tax	66
Estate Tax.....	66
Donor’s Tax.....	66
Documentary Stamp Tax	66
INDEPENDENT AUDITORS AND COUNSELS.....	67
Tax and Legal Matters	67
Independent Auditors	67
OTHER MATERIAL FACTORS.....	67

FORWARD LOOKING STATEMENTS

This Prospectus contains forward-looking statements that are, by their nature, subject to significant risks and uncertainties. These forward-looking statements include, without limitation, statements relating to:

- known and unknown risks;
- uncertainties and other factors which may cause actual results, performance or achievements of the Issuer, to be materially different from any future results; and
- performance or achievements expressed or implied by forward-looking statements.

Such forward-looking statements are based on assumptions regarding the present and future business strategies and the environment in which the registrant will operate in the future. Important factors that could cause some or all of the assumptions not to occur or cause actual results, performance or achievements to differ materially from those in the forward-looking statements include, among other things:

- the ability of the registrant to successfully implement its strategies;
- the ability of the registrant to anticipate and respond to healthcare trends;
- the ability of the registrant to successfully manage its growth;
- the condition and changes in the Philippines, Asian or global economies;
- any future political instability in the Philippines, Asia or other regions;
- changes in interest rates, inflation rates and the value of the Peso against the U.S. Dollar and other currencies;
- changes in government regulations, including tax laws, or licensing requirements in the Philippines, Asia or other regions; and
- competition in the hospitality industries in the Philippines and globally.

Additional factors that could cause actual results, performance or achievements of registrant to differ materially include, but are not limited to, those disclosed under “Risk Factors” and elsewhere in this Prospectus.

These forward-looking statements speak only as of the date of this Prospectus. The registrant expressly disclaims any obligation or undertaking to release, publicly or otherwise, any updates or revisions to any forward-looking statement contained herein to reflect any change in the expectations of the registrant with regard thereto or any change in events, conditions, assumptions or circumstances on which any statement is based.

This Prospectus includes forward-looking statements, including statements regarding the expectations and projections of the Issuer for future operating performance and business prospects. The words “believe”, “expect”, “anticipate”, “estimate”, “project”, “may”, “plan”, “intend”, “will”, “shall”, “should”, “would” and similar words identify forward-looking statements. In addition, all statements other than statements of historical facts included in this Prospectus are forward-looking statements. Statements in this Prospectus as to the opinions, beliefs and intentions of the Issuer accurately reflect in all material respects the opinions, beliefs and intentions of the management of the registrant as to such matters at the date of this Prospectus, although the Issuer can give no assurance that such opinions or beliefs will prove to be correct or that such intentions will not change. This Prospectus discloses, under the section “Risk Factors” and elsewhere, important factors that could cause actual results to differ materially from the expectation of the Issuer. All subsequent written and oral forward-looking statements attributable to either the Issuer or persons acting on behalf of the Issuer are expressly qualified in their entirety by cautionary statements.

DEFINITION OF TERMS

As used in this Prospectus, the following terms shall have the meanings ascribed to them:

“BIR”	Bureau of Internal Revenue
“DOT”	Department of Tourism
“DHSUD”	Department of Human Settlements and Urban Development
“SEC”	Philippine Securities and Exchange Commission
Accommodation	Concerned with providing customers with a place to stay temporarily, where people book holidays or trips and require lodging.
Condotel	Also known as a condo hotel, is a building which is legally a condominium, but which is operated as a hotel. Condo hotels offer short-term rentals and maintain a front desk, cleaning service and more, similar to hotel properties. In this prospectus this is referred to as the 6-storey TRYP by Wyndham Samal.
Broker	A person engaged in the business of buying and selling securities for the accounts of others.
Buyer’s Share	The final unit owner’s rental pool share and payable by the Issuer to Certificate Holders.
Capital Expenditure (CAPEX) Reserve	A fund set aside from operational revenues or contributions, typically 10–15% of hotel development cost, for future major repairs or renovations.
Condotel Units	The Unit to be contributed to the Condotel Project by the Unit Owner.
Certificate of Participation/Certificate	The document evidencing the participation of a Unit Owner in the Condotel Project.
Certificate Holder	A Unit Owner who has satisfied the Eligibility Requirements to hold the Certificate.
Condominium Certificate of Title / CCT	A legal document issued proving the ownership of a specific condotel unit including the owner’s proportional interest in common areas.
Condotel Revenues	The total of the revenue generated from the operations of the Condotel Units, net of charges imposed by payment facilities, and travel or booking agents, remittance charges, discounts on room rates and other similar cost.
Condominium Corporation	The condominium corporation to be established for the Condotel pursuant to the requirements of Republic Act No. 4726 or The Condominium Act, which shall eventually hold the title to the common areas and the land over which the Condotel is built.
Condotel Participation Agreement	The Condotel Participation Agreement between Damosa Land, Inc. and the unit owner. For avoidance of doubt, the Condotel Participation Agreement is the same as the Rental Pool Arrangement/Agreement as used in the Contract to Sell between DLI and the Buyer.
Common Areas	Areas within the condotel intended for collective use by unit owners and guests, such as lobbies, hallways, amenities, service rooms, and building systems, excluding saleable units.
CUSA (Common Use Service Area) Fee	This refers to the fee to cover proportionate share in the cost of maintaining, operating, and servicing the common areas and shared facilities of the leased space.
Developer	Damosa Land, Inc. is a domestic corporation engaged in the development of real estate projects, including the Condotel Project.

Dealer	Any person who buys and sells investments for his/her account in the ordinary course of business.
EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization)	A financial metric used to assess a company’s performance. It reflects earnings generated from core business operations, excluding effects of financing costs, tax expenses, and non-cash accounting items such as depreciation and amortization.
Eligibility Requirement	The following conditions to be satisfied by a Unit Owner to be eligible to hold the Certificates: a. Full payment of the unit’s purchase price; b. Full payment of the other charges which includes the Offer Price amount; and c. Execution of a Condotel Participation Agreement between the unit owner and Damosa Land.
Expropriation	A legal process wherein the government acquires private property for public use, typically through the courts and with compensation to the owner.
Gross Operating Profit (GOP)	Hotel revenues less departmental expenses; a measure of operating efficiency before fixed costs, taxes, and interest.
Hospitality Industry	Refers to various businesses and services linked to leisure and customer satisfaction. It focuses on ideas of luxury, pleasure, enjoyment, and experiences.
Issuer	The originator, maker, obligator, or creator of the security.
Issuer Company	Damosa Land, Inc. is doing business as TRYP by Wyndham Samal, a domestic corporation primarily engaged in the business of operating and managing real estate projects and rendering hospitality-related services.
Investment Contract	Refers to an arrangement where the Participant contributes capital or property such as a condotel unit, to a common enterprise operated by DLI with the expectation of profit primarily derived from the efforts of DLI or its appointed manager. This falls under the definition of an investment contract as recognized by Philippine law and SEC regulations.
Key Management Personnel	Persons having authority and responsibility for planning, directing, and controlling the activities of the entity, directly or indirectly, including any directors (whether executive or otherwise) of the entry.
Management Agreement	A contract between the developer or unit owners and a third-party hotel operator for the management of day-to-day hotel operations.
MICE	Acronym for Meetings, Incentives, Conferences, and Exhibitions – a market segment in hospitality catering to corporate events and group travel.
Net Room Revenue	Gross room revenue less discounts, VAT, and other direct charges (e.g., OTA commissions), forming the basis for rental pool income.
Nominee	An individual authorized by a corporate unit owner to exercise the use rights or receive the economic benefits of the unit, as designated by board resolution.
Occupancy	The proportion of accommodations occupied or in use.
Occupancy Rate	Term used to indicate how much of a space is rented out compared to how much space is available.
Offer Price	This refers to the price at which the securities (Certificate of Participation) are being offered to investors by the Issuer.
Other Charges	This refers to the additional costs or fees, exclusive of the Offer Price, which may be payable by the investor in relation to the purchase of the securities.

Participation Fee	The amount equivalent to the Offer Price paid by an initial Unit Owner for a Certificate, which will be repaid to the Certificate Holders upon end of the Term of the Condotel Project.
PFRS 15	Philippine Financial Reporting Standard 15, governing revenue recognition. Real estate revenue is recognized over time or at a point in time depending on contractual terms.
PHINMA Hospitality	Refer to the duly appointed Management Company to be engaged by DLI to oversee the professional management operation and administration of the Condotel under the TRYP by Wyndham brand.
Pre-selling	The marketing and sale of condotel units prior to the completion or turnover of the project.
Project	Refers to TRYP by Wyndham Samal
Public Offering	An offer of securities to the general public, subject to SEC approval and disclosure requirements.
Registrant	The registrant of the Certificates of Participation, of which for this prospectus, will be Damosa Land, Inc.
Rental Pool	The combined inventory of participating condotel units operated as a hotel. Unit owners share in the income generated by the rental pool.
Rental Pool Share	The fixed portion of net room revenue allocated for distribution to participating unit owners. In this case, 40% of net room revenue is reserved for owners.
Resort	A place that is a popular destination for vacations or recreation, or which is frequented for a particular purpose.
Return on Investment	The annual earnings from the rental pool expressed as a percentage of the unit’s purchase price.
Securities	Shall include investment contracts, certificates of interest or participation in a profit-sharing agreement.
Transfer Certificate of Title / TCT	Obtained from the Registry of Deeds of the city in which the property is at, this document proves that the ownership of the condominium has been transferred to the unit owner.
Turnover	The physical delivery of the finished condotel unit to the buyer. Participation in the rental pool begins after turnover and submission of required documents.
Unit Owner’s Share	The proportion of the 40% net room revenue rental pool allocated to an individual owner, based on the relative size and participation of their unit.
Working Capital	The capital used for day-to-day hotel operations, including payroll, utilities, supplies, and other recurring costs. It ensures liquidity and service continuity.

EXECUTIVE SUMMARY

The following summary is qualified in its entirety by, and should be read in conjunction with, the more detailed information and audited financial statements, including notes thereto, found in the appendices of this Prospectus.

Prospective investors should read this entire Prospectus fully and carefully, including the section on “Risk Factors”. In case of any inconsistency between this summary and the more detailed information in this Prospectus, then the more detailed portions, as the case may be, shall at all times prevail.

Brief Background of the Issuer

Damosa Land, Inc. (“DLI”, “the Company”, “the Issuer”) is the premier real estate arm of the Anflo Group of Companies, a respected Mindanao-based conglomerate. Since its founding in 2004, DLI has transformed underutilized land into thriving commercial landmarks, beginning with the iconic Damosa District in Davao City. With a keen eye for opportunity and sustainable value creation, DLI led the growth of Lanang, Davao City through pioneering developments such as the region’s first PEZA-registered IT park. Its strategically located projects like McPod in Matina, Davao City and Valley High in General Santos City continue to draw businesses and drive regional commerce—solidifying DLI’s role as a first mover and growth enabler in Southern Mindanao.

Between the late 2000’s and early 2010’s, Mindanao’s economic activities have been growing in a rapid pace. Improved connectivity through land, air, and seas brought people to discover the richness of the region. Between 2007 and 2015, tourist arrivals in Regions XI and XII posted a robust compound annual growth rate (CAGR) of approximately 12.78%, reflecting the regions’ rising prominence as destinations for both leisure and business travel. Recognizing this upward trend, Damosa Land identified a strategic opportunity to invest in hospitality projects that cater to the growing demand driven by increased tourism and trade activities. This move aligns with the company’s commitment to support regional development while capitalizing on high-growth sectors in Mindanao. The Company partnered with one of the leading conglomerates in the country, PHINMA Group, to develop and operate two globally-acclaimed brand of business hotels in Davao City and General Santos City, now known as Microtel by Wyndham Davao and Microtel by Wyndham Gensan. Stemming from years of top-notch hospitality experience in operating its affiliate – Pearl Farm Beach Resort in Samal Island – the Anflo Group has yet again proven itself in providing quality hospitality projects through the years of success in both Microtel Davao and Microtel Gensan.

Backed by a portfolio of award-winning residential, commercial, and industrial projects, DLI delivers not only well-designed spaces but also long-term investment value. From Damosa Fairlane to the transformative Seawind condominium and the highly successful Anflo Industrial Estate, the company has consistently responded to market demand with innovation and foresight. Its introduction of globally-known flexible workspaces and the development of the green-certified Damosa Diamond Tower reflect a forward-looking approach that positions DLI as a trailblazer in Mindanao’s evolving property sector.

The company’s expansion into integrated lifestyle and agri-tourism communities, including Agriya and Bridgeport in Samal, showcases its master planning expertise and ability to unlock value in emerging areas. Even during the pandemic, DLI displayed resilience—pressing forward with high-quality developments while safeguarding its workforce. Its 20th anniversary milestone in 2024 marked the launch of Davao’s first agri-residence, Kahi Estates, and Agriya Gardens—projects that reinforce DLI’s commitment to sustainability and innovation. To date, DLI’s development portfolio generates revenue primarily from residential projects, which account for seventy percent (70%) of its total revenue, while the remaining thirty percent (30%) comes from commercial and industrial projects. It has delivered over 700,000 sqm of leasable space with 281 tenants and more than 1,600 homes, supporting over 11,000 jobs and earning the trust of eleven (11) global locators across all projects and local investors alike. Following this milestone-driven growth, the Business Information section of this Prospectus provides a detailed description of each development in DLI’s portfolio. These narratives outline each project’s intent, design philosophy, sustainability features, and notable recognitions. Each project reflects the Company’s vision and execution capabilities, offering prospective investors a well-rounded view of the distinct identity and value proposition of every DLI project.

Complementing this robust development portfolio is the consistent capital appreciation of DLI’s residential projects. From pioneering subdivisions to condominiums and master-planned communities, DLI’s developments have demonstrated steady growth in market value, affirming the long-term investment potential of its offerings. This appreciation reflects the Company’s strategic site selection, thoughtful project execution, and deep understanding of local market dynamics. The growth in these values, comprising launch prices, 2024 market valuations, and corresponding CAGR, as detailed in the Business Information section, underscores DLI’s proven ability to deliver developments that provide not only lifestyle and functional benefits but also sustained financial gains for its investors over time.

Building on this strong financial and operational foundation, DLI has also been consistently awarded and recognized by different award-giving bodies in the industry and recipient of multiple project-level distinctions, Damosa Land presents a compelling investment opportunity. With a strong pipeline, the introduction of a new project named **TRYP by Wyndham Samal** and other high-end residential enclaves, DLI is poised for continued expansion in high-growth areas. Its unmatched track record, award-winning designs, and strategic vision make it an ideal partner for investors looking to capitalize on Mindanao’s rising economic momentum.

Risk of Investing

Potential buyers of the Certificates of Participation should also consider the following risks when investing in the Offer.

- Risks that are related to the Issuer’s business and hospitality industry; and
- Risks that are related to Offer and the Certificate of Participation.

Kindly refer to the section below entitled “Risk Factors” for a detailed discussion of each risk, which is not intended to be an exhaustive enumeration of all related risks, but must be considered in connection with the purchase of the Offer.

RISK FACTORS

General Risk Warning

An investor should seek professional advice if he or she is uncertain of or has not understood any aspect of the securities to invest in or the nature of risks involved in buying securities.

An investor deals in an investment which may carry a different level of risk.

The following is a summarizes all risks associated with the Issuer and/or this Offering. Investors are advised to thoroughly evaluate these risks before proceeding with an investment in this offer.

Investing in this condotel unit involves a number of risks. The value of the investment can fluctuate, and investors may experience movements in their returns. These risks include reliance on offering proceeds, market competition, pre-selling dependency, and potential construction delays. Political shifts, infrastructure timelines, and external factors such as tourism demand and sector competition may also affect performance. Additionally, regulatory changes and zoning developments could impact operations or long-term property value. While these risks exist, the Issuer mitigates them through phased planning, strong regional expertise, reputable partnership and sound management practices.

Company-Related Risks

As with any business undertaking, the Issuer is exposed to specific risks related to its operations, strategic focus, and organizational structure. These company-related risks may influence the Project’s development timeline, financial performance, and investor returns. The following are key risks identified by the Company, along with corresponding mitigants that have been put in place to manage and address these concerns.

Market competition

There are more local and national developers looking to expand in the region where the Issuer is operating and expanding, especially within the development zone. This may have an adverse effect on the Issuer’s business. The Issuer mitigates this risk by leveraging its position as Mindanao’s leading real estate developer, with deep local market knowledge, a solid reputation, and established relationships across the region. Its proven track record, regional presence and understanding of evolving consumer preferences allow it to respond more effectively to market dynamics and maintain a strong competitive edge.

Construction capability

There is potential for delays, quality issues, or budget overruns due to limited resources or experience in this type of development. External factors such as labor shortages, material price increases and contractor performance may also impact Project delivery and operational timelines. In order to address this risk, the Issuer is engaging experienced contractors and consultants and is maintaining a dedicated project management team. It also leverages on its strong regional track record and internal technical capabilities to manage construction efficiently and uphold quality and schedule commitments.

Developer reputation and management quality

Being a Mindanao-based developer, the Issuer may not have the same level of national visibility, institutional scrutiny or public familiarity as larger real estate firms. This relative lack of exposure may present concerns among prospective investors regarding the Issuer’s track record, transparency, and long-term reliability. Perceived uncertainty around governance standards and project execution capabilities,

these perceptions if not addressed may affect market acceptance of the offering. Being recognized as one of the most established and reputable homegrown real estate developer in Mindanao, the Issuer has a consistent track record in delivering residential, commercial, and mixed-use developments. It upholds sound corporate governance practices, maintains compliance with relevant regulatory standards and has demonstrated operational transparency in its past projects. The Issuer is also led by a seasoned management team with expertise in real estate development, finance and hospitality, and is committed to applying institutional-level standards to project planning, and reporting.

Reliance on pre-selling

The Issuer may rely heavily on pre-selling units to fund early construction stages. In particular, the success of pre-selling efforts is subject to market demand, buyer sentiment, and broader economic conditions. Any deterioration in consumer confidence, rising interest rates, or unexpected financial challenges faced by buyers such as job losses, inflation or overseas remittance issues, may negatively affect sales velocity and collection efficiency. Delays or shortfalls in pre-selling revenue could disrupt the Project's construction timeline and overall financial performance. To mitigate this risk, the Issuer adopts a phased development and sales strategy, aligning construction progress with sales performance to better manage capital flow. It also implements stringent buyer qualification and stringent credit assessment processes to ensure reliable collections. Furthermore, the Issuer maintains a solid pre-selling track record, supported by active marketing efforts and strategic pricing.

Involvement of several third-party contractors

Independent contractors are employed to deliver the products of the Issuer. Their output might not meet the Issuer's standard, therefore possibly delaying the operations of the Condotel. In order to mitigate such risks, the Issuer implements a stringent contractor selection and evaluation process, prioritizing partners with proven track records in hospitality and mixed-use developments. Detailed performance-based contracts, regular quality audits, and on-site supervision are enforced to ensure compliance with Project standards and timelines.

Best-effort offering

The Issuer is offering these securities on a "best-effort" basis. As these are not equity securities, there is no requirement to engage an underwriter, placement agent, or similar intermediary to sell the securities. The Issuer will manage the sale directly. Each security is inseparably linked to the ownership of a specific real estate unit, and vice versa. Hence, regardless of the pace of sales, the underlying unit retains its intrinsic potential for capital appreciation over time. The Project's thoughtful design, strategic location, and strong market demand position it as a high-value asset that offers both stable income potential and sustained value growth for investors.

Additional issuance of securities

The Certificate of Participation for this condotel project is limited to the fixed number of units identified and will not be increased beyond this allocation. However, investors should note that the Issuer may, in the future, initiate offerings for other real estate or hospitality projects through similar instruments. While such issuances would not dilute the rental pool share of this project, they may present alternative investment opportunities that could compete for investors' attention and resources. This may indirectly influence the marketability or resale value of the Certificates. To address this risk, the Issuer ensures that each project is independently structured with a defined scope and revenue pool, supported by distinct market positioning and strategic planning. This separation provides clarity for investors, safeguards the exclusivity of the Certificates tied to this development, and allows the Issuer to pursue new ventures without compromising the value or performance of existing projects.

Issuer repurchase of securities

The Issuer may, at its discretion and subject to applicable laws, repurchase Certificates of Participation together with their corresponding condominium units from unit owners in the future. Any such repurchase would be undertaken under mutually agreed terms, provided that repurchase policies will be formally issued prior to the transfer of Certificates of Participation to individual unit owners.

The Condotel Participation Agreement also provides for a right of first refusal in favor of the Issuer. This mechanism allows the Issuer to match any bona fide offer to purchase a unit and its corresponding Certificate from a third party, thereby giving the Issuer an opportunity to maintain stability and continuity in the administration of the Rental Pool. While these provisions offer an exit mechanism for certain holders, there is no assurance that the repurchase or right of first refusal price will reflect prevailing market values. To mitigate this risk, the Issuer intends to adopt transparent valuation guidelines and uniform procedures to govern any repurchase transactions or exercise of rights of first refusal. Such measures are designed to ensure fair treatment of all unit owners and to preserve confidence in the condotel's investment framework.

A sale of the Issuer or of assets of the Issuer

As this offering pertains solely to the Certificates of Participation linked to the identified condominium units in the condotel project, any future sale of the Issuer or its other assets would not directly alter the legal ownership of these units or Certificates. However, such a sale could create indirect risks, such as changes in investor perception, shifts in long-term corporate priorities or uncertainty in market sentiment. These factors could potentially affect the perceived value or resale market for the Certificates, even though the units and Certificates themselves remain unaffected by the sale of unrelated assets. The risk is mitigated by the fact that the Certificates of Participation are inseparably tied to the condominium units in this specific condotel development, and their value is derived primarily from the property and its rental pool operations. Ownership rights, rental income sharing, and contractual protections under the Condotel Participation Agreement remain intact regardless of any future sales of the Issuer or its unrelated assets. This structure ensures that investors’ participation and benefits from the condotel are preserved independently of changes in the Issuer’s broader business holdings.

Transactions with related parties

The Issuer is a member of the ANFLO Group of Companies and engages in certain related-party transactions with its parent company, Anflo Management and Investment Corporation (ANFLOCOR), and other affiliates. These transactions generally involve shared services and management support, business collaborations that enhance the Company’s real estate and hospitality operations and access to affiliates’ networks, expertise, and resources to expand the Company’s business reach. While these transactions may give rise to potential conflicts of interest, the Company manages this risk by ensuring that related party arrangements are conducted on an arm’s length basis, supported by internal review, and approval processes. This approach allows DLI to continue benefiting from the operational and strategic strengths of the ANFLO Group while mitigating risks associated with related-party dealings.

Geographic and Political Risks

The Project’s location and the broader regulatory environment expose the Issuer to certain geographic and political risks. These may include changes in local governance, land use policies, infrastructure development, and national or regional political stability. Such factors could influence the Project implementation, investor confidence, and long-term property value. The risks identified below highlight potential challenges related to the Projects operating environment.

Political instability

Changes in Local Government Units (LGUs) or national government may affect different development and tax policies. The developer ensures alignment with long-term government development and tourism plans to minimize exposure to political shifts. Active engagement with key government stakeholders and legal advisors helps monitor policy changes and ensure continued compliance.

Infrastructure limitations

As of the issuance date of these certificates, the influx of tourism which will directly affect the performance of the condotel is reliant on the completion of one major infrastructure project, the Samal Island – Davao City Connector (SIDC) bridge. Delay of completion may affect the initial operations of this development. Furthermore, the nearest international airport, Davao International Airport (DIA), is also due for renovation to significantly improve the economy and tourism in the region. To manage this risk, the Issuer has strategically positioned the condotel in a location that already benefits from existing transport access, including regular ferry services and proximity to established entry points. The development timeline has also been structured to align with projected infrastructure completions.

Market-Related Risks

The Issuer’s performance is subject to external market conditions that are beyond its control. These include broader economic trends, industry-specific dynamics, and regional developments that may affect demand, pricing, and overall Project viability. Investors should be aware of the following market-related risks that could impact the success of the offering and the long-term performance of the development.

Fluctuation in Davao City and Island Garden City of Samal (IGACOS)’s Tourism and Hospitality.

The revenue generated by the condotel directly depends on the demand for accommodation in IGACOS (interchangeably called Samal Island), which is primarily driven by tourism and business/leisure travel. This sector is inherently susceptible to external factors including, but not limited to, economic downturns (local, national, and global), public health crises, imposition of travel restrictions, geopolitical instability, and changes in government travel advisories. A change in tourist arrival or business travel to Davao City and IGACOS for any reason could result in higher or lower occupancy rates and consequently increase or reduced room rental income for unit owners. To mitigate the impact of fluctuations in the tourism and hospitality industry, the Issuer has implemented several strategies. These include diversifying the target

market, including domestic and international tourists, implementing dynamic pricing strategies, and offering a range of amenities and services catering to the different travelers' needs. Moreover, significant infrastructure developments are expected to bolster regional tourism in the near future. These include the ongoing renovation and capacity expansion of the DIA, which aims to improve international connectivity and tourist handling, as well as the enhanced accessibility of the SIDC bridge, which will improve accessibility to IGACOS and reduce travel time. These improvements are expected to support a steady influx of visitors and stimulate long-term tourism growth.

Increased Competition in the Accommodation Sector.

The accommodation sector in IGACOS is competitive and subject to change. The entry of new hotels (both local and international) could increase the supply of accommodation options. The increased competition may alter the occupancy level, increase potential, and increase the overall return on investment for condotel unit owners. Factors such as aggressive pricing strategies by competitors, the introduction of new or superior amenities by competitors, and shifts in travel preferences towards alternative accommodation could further intensify this risk. The Issuer mitigates this risk through its proven track record in the hospitality industry, operating two hotels in Davao City and General Santos City. The Issuer is also affiliated with Anflo Resort Development Corporation which manages the first five-star hotel in IGACOS, Pearl Farm Beach Resort, that has been operating for almost three decades. This affiliation provides access to established best practices in luxury hotel management and a reputation for delivering high-quality guest experience, which contributes to the condotels' competitive advantage.

Legal and Regulatory Risks

The Issuer is subject to various laws, regulations, and government policies governing real estate, hospitality, taxation, and investment. Changes in these legal frameworks or delays in securing required permits and approvals may affect Project timelines, operational compliance, or profitability. The following risks outline potential legal and regulatory challenges that could impact the Issuer's business and the offering.

Changes in Local Zoning and Land Use Regulations

Although the condotel is being developed in accordance with the current zoning ordinances and land use regulations, there remains a risk that future changes enacted by the local government authorities may impact the surrounding area. While such changes may not directly affect the day-to-day operations or legality of the existing condotel structure, they can influence neighboring land uses, permissible building types, density restrictions, traffic flow, and infrastructure development. These changes could either enhance or diminish the overall desirability of the location, thereby affecting the long-term appreciation, daily rate, and resale value of units within the development. To reduce this risk, the Issuers Project is located within a designated commercial district that has already been zoned and form part of a long-term urban development plan. The Issuer has conducted comprehensive due diligence in coordination with the urban planning consultants to assess the long-term zoning stability and strategic development plans of the local government unit. Additionally, the Issuer remains proactive in participating in community consultations and local planning discussions to advocate for zoning and land use policies that support the continued growth and appeal of the area.

Regulatory Risks in the Hospitality Sector

The condotel will operate within the hospitality sector, which is subject to various laws, rules and regulations imposed by national and local government authorities. These may include requirements relating to business permits, safety and sanitation standards, health protocols, labor laws, fire and building codes and tourism-related licensing. Changes in these regulations or in the interpretation or enforcement of existing rules could result in increased operating costs and the need for additional capital expenditure to meet new standards. To further mitigate the regulatory risks, the condotel will be operated by a professional hospitality management company with extensive experience navigating regulatory environments across multiple jurisdictions. The operator will bring established protocols, internal legal compliance frameworks, and strong relationships with relevant regulatory agencies. By leveraging the expertise of a seasoned operator, the condotel benefits from built-in systems that anticipate and adapt to changes in regulatory requirements efficiently.

Environmental Risks

The Issuer's property, like all real estate developments, is exposed to natural risks such as typhoons, earthquakes, flooding, and other environmental hazards. These events may cause physical damage to assets, disrupt operations, or impact long-term property value. While the Company adopts measures to mitigate such risks through resilient design and adherence to building standards, exposure to natural calamities remains inherent. The following risks outline potential environmental and disaster-related challenges that could affect the Project and the investment.

Environmental and Natural Disaster Risk

The property may be exposed to environmental risks arising from natural disasters such as typhoons, earthquakes, floods, other calamities common in the Philippines. These events can result in significant damage to the property, disruption of hotel operations, and increased repair costs. In addition, environmental hazards such as soil erosion, rising sea levels or other long-term ecological impacts may affect the property’s marketability, operating performance, and long-term value. The occurrence of such risks could reduce occupancy, limit revenue generation, and negatively affect the investment returns of unit owners. To reduce exposure to these risks, the Issuer undertakes master planning and construction compliance with Philippine building codes and environmental regulations, ensuring resilience against seismic and weather-related events. Insurance coverage for property damage and business interruption is secured to provide financial protection in the event of loss. Further, the property integrates sustainable and adaptive design features aimed at mitigating the impact of environmental hazards, while contingency and disaster preparedness protocols are maintained to safeguard both assets and operations.

Environmental Compliance Risk

The Issuer’s project is subject to Philippine environmental laws, rules, and regulations, including those relating to land use, waste management, water and air quality, and other sustainability standards. Compliance with these requirements may result in additional costs for permits, monitoring and mitigation measures. Furthermore, stricter enforcement by regulators, or changes in environmental policies, could delay development timelines, increase project expenses, or otherwise impact the Issuer’s operations and financial performance. The Issuer is committed to full compliance with all applicable environmental regulations and policies and proactively integrate sustainability measures into its development and align with broader environmental goals of the communities where it operates. By embedding these practices into the project, the Issuer not only minimizes environmental regulatory risks but also reinforces long-term value creation and investor confidence.

BUSINESS INFORMATION

THE REGISTRANT

Damosa Land, Inc.

Damosa Land, Inc. (“**DLI**”) is the real estate and property development arm of the Anflo Group of Companies, a homegrown conglomerate in Mindanao. Incorporated as a real estate developer on October 7, 2004, the company spun from Anflo Group’s automotive company, the Davao Motor Sales (DAMOSA) that started with dealership and distribution of Ford vehicles in the region in the 1940s. As the market evolved and land assets previously used for the automotive business became available for repurposing, The company shifted its operations to real estate and property development, thus, its name Damosa Land, Inc.

DLI’s maiden project is the Damosa District that has become a landmark in Davao City. Its construction started in 2005 with Damosa Gateway as its first component. It was followed by Damosa I.T. Building I in 2006 which houses one of the world’s biggest BPO firms, Concentrix. In 2007, DLI constructed the Damosa Market Basket as well as what was known back then as Microtel Inns and Suites to provide a one-stop shopping convenience and business-type accommodation for both the locals and tourists in Davao.

In 2008, DLI built Damosa Business Center and Amethyst Center, which are among the first I.T. buildings in the city. Soon after, it established Damosa I.T. Park and became the first PEZA-registered I.T. park in Southern Mindanao.

The establishment of this commercial and business hub paved the way for the boom of the Lanang area which was considered before as outside the city center and sparked more developments in the surrounding vicinity.

Soon after, DLI expanded its commercial establishments in the southern part of the city such as The McPod Building in McArthur Highway, Matina and further south of Mindanao such as the Valley High commercial hub in General Santos City, within which another Microtel Inn and Suites was also built. All these were built in response to the growing demand for commercial spaces for businesses and other ventures to thrive.

Back in Davao, DLI constructed another 5-storey IT Building named Topaz Tower, located at Damosa IT Park, which was designed for BPO and corporate offices.

In 2012, DLI ventured into its first residential subdivision with the development of Damosa Fairlane, an 8-hectare lot with 245 house and lot units that cater to middle to upper-middle class families.

This was followed by the company’s first condominium development, Seawind, in 2015, situated on a 3-hectare lot in the bustling area of Sasa, Davao City. The 6-tower residential project with 1,183 units became a game-changer as the developer reshaped the landscape of this once industrial part of the city.

The years that followed saw the aggressive expansion of DLI, with the first industrial development – Anflo Industrial Estate (AIE) located in Panabo City in 2016. The 63-hectare property located 300 meters away from the Davao International Container Terminal became the premiere agro-industrial hub in Mindanao.

Around the same time, DLI became the pioneer company to establish flexible workspace solutions in the region with its partnership with the renowned International Workplace Group (IWG) that introduced Regus and HQ in the office scene.

In 2018, DLI embarked on what will become its grandest investment in office space by far with the construction of the Damosa Diamond Tower, a 15-storey modern building that features sustainable technology that is considered first in the region. It is the first EDGE-certified office building in Mindanao, as well as a BERDE-Certified office building with a 2-star rating.

Clear with its direction of diversifying its portfolio, the company developed its first agri-tourism project on an 88-hectare property just a stone’s throw away from AIE. Agriya is the first township development that features residential, commercial, institutional and agri-tourism components in Panabo, Davao del Norte. Masterplanned by the famous designer Ar. Felino “Jun” Palafox, Jr., this area is a homage to the agricultural roots of DLI.

With the onslaught of the pandemic in 2020, things began to slow down with the onset of restrictions and health protocols. However, fueled by determination, DLI proceeded with caution and managed to continue the development of its ongoing projects alongside its priorities of ensuring the vaccination of its employees while keeping their livelihood.

The eventual easing of restrictions paved the way for the company to gain momentum as it set its eyes on the island across the city. The Island Garden City of Samal, home of its affiliate company Pearl Farm Beach Resort, became the next location for its first marina lifestyle development. Bridgeport, a mixed-use development composed of a residential condominium, open-lot subdivision, exclusive marina, and commercial component, was launched in 2022.

Confident in the growing market and economy of the northern part of Mindanao, DLI introduced in 2023 a flexible workspace solution in Cagayan de Oro with its first Regus center. This became a transition space for both start-up and established businesses to test the market in the said region.

In 2024, Damosa Land celebrated its 20th anniversary with the launch of two major projects that harp on innovation and sustainability - Agriya Gardens, a 13-hectare subdivision in Agriya, and Kahi Estates, a five-hectare open-lot residential space that will become the first agri-residence in Davao City. It ended the year strong with the opening of its second flexible workspace center, HQ, in Cagayan de Oro.

To date, the Company has developed over 700,000 square meters of leasable space (office and land lease), built more than 1,600 homes, and served 270 locators that represent six countries. With its presence in five cities, the company has generated around 11,000 jobs that highly contributed to the economic growth of Mindanao. The award-winning developer has earned the trust and confidence of the market and industry leaders, declaring it as the Best Boutique Developer by the PropertyGuru Philippine Property Awards in 2025. In addition, several of its flagship projects have received individual accolades for excellence in design, sustainability, and innovation. The table below outlines the key awards received across DLI’s project portfolio:

Year	Project	Award Giving Body	Award
2017	Seawind	PropertyGuru Philippines	Highly Commended, Best Residential Development (Davao)
	Damosa Fairlane		Best Residential Development (Davao)
			Highly Commended Best Residential Landscape Architecture Design
2019	Damosa Diamond Tower	PropertyGuru Philippines	Best Office Architectural Design
2020	Agriya	PropertyGuru Philippines	Best Residential Green Development
			Best Township Development
	ANFLO Industrial Estate		Best Industrial Development
	Damosa Diamond Tower		Best Office Development
	Ameria		Best Housing Development (Metro Davao)
2022	Bridgeport	PropertyGuru Philippines	Highly Commended, Best Mixed-Use Development
			Highly Commended, Best Waterfront Condo Development
	Ameria		Best Eco Friendly Housing Development
2023	Bridgeport	PropertyGuru Philippines	Highly Commended, Best Lifestyle Development
	Bridgeport Park		Best Condo Development (Mindanao)
			Highly Commended, Best Condo Interior Design
			Highly Commended, Best Waterfront Condo Development
	Harbor View Estates	Lamudi Philippines, The Outlook Award	Highly Commended, Best Sub Division Development
	ANFLO Industrial Estate		Industrial Development of the Year
2025	Bridgeport Park	PropertyGuru Philippines	Best Waterfront Condo Development
	Agriya Gardens		Best Housing Development (Metro Davao)
			Best Housing Development (Philippines)
	Kahi Estates		Best Subdivision Development
	ANFLO Industrial Estate		Best Biophilic Landscape Design
			Highly Commended, Best Industrial Development

DLI continues its pursuit of developing the untapped potentials of the region as it relentlessly expands its horizon. In the coming years, the company seeks to introduce many firsts in the property sector, all while keeping its commitment to sustainable growth.

Project Price Appreciation

The consistent price appreciation of DLI’s real estate projects reflects the Company’s ability to deliver long-term value to property owners and investors. Over the years, DLI’s projects have demonstrated steady and measurable growth in market value, affirming the strength of its strategic location, quality of development, and alignment with evolving market demand in the Davao Region. This value growth has been supported by the Company’s core development principles, master-planned communities, sustainable design features, proximity to key infrastructures, and a strong focus on livability and accessibility. The upward price trajectory of developments illustrates how the Company’s long-term vision translates into tangible financial gains for its clients.

The table below outlines the CAGR of DLI’s projects, presenting a clear picture of how initial property values have increased from launch date to current market levels. This data reinforces DLI’s position as a reliable real estate developer and its commitment to creating communities that appreciate in both value and quality over time.

Projects	Year Launched	Location	Launch Price (PHP/sqm)	2024 Price (PHP/sqm)	CAGR
House and Lot					
Damosa Fairlane	2012	Buhangin, Davao City	47,300.00	96,000.00	6.08%
Ameria	2019	Agriya, Panabo City	63,400.00	99,000.00	9.32%
Condominium					
Seawind	2015	Sasa, Davao City	54,400.00	117,000.00	8.88%
Bridgeport Park	2022	Barangay Caliclic, Island Garden City of Samal	154,000.00	220,000.00	19.52%
Lot Only					
Harbor View Estates	2022	Barangay Caliclic, Island Garden City of Samal	33,000.00	40,000.00	10.10%

Completed Projects

With presence in residential, office, commercial, industrial, hospitality, mixed-use and township spaces, Damosa Land has grown into becoming one of Mindanao’s trusted property developers in the market.

In the residential space, the company has completed three projects. Damosa Fairlane, its maiden house-and-lot subdivision, completed its three phases in 2022 with 245 units. Seawind, its first residential condominium project, was completed in 2021 with a total of six towers and 1,183 units. Harbor View Estates, its premier waterfront address in Samal Island with a total of 22 lots was completed in 2023.

DLI has developed a total of 700,000 sqm of office and commercial space. In its headquarters, the company has completed the Anflocor Corporate Center, Damosa Business Center, and Damosa IT Park which is composed of Amethyst Building, Topaz Tower, Sapphire Building, and Damosa Diamond Tower – Mindanao’s first certified green office building. The office space is complemented by the establishment of Damosa Market Basket and Damosa Gateway that house various lifestyle and food and beverage shops and services as well as Microtel by Wyndham hotel. DLI also developed two more commercial spaces – McPod 1 and 2 – along McArthur Highway in Matina, Davao City. In General Santos City, DLI recreated the office and commercial hub with Valley High that became a go-to spot for both locals and tourists for its office and commercial spaces and another Microtel by Wyndham hotel. The company also completed The Vessel, a commercial building within AIE’s commercial zone to serve the industrial space and surrounding community in Panabo City. In the flexible workspace segment, DLI has completed three centers namely Regus in Davao City, and Regus and HQ in Cagayan de Oro City.

With a total of 63 hectares of industrial space, the homegrown developer has developed 85% of Anflo Industrial Estate, with an 82% occupancy rate. A total of 22 locators is present in the property that venture into agro-processing, packaging, warehousing and cold storage, and manufacturing processes.

Ongoing Projects

To date, DLI has six projects that are in various stages of development.

The company is currently developing four residential projects. Bridgeport Park, the four-tower condominium component of the marina lifestyle mixed-use development Bridgeport, will offer 273 units. It is now at 40% completion stage.

Ameria is the first house-and-lot subdivision in the agri-tourism township development, Agriya, in Panabo City. Currently, Ameria is at 82% completion stage, with a total of 98 units turned over to homeowners and lifestyle amenities such as the clubhouse, kid’s play area and community kitchen already available. Agriya Gardens, the second subdivision, is at 9.5% of development.

Davao’s first agri-residence, Kahi Estates, is now at 30% of development. The open-lot subdivision will be the first residential space in Davao to feature underground utilities and several other sustainable solutions such as the use of existing earth material found in the site, the preservation of age-old fruit-bearing trees, and the construction of a detention lake to prevent flooding in the community.

Anflo Industrial Estate is also undergoing further development with the entry of new locators that will produce export-quality coconut-based products and offer cold storage services. This development will see completion by the end of 2025.

The institutional component of Agriya – the University of the Philippines Professional School for Agriculture and the Environment – is also currently undergoing construction. This school will offer courses and programs that will further enhance the skills of agriculture professionals in the region, which will, in turn, reduce brawn drain.

Pipeline Projects

Looking ahead, Damosa Land is poised to launch a number of projects over the next few years, each thoughtfully designed to introduce pioneering concepts and meet evolving market needs.

With a solid history of partnership with the renowned hospitality group PHINMA Microtel Hotels, Damosa Land will embark on its first venture into condotel operations. TRYP by Wyndham Samal will be a six-storey 100-room condotel in the Island Garden City of Samal that will cater to travelers that aim to find a balance between work and leisure.

DLI is looking beyond the horizon of opportunities in Davao Region, as it endeavors to tap into the growing investment demand in other key cities such as Cagayan de Oro and other parts of the country. DLI is positive that despite multiple development headwinds, the unique brand, experience, and quality that the company delivers to its stakeholders will continue to be celebrated and patronized in many years to come.

1. Business of the Registrant

The Issuer (select all that apply):

	Has never conducted operations
	Is in the construction development stage
✓	Is currently conducting operations
✓	Has shown a profit in the last fiscal year

Hospitality Projects

With over two decades of real estate development experience in Mindanao—particularly in the Davao Region—and over a decade of involvement in the hospitality industry, the Company has built a strong track record that reinforces investor trust and market credibility. This success underscores its deep understanding of regional growth dynamics and the tourism potential of its project locations. Moreover, this foundation is further solidified by its affiliation with the ANFLO Group, which has operated Pearl Farm Beach Resort—a pioneering five-star luxury destination in Samal Island since 1993. Drawing from this established legacy, the Company is now strategically expanding its hospitality portfolio through tourism-integrated real estate ventures. Central to this initiative is introducing a resort-themed condotel, an investment-oriented model that blends hospitality services with income-generating opportunities for property owners.

In light of past challenges—including the COVID-19 pandemic and several economic downturns—the Philippine tourism industry has demonstrated considerable resilience, attracting domestic and international travelers. Recognizing this long-term growth potential, the Company entered the hospitality sector in 2007. It partnered with PHINMA Hospitality Group to bring the global brand Microtel by Wyndham to Davao City and General Santos City.

Since their establishment, these Microtel hotels have become prominent players in their respective markets. They are known for their consistent quality, strategic locations, and excellent value. By offering clean, comfortable, and reliable accommodations, they have gained a strong following among business travelers and MICE (Meetings, Incentives, Conferences, and Exhibitions) organizers. Their competitive pricing and alignment with Wyndham’s global hospitality standards have made them a preferred choice for guests seeking professional amenities without compromising quality.

Microtel by Wyndham Davao

Established on October 1, 2007, the 51-room key hotel caters to business travelers, vacationists, and MICE events. Conveniently located in Lanang, Davao City, the hotel has easy access to the airport, Davao City’s business hubs and popular attractions, and a delightful selection of restaurants and cafes perfect for all types of travelers. Since 2008, the hotel has been operating on an average occupancy of between 60% to 73%, except during the height of the pandemic in 2020 and 2021 which was at 40%. After gradually lifting travel restrictions, Microtel by Wyndham Davao reached 63% occupancy, which is almost close to its pre-pandemic levels.

MICROTEL BY WYNDHAM DAVAO	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Average Daily Rate	2,444	2,372	2,514	2,663	2,744	2,882	2,350	1,943	2,561	3,075	3,283
Average Occupancy Rate	60%	62%	67%	63%	70%	67%	39%	38%	63%	66%	66%

Davao City has been hosting several conventions in the past years. Microtel Davao, less than a kilometer from the city’s largest events center, has greatly benefited from the influx of travelers. Its recent renovation has added significant value by modernizing guest rooms and common areas, enhancing overall comfort and functionality. These improvements have increased occupancy, positioning the hotel as a more attractive option for travelers seeking quality accommodation with reliable service in a strategic location.

Microtel by Wyndham Gensan

Established in 2013, the 65-room hotel serves the needs of both business and leisure travelers in General Santos City. Strategically located in the city’s commercial and business district, the hotel offers convenient access to government offices, corporate hubs, shopping centers, and dining destinations. Since its establishment, the hotel has maintained an average occupancy of 61% to 72% from 2013 to 2019. Although occupancy dropped during the pandemic years, the property has since demonstrated a strong recovery as travel and economic activity resumed. The property has recently been renovated, upgrading its interiors and guest facilities to maintain competitiveness and respond to evolving guest expectations. These renovations are designed to enhance the guest experience, support higher occupancy rates, and reinforce the hotel’s positioning as reliable and professionally managed accommodation in their respective markets.

MICROTEL BY WYNDHAM GENSAN	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Average Daily Rate	2,394	2,418	2,447	2,511	2,491	2,669	2,506	2,090	2,516	2,820	3,120
Average Occupancy Rate	63%	58%	58%	55%	71%	72%	17%	21%	45%	47%	52%

TRYP by Wyndham Samal

According to the Department of Tourism, among the 7,641 islands in the Philippines, Samal Island ranked 9th among the top tourist destinations in the country. Samal Island is also a significant tourist destination in Davao del Norte, contributing to a substantial portion totaling 55.9% of the total tourist arrival in the region; the island also poses high MICE destination potential. This sustained influx has spurred robust growth in the hospitality sector, from resorts to dozens of inns and homestays, which have flourished, feeding demand for local jobs in accommodation, guiding, food services, and transport. As tourism continues its upswing, the hospitality industry plays a pivotal role in Samal’s long-term economic development. The recovery from the pandemic of the tourist arrivals on the island has created robust momentum across Samal’s hospitality sector, with growing demand for quality accommodation, elevated service experiences, and facilities that cater to both leisure and business travelers. Of particular note is the increasing interest in MICE tourism as organizations seek fresh, accessible venues for corporate events, retreats, and team-building activities. Despite the rising demand, Samal’s current supply of modern, fully equipped hospitality infrastructure, particularly those designed for MICE functions, remains limited.

To meet the growing demand for quality accommodation and MICE-ready venues in Samal Island, a new and strategically planned development is being introduced. The TRYP by Wyndham Samal is a condotel project envisioned to redefine the island’s hotel experience. A flagship collaboration between Damosa Land and PHINMA Hospitality Group, this future 4-star, 100-room hotel will bring the globally recognized lifestyle hotel brand *TRYP by Wyndham* to one of the fastest-growing tourist destinations in Mindanao. Strategically located just off the coast of Davao City, and with the upcoming Davao-Samal Bridge expected to enhance year-round accessibility, the planned development is poised to become a prime hub for leisure, business, and tourism.

PHINMA Hospitality, Inc., a member of the PHINMA Group, is a Philippine-based hotel management company focused on providing quality, affordable, and consistent accommodations under globally recognized brands. With a proven track record in operating business and lifestyle hotels such as Microtel by Wyndham and TRYP by Wyndham, the company brings international hospitality standards tailored to the needs of the local market. PHINMA Hospitality combines operational expertise with strong brand partnerships to deliver value-driven hotel experiences for business and leisure travelers across the country. Their operational expertise and commitment to value-driven guest experience make PHINMA Hospitality Group an ideal partner in this pioneering resort themed condotel.

TRYP by Wyndham Samal Rooms and Amenities

TRYP by Wyndham Samal is designed with the brand’s signature youthful, lifestyle-driven aesthetic, offering a variety of smart, functional room types tailored to modern travelers. With a brand tagline “Powered by the City”, this development highlights creative interpretation of the rich culture of Davao Region, particularly Samal Island where it will be located. The condotel will feature Standard A, Standard B, Family, Fitness, Deluxe, and Suite guestrooms, each designed to meet the diverse needs of guests, from solo adventurers and families to wellness enthusiasts and premium leisure travelers. For TRYP by Wyndham Samal, the facility is required to have at least one fitness room in its inventory. This room will be similar in layout and design with the standard rooms but will feature fitness equipment to support the lifestyle positioning of the TRYP brand. The inclusion of this feature ensures consistency with the international brand identity.

TRYP by Wyndham Samal Rooms				
Room Type	Class	Room Features	No of Rooms	Average Size (sqm)
Standard A	Standard	2 queen size bed	78	32
Standard B	Standard	1 king size bed	11	29
Family Room	Standard	1 queen size bed + bunk bed	4	34
Fitness Room	Standard	1 queen size bed + exercise bike	1	35
Deluxe Room	Deluxe	1 king size bed + lounge	4	52
Suite Room	Suite	1 king size bed + lounge + plunge pool	2	82
Total		100		



1.1 Rendered Standard Room A*



1.2 Rendered Deluxe Room*



1.3 Rendered Suite Room*

**This image is an artist's impression and is provided for illustrative purposes only.
Actual features, furnishings, and layouts may vary.*

The condotel will feature a vibrant lobby, stylish food and beverage outlets, wellness facilities, co-working areas, and a scenic rooftop pool deck that offers relaxation and productivity in tropical settings.



2.1 Rendered Hotel Lobby*



2.2 Rendered Infinity Edge Rooftop Pool*

**This image is an artist's impression and is provided for illustrative purposes only.
Actual features, furnishings, and layouts may vary.*

The hotel includes guest experience amenities, business and events, and guest support amenities. An infinity edge rooftop pool with a panoramic view of the Davao Gulf and the majestic Mt. Apo offers best island experience, together with a rooftop bar for sunset cocktails, a 24/7 fitness gym, a game room, a safe and colorful kids' play area, an all-day dining restaurant with local and international cuisine, and a bar and lounge with a relaxed atmosphere for socializing. For business and events, the property will offer a ballroom and banquet suited for weddings and corporate functions, a reception and pre-function area, private meeting rooms for training and conferences, and a business center, positioning the property to cater to MICE tourism demand. Guest support amenities include concierge desk services, basement parking, EV charging stations, a childcare room, a clinical first-aid room, and a luggage room, all ensuring a comfortable and seamless guest experience. As the first branded condotel on Samal Island, the development will expand the Island's portfolio of accommodations with a distinctive lifestyle offering, blending global hospitality standards with local charm.



2.3 Rendered Amenities *

**This image is an artist's impression and is provided for illustrative purposes only.
Actual features, furnishings, and layouts may vary.*



2.4 Rendered Amenities *

**This image is an artist's impression and is provided for illustrative purposes only.
Actual features, furnishings, and layouts may vary.*

Project Timeline

In January 2024, the Company executed the Trademark License Agreement and Services Agreement with PHINMA Microtel Hotels, Inc., establishing the framework for brand alignment and operational support. The formal project launching is scheduled for the fourth quarter of 2025, followed by the commencement of construction in the first quarter of 2026. In the second quarter of 2028, the company expects to sign the Management Agreement with PHINMA Hospitality to formalize the relationship and outline detailed responsibilities, operational standards, and brand compliance to ensure continued success under the TRYP by Wyndham brand. Project completion and acceptance of the hotel/condotel is targeted for the third quarter of 2028, with the official opening planned for the fourth quarter of 2028. This sequence of milestones reflects the Company's planned approach to align regulatory compliance, construction progress, and operational readiness for the project.

Agenda	Timetable
Signing of Trademark License Agreement and Service Agreement	January-24
Project Launching	Q4 of 2025
Start of Construction	Q1 of 2026
Signing of Management Agreement	Q2 of 2028
Completion and Acceptance of hotel/condotel	Q3 of 2028
Hotel/condotel Opening	Q4 of 2028

Project Timeline¹

¹The foregoing timetable represents the Company's current expectations based on available information and projected plans. Actual implementation may vary due to unforeseen events, regulatory requirement, or other factors beyond the Company's control.

Rental Program

All units in TRYP by Wyndham Samal will be enrolled under a mandatory condotel rental pool program. Each is automatically included in the Condotel pool upon purchase, allowing it to be marketed, rented, and managed as hotel accommodation for guests. This system supports operational consistency and brand quality that is aligned with the TRYP by Wyndham hospitality standards.

Under the program, the unit owner grants the Issuer full rights to use, manage, and lease the unit exclusively for a hotel-related business without transferring ownership. The unit owner authorizes the Issuer to handle day-to-day operations such as marketing, guest services, housekeeping, maintenance, and administration across all condotel units. This structure ensures the property runs as a cohesive hotel, delivering a seamless guest experience.

In connection with the enrollment of units under the Condotel rental pool, buyers shall pay a one-time Participation Fee, which represents the value of the Certificate of Participation. This fee forms part of the "Other Charges," a customary component of real estate transactions. Other Charges include the Participation Fee as well as standard charges such as documentary stamp taxes, registration expenses, and transfer fees. These amounts are payable upon purchase and are distinct from the operating expenses of the condotel, which are deducted from gross room revenue in the calculation of net room revenue. The inclusion of the Participation Fee and related charges ensures transparency in buyer obligations and supports the orderly administration and sustainability of the Rental Pool Program.

As part of this arrangement, the buyer assigns the unit's rights of use and enjoyment to the Issuer, including all furnishings and equipment. The Issuer is also entitled to sublease the unit to guests and execute all necessary agreements to conduct condotel operations efficiently. Revenues from the rental of all units are consolidated; after deducting room operating expenses and the CAPEX for major renovations, the net room revenue is distributed to the participating unit owners on a pro-rata basis, depending on the size of their units. In addition, owners are entitled to limited personal use of their unit each year. Further details regarding the pool share, distribution schedules, and privileges of unit owners are discussed in the Summary of the Offer portion of this Prospectus. Full legal terms are also outlined in the Condotel Participation Agreement.

Term of the Project

The Project is intended to be operated as a condotel under a Management Agreement with PHINMA Hospitality. The agreement shall have a fixed term of twenty (20) years. Any renewal or extension of the license beyond the initial term shall be subject to the Issuer and Management Company's mutual agreement and shall be at the Issuer's discretion.

Accordingly, Participants' entitlement to rental pool income is limited to the duration of this license, regardless of the date of issuance of the Certificate. In the event that DLI secures a renewal or extension of the brand license, the Company may, at its discretion, extend the Participants' entitlement for the duration of such renewed license, subject to terms and conditions it may determine.

Should the Condotel Project cease operation prior to the expiration of the brand license, or if DLI decides not to continue operations beyond the initial twenty (20)-year term, the possession of the Condotel Units shall revert to the unit owners. At that point, potential scenarios include: (i) the continuation of condotel operations under a new hotel operator or brand, or (ii) conversion of the property to purely residential use. In case of the latter, any improvements made within the Condotel Units shall, at the discretion of DLI, either be turned over to the Participants or liquidated, with the net proceeds distributed proportionately among the unit owners. In such cases, DLI shall likewise refund the Participants in full the Participation Fee to the unit owners.

Suppliers

The Project's construction will rely primarily on locally sourced raw materials and labor, with majority principal construction inputs procured from suppliers within Davao Region. This approach is consistent with the Department of Tourism's (DOT) advocacy to support local economies by prioritizing domestic supply chains and employment. While the Company is still in the pre-construction stage and has yet to commence the formal bidding and procurement process, the essential materials for the development are available through long-established and accredited suppliers with proven track record in real estate and hospitality developments. These suppliers are recognized for stability, reliability, and adherence to the required quality and regulatory standards. In line with the company's commitment to sustainable development and socio-economic impact, this local-first procurement and labor strategy serves both practical construction needs and broader national development goals.

Business Dependence and Funding Arrangements

The development of the Condotel Project is financed primarily through external funding sources such as bank loans and collections from the sale of units. This financing structure is consistent with industry practice, where staged buyer payments and credit facilities are used to match construction outlays with project milestones. In the event that unit sales are realized at a slower pace than targeted and certain loan obligations fall due, the Company may bridge funding requirements through its established banking relationships, refinancing opportunities, or the reallocation of internally generated resources. These measures form part of the Company's standard financial management approach and reflect its track record in successfully delivering real estate and hospitality projects.

In addition, the proceeds from the Participation Fee, which represents the value of the Certificate of Participation, will be allocated to support the initial operations of the hotel. This ensures that the property is adequately prepared to receive guests and generate revenue from the outset. However, the Company does not rely solely on these proceeds to sustain operations. Consistent with industry practice, the Company also secures funding from other sources such as internally generated cash flows and available credit facilities to provide additional working capital for hotel operations. Importantly, the Company will not place the burden of operational funding on Certificate holders. The holders' participation is limited to their pro-rata share in the rental pool income, without any obligation to contribute further resources for operating expenses. This structure ensures that investor interests are safeguarded while providing a clear allocation of responsibilities between the Issuer and the participants.

Management Contract

The Issuer and PHINMA Hospitality Group have an established and trusted partnership, having worked together in the successful operation of Microtel by Wyndham Davao and Gensan. Building on this strong foundation, a Memorandum of Understanding (MOU) has been executed between the Issuer and PHINMA Hospitality Group, establishing PHINMA Hospitality's engagement as the manager and operator of TRYP by Wyndham Samal. This MOU represents the initial commitment between both parties and serves as the formal basis of the partnership. The forthcoming Hotel Management Agreement will formalize this relationship and outline detailed responsibilities, operational standards, and brand compliance to ensure continued success under the TRYP by Wyndham brand. Once executed, the contract will authorize PHINMA Hospitality to oversee hotel operations, including staffing, maintenance, marketing, reservations, and guest services, ensuring that the condotel is operated to professional standards. The Management Agreement is expected to be signed in the second quarter of 2028; this agreement has a fixed term of twenty (20) years and shall be co-terminus with the Trademark License Agreement and Services Agreement. Should the Project cease to operate beyond the initial 20-year period, the Company will evaluate available options, including potential renewal. As of date of this Prospectus, no final agreement has been executed. However, based on prevailing practice in other PHINMA-managed hotels, operator compensation is typically structured as a share of monthly gross revenue and/or operating income. Final terms applicable to the Project will be disclosed upon execution of the definitive Management Agreement.

Compliance with Existing Government Regulations

The Issuer affirms its compliance with SEC Memorandum Circular No. 12, Series of 2024 on Securing and Expanding Capital in Real Estate Investment Transactions (SEC RENT), which establishes the regulatory framework for real estate projects that involves rental pool agreements. For this condotel project, adherence to SEC RENT ensures that the offering structure, investors protections, and disclosures are aligned with the regulatory standards set by SEC. Compliance with SEC RENT provides direct benefits to investors by ensuring transparency in the use of funds and a clearly defined rights and obligations under the Certificates of Participation. This regulatory framework safeguards investors' interest and strengthens confidence in the Project's governance. The Issuer's compliance also promotes accountability, and alignment with best practices in the real estate and hospitality investment sector. It also enhances the credibility of the offering in the market.

Compliance with Environmental Laws

The Project is subject to various Philippine environmental laws and regulations, including those governing land use, waste management, water and air quality, and the preservation of coastal and natural resources. Compliance requires the securing of permits, clearances, and certifications from government agencies such as the Department of Environment and Natural Resources (DENR) prior to and during construction and operations. The Company anticipates incurring costs related to environmental impact assessments, permit application, monitoring, and the implementation of sustainable practices in construction and operations. While these costs may modestly increase overall project expenses, they are not expected to have a material adverse effect on the financial viability of the Project. On the contrary, compliance ensures regulatory certainty, minimizes environmental risks, and strengthens the Project's alignment with sustainability and responsible development objectives. For investors, this provides added assurance that the Project is designed and operated in line with national standards, reducing the risk of future penalties, delays or reputational concerns.

Sustainability and Climate Resilience

The Issuer recognizes the potential impact of climate change on the business environment for the condotel project. Changing weather patterns, stronger typhoons, and rising sea levels may affect long-term property maintenance, repairs need, and tourism flows, which are closely tied to occupancy and rental performance in condotels. The Issuer has incorporated disaster-resilient design standards and sustainable building practices into the Project. These measures not only ensure compliance with relevant environmental and construction regulations but also help safeguard the Project's long-term viability and attractiveness in the hospitality industry. For investors this underscores that climate-resilient features strengthen the overall value proposition of the condotel ownership, aligning with both regulatory expectations and market preferences for sustainable developments.

Term of the Project

The condotel operations of TRYP by Wyndham Samal shall run for a fixed term as agreed in the Trademark License Agreement between the Issuer and PHINMA Microtel Hotels, Inc., subject to renewal or extension at the sole discretion of the Issuer. The Project's operational period is aligned with the intent to deliver sustainable income and value to unit owners over the long term while maintaining operational flexibility.

The Issuer has entered into a Trademark License Agreement with PMHI, the exclusive licensee of the TRYP by Wyndham brand in the Philippines. This agreement grants the Issuer the right to use the TRYP brand for the hotel property beginning on the hotel's official opening date; the license will remain in effect for twenty (20) years, ending on the 20th license year, unless earlier terminated by the terms of the agreement. Any renewal or extension of the license beyond the initial term shall be subject to the parties' mutual agreement and at the Issuer's discretion. This arrangement ensures long-term brand alignment and operational continuity under a globally recognized hospitality brand while allowing the Issuer to adapt or renegotiate beyond the initial term.

The Projects

Damosa Land, Inc. takes pride in developing innovative, sustainable, and community-focused real estate projects across Southern Mindanao. Each development is thoughtfully master-planned to reflect the company's commitment to quality, livability, and environmental stewardship—ranging from residential estates and condominiums to mixed-use townships and agri-communities.

Residential Projects

Project Name	Type of Project*	Status of Completion**	Project Location
Seawind	Residential	Completed	Km. 11, Brgy Sasa, Davao City
Fairlane	Residential	Completed	Diamond Avenue, Buhangin, Davao City
Ameria	Residential	On-going	Agriya, Barangay New Pandan, Panabo City
Agriya Gardens	Residential	On-going	Agriya, Barangay New Pandan, Panabo City
Harbor View Estates	Residential	Completed	Caliclic, Island Garden City of Samal
Bridgeport Park	Residential	On-going	Caliclic, Island Garden City of Samal
Kahi Estates	Residential	On-going	Libby Road Barangay Bago Gallera,Davao City

* Residential, Township, Hotel, Lifestyle Mall, Golf and Country Club, Leisure, Dormitories etc.

** On-going, Completed, Operational

Seawind

Seawind is a six-tower mid-rise condominium project on a 2.7-hectare property in Barangay Sasa, Davao City, offering panoramic views of the stunning Davao Gulf and Samal Island. With emphasis on open spaces, 25% of the property is thoughtfully allocated for lavish amenities and well-planned road networks. The units offered range from studio units to 2BR and bi-level units. Seawind is a multi-awarded residential project recognized by different award-giving bodies, such as PropertyGuru for Highly Commended Best Residential Development (Davao) in 2017 and by Asia Pacific Property as the Award Winner for Condominium Philippines in 2018-2019. This project is a testament to DLI’s commitment to quality, community-focused living.

Damosa Fairlane

Damosa Fairlane is a contemporary mid-century-themed exclusive residential development located in Barangay Angliongto, Davao City. This low-density community features single-detached homes that provide privacy and a close-knit environment. With its modern mid-century architectural theme, it offers a variety of unit types. Residents enjoy thoughtfully designed amenities, including a clubhouse, adult and kiddie pool, a basketball court, a children’s playground, landscape parks, and tree-lined pedestrian-friendly roads. Damosa Fairlane is a multi-awarded residential development recognized by different award-giving bodies, such as PropertyGuru, for the Best Residential Development and Best Residential Landscape Architecture Design in 2017.

Ameria

Ameria is a premier residential subdivision in the Agriya township in Barangay New Pandan, Panabo City. As one of the high-end residential developments within the province, Ameria seamlessly blends contemporary living with the region’s rich agricultural heritage, encouraging residents to embrace a sustainable lifestyle by integrating backyard farming into their homes. Ameria offers various California Mission-style house models. The community has top-notch amenities, including a central clubhouse with a multipurpose hall, swimming pool, children’s playgrounds, and an allocation of open parks and community garden patches. Ameria is a testament to Damosa Land’s dedication to creating communities that harmoniously blend modern comfort with nature-inspired living.

Agriya Gardens

Agriya Gardens is a premier residential development located within the Agriya township in Barangay New Pandan, Panabo City, set for completion in 2027. Designed as a low-density, eco-friendly community, Agriya Gardens offers 404 homes that embrace the California Mission-style architecture. The units are thoughtfully designed to harmonize with the natural surroundings; the community is equipped with a variety of amenities aimed at enhancing the resident’s quality of life, including a linear park, children’s playgrounds, open green spaces with permeable pavers, solar-powered streetlights, and a detention pond for effective water management. Additionally, community farms are integrated into the development, encouraging residents to engage in sustainable practices like backyard farming,

Harbor View Estates

Harbor View Estates is an upscale open-lot subdivision within the 13-hectare Bridgeport Marina lifestyle community in Barangay Caliclic, IGACOS. Inspired by the East Coast Hampton architectural style, this enclave offers a serene coastal ambiance and modern luxury living. The development comprises only 22 residential lots, emphasizing exclusivity and privacy.

Bridgeport Park

Bridgeport Park is an exclusive four-building residential condominium at the highest point of the 13-hectare master-planned Bridgeport marina community in Barangay Caliclic, IGACOS. This upscale development spans 3 hectares and comprises 274 units of one-to-two-bedroom units. The development emphasizes lifestyle and leisure, with two-thirds of the project dedicated to landscaped open spaces, which include a forest park and hiking trail. Amenities of the development include a linear swimming pool, adult and kiddie pool, clubhouse with view deck, wellness gym, spa, fitness center, and playroom. Bridgeport has earned the Highly Commended Best Waterfront Condo Development in 2025 by PropertyGuru Philippines, reflecting its high-end design and unparalleled coastal living experience.

Kahi Estates

Kahi Estates is a premium 5-hectare agri-residential community located along Libby Road in Barangay Bago Gallera, Davao City. Kahi Estates is envisioned as a serene, low-density neighborhood of only 48 residential lots. Master-planned by Palafox Associates and inspired by the Cebuano concept of “kahilom,” which means peach and tranquility, the development elevates *ecopolis* living through modern Filipino architecture with butterfly roofs, urban gardens, rainwater harvesting, community farms, and preserved fruit-bearing trees promoting wellness and environmental stewardship. Residents can enjoy dedicated amenities for relaxation and community engagement, including a clubhouse with a swimming pool and fitness facilities. The development also features underground utilities and detention ponds for flood mitigation, underscoring DLI’s commitment to sustainability and ecological harmony. Kahi Estates is poised to become a model green community and flagship of modern, integrated, and regenerative living in Davao City.

Office, Commercial and Industrial Projects

Project Name	Type of Project*	Status of Completion**	Project Location
Damosa Diamond Tower	Office and Commercial	Operational	Damosa IT Park, J.P Laurel Ave, Davao City
Damosa IT Park	Office and Commercial	Operational	Damosa IT Park, J.P Laurel Ave, Davao City
Damosa District	Office and Commercial	Operational	Damosa Complex, J.P Laurel Ave, Davao City
Damosa Market Basket	Commercial	Operational	Damosa Complex, J.P Laurel Ave, Davao City
MCPod	Commercial	Operational	McArthur Highway, Matina, Davao City
Valley High	Commercial	Operational	National Highway, General Santos City
Anflo Industrial Estate	Industrial	Operational	Anflo Industrial Estate, Panabo Wharf Road, Panabo City

Damosa Diamond Tower

Damosa Diamond Tower is a 16-story, Grade A office development located within the PEZA-registered Damosa IT Park in Lanang, Davao City. Operational since 2022, the tower offers over 21,000 sqm of leasable space with efficient floor plates and a retail-ready ground floor; the tower is designed for premium workspaces. It is Mindanao’s first EDGE-certified and BERDE-certified office building, integrating sustainable features such as solar panels, energy-efficient glazing, rainwater harvesting, and LED lighting. The project has been recognized for excellence with multiple awards, including the 2020 Best Office Development and 2019 Best Office Architectural Design from PropertyGuru Philippines Property Awards, underscoring Damosa Land’s leadership in sustainable and forward-thinking real estate.

Damosa IT Park

Damosa IT Park is Southern Mindanao’s first PEZA-registered IT hub, strategically located along J.P Laurel Avenue in Lanang, Davao City. The park features IT-enabled office buildings covering two hectares, including the award-winning Damosa Diamond Tower and Topaz Tower. It is home to major firms and local and national agricultural companies. It orders a live-work-play environment with access to dining, banking, hotels, and wellness services. Just 10 minutes from Davao International Airport, the perk provides accessibility, 24/7 utilities, and tax incentives, making it a preferred location for BPOs and regional corporate offices.

Damosa District

Damosa District is a pioneering mixed-use development in Lanang, Davao City, which integrates commercial, office, retail, and lifestyle spaces within a master-planned estate. Anchored by the PEZA-registered Damosa IT Park, the District also features the Damosa Business Center, Market Basket, and other retail and service establishments. Strategically located near the airport and major malls, it is a dynamic and well-connected urban setting that reflects Damosa Land’s vision for sustainable development in Mindanao.

Damosa Market Basket

Damosa Market Basket is the flagship food and retail development within the Damosa District in Lanang, Davao City. As a food plaza and mini shopping center, it features a cafeteria-style layout with a curated mix of food stalls, franchise restaurants, retail outlets, and an atrium space for occasional events and lifestyle activities. As Damosa Land’s first commercial development in the district, Market Basket played a key role in establishing the area as a thriving commercial and lifestyle destination in Davao.

McPod 1 & 2

McPod is a commercial development on McArthur Highway, Matina, Davao City. Designed to serve the surrounding residential and academic communities, McPod offers flexible retail and office spaces ideal for food and beverage outlets, wellness centers, tutorial hubs, and service-based businesses. With its accessible location and curated tenant mix, McPod contributes to the growth of neighborhood-scale commercial hubs, aligning with Damosa Land’s goal of fostering convenient and community-centered developments across Davao.

Valley High

Valley High is a two-story boutique commercial complex located along the Gensan highway in General Santos City, adjacent to Microtel by Wyndham Gensan. It offers a curated mix of restaurants, cafes, wellness, and other lifestyle stores, complemented by an open-air plaza and ample parking and strategically positioned near key destinations for locals, students, and business travelers, marking Damosa Land’s first commercial footprint in the city.

Anflo Industrial Estate

Anflo Industrial Estate (AIE) is a 63-hectare PEZA-registered agro-industrial park strategically located in Panabo City, just 300 meters away from the Davao International Container Terminal (DICT). Designed to support agro-processing, warehousing, food manufacturing, and logistics, the state offers saleable lots, ready-built facilities, and future cold storage and modular warehouse options. AIE stands out as a hub for international investment in Southern Mindanao, with spaces currently occupied by foreign locators. Notable global tenants include HEAD Sports, Del Monte, Glacier Megafridge, and Thai Coconut. These firms benefit from PEZA incentives, robust infrastructure, and proximity to one of the country’s most modern container ports. Since its establishment in 2016, AIE has catalyzed regional growth and employment. It has received multiple awards, including the Asia CEO Circle of Excellence Award for Most Innovative Company 2019, Best Industrial Development Award in 2020 from PropertyGuru Philippines Property Awards, the Industrial Development of the Year in 2023 from the Lamudi The Outlook Awards and Highly Commended, Best Industrial Development from the 2025 PropertyGuru Philippines Property Awards.

Subsidiaries

Damosa Workspace Solutions, Inc.

Damosa Workspace Solutions, Inc. (DWSI), a subsidiary of Damosa Land, Inc., was incorporated in 2021 to expand the Group’s footprint in the commercial real estate sector, particularly in the fast-growing flexible workspace industry. Through a strategic partnership with IWG plc, a global leader in workspace solutions operating in over 120 countries, the company introduced internationally recognized brands to Mindanao’s business hubs. Its current portfolio consists of three operational centers: one Regus center in Davao City, one Regus center in Cagayan de Oro, and a SPACES location in Cagayan de Oro, the latter catering to the premium end of the flexible workspace market.

Flexible workspaces meet the evolving needs of modern businesses, offering adaptable and cost-effective solutions that enable companies to scale operations efficiently. This business segment has been particularly responsive to the requirements of start-ups, small-scale BPO operations, remote branches of multinational firms, and freelance professionals, sectors that are steadily expanding in Mindanao.

Since the start of its operations in 2022, DWSI has steadily built a growing tenant base. Its centers have recorded an average occupancy rate of approximately 80% from 2022 to 2024, which is above industry breakeven levels. This performance is reflective of strong localized demand, underscoring sustained demand for flexible office solutions in regional growth centers outside Metro Manila.

Realty Companies

The Issuer owns the following corporations that are yet to begin commercial operations:

- Agriya Inc.
- IGACOS Prime Estate Corporation
- IGACOS Property Development, Inc.
- IGACOS Property Management Corporation
- Marapangi Development Corporation
- Marapangi Estate and Development, Inc.
- Marapangi Prime Estate Corp.
- Marapangi Property Holdings Corporation
- Marapangi Realty Development, Inc.
- Marapangi Realty Management Corporation
- Pantukan Estate and Development, Inc.
- Pantukan Property Holdings, Inc.
- Pantukan Realty Development Corporation

All aforementioned entities were incorporated in the Philippines. The Company’s ownership interest in its subsidiaries ranges between 91% to 100%. The total carrying value of its investment in subsidiaries as of 2024 and 2023 is ₱154.8 million and ₱104.8 million, respectively.

PERMITS AND LICENSES

Detailed below are all the major permits and licenses necessary for the Company to operate its business, the failure to possess any of which would have a material adverse effect on our business and operations.

Permits	Issuing Authority	Permit Number	Issuance Date	Expiration Date
Business Permit	Local Government Unit	B-04338-8	6/20/2025	12/31/2025
Certificate of Registration	BIR	127RC20230000000949	9/22/2023	N/A
Development Permit	DHSUD	2025-003	6/09/2025	N/A
Building Permit	Island Garden City of Samal Office of the Building Official	25060237	6/27/2025	N/A
Environmental Compliance Certificate	DENR	ECC-OL-R11-2025-0187	7/01/2025	N/A
License to Sell	DHSUD	0004367	7/15/2025	12/31/2028
Certificate of Registration	DHSUD	0003572	7/15/2025	N/A
Certificate of Occupancy	City’s Engineer’s Office	-	-	-
Certificate of Registration	DOT	-	-	-
Certificate of Accreditation	DOT	-	-	-

All permits and licenses necessary to commence construction have been secured and are final. The only remaining requirement at this stage of development is the registration of the securities component with the Securities and Exchange Commission (SEC) under the SEC RENT framework, which needs to be complied prior to official selling of the condotel units.

As of date of this Prospectus, the Company has not yet secured the Certificate of Registration and Certificate of Accreditation from the Department of Tourism (DOT), as the hotel project is currently in the pre-construction phase. Construction of the hotel is scheduled to commence in the first quarter of 2026, with targeted completion by the third quarter of 2028. In accordance with existing DOT regulations, the application for registration and accreditation may only be initiated upon substantial completion of the Project and readiness of the facility for inspection. Following completion of construction, the Company intends to obtain the Certificate of Occupancy from the City Engineer’s Office, which serves as confirmation that the structure is

compliant with applicable building codes and is safe for occupancy. This certificate is a prerequisite to the filing of the application for DOT registration and accreditation.

Thereafter the Company will then proceed with securing the requisite DOT certifications, which are necessary for formal recognition as a tourism enterprise and will confirm compliance with DOT standards on physical facilities, operational readiness, and service quality. The hotel is expected to be fully operational by the fourth quarter of 2028 or early 2029. The Company is fully dedicated to achieving complete regulatory compliance and understands the vital role that DOT registration and accreditation play in our operations and is committed to proactively pursuing these essential certifications at the appropriate stage of development, ensuring not only our adherence to tourism standards but also our unwavering promise to deliver exceptional quality and service to our stakeholders.

In compliance with the Philippine Condominium Act (Republic Act No. 4726), a Condominium Corporation will be organized for the Condotel Project to which the ownership and legal title to the common areas shall be conveyed. While day-to-day maintenance and operations of the common areas will be undertaken by the hotel operator pursuant to the Management Agreement, the Condominium Corporation remains the legal entity responsible for the ownership and governance of such areas.

The Condominium Corporation serves as the collective body of unit owners and provides a governance structure that allows oversight of matters involving the common areas or the possible transition to a new hotel operator after the expiration of the management term.

COMPETITION

The condotel market in the Davao Region, particularly within the high-growth leisure destinations like Davao City and IGACOS, has been increasingly competitive due to the region's expanding tourism industry, infrastructure development, and strong investor interest. The Department of Tourism Region XI has reported a total of 4,155,581 tourist arrivals in 2024, which reflects a 27% increase compared to the previous years highlighting the region's growing appeal as top travel destination. The Issuer operates in a competitive landscape within the leisure and hospitality sector. Among the principal competitors in IGACOS are Discovery Samal and Pearl Farm Beach Resort, both of which possess significant market strength and brand recognition. Discovery Samal is managed by Discovery Hospitality Corporation. Discovery Samal offers 153 rooms that target both leisure and MICE markets. Pearl Farm Beach Resort, managed by the Issuer's affiliate Anflo Resort Development Corp., is a well-established luxury resort known for its exclusive accommodation and pristine beachfront. Pearl Farm is positioned in the market with a strong brand reputation and caters to high-end clientele. In contrast, competitors such as Club Samal Resort, Villa Amparo Garden Beach, Chema's by the Sea, and Almeja Azul offer a mix of boutique and mid-range accommodations, catering primarily to local and regional tourists. While these competitors hold varying market presence, most are privately held and operated within niche segments.

	TOTAL ROOMS	MICE Facility	MICE Facility Capacity
RESORT/HOTEL			
3-STAR			
CLUB SAMAL	54	✓	300
ALMEJA AZUL	69	-	-
4-STAR			
VILLA AMPARO GARDEN BEACH RESORT	55	✓	150
CHEMA'S BY THE SEA	15	-	-
5-STAR			
DISCOVERY SAMAL	153	✓	1,200
PEARL FARM BEACH RESORT	64	✓	200
ISLA MALIPANO RESORT	13	✓	

In addition to the leisure-oriented competitors within IGACOS, the Issuer also faces competition from established hospitality providers with MICE facilities in nearby Davao City. These include Waterfront Insular Hotel Davao, Dusit Thani Residences Davao, and Azuela Cove the Tent. Waterfront Insular Hotel Davao is a long-established seafront property offering extensive convention and function spaces, supported by the national presence of the Waterfront Hotels group. Dusit Thani Residence Davao, part of the internationally recognized Dusit Hotels and Resorts chain, caters to upscale business and leisure travelers with its premium facilities and brand-driven service standards. The Azuela Cove Tent, backed by Ayala Land and the Alcantara Group, provides a large-scale, flexible events venue with the financial strength and development backing of two

of the country's most prominent real estate players. SMX Convention Center Davao is the largest private event venue in Southern Philippines, located at SM Lanang Premier. It offers 5,200 sqm of flexible space for up to 4,500 guests, with function rooms and meeting rooms. Conveniently connected to Park Inn by Radisson and near the airport, it's ideal for conferences, expos, and large events. While these facilities are situated on the mainland, their proximity to Samal Island means they remain accessible alternatives for corporate and MICE clients.

HOTEL/EVENTS VENUE	TOTAL ROOMS	MICE Facility	MICE Facility Capacity
WATERFRONT INSULAR HOTEL DAVAO	159	✓	2,500
DUSIT THANI RESIDENCES DAVAO HOTEL	85	✓	1,000
AZUELA COVE THE TENT	-	✓	1,500
SMX CONVENTION CENTER DAVAO	-	✓	4,500

Strategic Positioning of Issuer

The Issuer strategically positions its Project as a resort-style condotel tailored to the *bleisure* (business and leisure) travel segment to address the competitive landscape. It is a fast-growing market comprised of professionals and business travelers seeking destinations that balance productivity with relaxation. Unlike conventional city-based condotels, the development will rise in a tranquil and scenic location, providing direct access to natural attractions like the beach. This unique setting offers a compelling alternative to urban accommodations, creating a value proposition combining professional functionality and a genuine leisure experience.

The property will feature resort-inspired amenities to enrich the overall guest experience. A core development component is its dedicated MICE facility, which can accommodate up to 240 guests. This allows the condotel to cater to vacationers and corporate groups, business travelers, and event organizers, making it a versatile destination for leisure and business-related gatherings. The MICE facility is particularly significant given the limited supply of MICE-capable developments in IGACOS, positioning the Project as one of the few island-based venues to host corporate events, conferences, and business retreats in a resort environment.

Further strengthening its market appeal, the condotel is designed to be a 4-star hotel and will operate under the internationally recognized TRYP by Wyndham. This global affiliation ensures adherence to international hospitality standards, enhances brand visibility, and grants access to a loyalty platform. The property will be managed by a professional hospitality management team, ensuring consistent service delivery, centralized booking systems, and operational efficiency. Through this differentiated approach, combining a strong brand partnership, comprehensive leisure and MICE offerings, and a prime island location, the Issuer aims to establish a distinctive presence in the hospitality and leisure sectors of Davao City and IGACOS, appealing to both domestic and international travelers.

In terms of competition with other resorts in IGACOS, TRYP by Wyndham Samal seeks to differentiate itself by offering a dual-purpose model that combines leisure-focused amenities with business-oriented facilities such as the MICE facility. While many resorts in the area cater to vacationers, this condotel will provide a broader value proposition by serving both the leisure and business travelers. This diversification not only expands its target market but also mitigates seasonal risks that affect purely leisure-driven properties. The association with the Wyndham brand further provides a competitive edge through global marketing reach, integration with international distributional channels, and access to a loyalty network of travelers through *Wyndham Rewards*, to which advantages not typically available to independent resorts.

On pricing competitiveness, the Project will target the mid-to-upper market segment by offering internationally branded accommodation at rates designed to remain competitive with principal resorts in IGACOS. By leveraging economies of scale in operations and efficiencies of a globally recognized management system, the Issuer seeks to balance value-for-money with the premium experience of a branded hotel. This strategy enables the Project to differentiate itself from purely leisure resorts while maintaining accessibility to a broad customer base.

The Issuer, Damosa Land, Inc. (DLI), is recognized as one of Mindanao's leading sustainable real estate developers. As a member of the ANFLO Group of Companies, DLI benefits from the financial stability, business network, and reputation of a longstanding conglomerate. The Issuer's diversified portfolio of residential, commercial, and mixed-use projects underscores the financial capacity and operational experience, supporting the Issuer's ability to deliver the Project with prudence and regulatory compliance.

EMPLOYEES

The Issuer (select all that apply):

	Has existing Labor Union in the company
	Has existing Collective Bargaining Agreement
	Has existing labor strike

As of the date of this Prospectus, none of the employees of the Issuer are covered by a collective bargaining agreement (CBA), there are currently no organized labor unions within the company, and the Issuer has not experienced any labor strikes, work stoppages, or threats of industrial action in the past three (3) years.

The Issuer maintains a positive and collaborative working environment and complies with all applicable laws and employment standards. While there is no existing CBA, the Issuer provides its employees with standards, government-mandated benefits, and supplemental incentives, which may include bonuses, health insurance, and professional development opportunities. These programs aim to support employee well-being, productivity, and retention.

Future employment arrangements for the condotel operations will similarly adhere to all applicable employment laws, with specific incentive schemes and benefits to be designed in alignment with industry standards and operational requirements.

LABOR REQUIREMENTS

As of the date of this Prospectus, the Issuer employs 150 employees, supporting its current development projects, administrative operations, and corporate functions. These employees are distributed across project and business and project development departments, engineering, finance, marketing, and corporate services.

For the upcoming TRYP by Wyndham Samal condotel project, the final number of personnel required for the hotel operations has yet to be determined, as the property is yet to be constructed and has not commenced operations. However, the Issuer anticipates employing more or less 100 employees to support the hotel’s full-scale operations. These will span across key departments including the executive office, hotel operations, sales and marketing, and food and beverages services, ensuring service quality and operation efficiency aligned with the TRYP by Wyndham brand standards.

The Issuer also commits to sourcing talents primarily from the Davao Region, which aligns with national and local initiatives that promote employment generation and support for the local economy. All hiring will be conducted in compliance with applicable labor laws and regulations.

PROPERTIES

The Issuer (select all that apply):

Property	Own	Lease
Land/Building/Real Estate	✓	✓
Equipment and other long-term assets	✓	✓
Intangible property such as patents, licenses, copyrights, trademarks, etc.	✓	-

The table in the next page shows owned principal properties of the Issuer that are either investment properties or properties used for operations, their measurement in hectares, and location.

Owned Principal Properties

TYPE OF ASSET	CLASSIFICATION	AREA (in has.)	BARANGAY	CITY	PROVINCE
Land	Investment Property	5.1 ha	Alfonso Angliongto Sr.	Davao City	Davao Del Sur
Land	Property used for operations	0.4 ha	Alfonso Angliongto Sr.	Davao City	Davao Del Sur
Land	Investment Property	5.0 ha	Bago Gallera	Davao City	Davao Del Sur
Land	Investment Property	5.0 ha	Catalunan Pequeño	Davao City	Davao Del Sur
Land	Investment Property	0.6 ha	Maa, Talomo	Davao City	Davao Del Sur
Land	Investment Property	0.3 ha	Matina	Davao City	Davao Del Sur
Land	Investment Property	4.7 ha	Panacan	Davao City	Davao Del Sur
Land	Investment Property	44.6 ha	Catigan, Toril	Davao City	Davao Del Sur
Land	Investment Property	7.6 ha	Lizada, Toril	Davao City	Davao Del Sur
Land	Investment Property	27.3 ha	Marapangi, Toril	Davao City	Davao Del Sur
Land	Investment Property	25.5 ha	Tagurano, Toril	Davao City	Davao Del Sur
Land	Investment Property	2.3 ha	Vicente Hizon	Davao City	Davao Del Sur
Land	Investment Property	0.8 ha	City Heights	General Santos City	Sarangani Province
Land	Investment Property	16.7 ha	ADECOR	IGACOS	Davao Del Norte
Land	Investment Property	16.1 ha	Caliclic	IGACOS	Davao Del Norte
Land	Investment Property	4.1 ha	Dadatan	IGACOS	Davao Del Norte
Land	Investment Property	6.6 ha	San Jose	IGACOS	Davao Del Norte
Land	Investment Property	2.5 ha	Cagangohan	Panabo City	Davao Del Norte
Land	Investment Property	0.4 ha	Gredu	Panabo City	Davao Del Norte
Land	Investment Property	1.0 ha	Katipunan	Panabo City	Davao Del Norte
Land	Investment Property	1.0 ha	La Paz	Panabo City	Davao Del Norte
Land	Investment Property	15.9 ha	New Pandan	Panabo City	Davao Del Norte
Land	Investment Property	31.7 ha	San Pedro	Panabo City	Davao Del Norte
Land	Investment Property	24.8 ha	San Vicente	Panabo City	Davao Del Norte
Land	Investment Property	3.9 ha	Sto. Niño	Panabo City	Davao Del Norte
Commercial Building	Investment Property	899 sqm	San Pedro & San Vicente	Panabo City	Davao Del Norte
Warehouses	Investment Property	21,000 sqm	San Pedro & San Vicente	Panabo City	Davao Del Norte
Cold Storage	Investment Property	959 sqm	San Pedro & San Vicente	Panabo City	Davao Del Norte
Storage and Service Area	Investment Property	272 sqm	San Pedro & San Vicente	Panabo City	Davao Del Norte
Boat Sheds	Investment Property	2,761 sqm	Vicente Hizon Sr.	Davao City	Davao Del Sur
Boat Transfer Facilities	Investment Property	1,198 sqm	Vicente Hizon Sr.	Davao City	Davao Del Sur
Office and Retail Buildings	Investment Property	57,969 sqm	Alfonso Angliongto Sr.	Davao City	Davao Del Sur
Retail Buildings	Investment Property	2,742 sqm	Matina	Davao City	Davao Del Sur
Warehouses	Investment Property	9,470 sqm	Panacan	Davao City	Davao Del Sur
Retail spaces	Investment Property	1,946 sqm	City Heights	General Santos City	Sarangani Province

As of the date of this Prospectus, the Company does not intend to acquire a property in the next twelve (12) months. Accordingly, there are no identified costs, contracts, or mode of acquisition to be disclosed at this time. The Company continues to evaluate opportunities in line with its long-term growth strategy, but as of the moment, no specific property acquisition has been authorized, committed to, or is reasonably probable within the said period. Nonetheless, the Company maintains an ample land bank, which provides a solid foundation to support the Company’s development pipeline and is consistent with its projection for the next twelve (12) months.

Leased Spaces

The Company, through its subsidiary Damosa Workspace Solutions, Inc. (DWSI), engages in the leasing and fit-out of bare shell office spaces which are then converted into flexible work environments. These spaces are designed and configured to meet the operational standards of IWG, its global workspace partner, and are operated under internationally recognized brands such as Regus and HQ. Under this model, DWSI enters into 5 to 7-year lease agreements with building owners, assumes responsibility for the build-out and furnishing of the premises, and subsequently offers the spaces to end-users on flexible terms. Total lease payments made as of December 31, 2024 and 2023 amounted to ₱10.1 million and ₱2.3 million, respectively.

Listed below are the details of the leased spaces including terms and conditions thereto:

Location	Area	Term	Expiration	Conditions
Felcris Centrale, Davao City	1,354 sqm	7 years	March 31, 2028	5% escalation rate + CUSA fee
SM CDO Downtown, Cagayan de Oro City	1,306 sqm	5 years	June 30, 2028	5% escalation rate + CUSA fee & Aircon Charges
SM CDO Downtown, Cagayan de Oro City	1,007 sqm	5 years	November 30, 2029	5% escalation rate + CUSA fee & Aircon Charges

LEGAL PROCEEDINGS OF COMPANY, ITS SUBSIDIARIES AND/OR AFFILIATES

The Issuer is currently involved in Civil Case No. M-DVO-24-05896-SC, filed on November 18, 2024, before the Regional Trial Court of Davao City. The case, *Republic of the Philippines, represented by the Department of Public Works and Highways (DPWH) vs. Damosa Land, Inc., et al.*, involves an expropriation proceeding affecting 534 sq.m. of DLI’s 890 sq.m. titled property to be used for the Samal Island–Davao City Connector (SIDC) project.

DLI has maintained that the remaining 356 sq.m. would be rendered commercially impractical and has formally sought just compensation for the entire property. The maximum potential compensation stands at ₱55.7 million, of which ₱19.2 million has already been received as provisional payment on April 24, 2025. The case is currently scheduled for pre-trial on September 30, 2025.

Based on legal evaluation, the Company believes it has a strong and reasonable position, and a favorable outcome is likely. This matter is not expected to have any material adverse effect on the Company’s operations or financial position.

To date, DLI and its subsidiaries are not involved in any other material legal proceedings, nor are there any known or threatened claims that could materially affect the business.

TRANSACTION WITH AND/OR DEPENDENCE ON RELATED PARTIES

The Issuer is an affiliate of the ANFLO Group of Companies. Its parent company, Anflo Management & Investment Corporation (ANFLOCOR) is a privately held holding company with deep roots in Mindanao’s business landscape, tracing its origins to the 1940s when it was founded by the late Don Antonio O. Floirendo, Sr. Originally established as a pioneer in the banana export industry, ANFLOCOR has since evolved into one of the region’s most prominent and diversified conglomerates.

The ANFLO Group of Companies operates across various industries, including agribusiness, logistics, real estate, infrastructure, and hospitality. As part of the ANFLO Group, DLI maintains strategic affiliations with other member companies, enabling operational synergies and resource sharing that support its development and expansion initiatives. These strategic affiliations contribute significantly to DLI’s hospitality ventures by providing access to established operational expertise and brand credibility within the ANFLO Group. The success of Pearl Farm Beach Resort, a pioneer luxury destination in Samal under the same group, offers a strong hospitality benchmark and institutional knowledge that DLI can draw from in developing and operating its tourism-related projects. Additionally, synergies with logistics, agricultural, and industrial affiliates enhance the Company’s ability to efficiently manage land development, supply chains, and service partnerships essential to successfully delivering its condotel development.

The following are the transactions entered into by the Issuer and its related parties in the last fiscal year:

Related Party	Nature of Transaction(s)	
	Sales	Purchases
<i>Parent Company</i>		
Anflo Management & Investment Corporation (ANFLOCOR)	Lease of office space	Service fees, purchase of land
<i>Entities Under Common Control</i>		
Anflo Construction Corp. (ANFLOCON)	Electricity and water charges	Contract labor and services
Anflo Resort Development Corp. (ARDC)	Lease of office space	Room and restaurant charges
Damosa Workspace Solutions, Inc. (DWSI)	Various charges (in the ordinary course)	N/A
Kensington Ventures, Inc. (KVI)	Lease of office space	Restaurant services
Nestfarms, Inc. (NESTFARMS)	N/A	Landscaping services and others
Securus Security Agency, Inc. (SECURUS)	Lease of office space	Manpower services
Tagum Agricultural Development Company, Inc. (TADECO)	Lease of office space	Agricultural produce (for corporate events)
United Financing Corporation (UNIFINANCE)	Lease of office space	Rental

Compensation of Key Management Personnel

The compensation of the Company’s key management personnel over the last three fiscal years, which includes its general manager, administrative managers and executive officers, follows:

<i>Amounts in thousands of PHP</i>	2024	2023	2022
Short-term employee benefits	₱49,649	₱55,034	₱47,053
Post-employment benefits	3,473	2,275	1,908
	₱53,122	₱57,309	₱48,961

USE OF PROCEEDS

Net Proceeds

a. The net proceeds of the offering are as follows:

	Amount (Php)
Gross Proceeds from the Offering	₱5,200,000.00
Less: Expenses	
SEC Registration Fee	150,000.00
UP Legal Research Fee	10.00
Documentary Stamp	120.00
Legal Fees	360,000.00
Auditors Fees	800,000.00
Others (Certificate of No Pending Case)	600.00
Others (Certificate of No Derogatory Information)	500.00
Net Proceeds from the Offering	₱3,888,700.00

The net proceeds from the Offer shall be deposited in an escrow account with the designated escrow bank. Withdrawals from the escrow account shall be made only as necessary to fund the specific use of the proceeds as identified above.

Detailed Use of Net Proceeds

The Issuer Company intends to use the net proceeds of the Offer after deducting registration fees and other estimated expenses for the following purposes in order of priority:

Details of Use of Proceeds	Amount	%	Disbursement Period
Portion of pre-operating expenses	₱3,888,700	100	2028-2029
TOTAL	3,888,700		

The offer price of the Certificates of Participation is structured to strike a balance between funding the condotel’s initial operations and ensuring affordability for unit owners. The pre-opening preparations are expected to start between the 1st and 2nd quarter of 2028. While the proceeds from the offer will contribute to pre-operating expenses and provide a buffer for the first three months of operations, the Issuer will cover the remaining costs to avoid placing a financial burden on the Certificate Holders. The price also reflects the value of participating in the income-generating operations of the condotel, granting holders a share in future revenue without conferring ownership equity. Designed to be reasonable and proportionate to the unit’s value and expected returns, the offer price promotes broad participation and investor confidence, while ensuring that the condotel is adequately capitalized at launch.

The proceeds from the Offer shall solely be used to fund a portion of the pre-operating expenses. Thereafter, the revenue generated from the hotel operations shall support day-to-day expenses including maintenance thereof. In the event that the revenue generated from the Project is insufficient to support its operations, the Issuer is authorized to secure additional funding under such terms and conditions as Issuer may deem beneficial to the Project, the cost of which shall form part of the condotel expenses.

SUMMARY OF THE OFFER

Description of the Offer

The securities being offered are (select all that apply):

	Investment Contract
	Certificate of Interest
✓	Participation in a profit-sharing agreement
	Others (specify):

Set forth below is information relating to the Offer and the features of the Certificates of Participation. This information is only a summary and is further qualified by reference to the applicable laws and regulations within the Philippines, the Articles of Incorporation and By-laws of the Issuer, as may be amended from time to time, and the Master Deed of TRYP by Wyndham Samal, as may be amended from time to time.

a. The Offer

i. Issuer

The sole issuer of the *Certificates of Participation* is Damosa Land, Inc. The Certificates shall be duly signed by Ms. Glorietta D. Navarro, Business Development Manager, Ms. Virgmarie O. Bacalso, Senior Assistant Vice President for Finance and Admin and Mr. Ricardo Luis Mateo F. Lagdameo, President. The sale of the condotel units is conditioned upon the simultaneous participation in the Condotel Project. Hence, the unit owner is prohibited from selling, leasing, transferring, mortgaging, or otherwise dealing with the Condotel Unit independently of the obligations outlined in this Agreement. Ownership of the Condotel Unit is tied to participation in the Condotel Project, meaning both the Unit and the Certificate—along with the Participant’s rights under this Agreement—must always remain under the same ownership. These elements cannot be separated or dealt with individually. Any sale, transfer, or assignment of the Condotel Unit will only be valid if it includes the simultaneous transfer of the Certificate.

ii. Offer Structure

Pursuant to the Trademark License Agreement and Services Agreement executed between the Issuer and PHINMA Microtel Hotels, Inc., the Issuer shall develop TRYP by Wyndham Samal, a condominium building consisting of furnished hotel units, amenities and all other appurtenances. The latter grants, for a certain fee, the Issuer a right to use the global brand “TRYP by Wyndham” and avail of its array of services including employee training, reservation system, marketing and others in relation to hotel operations. Such condominium building shall be advertised as a “Condotel”, which will be sold publicly through its network of accredited real estate agents and brokers. The Issuer will operate the condotel business whether by itself or by a third-party hotel operator.

Upon selling of the condotel units, the Issuer shall execute a Contract to Sell between itself and the buyers. The Contract to Sell between the Issuer and the purchasers of the Condotel Units includes an additional provision requiring that the purchased condotel units be used exclusively for the operations of the Condotel Project. As such, buyers are required to grant usage rights of their units to the Issuer either directly or through designated third-party operators and execute a Condotel Participation Agreement (CPA) with the Issuer. The ownership interest and participation of unit owners in the Condotel Project will be formally recognized through the issuance of Certificates. The monetary consideration of the ownership interest, identified in this Prospectus as the “Offer Price”, shall be included in the payment of other charges which will be collected upon purchase of the condotel units.

The Issuer, Damosa Land, Inc., also serves as the developer of the Project. Accordingly, no separate development agreement has been executed between the Issuer and another party. As developer, Damosa Land, Inc., assumes the primary responsibility for the construction and delivery of the condominium units, amenities, and all appurtenant facilities of the Project, in accordance with applicable laws, regulations, and approved development plans.

The sale of the Certificates of Participation will be made simultaneously with the sale of the condominium units and cannot be sold separately. These Certificates will be offered exclusively through authorized employees of the Issuer, ensuring direct oversight and control; of the offering process. In addition, the condominium units will be marketed through a network of accredited real estate agents and licensed brokers engaged by the Issuer, in compliance with applicable sales and marketing regulations.

The common areas are owned by the Condominium Corporation, however upon signing of the Condotel Participation Agreement the unit owners hereby assign and convey to the Issuer all of its membership rights and interest in the Condominium Corporation as contribution to the Condotel Project.

In addition to the grant of all the rights to use of the Condotel Unit, the Unit Owners shall pay the Participation Fee in form of the Offer Price to the Issuer. This Participation Fee shall be payable upon purchase of the condotel unit and the unit owner’s contribution to the Condotel Project. Payment of the Participation Fee shall be made through authorized banking instruments or fund transfers in favor of Damosa, Land, Inc., in accordance with the procedures set out by the Issuer. For further details, reference is made to the section “Certificates of Participation- Payment Terms”. The Participation Fee forms part of the "Other Charges" that are collected upon purchase of the condotel unit. These charges represent ancillary costs associated with the acquisition of the unit. A breakdown of these charges is presented in the table below:

Breakdown of Other Charges	
DST and ROD Fees	3.50%
Notarial Fees	1.00%
Participation Fee	0.50%
	5.00%

iii. Eligibility Requirements

The following conditions shall be satisfied by a unit owner to be eligible to hold the Certificates:

- a. Full payment of the unit’s purchase price;
- b. Full payment of the other charges which includes the Offer Price amount; and
- c. Execution of a Condotel Participation Agreement between the unit owner and Damosa Land.

iv. Certificates of Participation

On June 27, 2025, the Board of Directors of the Issuer authorized the issuance of 100 Certificates of Participation in the Condotel Project (the “Offer”). Each of the Certificates corresponds to the 100 units in the Condotel, classified further on the basis of unit categories, simplified and broken down as follows:

Class	No. of Certificates Per Class	Offer Price Per Class
STANDARD	94	₱50,000
DELUXE	4	75,000
SUITE	2	100,000
TOTAL	100	₱5,200,000

The Offer Price is included in the Other Charges which will be collected from the buyer in accordance with the agreed payment terms upon purchase of the Condotel Unit. The value Offer Price of each class of Certificate of Participation corresponds to the type of Condotel Unit purchased. Below is the list of unit types that corresponds to its Offer Class:

UNIT TYPE	OFFER CLASS
Standard Room A – Garden/Hill View	STANDARD
Standard Room B – Garden View	STANDARD
Fitness Room	STANDARD
Standard Room A – Ocean View	STANDARD
Standard Room B – Ocean View	STANDARD
Family Room	STANDARD
Deluxe Room	DELUXE
Suite Room	SUITE

Upon fulfillment of Eligibility Requirements, the Issuer shall deliver the Certificates to the initial Certificate Holder/s on issue date (the “Issue Date”). If any Unit Owners are not yet eligible to receive their Certificates on the Issue Date, the corresponding Certificates for their Condotel Units will initially be issued to the Developer. After the Issue Date, once a Unit Owner meets the Eligibility Requirements and pays the full Offer Price, the Developer will transfer the applicable Certificate to that Unit Owner.

The Issuer may arrange for the Certificate Holder’s rights and responsibilities under the Condotel Participation Agreement (CPA)—including references to the Master Deed—to be annotated on the

corresponding Condominium Certificate of Title (CCT) for the Condotel Unit. The Certificate and the CCT must not be transferred, assigned, mortgaged, or otherwise dealt with separately by the Certificate Holder. This requirement is based on the principle that the accessory follows the principal; meaning, the purchase of the Condotel Unit (the principal) grants the buyer the right to participate in the Condotel Project, provided all other Eligibility Requirements are met.

If a Certificate Holder fails to fulfill their obligations under the CPA related to their Condotel Unit—potentially leading to foreclosure—the associated Certificate will transfer to the new owner of that Unit. The Developer holds a right of first refusal over both the Condotel Unit and its Certificate. Any transfer of the Certificate that does not comply with this requirement will not be recognized or recorded in the Registry.

Payment Terms

Payment for the Certificates shall be made either by: (i) a personal or corporate check drawn against an account with a BSP authorized bank at any of its branches; (ii) manager’s or cashier’s check issued by an authorized bank; or (iii) any valid form of direct bank fund transfer in favor of the Issuer. All checks should be made payable to “DAMOSALAND INC.”, and dated the same date as the application. The applications and the related payments will be received at the office of the Issuer.

Unit Owners shall pay the Participation Fee through any of the following payment schemes:

Payment Term	Condotel Unit	Certificate of Participation
SPOT Cash	SPOT Full Payment with 10% Discount	SPOT Full Payment
Deferred Cash	36 Equal Payments	on the 37th month together with the Other Charges
Bank Financing	20% DP in 36 Equal Payments, 80% bank takeout	on the 37th month together with the Other Charges

Payment Financing Schemes	Definition	Internal Jargon
One Time Cash Payment	The client purchases the unit and pays for it in full in a single payment in cash.	Spot Cash
Short Term Zero Interest Payment	The client purchases the unit and pays for it in 36 equal installments or less at zero interest.	Deferred Cash
Bank Loans	The client purchases the unit and pays for it in full by applying and securing approval from a loan with a local bank. The bank will in turn pay the developer in full one time for the price of the property. The client in turn will now be paying the bank directly for the loan on whatever agreed payment term/s.	Bank Financing

v. Rights of Certificate Holders

Upon contribution of the Condotel Units and the payment of the participation fee, the Certificate Holders shall be entitled to the following rights and privileges:

- Payment of the Final Rental Pool Share on a quarterly basis, which shall be subject to the terms and conditions of the Condotel Participation Agreement.
- A total of fifteen (15) room nights use privilege in the Condotel Project per calendar year, including use of the hotel amenities and facilities. The use of these complimentary nights is subject to advance reservation and availability, particularly during peak seasons.

These privileges provide the unit owners with a balanced investment proposition that combines the potential for passive income with limited personal use.

Rental Pool Share

As a return on the Unit Owner’s investment, rental pool share from participation in the Condotel will be distributed on a quarterly basis and will be computed as follows:

	Room revenue	<i>a</i>
Less	Room-related expenses	<i>b</i>
	CAPEX reserve for major renovations	<i>c</i>
	Net room revenue	
Multiplied by	Rental pool share percentage	<i>d</i>
	Total rental pool share	
Divided by	Total room (saleable) area in sqm	<i>e</i>
Multiplied by	Unit Owner’s room area in sqm	<i>f</i>
	Gross Unit Owner’s rental pool share	
	Netting provisions	<i>g</i>
	Final Unit Owner’s rental pool share	

The following are the components of the computation:

- a. Room revenue – this refers to the total income generated from selling guest rooms in one calendar year. This includes, but is not limited to, revenue from nightly room rates, charges for early check-in or late check-out, and fees for extra guest arrangements. Excluded are food and beverage sales, amenities rental, laundry services, and other miscellaneous charges unless bundled into the room rate.
- b. Room-related expenses – this refers to direct costs incurred to operate and maintain guest rooms. Common expenses include materials and labor related to housekeeping, front office operations, room maintenance and repairs, utilities, and commissions and booking fees such as commissions paid to online travel agencies, service and marketing fees in accordance with the Services Agreement, and credit card processing fees related to room sales.
- c. CAPEX reserve for major renovations – The amount of this reserve is approximately 10-15% of the total value of the development of the facility. This fund is deducted from the room revenues to be set aside specifically for future large-scale repairs or upgrades to the property. This fund ensures that the building, common areas, and guest rooms remain in good condition and competitive in the market.

Before profits are distributed to unit owners, this reserve is deducted to cover planned or unexpected capital improvements such as, but not limited to, room refurbishments (e.g., furniture, fixtures, appliances), lobby or hallway renovations, and major structural, architectural, mechanical, electrical, plumbing or fire safety upgrades relating to rooms, front of house and back of house operations of the hotel.

- d. Rental pool share percentage – this is set at forty percent (40%) of the net room revenue.
- e. Total room (saleable area) in sqm – current total guest room area included in the inventory of the Condotel Project is 3,349 square meters (sqm), which may be subject to changes within the term of the Condotel Project. Should there be increase or decrease in room inventory for reasons beyond the control of the Unit Owner, Developer and Operator, and Management Company, the computation shall be adjusted accordingly to reflect the correct total guest room area in a manner that ensures fairness and equality.
- f. Unit Owner’s room area in sqm – this is identified as the area agreed upon purchase of the Condotel Unit. This may be subject to changes within the term of the Condotel Project. Should there be increase or decrease in room size for reasons beyond the control of the Unit Owner, Developer and Operator, and Management Company, the computation shall be adjusted accordingly to reflect the correct Unit Owner’s area.
- g. Netting provisions – these constitute amounts due to the Developer or Issuer, if any, and Unit Owner’s expenses such as real property taxes and other special assessments on the Unit, whether existing or to be imposed in the future, and condominium corporation dues, if any.

The Final Unit Owner’s Rental Pool Share (“**Final Share**”) will be recorded by the Issuer as ‘buyer’s share’ and payable to Certificate Holders.

The Issuer is obliged to distribute the Final Unit Owner’s Rental Pool Share on a quarterly basis, with payments to be made on or before the designated payment date following the quarter in which the share was earned. However, the Issuer may, with prior written notice to the Certificate Holders, suspend the distribution in case of a fortuitous event that results in or may result in business interruption. For the purposes of this Prospectus, business interruption refers to any slowdown or suspension of operations leading to financial losses that are not covered by the Issuer’s all-risk insurance policies, including but not limited to business interruption coverage.

The distribution of the Final Share is considered a return on the Unit Owner’s investment and participation in the Condotel and is contingent upon the Project generating a positive net room revenue. The operations will depend on the market conditions, political climate, average hotel occupancy, and operational and financial performance of the Condotel Project. The Company does not guarantee any specific amount of earnings for Certificate Holders through this Offer.

Room Use Privileges

Each Certificate Holder shall be allocated with room use privilege for a maximum of fifteen (15) room nights per year with the following conditions:

- a. Maximum of four (4) nights for peak seasons – The following are the pre-identified peak periods specific to Samal Island per calendar year:
 - Holy Week (7 nights)
 - Christmas to New Year season (14 nights)

This privilege is not cumulative but can be assigned to a nominee with proper permission and endorsement from the Unit Owner. Should the Condotel be forced to temporarily close during the calendar year, for reasons not attributable to the fault or negligence of the Issuer, the Room Use Privilege shall be reduced in such number of nights proportionate to the period when the Condotel was forced to temporarily close.

If the Certificate Holder’s assigned Condotel Unit is unavailable, or if its use would negatively impact the overall revenue potential of the Condotel Project, the Issuer may assign a comparable unit instead.

- b. Certificate Holders may stay at the hotel beyond their entitled Room Use Privilege, subject to room availability and at the prevailing published room rates set by the Company at the time of booking.
- c. This privilege does not cover long-distance calls, minibar items, food and beverage services, room service, laundry, parking, and similar incidental charges, which must be settled by the Certificate Holder, their nominee, or guest upon check-out.

vi. Term and Termination of the Condotel Project

The contribution of Units to the Condotel Project shall remain valid and in effect for a period of twenty (20) years, starting from the date of operation. After this period, the Condotel Participation Agreement (CPA) with the Certificate Holders may be renewed for the same or a shorter duration, solely at the discretion of the Issuer. The Issuer shall provide written notice to the Certificate Holders at least two (2) years before the CPA and Certificate expire, indicating its intention to continue the Condotel Project under new terms and conditions set by the Issuer through a new offering.

If the Issuer decides not to renew the Condotel Project for another term, or opts to terminate the CPA before the end of its term due to operational losses or any other reason, possession of the Condotel Units shall be returned to the respective Condominium Corporation, in accordance with Provision 14 of the Contract to Sell (CTS). Any improvements made to the Condotel Units will either be turned over or liquidated at the Issuer’s discretion, with the proceeds distributed among the Unit Owners. In addition, the Issuer shall refund the Certificate Holders a pro-rated portion of the Offer Price previously paid.

- b. Are these securities are to be registered under a delay or **continuous** offering?
✓ Yes _____ No

Target Market

The Issuer’s offering is primarily directed toward individuals seeking investment-oriented real estate assets in the Philippines, focusing strongly on the high-potential Davao Region. The condotel is designed for buyers interested in income-generating assets with long-term value, supported by professional hospitality management. Key market segments include Overseas Filipino Workers (OFWs), high-net-worth individuals, and real estate investors, all drawn by the potential for passive income, personal use, and professional

operations. By catering to these groups, the Issuer aims to attract both local and international investors to a managed property in a rising tourism and business hub.

For hotel operations, the Project targets the growing segment of “bleisure” travelers – business professionals who combine work-related travel with leisure stays. Through this targeted approach, the Issuer aims to capture demand from local and international investors seeking a well-positioned, income-generating asset in one of the country’s most promising regional growth centers.

Determination of the Offer Price

The offer price of the Certificates of Participation is structured to strike a balance between funding the condotel’s initial operations and ensuring affordability for unit owners. While the proceeds from the offer will contribute to pre-operating expenses and provide a buffer for the first three months of operations, the Issuer will cover the remaining costs to avoid placing a financial burden on the Certificate Holders. The price also reflects the value of participating in the income-generating operations of the condotel, granting holders a share in future revenue without conferring ownership equity. Designed to be reasonable and proportionate to the unit’s value and expected returns, the offer price promotes broad participation and investor confidence, while ensuring that the condotel is adequately capitalized at launch.

Investor Restrictions

- c. Is the offering subject to any other Investor restrictions? ___ Yes ✓ No
- d. Are the securities subject to any resale restrictions by the Issuer? ✓ Yes ___ No

Upon purchase of the Condotel Units, the buyers are bound to two (2) separate contracts governing the purchase of the Condotel Unit and the participation in the Condotel Project, as follows:

Transaction	Contracts/Documents	Timing
Purchase of the Condotel Unit	Contract to Sell	Upon reservation and downpayment stage
	Deed of Absolute Sale	Upon full payment of the purchase price
	Condominium Certificate of Title	Upon full payment of the purchase price
Participation in TRYP by Wyndham Samal Condotel	Condotel Participation Agreement	Upon reservation and downpayment stage

The sale of a Condotel Unit is subject to the buyer’s concurrent participation in the Condotel Project. Accordingly, ownership of both the Condotel Unit and the Certificate must always remain with the same individual. These two assets are inseparable and cannot be sold, transferred, or otherwise dealt with independently of each other. Any sale, transfer, or disposition of the Condotel Unit will only be valid if it includes the corresponding sale, transfer, or disposition of the Certificate.

In the event that the Unit Owner intends to sell the Unit along with the Certificate, they must provide written notice to the Issuer. The Issuer holds the right of first refusal for the purchase of the Condotel Unit and the Certificate. Any transfer made without complying with this requirement will not be recorded in the Registry.

In case of secondary transfer of the Condotel Unit together with the Certificate of Participation, the following conditions shall be satisfied:

- a. Submission of the Condominium Certificate of Title over the Condotel Unit issued by the Registry of Deeds in the name of the transferee, or the Certificate Authorizing Registration (CAR) issued by the Bureau of Internal Revenue (BIR) for such sale or transfer;
- b. Payment of processing fee;
- c. Waiver of the Right of First Refusal issued by the Damosa Land; and
- d. Surrender of the original Certificate of Participation.

PLAN OF DISTRIBUTION

The Certificates of Participation shall be sold exclusively in conjunction with the sale of the corresponding Condotel Units. As such, the offer and sale of the Certificates shall be conducted through the same channels and by the same authorized selling agents, accredited external brokers, and registered dealers engaged by the Issuer for the marketing and sale of the Condotel Units. These agents shall be duly registered with the Department of Human Settlements and Urban Development (DHSUD) and authorized to offer the Certificates of Participation as part of the integrated condotel package.

The marketing and promotional efforts for the Condotel Project shall be designed in accordance with industry practices suited for condotel developments, emphasizing both real estate ownership and the opportunity for participation in a professionally managed hospitality operation. Advertising and sales materials will include information on both the unit ownership and the corresponding rights and obligations under the Condotel Participation Agreement and Certificate of Participation, in compliance with applicable laws, SEC regulations, and disclosure standards.

No Certificate of Participation shall be sold separately from the Condotel Unit, and no sale shall be deemed valid unless the buyer simultaneously enters into a binding commitment for both the unit purchase and participation in the condotel program as detailed in this Prospectus.

The Company has designated certain employees to act as the seller of the securities. The aforementioned shall not receive any commission or compensation in connection with their appointment. For the condominium units, however, the Company intends to distribute them through its accredited real estate brokers and licensed selling agents, who will work in partnership with the Company’s designated employees. This structure ensures that both the Certificate and the corresponding unit are sold together. Specific terms of compensation, such as commissions or incentive schemes, for the real estate brokers and licensed selling agents are still under consideration and have not been determined as of the date of this Prospectus. The following is the authorized selling agents of the securities identified by the Issuer:

Name	Relationship to Issuer	Address	Tel. No.	Compensation received for selling securities
GLORIETTA D. NAVARRO	Business Development Manager	Unit 1501 Damosa Diamond Tower, Damosa IT Park, J.P. Laurel Ave, Alfonso Angliongto Sr., Davao City	(082) 234-2888	None
VIRGMARIE O. BACALSO	Senior Assistant Vice President for Finance and Admin	Unit 1501 Damosa Diamond Tower, Damosa IT Park, J.P. Laurel Ave, Alfonso Angliongto Sr., Davao City	(082) 234-2888	None

Offer Period

The Offer Period shall commence on November 8, 2025 and shall continue until all one hundred (100) Certificates of Participation corresponding to the number of condotel units have been fully sold.

CAPITALIZATION

Capital Stock

Authorized Capital Stock

Type of Shares	Number of Shares	Par Value	Amount	% of Ownership
Common Shares	7,500,000	₱100.00	₱750,000,000.00	82%
Preferred Shares	1,700,000	1,000.00	1,700,000,000.00	18%
		Total	₱2,450,000,000.00	100%

Subscribed Capital Stock

Type of Shares	Number of Shares	Par Value	Amount	% of Ownership
Common Shares	7,500,000	₱100.00	₱750,000,000.00	82%
Preferred Shares	1,368,487	1,000.00	1,618,487,000.00	18%
		Total	₱2,368,487,000.00	100%

OUTSTANDING CERTIFICATES AND PRINCIPAL SHAREHOLDERS

Outstanding Securities

As of this date, the Issuer has no outstanding securities issued to the public.

Stockholders

Original Stockholders

No	Name	No of Shares	Shares Held	%
1	Antonio O. Floirendo	1,930	₱193,000.00	96.50%
2	Nenita R. Floirendo	50	5,000.00	2.50%
3	Licerio O. Floirendo	10	1,000.00	0.50%
4	Pedro M. del Rosario	5	500.00	0.25%
5	Jesus C. Ortega	5	500.00	0.25%
	TOTAL	2,000	₱200,000.00	100%

DESCRIPTION OF PROPERTY

The land on which the Condotel will be developed is owned by the Issuer. The Issuer has directly acquired the land for this Project, ensuring full ownership and long-term control over the property. The Project site is located within Costa Azalea, a master-planned resort township development by Landco Pacific Corporation.

The property is covered by Transfer Certificate of Title (TCT) Nos. 142-2024021954, 142-2024021955, and 142-2024021956, issued by the Registry of Deeds for the Province of Davao del Norte and registered in the Issuer's name. As of the date of this Prospectus, the land is free from mortgages, liens, or encumbrances.

Upon a buyer's full payment of a Unit, the corresponding Condominium Certificate of Title (CCT) of each unit will be transferred to the Unit Owner. Common areas will be held under the name of the Condominium Corporation upon completion. In addition to the condotel units and common areas, the development will feature designated commercial spaces such as food and beverage outlets, kitchen, and event facilities. These commercial areas will be retained and operated by the Issuer and are not intended for sale during the 20-year term of the Condotel Project.

BOARD OF DIRECTORS

Directors

a) The table below sets forth each member of the Board of Directors of the Issuer as of the date of the Prospectus:

No	Name	Age	Position	Citizenship	Year Appointed*
1	Maria Linda F. Lagdameo	78	Chairman	Filipino	2018
2	Maria Cristina F. Brias	69	Corporate Secretary	Filipino	2018
3	Ricardo R. Floirendo	63	Director	Filipino	2018
4	Maria Theresa R. Floirendo	65	Treasurer	Filipino	2020
5	Vicente R. Floirendo	56	Director	Filipino	2018
6	Ricardo Luis Mateo F. Lagdameo	47	President	Filipino	2021
7	Renato T. De Guzman	75	Independent Director	Filipino	2025
8	Roberto Jose R. Locsin	50	Independent Director	Filipino	2025

*date reported as Director in the GIS

Business and Work Experience

No	Name	Business and/or Professional Work Experience
1	Maria Linda F. Lagdameo	Ms. Lagdamaeo is currently the Chairman of the Anflo Management & Investment Corp.
2	Maria Cristina F. Brias	Ms. Brias is currently the Corporate Secretary of the Anflo Management & Investment Corp. She holds key positions in other companies, including Managing Director for Hospitality & CSR Operations for Anflo Resort Development Corporation (ARDC) and the Don Antonio O. Floirendo Sr. Foundation (AOFF).
3	Ricardo R. Floirendo	Mr. Floirendo is currently a Director of the Anflo Management & Investment Corp.
4	Maria Theresa R. Floirendo	Ms. Floirendo is currently the Treasurer of the Anflo Management & Investment Corp. and the Director for Environmental Concerns for AOFF.
5	Vicente R. Floirendo	Mr. Floirendo is currently a Director of the Anflo Management & Investment Corp.
6	Ricardo Luis Mateo F. Lagdameo	Mr. Lagdameo is currently the President of the Real Estate and Construction Group for Damosa Land, Inc. Anflo Construction Corporation and Damosa Workspace Solutions Inc.
7	Renato T. De Guzman	Mr. De Guzman is currently the Independent Non-Executive Director of Maybank Singapore Limited. He holds key positions in other companies, including Chairman of Good Samaritan Colleges and Nueva Ecija Good Samaritan Health Systems, Inc., President of Pristine Properties Zambales, Inc. and i4 Talents Manpower Inc., and Director of Sundae Promociones and i4 Talent Pte. Ltd. in Singapore.
8	Roberto Jose R. Locsin	Mr. Locsin is currently the Chief Admin Officer / Chief Operating (International) of the Manila Water Company, Inc.

b) Other Directorship of Independent Directors

Name of Independent Director	Reporting Company	Year Appointed
Renato T. De Guzman	Maybank Singapore Limited	2019
	Good Samaritan Colleges (Philippines)	2019
	Nueva Ecija Good Samaritan Health Systems, Inc. (Philippines)	2016
	Sundae Promociones	2017
	Pristine Properties Zambales, Inc. (Philippines)	2023
	i4 Talents Manpower Inc. (Philippines)	2024
	i4 Talent Pte, Ltd (Singapore)	2024
Roberto Jose R. Locsin	No other directorship	

Security Ownership of Directors

The following table shows the security ownership of directors in the **common shares** of the Company as of April 30, 2025.

Name	Amount and Nature of Beneficial Ownership		Citizenship	No. of Common Shares	% Ownership
	Direct	Indirect			
Maria Cristina F. Brias	₱22,231,000	-	Filipino	222,310	2.97%
Maria Linda F. Lagdameo	₱300	-	Filipino	3	0.00%
Ricardo R. Floirendo	₱22,231,000	-	Filipino	222,310	2.97%
Vicente R. Floirendo	₱22,231,000	-	Filipino	222,310	2.97%
Ricardo Luis Mateo F. Lagdameo	₱100	-	Filipino	1	0.00%
Renato T. De Guzman	₱100	-	Filipino	1	0.00%
Roberto Jose R. Locsin	₱100	-	Filipino	1	0.00%

MANAGEMENT

Officer, Manager and Key Person

- c) Provide background information for each Officer, Manager and Key Person. The term “Key Person” means a person who makes significant contribution to the business of the Issuer.

Name	Ricardo Luis Mateo F. Lagdameo
Age	47
Position	President
Education	BA, Interdisciplinary Studies, Ateneo de Manila & MBA, Columbia Business School
Business Experience	Currently serves as the President of the Real Estate and Construction Group for Damosa Land, Inc. Anflo Construction Corporation, and Damosa Workspace Solutions Inc.

Name	Alfred E. Samson
Age	59
Position	Chief Finance Officer
Education	Bachelor of Science in Accountancy
Business Experience	Currently the Chief Finance Officer of the Anflo Management & Investment Corp.

Name	Maria Cristina F. Brias
Age	69
Position	Corporate Secretary
Education	Graphic Design, University of London
Business Experience	Currently the Corporate Secretary of the Anflo Management & Investment Corp. She holds key positions in other companies, including Managing Director for Hospitality & CSR Operations for Anflo Resort Development Corporation (ARDC) and the Don Antonio O. Floirendo Sr. Foundation (AOFF).

Name	Nicolas A. Baña
Age	59
Position	Chief Legal Officer
Education	Bachelor of Science in Accountancy, College of Law
Business Experience	Currently the Chief Legal Officer of the Anflo Management & Investment Corp.

Name	Virgmarie O. Bacalso
Age	42
Position	Senior Assistant Vice President for Finance & Admin
Education	Bachelor of Science in Accountancy
Business Experience	Currently serves as the Senior Assistant Vice President for Finance & Admin of the Real Estate and Construction Group.

Name	Danilo A. Manlangit
Age	50
Position	Assistant Vice President for Residential Operations
Education	Bachelor of Science in Marketing, Master of Business Administration
Business Experience	Currently serves as the Assistant Vice President for Residential Operations.

Name	Lora V. Porras
Age	40
Position	Assistant Vice President for Commercial & Industrial Operations
Education	Bachelor of Science in Accountancy
Business Experience	Currently serves as the Assistant Vice President for Commercial and Industrial Operations and as a Member of the Board of the Urban Land Institute.

Name	Marguerita Carmina P. Bibat
Age	44
Position	Senior Assistant Vice President for Township & Tourism
Education	BS Hotel and Restaurant Administration (Cum Laude)
Business Experience	Currently serves as the Senior Assistant Vice President for Township & Tourism Operations

Security Ownership of Officers, Managers and Key Persons

The following table shows the security ownership of management in the **common shares** of the Company as of April 30,2025.

Name	Amount and Nature of Beneficial Ownership		Citizenship	Number of Shares	% Ownership
	Direct	Indirect			
Maria Cristina F. Brias	₱22,231,000	—	Filipino	222,310	2.97%
Ricardo Luis Mateo F. Lagdameo	₱100	—	Filipino	1	0.00%

Compensation

- d) The following is a table of compensation paid to the President and four other executive personnel of the Company:

SUMMARY COMPENSATION TABLE			
Position	Salary (2024)	Bonus (2024)	Other Annual Compensation
President and other executive personnel	₱22,740,000	₱5,900,000	₱3,840,000

Other executive personnel include department and operations head for residential, leasing, township, tourism, and administrative services.

The following are the five highest-paid executive officers, including the President. These officers receive compensation under the Company’s regular payroll system.

- Ricardo Luis Mateo F. Lagdameo
- Virgmarie O. Bacalso
- Marguerita Carmina P. Bibat
- Danilo A. Manlangit
- Lora V. Porras

It should be noted, however, that the Chief Financial Officer (CFO) and Chief Legal Officer (CLO) are not directly employed by the Company but are engaged under the Service Agreement with ANFLOCOR. Accordingly, their compensation is provided pursuant to the terms of the Service Agreement and is not directly payable under the Company’s payroll. In addition, members of the Board of Directors receive a per diem allowance of ₱25,000.00 for each board meeting attended.

- e) The Issuer (select all that apply):

✓	Expects compensation to change in the next year
	Owes compensation for prior years

Arrangements with Officers, Directors, Managers and Key Persons

- f) The Issuer (select all that apply):

	Has entered into employment or non-compete agreements with any Officer, Manager, Director or Key Person.
	Plans to enter into employment or non-compete agreements with any Officer, Manager, Director or Key Person

As of the date of this Prospectus, there are no standard arrangements pursuant to which directors are compensated, directly or indirectly, for services provided as directors, including additional amounts payable for committee participation or special assignments, for the last completed fiscal year and the ensuing year.

Furthermore, there are no material arrangements, including consulting, contracts, pursuant to which any director of the Company was compensated, or is to be compensated, directly or indirectly, during the last completed fiscal year and the ensuing year, for any services provided as a director.

Insolvency Legal Proceedings of Management and Key Personnel

g) An Officer, Manager, Director, Key Person of the Issuer (Put ☒ in column if applicable and x otherwise):

Name	Position: D = Director ID – Independent Director O - Officer	Civil	Criminal	Administrative	Bankruptcy	Case Details
n/a	n/a	-	-	-	-	n/a

Certain Legal Proceedings

This section applies to:

- The issuer, its subsidiaries and affiliates
- All Directors and Officers of the Issuer
- All Beneficial Owners of 10% or more of the Issuer’s outstanding voting equity and
- All Promoters of the Issuers

- h) Have any of the above-listed persons filed or subject of any bankruptcy petition filed by or against any business of which such person was a general partner or executive either at the time of the bankruptcy or within two (2) years prior to that time. [☐] Yes [☒] No
- i) Have any of the above-listed persons been named as the subject of a pending felony or misdemeanor criminal proceeding excluding traffic violations or other minor offenses not related to fraud or a financial crime? [☐] Yes [☒] No
- j) Have any of the above-listed persons been the subject of an order, judgment, decree, sanction or administrative findings imposed by any government agency, administrative agency, self-regulatory organization, civil court, or administrative court in the last five (5) years related to his or her involvement in any type of business, securities, insurance, or banking activity? [☐] Yes [☒] No
- k) Are any of the above-listed persons the subject of a pending civil, administrative, or self-regulatory action related to his or her involvement in any type of business, securities, insurance, or banking activity?
- l) [☐] Yes [☒] No
- m) Has any civil action, administrative proceeding, or self-regulatory proceeding been threatened against any of the above-listed persons related to his or her involvement in any type of business, securities, insurance or banking activity? [☐] Yes [☒] No

Litigation

n) The Issuer (select all that apply):

	Has been involved in litigation or subject to administrative action in the last five (5) years that has had a material effect upon the Issuer’s business, financial condition or operations
☒	Has pending litigation or administrative action that may have a material effect upon the Issuer’s business, financial condition, or operations
	Is currently threatened by litigation or administrative action that may have a material effect upon the Issuer’s business, financial condition, or operations
	None of the above

Family Relationship

As of date of this Prospectus, Damosa Land, Inc., a member of the ANFLO Group of Companies, a major business conglomerate in the Philippines, has certain family relationships through consanguinity or affinity among its directors and executive officers. These relationships are as follows:

- Maria Linda F. Lagdameo is the mother of Ricardo Luis Mateo F. Lagdameo.
- Maria Linda F. Lagdameo, Maria Cristina F. Brias, Ricardo R. Floirendo, Maria Theresa R. Floirendo, and Vicente R. Floirendo are siblings.

These relationships have been fully disclosed in line with the company’s corporate governance framework and relevant regulatory requirements. All appointments and roles are determined based on qualifications, experience, and professional merit, and are aligned with the company’s commitment to transparency and integrity.

Certain Relationship and Related Party Transactions

o) The Issuer (select all that apply):

	Has made loans to an Officer, Manager, Director or Principal Stockholders within the last two (2) years
	Has one or more outstanding loans with an Officer, Manager, Director or Principal Stockholder in the future.
	Has done other business not associated with this offer with current Officer, Manager, Director, or Principal Stockholder within the last two (2) years
	Plans to do other business not associated with this offering with a current Officer, Manager, Director, or Principal Stockholder in the future

FINANCIAL INFORMATION

Plan of Operation

As of the date of this Prospectus, the Issuer is yet to begin construction of the Condotel facility. Construction is slated to begin in 2026 and be completed by 2029. During this period, the Issuer will be responsible in generating funds to construct the facility. The project will be funded primarily through corporate bank loans. As of the date of this Prospectus, the Issuer is in the process of securing credit lines with its partner banks to support the development. The Company intends to utilize these external financing facilities to complement its existing resources and ensure the timely execution of the Project. Significant collection from Condotel sales and other charges, including the Offer Price, are expected to realize between 2027 to 2028, just in time for pre-operational expenses and first few months of operation. After the utilization of the proceeds from the Offer, the issuer will use the Condotel revenues to satisfy its cash requirements for the next twelve (12) months, and will not secure additional funding or debt.

The estimated cost to construct the Project is approximately more or less ₱750 million inclusive of taxes, which includes building construction, fit-out, and related project expenses.

As early as twelve months before commencement of commercial operations, the Issuer shall start gathering its resources such as manpower, concessionaires, operational supplies and equipment, and other significant items needed. Training of manpower will be handled by PMHI as part of their services and grant of license to use the brand. The number of employees shall be determined prior to start of operations in 2029. The foregoing activities are aligned with the project timeline presented below:

Agenda	Timetable
Signing of Trademark License Agreement and Service Agreement	January-24
Project Launching	Q4 of 2025
Start of Construction	Q1 of 2026
Signing of Management Agreement	Q2 of 2028
Completion and Acceptance of hotel/condotel	Q3 of 2028
Hotel/condotel Opening	Q4 of 2028

Project Timeline¹

¹The foregoing timetable represents the Company’s current expectations based on available information and projected plans. Actual implementation may vary due to unforeseen events, regulatory requirements, or other factors beyond the Company’s control.

Management’s Discussion and Analysis

Hotel Operations Financial Highlights

The financial performance of the Condotel Project, TRYP by Wyndham Samal, directly affects the value and returns of the Certificates of Participation (COPs). COP holders are entitled to forty percent (40%) of Net Room Revenue, which represents gross room revenue generated by the hotel less direct room-related operating expenses. The Company has prepared financial projections based on market research, historical performance of comparable assets, and operating inputs provided by the hotel management company.

The table on the following page summarizes the projected performance of hotel operations over the first five years of operation.

Projected Financial Performance of the Condotel Operations

Projected Profitability – First Five (5) Years

	Year 1	Year 2	Year 3	Year 4	Year 5
Occupancy rate	20%	40%	50%	50%	50%
Average daily rate	₱9,000	₱9,315	₱9,548	₱9,787	₱10,031
<i>in millions</i>					
Room revenue	₱65.7	₱136.0	₱174.2	₱178.6	₱183.1
Others	9.9	20.4	26.1	26.8	27.5
Total Revenue	75.6	156.4	200.3	205.4	210.6
Less: Room expenses	26.3	54.4	69.7	71.4	73.2
Gross Operating Income	49.3	102.0	130.6	134.0	137.4
Less:					
Overhead costs	11.0	22.3	28.4	29.1	29.9
Management fees	4.1	8.2	10.5	10.7	11.0
Buyer’s share	12.8	29.6	38.8	39.9	40.9
Gross Operating Profit	21.4	41.9	52.9	54.3	55.6
Less:					
Taxes and licenses	1.3	2.7	3.5	3.6	3.7
Insurance	3.7	3.7	3.7	3.8	3.8
Depreciation & amortization	6.4	6.4	6.4	6.4	6.4
Net Income Before Tax	10.0	29.1	39.3	40.5	41.7
Less: Corporate income tax	2.5	7.3	9.9	10.1	10.4
Net Income After Tax	₱ 7.5	₱21.8	₱29.4	₱30.4	₱31.3

Figures above are projections and based on reasonable market growth assumptions. Room expenses include direct operational costs such as housekeeping, front office, and supplies. Overhead costs include general and administrative expenses, marketing and advertising, booking commission, royalty fees, utilities and regular operational maintenance.

The financial projections for this Project reflect a strong confidence in Davao Region’s tourism to provide upward profitability trajectory within the first five years of operations. In anticipation of the completion of Samal Island – Davao Connector (SIDC) project, the growth of occupancy levels from 20% to 52% is steady yet promising. The target starting average daily rate is reasonable as well given the current pricing of accommodations within the island and the surrounding four to five-star hotels in Davao City.

Projected Long-term Profitability

To provide a clearer view of the Project’s long-term financial performance, the table below summarizes key profitability indicators at strategic intervals across a 20-year horizon: Years 1, 5, 10, 15, and 20. These projections illustrate the progressive growth in revenue and net income over time as operations stabilize, occupancy levels mature, and brand positioning strengthens.

The figures reflect the expected performance of hotel operations under a conservative yet realistic set of assumptions, including moderate growth in occupancy rates, gradual increases in average daily rates (ADR), and disciplined cost management. These data points form the financial basis for estimating returns to Certificate Holders, whose entitlements are tied to the hotel’s net room revenue.

	Year 1	Year 5	Year 10	Year 15	Year 20
Occupancy rate	20%	50%	65%	70%	75%
Average daily rate	₱9,000	₱10,031	₱11,349	₱12,841	₱14,528
<i>in millions</i>					
Room revenue	₱65.7	₱183.1	₱269.3	₱328.1	₱397.7
Others	9.9	27.5	40.4	49.2	59.7
Total Revenue	75.6	210.6	309.7	377.3	457.4
Less: Room expenses	26.3	73.2	107.7	131.2	159.1
Gross Operating Income	49.3	137.4	202.0	246.1	298.3
<i>(forward)</i>					

Less:					
Overhead costs	11.0	29.9	43.7	53.2	64.5
Management fees	4.1	11.0	16.1	19.5	23.6
Buyer's share	12.8	40.9	61.6	75.7	92.5
Gross Operating Profit	21.4	55.6	80.6	97.7	117.7
Less:					
Taxes and licenses	1.3	3.7	5.4	6.6	8.0
Insurance	3.7	3.8	4.0	4.2	4.4
Depreciation & amortization	6.4	6.4	6.4	6.4	6.4
Net Income Before Tax	10.0	41.7	64.8	80.5	98.9
Less: Corporate income tax	2.5	10.4	16.2	20.1	24.7
Net Income After Tax	₱ 7.5	₱31.3	₱48.6	₱60.4	₱ 74.2

Figures above are projections and based on reasonable market growth assumptions. Room expenses include direct operational costs such as housekeeping, front office, and supplies. Overhead costs include general and administrative expenses, marketing and advertising, booking commission, royalty fees, utilities and regular operational maintenance.

This financial outlook supports the income-sharing arrangement with the Certificate Holders and reinforces the investment proposition of stable and recurring cash flow participation over the 20-year term of the certificates.

The following shows a sample computation of a Unit Owner's Return of Investment (ROI):

UNIT OWNER'S PERSPECTIVE			
STANDARD UNIT A			31.63 sqm
Total Contract Price w/ VAT			₱10,122,068
a	Other Charges (including Offer Price)		₱506,103
Total Contract Price w/ other charges			₱10,628,171
b	Total Potential Earnings in 20 years		₱11,846,858
c	Payback period		18+ years
Annual ROI:			
d	ROI based on occupancy	65% (at Year 4)	70% (at Year 11)
Profit share for the year		₱524,648	₱645,442
ROI (profit share ÷ TCP w/ OC)		5%	6%

- Legend:
- a Offer price is ₱50,000 according to its unit classification.
 - b This includes assumption of increase in both occupancy and daily rate.
 - c Payback period is computed solely on the projected rental share and does not factor in any potential value gain from future appreciation of the unit.
 - d This includes assumption of increase in daily rate.

Liquidity and Capital Resources

The Company's liquidity is sourced from both internal and external channels. Internal sources include cash and cash equivalents, collections from unit sales, and proceeds from Participation Fees, which are applied to project construction, working capital, and initial hotel operations. External sources consist of bank loans and credit facilities that supplement internal cash flows. The Company is also in the process of securing approval from its partner banks for a development loan specific to this Project, with the credit line agreement expected to be finalized by the first quarter of 2026. This facility will provide additional flexibility to bridge funding requirements during construction and pre-operating stages.

The Company does not anticipate any cash flow or liquidity problems within the next twelve (12) months and is not in default or breach of any note, loan, lease or other indebtedness or financing arrangement requiring it to make payments. The Company has enough resources to settle its trade payables within the stated trade terms.

Capital Expenditures

Apart from the development of its ongoing projects, the Company has no other material commitments for capital expenditures as of the date of this Prospectus. Appropriate approvals from the Board of Directors have been secured for these developments. The Condotel Project represents the Company's next major capital expenditure; however, there are currently no material commitments with third parties in respect of this Project, as the offering and preselling activities have not yet commenced.

Trends, Events, and Uncertainties

As of the date of this Prospectus, the Company is not aware of any trends, events, or uncertainties that have had, or are reasonably expected to have, a material favorable or unfavorable impact on its net sales, revenues, or income from continuing operations. Likewise, the Company does not anticipate any material changes in the relationship between costs and revenues, such as increases in the cost of labor or materials, price adjustments, or inventory issues, that would materially affect its operations.

Summary of Historical Financial Information

Prospective purchasers of the Offer should read the summary financial data below together with the financial statements, including the notes thereto, included in this Prospectus and "Management's Discussion and Analysis of Results of Operations and Financial Condition". The summary financial data for the calendar year ended 2024 and 2023 are derived from the audited financial statements of Damosa Land, Inc., including the notes thereto. The detailed financial information for the calendar years ended December 31, 2024, 2023 and 2022 and the three months ended March 31, 2025 and 2024 are found on page 52 of the Prospectus.

The summary of financial and operating information of Damosa Land, Inc. presented below as of and for the years ended December 31, 2024, 2023 and 2022 were derived from the consolidated financial statements of Damosa Land, Inc., audited by Sycip Gorres Velayo & Co. and prepared in compliance with the Philippine Financial Reporting Standards ("PFRS"). The financial and operating information of Damosa Land, Inc., presented below as of and for the three months ended March 31, 2025 and 2024 were derived from the audited consolidated financial statements of Damosa Land, Inc., prepared in compliance with Philippine Accounting Standards ("PAS") 34, "Interim Financial Reporting". The information below should be read in conjunction with the consolidated financial statements of Damosa Land, Inc. and the related notes thereto, which are included in Financial Information section of this Final Prospectus. The historical financial condition, results of operations and cash flows of Damosa Land, Inc. are not a guarantee of its future operating and financial performance.

CONSOLIDATED STATEMENTS OF
COMPREHENSIVE INCOME

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME	For the years ended December 31,			For the three months ended March 31,	
	2024	2023	2022	2025	2024
	(Audited)			(Audited)	
	(in thousands except per share figures or where otherwise indicated)				
REVENUE					
Sale of real estate	₱1,121,034	₱1,128,392	₱775,107	₱143,484	₱200,166
Rental operations	427,806	395,715	251,266	116,964	106,696
Hotel operations	94,724	85,591	70,185	21,523	18,592
	1,643,564	1,609,698	1,096,558	281,971	325,454
COST AND EXPENSES					
Direct costs and expenses					
Real estate sales	741,530	714,969	414,936	106,704	107,962
Rental	284,355	241,920	179,058	73,584	69,815
Hotel operations	71,390	65,643	55,444	17,364	14,673
General and administrative expenses	295,465	309,601	280,196	70,375	66,685
Interest and other financing charges	209,742	146,646	25,215	62,495	59,433
	1,602,482	1,478,779	954,849	330,522	318,568
OPERATING PROFIT (LOSS)	41,082	130,919	175,096	(48,551)	6,886
OTHER INCOME					
Equity in net earnings of associate	62,981	49,814	45,785	28,718	9,492
Interest	299	4,081	698	72	40
Miscellaneous	21,162	11,900	8,268	5,168	3,064
	84,442	65,795	54,751	33,958	12,596
INCOME (LOSS) BEFORE TAX	125,524	196,714	196,460	(14,593)	19,482
PROVISION FOR (BENEFIT FROM) INCOME TAX	(8,823)	53,705	64,619	(13,188)	(19,472)
NET INCOME (LOSS)	134,347	143,009	131,841	(1,405)	38,954
Basic/diluted earnings (loss) per share	₱17.91	₱19.07	₱17.58	(₱0.19)	₱5.19
OTHER COMPREHENSIVE INCOME (LOSS)	1,391	(2,403)	5,181	—	—
TOTAL COMPREHENSIVE INCOME	₱135,738	₱140,606	₱137,022	(₱1,405)	₱38,954

FULL FISCAL YEAR (for the years ended December 31)

Revenue

Sale of Real Estate

The Group derives its real estate revenue from selling and developing house and lot or lot-only subdivisions, condominium units, industrial lots, and one-off sale of undeveloped properties. The Group enters into contract agreements with customers to sell properties that are either completed or under development.

For completed real estate units or ready-for-occupancy (RFO) units, the Company recognizes revenue at a single point in time — specifically, when the buyer gains control of the unit. This approach aligns with the guidelines of accounting for real estate revenue in the Philippines, which treat the sale as a single performance obligation that is satisfied once ownership is transferred.

In most cases, this occurs when the legal title is transferred to the buyer. For contracts that are unconditional, revenue is recognized upon execution and transfer of the title. In contrast, for conditional sales — such as when buyers must fulfill certain financing or documentary requirements — revenue is recognized only once all significant conditions have been met, and the Company is legally entitled to payment.

For real estate projects that are still under construction, the Company recognizes revenue progressively over time, in proportion to the construction progress. This means that revenue is recorded as the development advances, rather than waiting until the unit is fully completed and turned over.

This method is applied in accordance with Philippine Financial Reporting Standards (PFRS) 15, and is based on two key principles:

1. The units under contract cannot be used for any other purpose (no alternative use) – Once a buyer enters into a contract, the unit is reserved for them and cannot be sold to someone else.
2. The Company has a legally enforceable right to collect payment for work completed to date – Even if the buyer cancels, the Company is entitled to payment for the portion of the work already done.

This approach provides a more accurate reflection of the Company's financial performance over the course of a project, as it aligns reported revenues with actual progress on the ground. It also offers investors better visibility into ongoing project execution and the timing of cash flow realization.

In the case of Issuer, real estate sales remain the dominant revenue contributor, accounting for approximately 70% of total revenue in 2022, 2023, 2024. Revenues from this segment grew from ₱775.1 million in 2022 to ₱1.1 billion in 2024, reflecting a compounded growth rate of nearly 20% over two years. The increase in 2023 can be attributed to the substantial expansion in available inventory following the launch of key residential developments such as Ameria and Bridgeport, which significantly boosted sales volumes.

The higher recognized revenue in 2023 and 2024 are primarily attributable to the significant completion milestones achieved in key projects. Among these are Damosa Fairlane, Seawind, and Harbor View Estates, which reached substantial completion within this two-year period. Meanwhile, Ameria, the Company's flagship residential development in Panabo, progressed from 75% completion in 2023 to 86% in 2024, contributing to both revenue and cost realization during the period.

Bridgeport Park, a mid-rise residential and leisure estate, also advanced steadily, recording 40% completion in 2024 as construction activity intensified. In addition, the newly launched Kahi Estates, located in Bago Gallera, Davao City, achieved 22% completion by the end of 2024, despite only launching in October, signaling strong momentum in the Company's newest residential community in the city.

From 2023 to 2024, the segment maintained its strong performance, reflecting sustained demand and effective sell-through of these newly launched projects.

Rental Operations

Rental income continued to reinforce the Company's recurring revenue base, contributing a stable share to total revenues. From ₱251.3 million in 2022 (23% of total revenue), rental income grew to ₱427.8 million in 2024, accounting for approximately 25% of total revenue. This sustained performance underscores the Company's strategic emphasis on long-term, income-generating assets that provide reliable cash flows irrespective of the cyclical nature of real estate sales.

The increase in rental income over the three-year period is largely attributed to the improvement in occupancy rates across the Company's commercial portfolio—from 61% in 2022, immediately following the easing of COVID-19 restrictions, to 74% in 2023, and reaching 87% in 2024. This growth reflects strong market absorption, driven primarily by the expansion of business process outsourcing (BPO) operations and the entry of new BPO locators in Davao City, many of whom have demonstrated a clear flight-to-quality preference—shifting toward modern, sustainable office spaces offering better long-term value compared to older, conventional buildings.

In addition to office space demand, the Company also recorded steady and consistent performance from its retail and F&B tenants, benefiting from increased foot traffic, improving consumer sentiment, and the recovery of the local dining and service sectors. These trends affirm the resilience and adaptability of the Company's rental portfolio, which remains well-positioned to support recurring revenues and long-term asset value.

Hotel Operations

Hotel operations revenue rose steadily from ₱70.2 million in 2022 to ₱94.7 million in 2024, reflecting a 35% growth over two years. While this segment currently comprises approximately 5–6% of total revenue, it continues to demonstrate strong upward potential as part of the Company's long-term strategy to diversify income sources and grow its footprint in the hospitality sector.

A key driver of this growth is the sustained recovery in occupancy rates following the pandemic. Notably, Microtel by Wyndham Davao recorded a significant rebound, with average occupancy increasing from 38% in 2021 to 66% in 2024, now closely aligned with its pre-pandemic performance levels. Similarly, Microtel by Wyndham General Santos has shown gradual but meaningful improvement, rising from 21% occupancy in 2021 to 52% in 2024, driven by increased business travel and improved regional mobility. During peak

seasons, these hotels experience up to 80% occupancy, highlighting demand from business travelers as well as government spending on MICE events.

The performance of both properties reflects growing market confidence and demand for branded, quality accommodation in key urban centers of Mindanao. With continued improvements in tourism and business activity in the region, along with the planned expansion of branded hotel assets under the Damosa Land portfolio, the Company is well-positioned to scale this segment further. The consistent gains in hotel performance reinforce its role as a complementary contributor to long-term asset value and recurring income.

Cost and Expenses

Cost of real estate sold increased in line with revenue, rising from ₱414.9 million in 2022 to ₱741.5 million in 2024, reflecting the Company's active project delivery pipeline and the accelerated pace of construction across multiple developments. This growth in cost is a direct result of the continued scale-up of operations and supports the strong topline performance over the same period.

The reported costs also include commissions paid to sellers, which are recognized in line with the percentage of completion of each project, consistent with the Company's revenue recognition policy. This ensures that selling costs are matched with the stage of project development, providing a more accurate reflection of profitability over time.

Growth of cost and expenses related to rental operations increased over the past years due to operational costs and property management expenses which remained well aligned with income levels and occupancy trends. While this segment's contribution to revenue is not as significant compared to real estate sales, it posed healthy EBITDA Margin of 56% and 54% in 2024 and 2023, respectively, highlighting the importance of maintaining a recurring-income business in a real estate portfolio.

Hotel-related expenses increased from ₱55.4 million in 2022 to ₱71.4 million in 2024, maintaining a cost ratio of all departmental expenses of approximately 75% of hotel revenue. It poses a 27% and 20% EBITDA Margin as of 2024 and 2023, respectively, highlighting effective cost-management efforts which are seen to be sustained, if not improved, in the coming years. As the hospitality segment scales, the Company expects operating leverage to improve, driving greater profitability and margin expansion over time.

Interest and Other Financing Charges

The Issuer's interest and other financing charges amounted to ₱209.7 million in 2024, reflecting a planned increase from ₱146.6 million in 2023 and ₱25.2 million in 2022. This upward trend corresponds to the strategic expansion in long-term debt, undertaken to fund major development projects, including residential subdivisions, condominium developments, and income-generating assets.

A significant portion of the 2024 interest expense—₱188.7 million—relates to long-term borrowings with fixed rates ranging from 4.74% to 7.95%, secured primarily through leading local banks under multi-year repayment terms. These loans were structured with grace periods ranging from one to three years, allowing the Issuer to ramp up project execution before entering into full amortization schedules. The increase in interest expense is a direct outcome of prudent leverage deployed to support high-potential real estate investments and is aligned with the Issuer's long-term growth strategy.

Despite the rise in gross interest charges, the Issuer continues to demonstrate strong debt service capacity, maintaining compliance with all externally imposed financial covenants, including:

- Debt-to-equity ratio: not greater than 1.5:1
- Debt service coverage ratio: not less than 1:1
- Current ratio: not less than 1:1

As of December 31, 2024, the Issuer's total long-term debt stood at ₱2.4 billion, of which ₱1.8 billion is classified as non-current. The reduction from ₱2.9 billion at the start of the year reflects timely amortizations totaling ₱509.4 million, further emphasizing the Issuer's commitment to disciplined financial management and liability reduction.

Overall, the increase in financing charges is a reflection of the Issuer's ongoing investments in scalable real estate projects and long-term value creation. The debt portfolio remains well-structured, collateralized, and actively monitored, reinforcing the Issuer's ability to pursue growth while maintaining financial stability.

Performance and Profitability Indicators – Overall Operations

Indicator	Formula	December 31, 2024	December 31, 2023
a. Revenue Growth Rate	$\frac{\text{Current Revenue} - \text{Prior Revenue}}{\text{Prior Revenue}} \times 100$	2%	47%
b. Gross Profit Margin	$\frac{\text{Revenue} - \text{Cost of Sales}}{\text{Revenue}} \times 100$	33%	36%
c. Net Profit Margin	$\frac{\text{Net Income}}{\text{Revenue}} \times 100$	8%	9%
d. EBITDA Margin	$\frac{\text{EBITDA}}{\text{Revenue}} \times 100$	29%	30%
e. Current Ratio	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$	2.0x	1.9x
f. Debt Ratio	$\frac{\text{Total Liabilities}}{\text{Total Assets}}$	0.5x	0.5x

Real Estate Sales

Indicator	December 31, 2024	December 31, 2023	Remarks
Reservation Sales	₱1.4 billion	₱2.1 billion	2023 reservation sales are composed of Ameria, Bridgeport Park A, B and C (newly launched), and Harbor View Estates while additions in 2024 include Bridgeport Park D and Q4 launched projects such as Agriya Gardens and Kahi Estates. Significant increase in 2023 is due to selling and construction efforts for Ameria, Bridgeport, and one-off sale of industrial lot.
Revenue Growth Rate	-1%	46%	The minimal decrease in 2024 is tolerable, as it mainly reflects the steady sell-out of prior year inventories. Newly launched projects were introduced toward the end of the year, and revenue recognition for these will be realized in subsequent periods.
Gross Profit Margin	33%	36%	Despite the decrease in 2024, this margin still falls to the Company’s acceptable standard and is seen to be improved in the coming years.
Net Profit Margin	8%	11%	The decrease in 2024 is attributable to increase in interest expense.
EBITDA Margin	19%	22%	Higher performance in 2023 was driven by a sale of an industrial lot with higher margins than residential projects. The 2024 margin reflects normalized residential sales and remains within a healthy range.

Rental Operations

Indicator	December 31, 2024	December 31, 2023	Remarks
Revenue Growth Rate	8%	58%	Overall, revenue from rental operations is expected to increase over the years due to rental escalation and take-up of remaining available inventory. Drastic increase in 2023 is due to increase in lease inventory attributable to completion of Damosa Diamond Tower.
Occupancy Rate	88%	74%	Higher occupancy rate is seen across all different commercial properties of the Issuer.
Gross Profit Margin	32%	37%	Despite the decrease in 2024, the margin is still a good indicator of sound financial performance for this segment.
Net Profit Margin	5%	1%	Increase in both Net Profit Margin and EBITDA Margin is attributable to the Company’s efforts to control property management and overhead costs.
EBITDA Margin	56%	54%	

Hotel Operations

Indicator	December 31, 2024	December 31, 2023	Remarks
Revenue Growth Rate	11%	22%	Increase in 2023 is due to post-pandemic rebound of economic activities for both hotels, with steady growth seen to be sustained in 2024.
Occupancy Rate	59%	57%	Average occupancy rate in both hotels have also increased due to increase in MICE, business and leisure travels.
Revenue Per Available Room (REVPAR)	₱2,237	₱2,022	Contracted rates also increased in line with increase in occupancy.
Gross Profit Margin	25%	23%	Margin improvement reflects stronger occupancy levels and enhanced operational efficiency.
Net Profit Margin	14%	6%	Increase is attributed to better room yield and disciplined cost management.
EBITDA Margin	27%	20%	Higher EBITDA margin is driven by both revenue growth and improved cost controls across hotel operations.

INTERIM (for the three months ended March 31)

Revenue

Sale of Real Estate

For the three months ended March 31, 2025, the Company recorded real estate revenue of ₱143.5 million, a 28.3% decline from the ₱200.2 million reported in the same period in 2024. This variance is primarily attributed to the one-off sale of an investment property amounting to ₱86.0 million recognized under “Sale of real estate” in Q1 2024. Stripping out this extraordinary transaction, real estate revenue derived from inventory sales actually improved in 2025, underscoring stronger underlying performance in core residential and mixed-use offerings.

Traditionally, the first quarter reflects seasonally slower sales activity across the Company’s portfolio, except in periods coinciding with new product launches. In Q1 2024, revenue contributions were largely driven by Seawind, Ameria, Bridgeport Park, and Harbor View Estates. In contrast, the revenue base for Q1 2025 has expanded to include newer projects such as Agriya Gardens and Kahi Estates, along with additional lot sales in Harbor View Estates, pointing to a more diversified and broadened inventory absorption.

As of March 2025, reported real estate sales represent only about 10% of the Company’s full-year revenue target. This is expected, as major developments and sales activities are projected to ramp up in the second half of the year. Notably, the development and launch of Bridgeport Tower 3 is slated to contribute approximately ₱235 million in revenue upon turnover commencement. Moreover, sales velocity for Agriya Gardens, Kahi Estates, and Harbor View Estates is anticipated to accelerate in second half 2025, driven by enhanced marketing efforts and increased inventory availability.

Overall, while first-quarter results reflect the timing of project launches and the absence of one-off transactions seen in the prior year, the Company remains confident that its 2025 performance will ultimately reflect the results of its fervent selling efforts and strategic rollout of key residential and mixed-use developments.

Rental Operations

Rental revenue for the three months ended March 31, 2025 reached ₱117.0 million, reflecting a 9.6% increase from ₱106.7 million during the same period in 2024. This growth is attributed to a combination of steady occupancy improvements and the application of annual escalation rates averaging 5% across lease contracts.

The rental income stream is composed of revenues from the Company’s retail, food and beverage (F&B), office, and co-working spaces, all of which continued to benefit from sustained tenant demand and enhanced space utilization. In particular, the office and co-working segments experienced improved take-up rates, supported by demand from small to mid-sized businesses and BPO locators seeking flexible, quality workspaces.

The performance for the first quarter of 2025 is already reflective of approximately 25% of the Company’s full-year rental revenue target, indicating healthy momentum and a strong outlook for the remainder of the year. This early traction underscores the stability of the Company’s recurring income base and the effectiveness of its asset management and leasing strategies.

Hotel Operations

Hotel revenue for the three months ended March 31, 2025 amounted to ₱21.5 million, reflecting a 15.7% increase from ₱18.6 million in the same period in 2024. This growth is driven by a notable increase in occupancy across both Company’s operating hotels.

The two properties generated revenue from a balanced mix of business travelers, government-related events, and leisure guests, reflecting the broad market appeal and diversified guest segments served by the Company’s hotel operations. The improvement in occupancy is a result of strengthened travel demand, greater corporate mobility, and increased utilization of meeting and event spaces.

As of the first quarter, hotel operations have already achieved approximately 20% of the Company’s full-year revenue target for 2025, indicating a strong start and sustained momentum for the remainder of the year. This performance reaffirms the hospitality segment’s role in supporting earnings diversification and generating stable operating cash flows.

Cost and Expenses

Costs related to the sale of real estate amounted to ₱106.7 million, closely aligned with the ₱108.0 million recorded during the same period in 2024. The consistent cost base reflects stable construction activity and steady project execution during the period. In accordance with the Company’s revenue recognition policy, commissions paid to sellers are recognized based on the percentage of completion, ensuring cost alignment with project progress and enhancing the reliability of reported margins.

Rental-related expenses increased modestly from ₱69.8 million in March 2024 to ₱73.6 million in March 2025, driven primarily by inflationary adjustments and property management expenses associated with higher occupancy levels. Despite the increase, EBITDA margin for the segment improved to 61% from 56% in the previous year, underscoring the operational efficiency of the Company’s leasing business and its ability to deliver stable recurring income from commercial, office, retail, and co-working assets.

Hotel-related expenses rose from ₱14.7 million in March 2024 to ₱17.4 million in March 2025, corresponding with increased room occupancy and activity in both of the Company’s hospitality properties. The segment maintained a healthy EBITDA margin of 24%, an improvement from 17% in the same quarter of the previous year. This reflects the positive trajectory of the hospitality business as it continues to recover post-pandemic, supported by robust demand from business travelers, government events, and leisure segments.

Performance and Profitability Indicators – Overall Operations

Indicator	Formula	March 31, 2025	March 31, 2024
a. Gross Profit Margin	$\frac{\text{Revenue} - \text{Cost of Sales}}{\text{Revenue}} \times 100$	30%	41%
b. Net Profit Margin	$\frac{\text{Net Income}}{\text{Revenue}} \times 100$	0%	12%
c. EBITDA Margin	$\frac{\text{EBITDA}}{\text{Revenue}} \times 100$	31%	35%
d. Current Ratio	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$	2.0x	2.0x
e. Debt Ratio	$\frac{\text{Total Liabilities}}{\text{Total Assets}}$	0.5x	0.5x

Real Estate Sales

Indicator	March 31, 2025	March 31, 2024	Remarks
Reservation Sales	₱549.4 million	₱323.7 million	Increase in 2025 includes sales from launches in Q4 of 2024 such as Kahi Estates and Agriya Gardens.
Revenue Growth Rate	-28%	-45%	Decline is due to absence of one-off sales. 2023 includes a ₱257 million undeveloped lot sale while 2024 includes a smaller one valued at ₱86 million.
Gross Profit Margin	22%	45%	Higher margin in 2024 was driven by the one-off sale of lot with substantial gross profit.
Net Profit Margin	-11%	34%	2025 loss is driven by higher interest expense.
EBITDA Margin	8%	26%	Lower margin for the three-month period is primarily due to front-loaded overhead expenses incurred at the beginning of the year, which cover costs for the entire year.

Rental Operations

Indicator	March 31, 2025	March 31, 2024	Remarks
Revenue Growth Rate	10%	54%	Substantial take-up of spaces was experienced in Q1 of 2024.
Occupancy Rate	90%	83%	High occupancy rate signifies a good mix of attractive lease offers, tenant management, and quality locators.
Gross Profit Margin	69%	68%	The efficient revenue and cost management has resulted to steady performance in this segment.
Net Profit Margin	15%	6%	Increase in both Net Profit Margin and EBITDA Margin is attributable to the Company’s efforts to control property management and overhead costs.
EBITDA Margin	57%	54%	

Hotel Operations

Indicator	March 31, 2025	March 31, 2024	Remarks
Revenue Growth Rate	16%	-7%	The decline in 2024 is seen as temporary and seasonal. The strong rebound in 2025 reflects improved booking trends and operational momentum.
Occupancy Rate	56%	50%	Occupancy continues to trend upward, supported by targeted marketing efforts and growing demand in both leisure and corporate travel segments.
Revenue Per Available Room (REVPAR)	₱1,826	₱1,534	Growth in REVPAR reflects better occupancy and optimized pricing strategies.
Gross Profit Margin	20%	21%	Gross margin remains healthy and within range.
Net Profit Margin	7%	1%	Improved net margin driven by higher revenue base and better management of overhead costs, showing stronger profitability.
EBITDA Margin	24%	17%	Increase reflects leaner operations and improved cost structure, enhancing earnings quality and cash flow potential.

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION	For the years ended December 31,		For the three months ended March 31 and year ended December 31,	
	(Audited)		(Audited)	
	2024	2023	2025	2024
(in thousands except per share figures or where otherwise indicated)				
ASSETS				
Current Assets				
Cash and cash equivalents	₱321,987	₱457,452	₱258,378	₱321,987
Trade and other receivables - net	181,161	184,517	98,127	181,161
Current portion of contract assets	896,276	927,347	863,561	896,276
Real estate held for sale	1,011,943	664,080	1,041,597	1,011,943
Prepayments and other current assets	584,093	482,269	604,136	584,093
	2,995,460	2,715,665	2,865,799	2,995,460
Noncurrent Assets				
Contract assets - net of current portion	372,620	290,858	427,091	372,620
Investment in associate	712,251	657,112	740,969	712,251
Investment properties	3,099,471	3,528,240	3,077,685	3,099,471
Property, plant and equipment	409,892	313,877	442,028	409,892
Right-of-use assets	62,187	64,471	67,367	62,187
Deferred income tax assets - net	4,377	2,298	2,613	4,377
Other noncurrent assets	64,511	43,632	61,972	64,511
	4,725,309	4,900,488	4,819,725	4,725,309
TOTAL ASSETS	₱7,720,769	₱7,616,153	₱7,685,524	₱7,720,769
LIABILITIES AND EQUITY				
Current Liabilities				
Trade and other payables	₱631,386	₱624,091	₱569,985	₱631,386
Contract liabilities	121,785	72,279	187,315	121,785
Bank loans	399,538	224,400	499,815	399,538
Current portion of long-term debt	657,541	506,609	707,776	657,541
Current portion of lease liabilities	18,608	12,587	18,329	18,608
	1,828,858	1,439,966	1,983,220	1,828,858
Noncurrent Liabilities				
Long-term debt - net of current portion	1,752,775	2,413,074	1,575,200	1,752,775
Lease liabilities - net of current portion	44,753	51,578	50,786	44,753
Net pension liabilities	22,523	24,060	23,352	22,523
Deferred income tax liabilities - net	110,408	117,403	92,287	110,408
Trade and other payables - net of current portion	20,111	29,087	18,700	20,111
Refundable deposits	66,279	65,496	68,322	66,279
	2,016,849	2,700,698	1,828,647	2,016,849
Equity				
Equity attributable to equity holders of the Parent				
Common shares	750,000	750,000	750,000	750,000
Preferred shares	1,568,487	1,176,687	1,568,487	1,568,487
Additional paid-in capital	207,905	207,905	207,905	207,905
Other comprehensive income	3,012	1,621	3,012	3,012
Retained earnings	1,345,658	1,339,276	1,344,253	1,345,658
	3,875,062	3,475,489	3,873,657	3,875,062
TOTAL LIABILITIES AND EQUITY	₱7,720,769	₱7,616,153	₱7,685,524	₱7,720,769

FULL FISCAL YEAR (for the years ended December 31)

Cash and Cash Equivalents

Cash decreased from ₱457.5 million to ₱322.0 million by year-end 2024. The movement reflects the Company's planned use of funds for development-related capital expenditures and scheduled loan repayments. Despite the decline, liquidity levels remain sufficient to support near-term operational and investment needs.

Trade and Other Receivables

Receivables slightly eased to ₱181.2 million from ₱184.5 million. This modest movement indicates consistent collection efforts and stable billing cycles across the Company's real estate and leasing businesses.

Contract Assets

Contract assets increased from ₱1.2 billion to ₱1.3 billion, aligned with ongoing progress across pre-selling developments. As revenue is recognized based on construction milestones under the percentage-of-completion method, this growth reflects strong activity in vertical and horizontal projects during the year.

Real Estate Held for Sale

Inventory rose from ₱664.1 million to ₱1,012.0 million, driven by the continued development and capitalized costs of newly launched projects such as Kahi Estates in Davao City and Agriya Gardens in Panabo, along with steady construction in Ameria and Bridgeport Park. The increase supports the Company's ongoing expansion and project pipeline readiness.

Investment in Associate

There is a steady increase across the years related to the Issuer's interest in Accendo Commercial Corporation, an entity incorporated in the Philippines to engage in real estate activities. The Issuer has 19% ownership interest with its associate. The cost of the investment amounts to ₱46.4 million. Over time, it earns accumulated equity in net earnings as well as in other comprehensive income of the associate. The share in net income in 2024 amounting to ₱63.0 million is a net result of a sound financial performance of the associate.

Investment Properties

Investment properties declined to ₱3.1 billion from ₱3.5 billion, mainly due to reclassifications of portions for internal use and asset optimization initiatives. The Company continues to hold a solid portfolio of income-generating properties that support recurring revenue streams.

Trade and Other Payables

Trade and other payables increased slightly by ₱7.4 million, reflecting the Company's consistent supplier and contractor engagements in line with its ongoing project completions. The modest rise suggests effective working capital management without overextension of obligations.

Bank Loans

Bank loans increased to ₱399.6 million in December 2024 from ₱224.4 million in the prior year, reflecting an additional drawdown of ₱175.2 million. This increase was primarily to support the Company's expanding development pipeline and to augment working capital needs aligned with the growth in real estate projects.

Long Term Debt

Total long-term debt, including both current and noncurrent portions, declined to ₱2.4 billion in December 2024 from ₱2.9 billion in the previous year. This reduction of approximately ₱509.0 million reflects the Company's partial repayments and maturing obligations, signaling improved liquidity management and a deliberate effort to optimize its capital structure.

Equity

Equity increased from ₱3.5 billion in December 2023 to ₱3.9 billion in December 2024, primarily driven by the following:

- a. Issuance of preferred shares amounting to ₱391.8 million, which significantly boosted capital stock under equity. This reflects investor confidence in the Company's growth trajectory and was the most substantial driver of equity expansion for the period.
- b. A net income of ₱134.3 million was posted for 2024, partially offsetting earlier declines in retained earnings.
- c. A dividend declaration of ₱30.0 million reduced retained earnings.
- d. The effect of the adoption of the IFRIC Agenda Decision resulted in a downward restatement of retained earnings by ₱90.0 million to align with revenue recognition standards under PFRS. This adjustment reflects a prudent move by the Company to align with updated financial reporting guidance.
- e. There was also an increase in other comprehensive income related to remeasurements on pension liabilities, adding about ₱1.3 million, further contributing to total equity growth.

These movements reflect both capital-raising efforts and responsible compliance with accounting standards, reinforcing the Company's long-term financial sustainability.

INTERIM (for the three months ended March 31)

Cash and Cash Equivalents

Cash and cash equivalents decreased from ₱208.6 million in March 2024 to ₱258.4 million in March 2025. The rise is attributed to stable cash inflows from operations and prudent cash flow management during the quarter, reflecting the Company's ability to maintain financial flexibility.

Trade and Other Receivables

Lower receivables in March 2025 versus December and March 2024 signifies intensive collection efforts from real estate sales.

Contract Assets

Contract balances is steady at ₱1.3 billion, mirroring the pace of project construction. As revenues are recognized over time, this steady improvement points to strong project execution in line with sales commitments.

Real Estate Held for Sale

Inventories continued to grow to ₱1,041.6 million from ₱1,012.0 million. This movement reflects the ongoing build-up of saleable units from both existing and newly launched residential developments, ensuring sufficient supply to meet market demand.

Investment in Associate

There is a steady increase across the years related to the Issuer's interest in Accendo Commercial Corporation, an entity incorporated in the Philippines to engage in real estate activities. The Issuer has 19% ownership interest with its associate. The cost of the investment amounts to ₱46.4 million. Over time, it earns accumulated equity in net earnings as well as in other comprehensive income of the associate. The increase in 2025 amounting to ₱74.4 million is a net result of a sound financial performance of the associate.

Investment Properties

Investment properties slightly declined to from December 2024 to March 2025 by ₱0.2 million, mainly due to regular depreciation and minor reclassifications. The core leasing portfolio remains intact, with high occupancy across retail and office assets continuing to contribute to the Company's recurring income.

Trade and Other Payables

Trade and other payables increased slightly from ₱631.4 million to ₱570.0 million, reflecting a stable cost structure aligned with the Company's ongoing project delivery and operating activities. The minimal change suggests that payment cycles and procurement timelines remain well-managed, even as construction activity progressed. This consistency reinforces the Company's efficient working capital management, ensuring obligations are settled in line with project milestones and vendor agreements without incurring undue build-up of payables.

Bank Loans

As of March 2025, bank loans stood at ₱499.8 million, up from ₱399.5 million at yearend. The ₱100.3 million increase is consistent with the Company's prudent leveraging strategy to fund ongoing construction and land development activities while interest rates remain within manageable levels.

Long Term Debt

As of March 2025, total long-term debt stood at ₱2.3 billion, lower than the ₱2.4 billion recorded in March 2024. This decrease of ₱127.3 million over the three-month period demonstrates the Company's ongoing efforts to manage debt obligations and maintain a sound-gearing position while continuing to support project funding requirements.

Equity

Equity slightly decreased in March 2025 due to a net loss of ₱1.4 million in Q1 2025, which slightly tempered the growth in retained earnings for the quarter but was not large enough to significantly impact overall equity. Despite the net loss in the first quarter, the Company's equity base remains strong and well-capitalized, benefiting from the prior year's equity infusion and maintaining its momentum for long-term growth.

	For the years ended December 31,			For the three months ended March 31,
CONSOLIDATED STATEMENT OF CASH FLOWS	2024	2023	2022	2025
	(Audited)			(Audited)
	(in thousands except per share figures or where otherwise indicated)			
CASH FLOWS FROM OPERATING ACTIVITIES				
Income before income tax	₱125,524	₱196,714	₱196,460	(₱14,593)
Adjustments for:				
Interest and other financing charges	209,742	146,646	25,215	62,495
Depreciation and amortization	147,374	136,661	95,495	39,627
Equity in net earnings of associate	(62,981)	(49,814)	(45,785)	(28,718)
Gain on disposal of investment property and property and equipment	(8,452)	(400)	—	—
Gain on cancellation of real estate contracts	(2,532)	(2,112)	(606)	—
Interest income	(299)	(4,081)	(698)	(72)
Net change in pension liability	141	3,008	3,665	829
Unrealized foreign exchange loss (gain)	(50)	134	(233)	21
Elimination of profit from downstream transactions	—	—	33,387	—
Operating income before working capital changes	408,467	426,756	306,900	59,589
Decrease (increase) in:				
Trade and other receivables	(7,448)	86,520	(40,004)	83,034
Contract assets	(50,691)	149,935	(48,516)	(21,756)
Real estate held for sale	111,003	229,054	(53,798)	(29,654)
Prepayments and other current assets	(112,846)	(98,825)	(119,319)	(22,844)
Increase (decrease) in:				
Trade and other payables	65,164	(7,019)	63,045	(61,401)
Contract liabilities	52,038	13,608	50,945	65,530
Refundable deposits	783	5,111	30,082	2,043
Net cash generated from operations	466,470	805,140	189,335	74,541
Interest received	299	4,081	698	72
Income tax paid	(873)	(561)	(952)	(154)
Net cash flows from operating activities	465,896	808,660	189,081	74,459
CASH FLOWS FROM INVESTING ACTIVITIES				
Additions to:				
Investment properties	(272,158)	(217,769)	(195,260)	(2,721)
Property and equipment	(134,287)	(84,162)	(57,487)	(42,377)
Right-of-use asset	(801)	(1,927)	—	—
Decrease (Increase) in other noncurrent assets	(10,246)	(4,635)	25,572	2,464
Payment of nontrade payable	(6,670)	(6,670)	(1,668)	(1,667)
Proceeds from disposal of property and equipment and investment property	78,535	400	—	—
Net cash flows used in investing activities	(345,627)	(314,763)	(228,843)	(44,301)
CASH FLOWS FROM FINANCING ACTIVITIES				
Payments of:				
Long-term debt	(509,367)	(293,717)	(164,292)	(127,340)
Bank Loans	(74,307)	(459,840)	(734,524)	(99,723)
Proceeds from:				
Bank loans	249,445	100,000	268,764	200,000
Long-term debt	—	870,000	690,000	—
Issuance of capital stock	391,800	—	—	—
Interest and other financing charges paid	(206,507)	(188,004)	(19,865)	(61,495)
Dividends paid	(90,496)	(239,504)	—	—
Payments of lease liability	(13,252)	(9,042)	(5,975)	(4,223)
Interest paid on lease liabilities	(3,100)	(2,524)	(1,831)	(964)
Net cash flows from (used in) financing activities	(255,784)	(222,631)	32,277	(93,745)
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	50	(134)	233	(22)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(135,465)	271,132	(7,252)	(63,609)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	457,452	186,320	193,572	321,987
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	₱321,987	₱457,452	₱186,320	₱258,378

Information on Independent Accountant and other Related Matters

External Audit Fees and Services

p) The External Auditor has rendered (select all that apply):

✓	audit of the registrant’s annual financial statements or services that are normally provided by the external auditor in connection with statutory and regulatory filings or engagements for those fiscal years
✓	Other assurance and related services that are reasonable related to the performance of the audit or review of the registrant’s financial statements.
✓	The audit committee has approved the above mentioned services

q) The aggregate fees billed are shown below:

Year	2024	2023
Audit Fees	₱1,010,000	₱910,000
Tax Fees	—	—
All Other Fees	—	—

Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

r) The Issuer has no disagreement with its external auditor on any matter regarding (select all that apply):

✓	Accounting principles or practices
✓	Financial statement disclosures
✓	Auditing scope or procedure

Taxation

The foregoing is a discussion on the material Philippine tax consequences of the acquisition, ownership and disposition of the Certificates of Participation. This discussion is based upon laws, regulations and rulings in effect at the date of this Prospectus and are subject to any changes in law occurring after such date, which changes could be made on a retroactive basis. Over time, a different tax treatment may be imposed by the tax authorities considering that this kind of security is relatively new from a tax perspective. As it is, once the tax authority sets clear rules and guidelines, the Company reserves the right to amend this portion of the Prospectus. Prospective buyers of the Certificates are advised to consult their own tax advisers concerning the overall tax consequences of their ownership of the certificates.

RECENT RELEVANT PHILIPPINE TAXATION LAW

On January 1, 2018, Republic Act No. 10963, otherwise known as the Tax Reform for Acceleration and Inclusion (TRAIN) took effect. The TRAIN amended provisions of the Philippine Tax Code including provisions on Documentary Stamp Tax (DST), tax on interest income and other distributions, Capital Gains Tax (CGT) and sale and disposition of securities, Estate Tax, and Donor’s Tax.

Moreover, on July 1, 2025, Republic Act No. 12214 or the Capital Markets Efficiency Promotions Act (CMEPA) took effect which expanded the definition of the term “securities” in the Tax Code to include certificates of participation and amended the DST rates on certain transactions.

A. TAXATION ON SALE OF CONDO UNITS

The buyer understands and agrees per Contract to Sell that the condominium unit shall be part of the Rental Pool Program whereby units within the Condominium Project are enrolled, rented, and managed similarly to hotel accommodations for transient stays.

In relation thereto, Section 8 of the Contract to Sell provides that DLI and the buyer shall execute, or cause the execution of, a Deed of Absolute Sale in favor of the buyer, thereby conveying all rights, title, and interest in the Condo Unit, including the corresponding interests in the Condominium Corporation and the appurtenant rights to the common areas, upon fulfillment of all conditions set forth in the agreement.

In view of the foregoing, the execution of the Deed of Absolute Sale and the subsequent transfer of ownership over the Condo Unit which shall be part of the Rental Pool Program give rise to various tax implications under Philippine law, which are discussed in detail below.

Documentary Stamp Tax

The documentary stamp tax (DST) is a tax on documents, instruments, loan agreements, and papers that evidence the acceptance, assignment, sale, or transfer of an obligation, right, or property associated with these transactions.

The DST applicable to the transaction is imposed under Section 196 of the National Internal Revenue Code (NIRC), as amended, which covers the sale and transfer of real property. In this context, the execution of the Deed of Absolute Sale conveying the condominium unit to the buyer is subject to DST.

The tax is computed based on the higher of the consideration stated in the deed or the fair market value of the property as determined in accordance with the NIRC. The applicable rate is ₱15.00 for every ₱1,000.00, or fractional part thereof, of the taxable value.

Value Added Tax

Under Section 105 of the National Internal Revenue Code (NIRC), as amended, the sale of condotel units by a person or entity engaged in the business of selling real estate is considered a transaction conducted in the ordinary course of trade or business. As such, the sale is subject to Value Added Tax (VAT) at the rate of 12%.

In this case, since the condotel units are sold by DLI, a real estate developer, in the regular pursuit of its commercial activity, and considering that the selling price of each unit exceeds the VAT threshold prescribed under the NIRC and relevant BIR regulations, the transaction is clearly VATable.

Accordingly, DLI is required to charge, collect, and remit VAT based on the gross selling price of the condotel units, in accordance with applicable tax laws and issuances.

Local Transfer Tax

In addition to the national taxes discussed above, the sale of condotel units is also subject to Local Transfer Tax pursuant to Section 135 of the Local Government Code of 1991 (Republic Act No. 7160).

Section 135 authorizes provinces and cities to impose a tax on the sale, donation, barter, or any other mode of transferring ownership or title to real property, including condominium units, located within their territorial jurisdiction. The tax is computed based on the higher of the gross selling price or the fair market value of the property, and the rate may not exceed 0.5% in provinces and 0.75% in cities and municipalities within Metro Manila.

In the case of the condotel units sold by DLI, the execution of the Deed of Absolute Sale gives rise to the imposition of the Local Transfer Tax. The applicable tax must be paid to the City or Municipal Treasurer where the property is located. In this case, the tax must be settled with the Local Government Unit of the Island Garden City of Samal. Payment of the local transfer tax is a prerequisite for the transfer and registration of the title in the name of the buyer.

Real Property Tax

Pursuant to Sections 232 to 234 of the Local Government Code of 1991 (Republic Act No. 7160), Real Property Tax (RPT) is imposed annually by the local government unit (LGU) where the property is situated. This tax applies to all real properties, including condominium units and improvements, based on their assessed value as determined by the local assessor.

It is important to emphasize that the RPT obligation arises only after the transfer of title to the condotel unit has been registered in the buyer's name. In the case of DLI's condotel units located in the Island Garden City of Samal, the buyer's responsibility to pay RPT commences once the title has been officially transferred and recorded with the local Registry of Deeds and the tax declaration has been updated accordingly. Payment of the RPT is made to the Office of the City Treasurer.

B. TAXATION ON ISSUANCE OF CERTIFICATE OF PARTICIPATION

The Buyer of condotel unit understands per its Contract to Sell that the unit shall be part of the Rental Pool Program whereby units are enrolled, rented, and managed similarly to hotel accommodation for transient stay for a specific term under a Condotel Participation Agreement. The revenue from such rentals shall be distributed equitably to participating owners.

In consideration for participation in the Rental Pool Agreement, the Buyer/Participant, under Section 3 of the Condotel Participation Agreement, shall pay to DLI the Participation Fee/Offer Price as stated in this prospectus. Upon the expiration of the Term of the Condotel Project, the Participation Fee shall be refunded in full, without interest, to the Certificate holder, provided that the latter has not committed any material breach of the Condotel Participation Agreement and has fully complied with all obligations therein.

Given the nature of the Certificate, it can be construed as a debt instrument for taxation purposes. Accordingly, its issuance shall be subject to Documentary Stamp Tax (DST), as further discussed below.

Documentary Stamp Tax

Section 179 of the Tax Code provides that a documentary stamp tax shall be imposed upon the issuance of certificates of indebtedness at the rate of ₱1.50 for each ₱200, or fractional part thereof, of the issue price of such debt instruments. Provided that for such debt instruments with terms of less than one (1) year, the documentary stamp tax to be collected shall be of proportional amount in accordance with the ratio of its terms in number of days to three hundred sixty-five (365) days.

The documentary stamp tax is collectible wherever the document is made, signed, issued, accepted, or transferred, when the obligation or right arises from Philippine sources, or the property is situated in the Philippines. Any applicable documentary stamp taxes on the original issue shall be paid by the Issuer for the account of the Certificate Holders.

C. TAXATION ON FINAL UNIT OWNER'S RENTAL POOL SHARE

Pursuant to Section 6 of the Condotel Participation Agreement, the Certificate Holders, in consideration of their participation in the rental pooling arrangement and subject to the satisfaction of the Eligibility Requirements, shall be entitled to: (1) a return on the Certificate in the form of the Final Unit Owner's Rental Pool Share, distributed on a quarterly basis, and (2) Annual Room Use Privileges.

The return on the Certificate shall be treated as interest income on the part of the Certificate Holders and correspondingly recorded by the Issuer as an interest expense. In view of this, such return shall be subject to the applicable taxes, as discussed in further detail below.

Final Withholding Tax

Under the National Internal Revenue Code (NIRC) of the Philippines, interest income is generally subject to taxation and may be taxed either through a Final Withholding Tax (FWT) or as part of the recipient's regular income tax, depending on the nature of the income and the taxpayer's status.

Specifically, Section 24(B)(1) of the NIRC, as amended, imposes FWT at the rate of twenty percent (20%) on interest income earned by resident individuals from currency bank deposits, as well as from yields or other monetary benefits derived from deposit substitutes, trust funds, and similar financial arrangements. Corporations are subject to a similar final tax under Section 27(D)(1) of the NIRC.

Meanwhile, interest income received by a non-resident alien engaged in trade or business in the Philippines is subject to a FWT of 20%, pursuant to Section 25(A)(2) of the NIRC. In contrast, interest income derived by non-resident aliens not engaged in trade or business, as well as non-resident foreign corporations, forms part of their taxable income in the Philippines and is subject to a FWT of 25%, as provided under Sections 25(B) and 28(B) of the NIRC, respectively, as amended. This withholding tax constitutes a final tax, fully satisfying the Philippine income tax liability on such interest income.

The foregoing tax rates may be further reduced under any applicable tax treaties between the Philippines and the non-resident owner's country of residence. Most of the tax treaties to which the Philippines is a party typically provide for a reduced withholding tax rate ranging from 10% to 15% on interest income arising from the Philippines and paid to residents of the other contracting state.

D. TAXATION ON TRANSFER OR SALE OF THE CONDOTEL UNIT/S

In determining the tax implications arising from the transfer or sale of Certificates of Participation, it is important to note that Section 9(a) of the Condotel Participation Agreement expressly provides that any sale or transfer of a Condotel Unit shall only be valid if made concurrently with the corresponding transfer of the

Certificate and the Participant's rights and obligations under the Agreement. Accordingly, ownership of the Condotel Unit, the Certificate, and the associated rights must, at all times, be vested in the same person or legal entity. Any attempted sale, assignment, or other disposition of the Condotel Unit without the simultaneous transfer of the Certificate and the accompanying contractual rights shall be deemed invalid and unenforceable.

In view of the foregoing, and for purposes of this section, the sale or transfer of Certificates of Participation shall be deemed to include the corresponding sale or transfer of the Condotel Units they represent, consistent with the provisions of Section 9(a) of the Condotel Participation Agreement.

Capital Gains Tax

Revenue Memorandum Circular (RMC) No. 35-2017, provides that pursuant to Sections 24(D)(1) and 27(DX5) of the National Internal Revenue Code of 1997 (Tax Code), a final tax of six percent (6%) shall be imposed on capital gains presumed to have been realized by the seller from the sale, exchange or other disposition of real properties located in the Philippines, classified as capital assets, including pacto de retro sales and other forms of conditional sales based on the gross selling price or fair market value as determined in accordance with Section 6(E) of the Tax Code (i.e., the authority of the Commissioner to prescribe the real property values), whichever is higher.

Considering the above, there must be a transfer of ownership that resulted from sale, disposition or conveyance of real property. The payment of the capital gains tax is dependent on and is a direct consequence of the sale, transfer or exchange. The sale or transfer of Certificates of Participation shall be interpreted to encompass the corresponding sale or transfer of the Condotel Units they represent, in accordance with the stipulations outlined in Section 9(a) of the Condotel Participation Agreement.

Estate Tax

Under Section 84 of the National Internal Revenue Code (NIRC), as amended, estate tax is imposed on the transfer of the net estate of every decedent, whether a resident or non-resident of the Philippines. For Filipino citizens and resident aliens, the tax applies to all properties, regardless of location. In contrast, for non-resident aliens, the tax applies only to properties situated in the Philippines, such as real property, including condotel units.

The applicable estate tax rate is 6%, as provided under Section 84, and is computed based on the net estate, which is the value of the gross estate less allowable deductions under Section 86(A) of the NIRC.

Before the title to the condotel unit may be transferred to the heirs, the estate must first be judicially or extrajudicially settled, and a Certificate Authorizing Registration (CAR) must be secured from the Bureau of Internal Revenue (BIR) as proof of compliance with estate tax obligations.

Donor's Tax

Under Section 98 of the NIRC, donor's tax is imposed on the gratuitous transfer of property by a donor during their lifetime. If a condotel unit is transferred without consideration or for less than adequate consideration, the transfer is treated as a taxable gift.

According to Section 99(A) of the NIRC, donor's tax is imposed at a rate of 6% on total gifts made during the calendar year exceeding ₱250,000, which is the allowable exemption. The tax is based on the fair market value of the property at the time of donation, as determined under Section 102 of the NIRC. Similar to estate tax, the transfer of title is subject to the issuance of a CAR by the BIR.

Documentary Stamp Tax

Under Section 196 of the NIRC, DST is imposed on all conveyances of real property. In this context, the execution of the Deed of Absolute Sale, Deed of Donation or Extrajudicial Settlement conveying the condominium unit from the investor to the buyer/transferor is subject to DST.

The tax is computed based on the higher of the consideration stated in the deed or the fair market value of the property as determined in accordance with the NIRC. The applicable rate is ₱15.00 for every ₱1,000.00, or fractional part thereof, of the taxable value.

INDEPENDENT AUDITORS AND COUNSELS

Tax and Legal Matters

All legal opinions/matters in connection with the issuance of each Offer will be passed upon by Tiongco Siao Bello & Associates Law Offices for the Company. Tiongco Siao Bello & Associates Law Offices have no direct interest in the Company.

Tiongco Siao Bello & Associates Law Offices may from time to time be engaged to advise in the transactions of the Company and perform legal services on the basis that Tiongco Siao Bello & Associates Law Offices provide such services to its other clients.

Independent Auditors

The consolidated financial statements of the Company as at and for the years ended have been audited by SyCip Gorres Velayo & Co., independent auditors, in accordance with Philippine Standards on Auditing as set forth in their report thereon appearing elsewhere in this Prospectus.

The Company is currently in the process of establishing an Audit Committee. The Audit Committee of the Company shall review and monitor, among others, the integrity of all financial reports and ensure compliance with both internal financial management manual and pertinent accounting standards, including regulatory requirements.

There is no arrangement that experts and independent counsels will receive a direct or indirect interest in the Issuer or was a promoter, underwriter, voting trustee, director, officer, or employee of the Issuer.

OTHER MATERIAL FACTORS

The Issuer recognizes that a buyer's decision to purchase the condotel units and the corresponding Certificates of Participation, as well as the price they are willing to pay and their overall satisfaction, may be significantly influenced by the availability of accurate and transparent information. In line with applicable laws and industry practice, the Issuer and its designated sellers are committed to disclosing all material information of importance to prospective buyers, including risks and circumstances that may affect property value, ownership rights, or participation in the condotel project. Furthermore, to the best of its knowledge, no omissions or undisclosed matters are necessary to make the information herein not misleading or incomplete. This Prospectus reflects all material information currently known and relevant to a prospective investor's informed decision-making.

STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS (CONSOLIDATED FINANCIAL STATEMENTS)

The management of **Damosa Land, Inc.** (the Company) is responsible for the preparation and fair presentation of the consolidated financial statements including the schedules attached therein, for the years ended December 31, 2024, 2023 and 2022, in accordance with the prescribed financial reporting framework indicated therein, and for such internal control as management determines is necessary to enable the preparation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

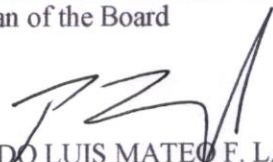
The Board of Directors is responsible for overseeing the Company's financial reporting process.

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

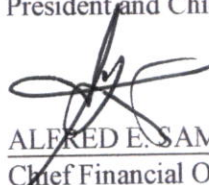
SyCip Gorres Velayo & Co., the independent auditor appointed by the stockholders, has audited the financial statements of the Company in accordance with Philippine Standards on Auditing, and in its report to the stockholders or members, has expressed its opinion on the fairness of presentation upon completion of such audit.



MARIA LINDA F. LAGDAMEO
Chairman of the Board



RICARDO LUIS MATEO F. LAGDAMEO
President and Chief Executive Officer



ALFRED E. SAMSON
Chief Financial Officer

Signed this 18th day of September 2025.

SUBSCRIBED AND SWORN to before me this SEP 18 2025 affiants
exhibiting to me his/her _____ as follows:

Name	Type of Identification	I.D. Number	Date/Place of Issue
MARIA LINDA F. LAGDAMEO	TIN	100-596-209	PHILIPPINES
RICARDO LUIS MATEO F. LAGDAMEO	DRIVER'S LICENSE	N03-94-170958	2023/ PHILIPPINES
ALFRED E. SAMSON	PASSPORT	P498772813	2020/ PHILIPPINES

Doc. No. 153
Page No. 33
Book No. 5
Series of 2025

NOTARY PUBLIC

F. V. PUYOS
F. V. PUYOS

Notary Public for Davao City
Commission No. 2025-318-2026
Valid until December 31, 2026
Roll of Attorneys No. 60179
IBP O.R. No. 505673 • 01/13/2025
PTR O.R. No. 0817520D • 01/07/2025 • Davao City
16th Floor Damosa Diamond Tower,
Brgy. Alfonso Angliongto Sr., Davao City
MCLE Compliance No. VIII-0032157

**DOCUMENTARY STAMP TAX
PAID**

02341292 SEP 18 2025
Serial No. Date

COVER SHEET

for
AUDITED FINANCIAL STATEMENTS

SEC Registration Number

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COMPANY NAME

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R	I	E	S																										

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

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Form Type

A	A	F	S
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Department requiring the report

C	R	M	D
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Secondary License Type, If Applicable

N	/	A	
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COMPANY INFORMATION

Group's Email Address

corporateaffairs@anflocor.com

Group's Telephone Number

(082) 235-2155

Mobile Number

0917 851 5809

No. of Stockholders

12

Annual Meeting (Month / Day)

1st Tuesday of February

Fiscal Year (Month / Day)

12/31

CONTACT PERSON INFORMATION

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

Name of Contact Person

Mr. Ricardo F. Lagdameo

Email Address

rflagdameo@anflocor.com

Telephone Number/s

(082) 235-2157

Mobile Number

—

CONTACT PERSON'S ADDRESS

Damosa Complex, Lanang, Davao 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.

SGVFS200781

INDEPENDENT AUDITOR'S REPORT

The Board of Directors and Stockholders
Damosa Land, Inc. and Subsidiaries
Unit 1501, Damosa Diamond Tower, Damosa IT Park
J. Laurel Ave., Brgy. Angliongto, Davao City

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Damosa Land, Inc. and Subsidiaries (the Group), which comprise the consolidated statements of financial position as at December 31, 2024 and 2023, and the consolidated statements of comprehensive income, consolidated statements of changes in equity and consolidated statements of cash flows for each of the three years in the period ended December 31, 2024, and notes to consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2024 and 2023, and its consolidated financial performance and its consolidated cash flows for each of the three years in the period ended December 31, 2024, in accordance with Philippine Financial Reporting Standards (PFRS) Accounting Standards.

Basis for Opinion

We conducted our audits in accordance with Philippine Standards on Auditing (PSAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the Code of Ethics for Professional Accountants in the Philippines (Code of Ethics) together with the ethical requirements that are relevant to our audit of the consolidated financial statements in the Philippines, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these 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.





Shape the future
with confidence

- 3 -

- 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.

SYCIP GORRES VELAYO & CO.

Dexter Allan Noel N. Madamba

Dexter Allan Noel N. Madamba

Partner

CPA Certificate No. 129516

Tax Identification No. 284-214-093

BOA/PRC Reg. No. 0001, April 16, 2024, valid until April 23, 2026

BIR Accreditation No. 08-001998-150-2023, December 22, 2023,

Valid until December 21, 2026

PTR No. 10465329, January 6, 2025, Makati City

September 18, 2025

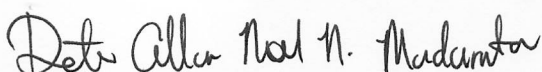


INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY SCHEDULES

The Board of Directors and Stockholders
Damosa Land, Inc. and Subsidiaries
Unit 1501, Damosa Diamond Tower, Damosa I.T. Park,
J.P. Laurel Ave., Brgy. Angliongto, Davao City

We have audited in accordance with Philippine Standards on Auditing, the consolidated financial statements of Damosa Land, Inc. and Subsidiaries (the Group) as at December 31, 2024 and 2023 and for each of the three years in the period ended December 31, 2024, and have issued our report thereon dated September 18, 2025. Our audits were made for the purpose of forming an opinion on the basic consolidated financial statements taken as a whole. The schedules listed in the Index to the Supplementary Schedules are the responsibility of the Group's management. These schedules are presented for the purpose 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.


Dexter Allan Noel N. Madamba

Partner

CPA Certificate No. 129516

Tax Identification No. 284-214-093

BOA/PRC Reg. No. 0001, April 16, 2024, valid until April 23, 2026

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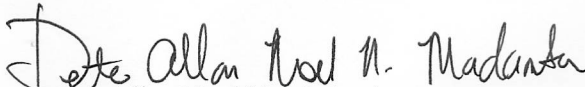


INDEPENDENT AUDITOR'S REPORT ON COMPONENTS OF FINANCIAL SOUNDNESS INDICATORS

The Board of Directors and Stockholders
Damosa Land, Inc. and Subsidiaries
Unit 1501, Damosa Diamond Tower, Damosa I.T. Park,
J.P. Laurel Ave., Brgy. Angliongto, Davao City

We have audited in accordance with Philippine Standards on Auditing, the consolidated financial statements of Damosa Land, Inc. and Subsidiaries (the Group) as at December 31, 2024 and 2023 and for each of the three years in the period ended December 31, 2024, and have issued our report on dated September 18, 2025. Our audits were made for the purpose of forming an opinion on the basic consolidated financial statements taken as a whole. The Supplementary Schedule on Financial Soundness Indicators, including their definitions, formulas, calculation, and their appropriateness or usefulness to the intended users, are the responsibility of the Group's management. These financial soundness indicators are not measures of operating performance defined by Philippine Financial Reporting Standards (PFRS) Accounting Standards and may not be comparable to similarly titled measures presented by other companies. This schedule is presented for the purpose of complying with the Revised Securities Regulation Code Rule 68 issued by the Securities and Exchange Commission, and is not a required part of the basic consolidated financial statements prepared in accordance with PFRS Accounting Standards. The components of these financial soundness indicators have been traced to the Group's basic consolidated financial statements as at December 31, 2024 and 2023 and for each of the three years in the period ended December 31, 2024 and no material exceptions were noted.

SYCIP GORRES VELAYO & CO.



Dexter Allan Noel N. Madamba

Partner

CPA Certificate No. 129516

Tax Identification No. 284-214-093

BOA/PRC Reg. No. 0001, April 16, 2024, valid until April 23, 2026

BIR Accreditation No. 08-001998-150-2023, December 22, 2023,

Valid until December 21, 2026

PTR No. 10465329, January 6, 2025, Makati City

September 18, 2025



DAMOSIA LAND, INC. AND SUBSIDIARIES**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

(Amounts in Thousands)

	December 31	
	2024	2023
ASSETS		
Current Assets		
Cash and cash equivalents (Note 4)	₱321,987	₱457,452
Trade and other receivables (Note 5)	181,161	184,517
Current portion of contract assets (Note 6)	896,276	927,347
Real estate held for sale (Note 7)	1,011,943	664,080
Prepayments and other current assets (Note 8)	584,093	482,269
	2,995,460	2,715,665
Noncurrent Assets		
Contract assets - net of current portion (Note 6)	372,620	290,858
Investment in associate (Note 9)	712,251	657,112
Investment properties (Note 10)	3,099,471	3,528,240
Property and equipment (Note 11)	409,892	313,877
Right-of-use assets (Note 18)	62,187	64,471
Deferred income tax assets - net (Note 24)	4,377	2,298
Other noncurrent assets (Notes 5, 8 and 28)	64,511	43,632
	4,725,309	4,900,488
TOTAL ASSETS	₱7,720,769	₱7,616,153
LIABILITIES AND EQUITY		
Current Liabilities		
Trade and other payables (Note 12)	₱631,386	₱624,091
Contract liabilities (Note 6)	121,785	72,279
Bank loans (Note 13)	399,538	224,400
Current portion of long-term debt (Note 14)	657,541	506,609
Current portion of lease liabilities (Note 18)	18,608	12,587
	1,828,858	1,439,966
Noncurrent Liabilities		
Long-term debt - net of current portion (Note 14)	1,752,775	2,413,074
Lease liabilities - net of current portion (Note 18)	44,753	51,578
Pension liabilities (Note 23)	22,523	24,060
Deferred tax liabilities - net (Note 24)	110,408	117,403
Noncurrent portion of trade payables (Note 12)	20,111	29,087
Refundable deposits (Note 15)	66,279	65,496
	2,016,849	2,700,698
Equity		
Capital stock (Note 17)		
Common shares	750,000	750,000
Preferred shares	1,568,487	1,176,687
Additional paid-in capital (Note 17)	207,905	207,905
Other comprehensive income	3,012	1,621
Retained earnings (Note 17)	1,345,658	1,339,276
	3,875,062	3,475,489
TOTAL LIABILITIES AND EQUITY	₱7,720,769	₱7,616,153

See accompanying Notes to Consolidated Financial Statements.

DAMOSA LAND, INC. AND SUBSIDIARIES**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**

(Amounts in Thousands, Except for Earnings Per Share Figures)

	Years Ended December 31		
	2024	2023	2022
REVENUE (Note 19)	₱1,643,564	₱1,609,698	₱1,096,558
COSTS AND EXPENSES			
Direct costs and expenses (Note 20)			
Real estate sales	741,530	714,969	414,936
Rental (Note 10)	284,355	241,920	179,058
Hotel operations	71,390	65,643	55,444
General and administrative expenses (Note 21)	295,465	309,601	280,196
Interest and other financing charges (Notes 12, 13, 14 and 18)	209,742	146,646	25,215
	1,602,482	1,478,779	954,849
OPERATING PROFIT	41,082	130,919	141,709
OTHER INCOME			
Equity in net earnings of associate (Note 9)	62,981	49,814	45,785
Interest (Notes 4 and 5)	299	4,081	698
Miscellaneous - net (Note 19)	21,162	11,900	8,268
	84,442	65,795	54,751
INCOME BEFORE INCOME TAX	125,524	196,714	196,460
PROVISION FOR (BENEFIT FROM) INCOME TAX (Note 24)			
Current	11,839	55,223	15,451
Deferred	(20,662)	(1,518)	49,168
	(8,823)	53,705	64,619
NET INCOME	134,347	143,009	131,841
Basic/diluted earnings per share (Note 26)	₱17.91	₱19.07	₱17.58
OTHER COMPREHENSIVE INCOME (LOSS)			
<i>Other comprehensive income (loss) not to be reclassified to profit or loss in subsequent periods:</i>			
Re-measurement gain (loss) on pension liability, net of tax effect (Note 23)	1,258	(2,341)	4,887
Share in other comprehensive gain (loss) of associate (Note 9)	133	(62)	294
	1,391	(2,403)	5,181
TOTAL COMPREHENSIVE INCOME	₱135,738	₱140,606	₱137,022

See accompanying Notes to Consolidated Financial Statements.



DAMOSA LAND, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

FOR THE YEARS ENDED DECEMBER 31, 2024, 2023 AND 2022

(Amounts in Thousands)

	Capital Stock (Note 17)			Additional Paid-in Capital (Note 17)	Deposit for Future Subscription	Other Comprehensive Income	Retained Earnings (Note 17)	Total
	Common Class A	Preferred Shares	Total					
At January 1, 2024	₱750,000	₱1,176,687	₱1,926,687	₱207,905	₱–	₱1,621	₱1,339,276	₱3,475,489
Effect of adoption of IFRIC Agenda Decision on Over Time								
Transfer of Constructed Goods (PAS 23) (Note 2)	–	–	–	–	–	–	(89,990)	(89,990)
Effect of associate's adoption of PFRS 15 covered by PIC Q&A 2018-12-D (Note 2)	–	–	–	–	–	–	(7,975)	(7,975)
At January 1, 2024, as restated	750,000	1,176,687	1,926,687	207,905	–	1,621	1,241,311	3,377,524
Issuance of shares (Note 17)	–	391,800	391,800	–	–	–	–	391,800
Dividend declared (Note 17)	–	–	–	–	–	–	(30,000)	(30,000)
Net income	–	–	–	–	–	–	134,347	134,347
Re-measurement gain on pension liability, net of tax effect	–	–	–	–	–	1,258	–	1,258
Equity in other comprehensive income (loss) of associate	–	–	–	–	–	133	–	133
At December 31, 2024	₱750,000	₱1,568,487	₱2,318,487	₱207,905	₱–	₱3,012	₱1,345,658	₱3,875,062
At January 1, 2023	₱750,000	₱1,176,687	₱1,926,687	₱207,905	₱–	₱4,024	₱1,496,267	₱3,634,883
Dividend declared (Note 17)	–	–	–	–	–	–	(300,000)	(300,000)
Net income	–	–	–	–	–	–	143,009	143,009
Re-measurement loss on pension liability, net of tax effect	–	–	–	–	–	(2,341)	–	(2,341)
Equity in other comprehensive income (loss) of associate	–	–	–	–	–	(62)	–	(62)
At December 31, 2023	₱750,000	₱1,176,687	₱1,926,687	₱207,905	₱–	₱1,621	₱1,339,276	₱3,475,489
At January 1, 2022	₱750,000	₱675,000	₱1,425,000	₱217,312	₱492,280	(₱1,157)	₱1,364,426	₱3,497,861
Issuance of shares	–	501,687	501,687	(9,407)	(492,280)	–	–	–
Net income	–	–	–	–	–	–	131,841	131,841
Re-measurement gain on pension liability, net of tax effect	–	–	–	–	–	4,887	–	4,887
Equity in other comprehensive income (loss) of associate	–	–	–	–	–	294	–	294
At December 31, 2022	₱750,000	₱1,176,687	₱1,926,687	₱207,905	₱–	₱4,024	₱1,496,267	₱3,634,883

See accompanying Notes to Consolidated Financial Statements.



DAMOSA LAND, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Amounts in Thousands)

	Years Ended December 31		
	2024	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES			
Income before income tax	₱125,524	₱196,714	₱196,460
Adjustments for:			
Interest and other financing charges (Notes 13 and 14)	209,742	146,646	25,215
Depreciation and amortization (Notes 10 and 11)	147,374	136,661	95,495
Equity in net earnings of associate (Note 9)	(62,981)	(49,814)	(45,785)
Gain on disposal of investment property and property and equipment	(8,452)	(400)	—
Gain on cancellation of real estate contracts	(2,532)	(2,112)	(606)
Interest income (Notes 4 and 5)	(299)	(4,081)	(698)
Net change in pension liability (Notes 22 and 23)	141	3,008	3,665
Unrealized foreign exchange loss (gain)	(50)	134	(233)
Elimination of profit from downstream transactions	—	—	33,387
Operating income before working capital changes	408,467	426,756	306,900
Decrease (increase) in:			
Trade and other receivables	(7,448)	86,520	(40,004)
Contract assets	(50,691)	149,935	(48,516)
Real estate held for sale	111,003	229,054	(53,798)
Prepayments and other current assets	(112,846)	(98,825)	(119,319)
Increase (decrease) in:			
Trade and other payables	65,164	(7,019)	63,045
Contract liabilities	52,038	13,608	50,945
Refundable deposits	783	5,111	30,082
Net cash generated from operations	466,470	805,140	189,335
Interest received	299	4,081	698
Income tax paid	(873)	(561)	(952)
Net cash flows from operating activities	465,896	808,660	189,081
CASH FLOWS FROM INVESTING ACTIVITIES			
Additions to:			
Investment properties (Note 10)	(272,158)	(217,769)	(195,260)
Property and equipment (Note 11)	(134,287)	(84,162)	(57,487)
Right-of-use assets (Note 18)	(801)	(1,927)	—
Decrease (increase) in other noncurrent assets	(10,246)	(4,635)	25,572
Payment of nontrade payable	(6,670)	(6,670)	(1,668)
Proceeds from disposal of investment property and property and equipment	78,535	400	—
Net cash flows used in investing activities	(345,627)	(314,763)	(228,843)
CASH FLOWS FROM FINANCING ACTIVITIES			
Payments of:			
Long-term debt (Note 14)	(509,367)	(293,717)	(164,292)
Bank loans (Note 13)	(74,307)	(459,840)	(734,524)
Proceeds from:			
Bank loans (Note 13)	249,445	100,000	268,764
Long-term debt (Note 14)	—	870,000	690,000
Proceeds from stock issuance	391,800	—	—
Interest and other financing charges	(206,507)	(188,004)	(19,865)
Dividends paid (Note 17)	(90,496)	(239,504)	—
Payments of lease liability (Note 18)	(13,252)	(9,042)	(5,975)
Interest paid on lease liabilities (Note 18)	(3,100)	(2,524)	(1,831)
Net cash flows from (used in) financing activities	(255,784)	(222,631)	32,277
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	50	(134)	233
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(135,465)	271,132	(7,252)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	457,452	186,320	193,572
CASH AND CASH EQUIVALENTS AT END OF YEAR (Note 4)	₱321,987	₱457,452	₱186,320

See accompanying Notes to Consolidated Financial Statements.



DAMOSALAND, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(Amounts in Thousands, Except for Earnings Per Share, Par Values, Number of Shares and Unless Otherwise Indicated)

1. Corporate Information

Damosa Land, Inc. (the Parent Company/DAMOSALAND) was incorporated in the Philippines and is engaged in leasing and renting out buildings, condominium units, commercial spaces and Information Technology (IT) Park. The Parent Company is also engaged in operating a hotel (Microtel) under a franchise agreement (see Note 29) and in developing and selling subdivision house and lots and condominium units (see Note 7). The registered office address of the Parent Company is Unit 1501, Damosa Diamond Tower, Damosa I.T. Park, JP Laurel Ave., Brgy. Angliongto, Davao City.

The Parent Company and its subsidiaries (collectively referred to as the “Group”) is primarily engaged in leasing and renting out buildings, condominium units, office and commercial spaces and Information Technology (IT Park), real estate development, and hotel operations.

On February 5, 2007, the Parent Company’s IT Park located in Davao City, Davao del Sur was registered with the Philippine Economic Zone Authority (PEZA) and as such, the Parent Company is entitled to a special income tax rate of 5% on gross income derived from its registered activity.

As a registered enterprise, the Parent Company is entitled to certain tax and non-tax incentives, subject to compliance with certain terms and conditions. Total provision for income tax for PEZA-registered operations, based on the special rate of 5%, amounted to ₱1.5 million each year in 2024 and 2023 and ₱1.3 million in 2022 (see Note 24).

In 2012, the Parent Company started subdividing and selling house and lots for its Fairlane subdivision project.

In 2015, the Parent Company launched three out of six towers of its Seawind condominium project. The remaining three towers were launched in 2016. Selling of the remaining condominium units are still on-going as of December 31, 2024.

In 2019, the Parent Company started pre-selling house and lots for its Ameria subdivision project, the residential component of the Parent Company’s township development. Construction and selling of house and lots are still on-going as of December 31, 2024.

In 2022, the Parent Company launched two out of four towers of its Bridgeport condominium project. The remaining two towers were launched in 2023. In 2022, the Parent Company also started pre-selling lots for its Harborview project. Construction and selling of the condominium and lots are still on-going as of December 31, 2024.

In 2024, the Parent Company started pre-selling lots for its Kahi Estates project. Development and selling of the lots are still on-going as of December 31, 2024.

In 2024, the Parent Company started pre-selling house and lots for its Agriya Gardens subdivision project, another residential component of the Parent Company’s township development. Construction and selling of house and lots are still on-going as of December 31, 2024.

The Parent Company is a subsidiary of Anflo Management & Investment Corporation (ANFLOCOR/the Ultimate Parent), a company incorporated in the Philippines.



The consolidated financial statements were authorized for issue by the Board of Directors (BOD) on September 18, 2025.

2. Material Accounting Policy Information

Basis of Preparation

The consolidated financial statements of the Group have been prepared on a historical cost basis. The consolidated financial statements are presented in Philippine peso, the Group's functional currency. All values are rounded to the nearest thousands except for earnings per share, par value, number of shares, and as otherwise indicated.

Statement of Compliance

The consolidated financial statements of the Group have been prepared in accordance with Philippine Financial Reporting Standards (PFRS) Accounting Standards as adopted by the Financial and Sustainability Reporting Standards Council (FSRSC).

Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Parent Company and its subsidiaries as of December 31 of each year. Subsidiaries are entities controlled by the Parent Company.

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

Specifically, the Group controls an investee if and only if the Group has:

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

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

- The contractual arrangement with the other vote holders of the investee;
- Rights arising from other contractual arrangements; and,
- 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. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of comprehensive income from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit and loss and each component of other comprehensive income are attributed to the equity holders of the Parent of the Group. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All material intra-group assets, liabilities, equity, income, expenses, cash flows relating to transactions between members of the Group are eliminated on consolidation.



The financial statements of the subsidiaries are prepared for the same reporting year as the Parent Company using consistent accounting policies.

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

Entity	Principal Activities	Ownership Interest	
		2024	2023
Damosa Workspace Solutions Inc.	Real estate	100%	100%
Agriya, Inc.*	Real estate	92%	92%
Marapangi Realty Development, Inc.*	Real estate	92%	92%
Marapangi Property Holdings Corporation*	Real estate	92%	92%
IGACOS Property Development, Inc.*	Real estate	92%	92%
Marapangi Development Corporation*	Real estate	92%	92%
Marapangi Prime Estate Corp.*	Real estate	92%	92%
Marapangi Estate and Development, Inc.*	Real estate	92%	92%
Pantukan Property Holdings, Inc.*	Real estate	91%	91%
Pantukan Estate and Development, Inc.*	Real estate	91%	91%
Pantukan Realty Development Corporation*	Real estate	91%	91%
IGACOS Property Management Corporation*	Real estate	92%	92%
IGACOS Prime Estate Corporation*	Real estate	92%	92%
Marapangi Realty Management Corporation*	Real estate	92%	92%

*No commercial operations as of December 31, 2024.

All of the Parent Company's subsidiaries are incorporated and registered with the Securities and Exchange Commission (SEC) and operate in the Philippines.

New Standards, Interpretations and Amendments

The accounting policies adopted are consistent with those of the previous financial year, except that the Group has adopted the following new accounting pronouncements starting January 1, 2024. Adoption of these pronouncements did not have any significant impact on the consolidated financial position or performance of the Group, unless otherwise indicated.

- Amendments to PAS 1, *Classification of Liabilities as Current or Non-current*
- Amendments to PFRS 16, *Lease Liability in a Sale and Leaseback*
- Amendments to PAS 7 and PFRS 7, *Disclosures: Supplier Finance Arrangement*
- Adoption of the provisions of Philippine Interpretation Committee (PIC) Q&A No. 2018-12: *PFRS 15 Implementation Issues Affecting the Real Estate Industry* (as amended by PIC Q&As 2020-02 and 2020-04)

On February 14, 2018, the PIC issued PIC Q&A 2018-12 (PIC Q&A) which provides guidance on some PFRS 15 implementation issues affecting the real estate industry. On October 25, 2018 and February 8, 2019, the SEC issued SEC Memorandum Circular No. 14 Series of 2018 and SEC Memorandum Circular No. 3 Series of 2019, respectively, providing relief to the real estate industry by deferring the application of certain provisions of this PIC Q&A for a period of three years until December 31, 2020. In December 15, 2020, the Philippine SEC issued SEC Memorandum Circular No. 34 Series of 2020 which further extended the deferral of certain provisions of this PIC Q&A until December 31, 2023.

Starting January 1, 2024, the Group adopted the remaining provisions of PIC Q&A 2018-12, specifically on the: (i) exclusion of land in the determination of percentage-of-completion (POC), (ii) significant financing component, and (iii) implementing the IFRIC Agenda Decision on Over Time Transfer of Constructed Goods (Philippine Accounting Standards 23, *Borrowing Cost*). 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 effects of the adoption of the above changes are detailed below:

- i. The Group's adoption of significant financing component did not result to any adjustment to the Group's beginning retained earnings and thus, has no effect on the consolidated statement of financial position as at January 1, 2024.
- ii. The Group's adoption of the exclusion of land in the determination of POC did not have an impact as the Group does not consider land costs in the determination of its projects' POC.
- iii. The Group recognized the impact of the implementation of IFRIC Agenda Decision on Over Time Transfer of Constructed Goods (PAS 23, *Borrowing Cost*) as follows:

	January 1, 2024		
	As previously stated	Adjustments	As restated
	<i>Amounts in Thousands</i>		
ASSETS			
Current Assets			
Real estate held for sale	₱664,080	(₱78,822)	₱585,258
	₱664,080	(₱78,822)	₱585,258
LIABILITY			
Noncurrent liability			
Deferred tax liabilities - net	117,403	11,168	128,571
EQUITY			
Retained earnings	1,339,276	(89,990)	1,249,286
	₱1,456,679	(₱78,822)	₱1,377,857

Effective January 1, 2024, the Group's associate adopted PIC Q&A No. 2018-12. The associate followed the allowed modified retrospective approach allowing it to adjust the beginning balance of equity in 2024. The Group's share to the adjustment on the 2024 beginning balance of retained earnings amounted to ₱8.0 million decrease.

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 the consolidated financial statements. The Group intends to adopt the following pronouncements when they become effective:

Effective Beginning On or After January 1, 2025

- PFRS 17, *Insurance Contracts*
- Amendments to PAS 21, *Lack of Exchangeability*

Effective Beginning On or After January 1, 2026

- Amendments to PFRS 9 and PFRS 7, *Classification and Measurement of Financial Instruments*
- Annual Improvements to PFRS Accounting Standards—Volume 11



- Amendments to PFRS 1, Hedge Accounting by a First-time Adopter
- Amendments to PFRS 7, Gain or Loss on Derecognition
- Amendments to PFRS 9, Lessee Derecognition of Lease Liabilities and Transaction Price
- Amendments to PFRS 10, Determination of a 'De Facto Agent'
- Amendments to PAS 7, Cost Method

Effective Beginning On or After January 1, 2027

- PFRS 18, *Presentation and Disclosure in Financial Statements*
- PFRS 19, *Subsidiaries without Public Accountability*

Deferred Effectivity

- Amendments to PFRS 10, *Consolidated Financial Statements*, and PAS 28, *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

Current and Noncurrent Classification

The Group presents assets and liabilities in the consolidated statement of financial position based on current and noncurrent classification.

Deferred tax assets and liabilities are classified as noncurrent assets and liabilities, respectively.

Fair Value Measurement

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.

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 re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy.

Details as to how fair value of assets and liabilities are measured are provided in Note 27.

Financial Instruments: Financial Assets

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 (FVTPL), transaction costs. Trade receivables are measured at the transaction price determined under PFRS 15. Refer to the accounting policies on Revenue recognition.

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.



Contractual Cash Flows Characteristics

If the financial asset is held within a business model whose objective is to hold assets to collect contractual cash flows or within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, the Group assesses whether the cash flows from the financial asset represent solely payments of principal and interest (SPPI) on the principal amount outstanding. In making this assessment, the Group determines whether the contractual cash flows are consistent with a basic lending arrangement, i.e., interest includes consideration only for the time value of money, credit risk and other basic lending risks and costs associated with holding the financial asset for a particular period of time. In addition, interest can include a profit margin that is consistent with a basic lending arrangement. The assessment as to whether the cash flows meet the test is made in the currency in which the financial asset is denominated. Any other contractual terms that introduce exposure to risks or volatility in the contractual cash flows that is unrelated to a basic lending arrangement, such as exposure to changes in equity prices or commodity prices, do not give rise to contractual cash flows that are SPPI on the principal amount outstanding.

Business Model

The Group's business model is determined at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. The Group's business model does not depend on management's intentions for an individual instrument. The Group's business model refers to how it manages its financial assets in order to generate cash flows. The Group's business model determines whether cash flows will result from collecting contractual cash flows, selling financial assets or both. Relevant factors considered by the Group in determining the business model for a group of financial assets include how the performance of the business model and the financial assets held within that business model are evaluated and reported to the Group's key management personnel, the risks that affect the performance of the business model (and the financial assets held within that business model) and how these risks are managed and how managers of the business are compensated.

Financial Assets at Amortized Cost

The Group's debt financial assets consist of cash and cash equivalents and trade and other receivables. The Group assessed that the contractual cash flows of its debt financial assets are SPPI and are expected to be held to collect all contractual cash flows until their maturity. As a result, the Group concluded these debt financial assets to be measured at amortized cost.

Financial Instruments: Financial Liabilities

Initial Recognition and Measurement

The Group's financial liabilities are recognized initially at fair value and are subsequently carried at amortized cost, taking into account the impact of applying the effective interest method of amortization (or accretion) for any related premium, discount and any directly attributable transaction costs.

Subsequent Measurement - Financial Liabilities at Amortized Cost

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 effective interest rate (EIR) method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

The Group's financial liabilities at amortized cost include trade and other payables (excluding unearned rent revenue, deferred credits, statutory payables, and income tax payable), bank loans, long-term debt and refundable deposits.



Derecognition of Financial Assets and Liabilities

Financial Assets

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognized when, and only when:

- the rights to receive cash flows from the asset expires;
- the Group retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass-through' arrangement; or,
- the Group has transferred its rights to receive cash flows from the asset and either (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group retains the contractual rights to receive the cash flows of a financial asset but assumes a contractual obligation to pay those cash flows to one or more entities, the Group treats the transaction as a transfer of a financial asset if the Group:

- has no obligation to pay amounts to the eventual recipients unless it collects equivalent amounts from the original asset;
- is prohibited by the terms of the transfer contract from selling or pledging the original asset other than as security to the eventual recipients for the obligation to pay them cash flows; and,
- has an obligation to remit any cash flows it collects on behalf of the eventual recipients without material delay.

In transactions where the Group neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset and it retains control over the financial asset, the financial asset is recognized to the extent of the Group's continuing involvement in the financial asset. The extent of the Group's continuing involvement in the transferred asset is the extent to which it is exposed to changes in the value of the transferred asset. When the Group's continuing involvement takes the form of guaranteeing the transferred asset, the extent of the Group continuing involvement is the lower of (i) the amount of the asset and (ii) the maximum amount of the consideration received that the Group could be required to repay (the guarantee amount). When the Group's continuing involvement takes the form of a written or purchased option (or both) on the transferred asset, the extent of the Group's continuing involvement is the amount of the transferred asset that the Group may repurchase. However, in the case of a written put option on an asset that is measured at fair value, the extent of the Group's continuing involvement is limited to the lower of the fair value of the transferred asset and the option exercise price.

When the Group's continuing involvement takes the form of a cash-settled option or similar provision on the transferred asset, the extent of the Group's continuing involvement is measured in the same way as that which results from non-cash settled options.

Financial Liabilities

A financial liability (or a part of a financial liability) is derecognized when the obligation under the liability is discharged, cancelled or has expired.

Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability or a part of it are substantially modified, such an exchange or modification is treated as a derecognition of the original financial liability and the recognition of a new financial liability, and the difference in the respective carrying amounts is recognized in profit or loss.



Offsetting Financial Instruments

Financial instruments are offset and the net amount reported in the consolidated statement of financial position if, and only if, there is a legally enforceable right to offset and intention to settle either on a net basis or to realize the asset and settle the liability simultaneously.

Real Estate Held For Sale

Real estate inventories consist of house and lots and condominium units. These are carried at the lower of cost or net realizable value (NRV). NRV is estimated selling price in the ordinary course of business less cost of completion and estimated cost necessary to make the sale.

Cost includes:

- Land cost
- Amounts paid to contractors for construction
- Prior to January 1, 2024, borrowing costs were capitalized while the development and construction of real estate projects are in progress, and to the extent that these are recoverable in the future. Effective January 1, 2024, no borrowing costs were capitalized upon the adoption of IFRIC Agenda Decision on Over Time Transfer of Constructed Goods (see Note 2).

Real estate inventories are carried at cost as of December 31, 2024 and 2023.

Advances to Suppliers

Advances to suppliers are carried at cost less any impairment in value. The current portion of advances to suppliers is presented as part of “Prepayments and other current assets”, while the noncurrent portion is presented as part of “Other noncurrent assets”.

Investment in Associate

The Group’s investment in its associate is accounted for using the equity method. Under the equity method, the investment in an associate is initially recognized at cost. The carrying amount of the investment is adjusted to recognize changes in the Group’s share of net assets of the associate since the acquisition date. Goodwill relating to the associate is included in the carrying amount of the investment and is neither amortized nor individually tested for impairment.

The consolidated statement of comprehensive income reflects the Group’s share of the results of operations of the associates. Any change in other comprehensive income of those investees is presented as part of the Group’s other comprehensive income. In addition, when there has been a change recognized directly in the equity of the associate, the Group recognizes its share of any changes, when applicable, in the consolidated statement of changes in equity. Unrealized gains and losses resulting from transactions between the Group and the associate are eliminated to the extent of the interest in the associate.

The aggregate of the Group’s share of profit or loss of an associate is shown on the face of the consolidated statement of comprehensive income outside operating profit and represents profit or loss after tax and non-controlling interests in the subsidiaries of the associate.

The financial statements of the associate are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognize an impairment loss on its investment in its associate. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between



the recoverable amount of the associate or joint venture and its carrying value and recognizes the loss in the consolidated statement of comprehensive income.

Upon loss of significant influence over the associate, the Group measures and recognizes any retained investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence and the fair value of the retained investment and proceeds from disposal is recognized in profit or loss.

Investment Properties

Investment properties consist of land, buildings and the improvements thereon, which are held for rental or capital appreciation. Investment properties also consist of buildings under construction which are to be held for rental or capital appreciation upon completion. Investment property is measured initially at cost, including transaction costs. Subsequent to initial recognition, investment property, except for land and construction-in-progress, are stated at cost less accumulated depreciation and any impairment in value. Land is stated at cost less any impairment in value.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

Category	Number of Years
Land improvements	5–20
Buildings and improvements	5–30

The useful lives and depreciation method are reviewed periodically to ensure that the period and method of depreciation are consistent with the expected pattern of economic benefits from items of investment property.

Construction in progress is stated at cost. This includes cost of construction, equipment and other direct costs. Construction in progress is not depreciated until such time as the relevant assets are completed and become available for operational use.

The Group transfers a property to, or from, investment property when, and only when, there is a change in use. A change in use occurs when the property meets, or ceases to meet, the definition of investment property and there is evidence of the change in use. Since the Group uses the cost model, 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.

Property and Equipment

Property and equipment, except for land, are stated at cost less accumulated depreciation and any impairment in value. Land is stated at cost less any impairment in value.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

Category	Number of Years
Land improvements	5–20
Buildings and improvements	5–30
Leasehold improvements	5–10
Transportation equipment	5
Office furniture and equipment	5–10
Computer equipment	5–10



The useful lives and depreciation method are reviewed periodically to ensure that the period and method of depreciation are consistent with the expected pattern of economic benefits from items of property and equipment.

Intangible Assets

Franchise, presented as part of “Other noncurrent assets”, is stated initially at cost. After initial recognition, franchise is valued at cost less accumulated amortization and any impairment in value. Costs incurred to acquire the license to operate Phinma Microtel Hotels Inc. (formerly Microtel Inns and Suites Pilipinas, Inc.) are amortized over 20 years which is equivalent to the license period granted to the Group.

Deferred Credits

Deferred credits, presented as part of “Trade and other payables”, pertain to payments from real estate buyers to cover various processing fees in relation to the sale of real estate inventories including, but not limited to, fees related to transfer of title and water and electricity connection fees. Deferred credits are applied against payments of the Group for the various aforementioned processing fees on behalf of the buyers. Excess of payments made over deferred credits shall be billed to the buyer. Excess deferred credits over payments made shall be recognized as income in the consolidated statement of comprehensive income upon full project close out.

Refundable Deposits

Refundable deposits pertain to security deposits given by the Group’s tenants at the start of the lease term. These will either be applied against damages caused or done to the leased property or refunded to tenants upon termination of the contract.

Revenue Recognition

Revenue is recognized when it satisfies an identified performance obligation by transferring a promised good or service to a customer. A good or service is considered to be transferred when the customer obtains control. The Group determines, at contract inception, whether it will transfer control of a promised good or service over time. If the Group does not satisfy a performance obligation over time, the performance obligation is satisfied at a point in time. The Group has generally concluded that it is the principal in its revenue arrangements (unless otherwise indicated) because it typically controls the services before transferring them to the customers.

- **Sale of real estate**

The Group derives its real estate revenue from selling and developing house and lots, condominium units and industrial lots. The Group enters into contract with customers to sell property that are either completed or under development.

For sale of completed real estate inventories, the transaction constitutes a single performance obligation and the Group has determined that this is satisfied at the point in time when control transfers. For unconditional exchange of contracts, this generally occurs when legal title transfers to the customer. For conditional exchanges, this generally occurs when all significant conditions are satisfied. Payments are received when legal title transfers.

For sale of real estate inventories under development, revenue is 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. The promised property is specifically identified in the contract and the contractual restriction on the Group’s ability to direct the promised property for another use is substantive. This is because the property promised to the customer is not interchangeable with other



properties without breaching the contract and without incurring significant costs that otherwise would not have been incurred in relation to that contract. In addition, under the current legal framework, the customer is contractually obliged to make payments to the developer up to the performance completed to date. The Group also considers the buyer's commitment to continue the sale which may be ascertained through the significance of the buyer's initial payments and the stage of completion of the project.

In evaluating whether collectability of the amount of consideration is probable, the Group considers the significance of the buyer's initial payments in relation to the total contract price (or buyer's equity). Collectability is assessed by considering factors such as history with the buyer, and age and pricing of the property. Also, management regularly evaluates the historical sales cancellations and back-outs, if it would still support its current threshold of buyers' equity before commencing revenue recognition.

In determining the transaction price, the Group considers whether the selling price of the real estate property includes significant financing component. Prior to January 1, 2024, the Group availed of the relief granted by the SEC under MC Nos. 14-2018 for the implementation issues of PFRS 15 affecting the real estate industry. Under the SEC MC No. 24-2020, the relief has been extended until December 31, 2023. Effective January 1, 2024, the Group adopted the remaining provision of PIC Q&A 2018-12, which includes the recognition of significant financing component. The Group determines whether a contract contains a significant financing component using portfolio approach by considering (a) the difference, if any, between the amount of promised considerations and the cash selling price of the promised goods or services; and (b) the effect of the expected length of time between when the entity transfers the promised goods or services and the prevailing EIR. The Group applied practical expedient by not adjusting the effect of financing component if the period when the Group transfers a promised good or service to a customer and when the customer pays for that good or service will be one year or less.

In measuring the progress of its performance obligation over time, the Group uses both output and input method. For its Seawind and Fairlane projects, the Group uses the output method and 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. For its Ameria, Harborview, Bridgeport, Kahi, and Agriya Gardens projects, the Group uses the input method and recognizes revenue on the basis of actual costs incurred to date relative to the total expected costs to complete the service. Progress is measured in accordance to the proportion of contract costs incurred for work performed to date to the estimated total contract costs. Input method excludes the effects of any inputs that do not depict the entity's performance in transferring control of goods or services to the customer.

Any excess of progress of work over the right to an amount of consideration that is unconditional, recognized as trade receivables, is included in the "Contract assets" account in the consolidated statement of financial position. Contract assets for units that are expected to be turned over to the buyer within one year are presented as part of current assets. Those that are expected to be turned over beyond one year are presented as part of noncurrent assets.

Any excess of collections over the total of recognized trade receivables and contract assets is included in the "contract liabilities" account in the consolidated statement of financial position.

The disclosures of significant accounting judgements, estimates and assumptions relating to revenue from contracts with customers are provided in Note 3.



Sales Cancellations

The Group currently adopts Approach 3 in accounting for its sales cancellations as discussed in PIC Q&A 2018-14 (as amended by PIC Q&A 2020-05). The cancellation is accounted for as modification of the contract - from noncancellable to being cancellable. In applying the provisions of modification of contract, the Group will have to reverse the previously recognized revenues and related costs recognized. The difference between the revenue and costs reversed after considering payments to buyers required under the Maceda Law and the write off of any unamortized portion of costs of obtaining a contract is recorded as part of "Miscellaneous - net" in the statements of comprehensive income.

- **Rental**

The Group entered into lease agreements for its commercial, industrial and office spaces with the following identified performance obligations: (a) lease of space, (b) office revenue, (c) non-office revenue, (d) provision of common usage area (CUSA) services.

- **Lease of Space**

Revenue from lease of space is accounted for on a straight-line basis over the lease term. Rental fees collected in advance, which are applicable to succeeding months are presented as part of "Unearned rental income" under "Trade and other payables" in the Group's consolidated statement of financial position.

- **Office Revenue**

Office revenue pertains to revenue earned from providing fully furnished, staffed and equipped instant office spaces to its customers. These services represent a series of daily services that are individually satisfied over time because the tenants simultaneously receive and consume the benefits provided by the Group. Hence, the Group recognizes office revenue over time and applies the time elapsed method to measure progress.

- **Non-office Revenue**

Non-office revenue, which pertains to revenue earned from providing video conferencing, information technology, telephone communications services to its customers and other incidental revenues, is recognized at a point in time when services have been rendered.

- **CUSA Services**

The Group has assessed that it is a principal in the revenue arrangement related to CUSA services. The Group has the ability to direct the use of and obtain substantially all the remaining benefits from the services being delivered to the tenants. The entity can direct the maintenance, security and cleaning and administrative services. These services represent a series of daily services and therefore revenue from CUSA charges is recognized over time.

- **Hotel Operations**

Revenue from room accommodation services are recognized over time since the guests simultaneously receive and consume the services provided by the Group. The Group elects the practical expedient to recognize revenue based on amounts invoiced to the customers, since the Group has a right to consideration from the customers in an amount that corresponds directly with the value to the customer of the entity's performance completed to date.

Revenue from food and beverage and other operated department are recognized at a point in time when the events take place.



- Other Revenue

Other revenue, which is incidental to the Group's real estate, leasing, and hotel operations, includes revenue from ticket fees and goods of various events, property management, forfeited deposits and rentals from parking space and event area. Rentals and fees from property management are recognized over time since the customers simultaneously receive and consume the services provided by the Group. All other revenue are recognized at a point in time when the events take place.

- Interest

Revenue is recognized as the interest accrues, taking into account the effective yield of the asset.

- Miscellaneous Income

Miscellaneous income are those income that do not qualify as other revenue. Miscellaneous income, which mainly includes processing fees earned from real estate buyers, is earned when the services are rendered.

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. Hence, any excess of progress of work over the right to an amount of consideration that is unconditional, recognized under trade receivables, is included in the "Contract asset" account in the consolidated statement of the financial position. Contract assets are subject to impairment assessment on the same basis as financial assets that are within the scope of PFRS 9.

The Group has contract assets and has outstanding performance obligations as at December 31, 2024 and 2023.

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.

The Group has contract liabilities as at December 31, 2024 and 2023.



Costs to Obtain Contract

The incremental costs of obtaining a contract with a customer are recognized as an asset if the Group expects to recover them. The Group has determined that commissions paid to brokers and marketing agents on the sale of pre-completed real estate units are deferred when recovery is reasonably expected and are charged to expense in the period in which the related revenue is recognized as earned. Accordingly, when the percentage of completion method is used, commissions are likewise charged to expense in the period the related revenue is recognized. Commission expense is included in the “Direct cost and expenses of real estate sales” account in the consolidated statement of comprehensive income.

Costs incurred prior to obtaining contract with customer are not capitalized but are expensed as incurred.

Amortization, Derecognition and Impairment of Capitalized Costs to Obtain a Contract

The Group amortizes capitalized costs to obtain a contract to cost of sales over the expected construction period using percentage of completion following the pattern of real estate revenue recognition. The amortization is included within cost of sales.

Costs and Expenses

Costs and expenses are decreases in economic benefits during the accounting period in the form of outflows or decreases of assets or incurrence of liabilities that result in decreases in equity, other than those relating to distributions to equity participants. These are recognized in profit or loss in the period these are incurred.

Cost Recognition for the Sale of Real Estate

The Group recognizes costs relating to satisfied performance obligations as these are incurred taking into consideration the contract fulfillment assets such as connection fees. 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.

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 have been enacted or substantively enacted as at the reporting date.

Deferred Tax

Deferred tax is provided using the liability method on all temporary differences, with certain exceptions, at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.



Deferred tax liabilities are recognized for all taxable temporary differences with certain exceptions. Deferred tax assets are recognized for all deductible temporary differences to the extent that it is probable that taxable income will be available against which the deductible temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable income will be available to allow all or part of the deferred tax asset to be utilized.

Deferred tax assets and deferred tax liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled based on tax rates and tax laws that have been enacted or substantially enacted at the reporting date.

Deferred tax assets and liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Deferred tax relating to items recognized directly in equity is recognized in equity and not in profit or loss.

Value-Added Tax (VAT)

Revenues, expenses, and assets are recognized net of the amount of VAT, if applicable.

When VAT from sales of goods and/or services (output VAT) exceeds VAT passed on from purchases of goods or services (input VAT), the excess is recognized as part of "Trade and other payables" in the consolidated statement of financial position. When VAT passed on from purchases of goods or services (input VAT) exceeds VAT from sales of goods and/or services (output VAT), the excess is recognized as part of "Prepayments and other current assets" in the consolidated statement of financial position to the extent of the recoverable amount.

Operating Lease

Group as a Lessor

Leases where the Group does not transfer substantially all the risk and benefits of ownership of the assets are classified as operating leases. Initial direct costs incurred in negotiating operating leases are added to the carrying amount of the leased asset and amortized over the lease term on the same basis as the rental income. Contingent rents are recognized as revenue in the period in which they are earned. Operating lease receipts are recognized as an income in the consolidated statement of comprehensive income on a straight-line basis over the lease term.

Group as a Lessee

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

Right-of-use Assets

The Group recognizes right-of-use asset at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct cost incurred, and lease payments made at or before commencement date less any lease incentives received and estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying



asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories.

Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognized right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term.

Lease Liabilities

At commencement date of the lease, the Group recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depends on an index or rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognized as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses 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 and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment or an option to purchase the underlying asset.

Borrowing Costs

Borrowing costs include interest charges and other costs incurred in connection with the borrowing of funds.

Borrowing costs are capitalized if they are directly attributable to the acquisition, construction or production of a qualifying asset. To the extent that funds are borrowed specifically for the purpose of obtaining a qualifying asset, the amount of borrowing costs eligible for capitalization on that asset shall be determined as the actual borrowing costs incurred on that borrowing during the period less any investment income on the temporary investment of those borrowings. To the extent that funds are borrowed generally, the amount of borrowing costs eligible for capitalization shall be determined by applying a capitalization rate to the expenditures on that asset. The capitalization rate shall be the weighted average of the borrowing costs applicable to the borrowings of the Group that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset. The amount of borrowing costs capitalized during a period shall not exceed the amount of borrowing costs incurred during that period. All other borrowing costs are expensed in the period they occur.

For real estate inventories, prior to January 1, 2024, the Group availed of the relief granted by SEC under MC No. 34-2020 (see Note 7). Effective January 1, 2024, the Group adopted the IFRIC Agenda Decision on Over Time Transfer of Constructed Goods. Interest are capitalized on the purchase cost of a site of property acquired specifically for sale but only to the extent where activities necessary to prepare the asset for selling are in progress prior to any pre-selling activities.

Retirement Costs

The cost of providing benefits under the defined benefit plans is actuarially determined using the projected unit credit method.



Defined benefit costs comprise the following:

- Service cost
- Net interest on the net defined benefit liability or asset
- Remeasurements of net defined benefit liability or asset

Service costs which include current service costs, past service costs and gains or losses on non-routine settlements are recognized as expense in profit or loss. Past service costs are recognized when plan amendment or curtailment occurs. These amounts are calculated periodically by independent qualified actuaries.

Net interest on the net defined benefit liability or asset is the change during the period in the net defined benefit liability or asset that arises from the passage of time which is determined by applying the discount rate based on government bonds to the net defined benefit liability or asset. Net interest on the net defined benefit liability or asset is recognized as expense or income in profit or loss.

Re-measurements 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. Re-measurements are not reclassified to profit or loss in subsequent periods.

Earnings Per Share (EPS)

Basic EPS is computed by dividing the consolidated net income for the year by the weighted average number of common shares issued and outstanding during the year and adjusted to give retroactive effect to any stock dividends declared during the period. Diluted EPS is computed by dividing the net income for the year by the weighted average number of common shares outstanding during the year adjusted for the effects of dilutive convertible redeemable preferred shares. Diluted EPS assumes the conversion of the outstanding preferred shares. When the effect of the conversion of such preferred shares is anti-dilutive, no diluted EPS is presented.

Operating Segment

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 services and serves different markets. Financial information on operating segments is presented in Note 25 to the consolidated financial statements.

3. Significant Accounting Judgments, Estimates and Assumptions

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

Judgments

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:



- Operating Lease

The Group has entered into lease agreements as a lessee and as a lessor. As a lessee, the Group has determined that the lessor retains all significant risks and rewards of ownership of the properties which are leased out on operating lease. The Group, as a lessor, has also determined that it retains all significant risks and rewards of ownership of the property which are leased out to the lessee on operating lease.

- Uncertainty over Income Tax Treatments

The Group has assessed whether it has any uncertain tax position and applies significant judgement in identifying uncertainties over its income tax treatments. The Group determined, in consultation with its tax counsel, that it is probable that its income tax treatments will be accepted by the taxation authorities.

- Collectability of the Sales Price

In determining whether the sales prices are collectible, the Group considers that initial and continuing investments by the buyer would demonstrate the buyer's commitment to pay.

- Existence of a Contract

For real estate sales, the Group's primary document for a contract with a customer is a signed contract to sell.

- Significant Influence on Associate with Ownership Interest of Less Than 20% of Issued Shares

Accendo Commercial Corporation, an entity incorporated in the Philippines to engage in real estate activities, is considered an associate of DAMOSA because it has, together with ANFLOCOR (ultimate parent) and Pioneer Trading & Supply Company, Inc. (an entity under common control), representation in the board of directors of the investee, giving it the significant influence in Accendo's financial and operating policies.

- Classification of Properties

The Group determines whether a property qualifies as an investment property. In making its judgment, the Group considers whether the property generates cash flows largely independent of the other assets held by an entity. Owner-occupied properties generate cash flows that are attributable not only to the property but also to the other assets used in supply process. Some properties comprise a portion that is held to earn rentals, for capital appreciation and another portion that is held for use in the supply of services or for administrative purposes. If these portions cannot be sold separately, the property is accounted for as an investment property only if an insignificant portion is held for use in the 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.

The Group determines whether a property is classified as investment property or real estate held for sale as follows:



- Investment property comprises land and buildings (principally offices, commercial and retail property) which are not occupied substantially for use by, or in the operations of, the Group, nor for sale in the ordinary course of business, but are held primarily to earn rental income and capital appreciation.
- Real estate held for sale comprises property that is held for sale in the ordinary course of business. Principally, this is residential property that the Group develops and intends to sell before or on completion of construction.
- Identifying Performance Obligations

The Group identifies performance obligations by considering whether the promised services in the contract are distinct services. A service is distinct when the customer can benefit from the service on its own or together with other resources that are readily available to the customer and the Group's promise to transfer the service to the customer is separately identifiable from the other promises in the contract.

The Group assesses performance obligations as a series of distinct services that are substantially the same and have the same pattern of transfer if i) each distinct services in the series are transferred over time and ii) the same method of progress will be used to measure the entity's progress towards complete satisfaction of the performance obligation.

Estimates and Assumptions

The estimates and assumptions used in the consolidated financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of the consolidated financial statements. Actual results could differ from such estimates.

- Impairment Losses on Financial Assets and Contract Assets

The measurement of impairment losses under PFRS 9 across all categories of financial assets and contract assets requires judgment, in particular, the estimation of the amount and timing of future cash flows, including collectability, collateral values and other credit enhancements, when determining impairment losses. Increases or decreases to the allowance balance are recorded as general and administrative expenses in the consolidated statement of comprehensive income.

Under PFRS 9, additional judgments are also made in assessing a significant increase in credit risk in the case of financial assets measured using the general approach. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

The Group's impairment calculations are outputs of statistical models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies.

Elements of the impairment models that are considered accounting judgments and estimates include:

- The Group's criteria for defining default and for assessing if there has been a significant increase in credit risk;
- The segmentation of financial assets when impairment is assessed on a collective basis;
- The choice of inputs and the various formulas used in the impairment calculation;



- Determination of relationships between macroeconomic scenarios and, economic inputs, such as unemployment levels and collateral values, and the effect on Probability of Default (PD), Exposure at Default (EAD) and Loss Given Default (LGD); and,
- Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into the impairment models.

It has been the Group's policy to regularly review its models in the context of actual loss experience and adjust when necessary.

Measurement of Expected Credit Losses

ECLs are derived from unbiased and probability-weighted estimates of expected loss, and are measured as follows:

- *Financial assets that are not credit-impaired at the reporting date:* as the present value of all cash shortfalls over the expected life of the financial asset discounted by the effective interest rate. The cash shortfall is the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive.
- *Financial assets that are credit-impaired at the reporting date:* as the difference between the gross carrying amount and the present value of estimated future cash flows discounted by the effective interest rate.

The Group leverages existing risk management indicators (e.g. internal credit risk classification and restructuring triggers), credit risk rating changes and reasonable and supportable information which allows the Group to identify whether the credit risk of financial assets has significantly increased.

As of December 31, 2024 and 2023, the total gross carrying amount of the Group's cash and cash equivalents (excluding cash on hand), trade and other receivables, and contract assets amounted to ₱1.8 billion and ₱1.9 billion, respectively (see Notes 4, 5 and 6). No additional provision for expected credit loss was recognized in 2024 and 2023.

As of December 31, 2024 and 2023, the Group's allowance for expected credit losses amounted to ₱0.6 million (see Note 5).

- **Revenue Recognition and Amortization of Costs to Obtain Contracts**

The Group's revenue recognition policies require management to make use of estimates and assumptions that may affect the reported amounts of revenues and amortization of costs to obtain contracts. The Group's revenue from real estate is recognized based on the percentage of completion 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. Amortization of costs to obtain contracts is also determined based on the same percentage of completion. Changes in estimate may affect the reported amounts of revenue in real estate sales and amortization of costs to obtain contract.

Revenue from real estate sales, which is recognized over time, amounted to ₱985.0 million, ₱799.4 million and ₱491.8 million in 2024, 2023 and 2022, respectively (see Note 19). Amortization of costs to obtain contracts amounted to ₱78.3 million, ₱64.8 million and ₱41.1 million in 2024, 2023 and 2022, respectively (see Notes 6 and 20).



Determining Transaction Price of Sale of Real Estate

The Group determines whether a contract contains a significant financing component by considering (1) the difference, if any, between the amount of promised considerations and the cash selling price of the promised goods or service; and (2) the effect of the expected length of time between when the entity transfer the promised goods or service to the customer and when the customer pays for those goods or services and the prevailing effective interest rate. The Group applied practical expedient by not adjusting the effect of financing component in the period when the entity transfers a promised good or service to a customer and when the customer pays for the good or service will be one year or less. The Group assessed that the significant financing component is not significant in determining the transaction price on sale of real estate.

- **Net Realizable Value of Real Estate Held for Sale**

Real estate held for sale is valued at the lower of cost and net realizable value. Determining the fair value requires the determination of cash flows from the expected sale of the asset less cost of marketing and requires the Group to make estimates and assumptions that may materially affect the consolidated financial statements. Future events could cause the Group to conclude that these assets are impaired. Any resulting impairment loss could have a material adverse impact on the Group's consolidated financial position and results of operations.

As of December 31, 2024 and 2023, the carrying value of real estate held for sale amounted to ₱1.0 billion and ₱0.7 billion, respectively (see Note 7). No provision for impairment loss was recognized in 2024, 2023 and 2022.

- **Useful Lives of Investment Properties and Property and Equipment**

The Group estimates the useful lives of investment properties and property and equipment based on the economic lives of investment property and property and equipment. The estimated useful lives of investment properties and property and equipment are reviewed periodically and updated if expectations differ materially from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of the investment properties and property and equipment. However, it is possible that future results of operations could be materially affected by changes in the estimates brought about by changes in factors mentioned above. The amounts and timing of recording of expenses for any period would be affected by changes in these factors and circumstances. A reduction in the estimated useful lives of the investment properties and property and equipment would increase the recorded expenses and decrease the noncurrent assets.

As of December 31, 2024 and 2023, the aggregate carrying values of investment properties and property and equipment, excluding land and construction-in-progress, amounted to ₱1.7 billion and ₱1.8 billion, respectively (see Notes 10 and 11).

- **Impairment of Costs to Obtain Contract**

The Group capitalized those sales commissions paid to its employees for contracts obtained to sell residential properties when they represent incremental costs of obtaining a contract. The capitalized costs are amortized on a systematic basis that is consistent with the transfer to the customer of the property to which the asset relates and amortization for the period is recognized in direct costs of real estate sales.



In line with the Group's accounting policy, as set out in Note 2, if a contract or specific performance obligation exhibited marginal profitability or other indicators of impairment, judgement was applied to ascertain whether or not the future economic benefits from these contracts were 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 key performance indicators that could trigger variable consideration, or service credits. No impairment was considered necessary as the remaining amount of consideration exceeded to a significant extent the remaining budgeted costs and the carrying amount of the contract cost assets.

As of December 31, 2024 and 2023, the carrying amount of unamortized costs to obtain contract (presented as part of "Prepayments and other current assets") amounted to ₱105.9 million, and ₱116.5 million, respectively (see Notes 6 and 8). No provision for impairment losses was recognized in 2024, 2023 and 2022.

- **Impairment of Nonfinancial Assets**

The Group assesses at each reporting period whether there is an indication that prepayments and other current assets (except unamortized costs to obtain contract), investment in associate, investment properties, property and equipment and other noncurrent assets may be impaired. Determining the value in use of these assets, which requires the determination of future cash flows expected to be generated from the continued use and ultimate disposition of these assets, requires the Group to make estimates and assumptions that can materially affect the consolidated financial statements. Future events could cause the Group to conclude that these assets are impaired. Any resulting impairment loss could have a material adverse impact on the Group's financial position and results of operations. The preparation of the estimated future cash flows involves significant judgments and estimates. While the Group believes that the assumptions are appropriate and reasonable, significant changes in the assumptions may materially affect the assessment of recoverable values and may lead to future impairment charges.

As of December 31, 2024, and 2023, the aggregate carrying values of these assets follow:

	2024	2023
Prepayments and other current assets (Note 8)	₱584,093	₱482,269
Investment in associate (Note 9)	712,251	657,112
Investment properties (Note 10)	3,099,471	3,528,240
Property and equipment (Note 11)	409,892	313,877
Other noncurrent assets* (Notes 8 and 28)	53,577	43,632
	₱4,859,284	₱5,025,130

**Excluding noncurrent portion of trade receivables*

No provision for impairment losses was recognized in 2024, 2023 and 2022.

- **Retirement Costs**

The determination of the Group's pension liability and annual pension retirement costs is dependent on the selection of certain assumptions used by actuaries in calculating such amounts. Those assumptions are described in Note 23 to the consolidated financial statements and which include among others, discount rates and rates of compensation increase. In accordance with the Revised PAS 19, actual results that differ from Group's assumptions are



accumulated and recognized in other comprehensive income and therefore, generally affect the Group's recognized other comprehensive income and recorded obligation in such future periods.

In determining the appropriate discount rate, management considers the interest rates of government bonds that are denominated in the currency in which the benefits will be paid, with extrapolated maturities corresponding to the expected duration of the defined benefit obligation. The mortality rate is based on publicly available mortality table for Philippines and is modified accordingly with estimates of mortality improvements. Future salary increases and pension increases are based on expected future inflation rates for Philippines.

While management believes that the assumptions are reasonable and appropriate, significant differences in the Group's actual experience or significant changes in the assumptions may materially affect the pension obligation.

As of December 31, 2024, and 2023, pension liabilities amounted to ₱22.5 million and ₱24.1 million, respectively (see Note 23). Retirement costs recognized in profit or loss amounted to ₱5.1 million, ₱3.0 million and ₱3.7 million in 2024, 2023 and 2022, respectively (see Notes 22 and 23).

- **Deferred Tax Assets**

The Group's assessment on the recognition of deferred tax assets on deductible temporary differences, carryforward benefits of unused tax credits and unused tax losses is based on the forecasted taxable income of the following reporting period to allow all or part of the deferred tax assets to be utilized. This forecast is based on the Group's past results and future expectations on revenue and expenses. As of December 31, 2024, and 2023, deferred tax assets recognized in the consolidated statements of financial position amounted to ₱55.3 million and ₱26.5 million, respectively (see Note 24).

4. **Cash and Cash Equivalents**

	2024	2023
Cash on hand and in banks	₱320,807	₱456,275
Cash equivalents	1,180	1,177
	₱321,987	₱457,452

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

Cash equivalents are short-term cash deposits which are made for varying periods of up to three months depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rates.

Interest earned from cash in banks and cash equivalents amounted to ₱0.1 million, ₱3.6 million, and ₱0.1 million in 2024, 2023, and 2022, respectively.



5. Trade and Other Receivables

	2024	2023
Trade		
Third parties	₱159,432	₱153,127
Related companies (Note 16)	180	217
Rental	20,202	12,222
Advances subject to liquidation	₱2,890	₱5,876
Nontrade receivables	1,126	4,947
Others	8,908	8,771
	192,738	185,160
Less allowance for expected credit loss	643	643
	192,095	184,517
Less noncurrent portion of trade receivables	10,934	—
	₱181,161	₱184,517

Trade receivables include receivables from leasing which are non-interest bearing and are generally on 30 days' term, and receivables from sale of real estate which are generally non-interest-bearing and are collectible within a year. The Group records any excess of progress of work over the right to an amount of consideration that is unconditional as contract assets (see Note 6). Interest income from certain receivables from sale of real estate amounted to nil in 2024 and 2023, and ₱0.3 million in 2022.

Rental receivable pertains to the additional rent expected to be received by the Group in future periods as a result of recognizing rental revenue on a straight-line basis from rentals of office spaces, condominium units, commercial spaces, IT park, warehouse units and industrial lots.

Other receivables pertains to advances to officers and employees.

Noncurrent portion of trade receivables arises from the sale of a diverse range of equipment that is included in the overall transaction involving the sale of cold storage facilities. This is presented as part of "Other noncurrent assets" in the consolidated statement of financial position as of December 31, 2024.

Interest income from the said receivables amounted to ₱0.2 million, ₱0.5 million, and ₱0.2 million in 2024, 2023 and 2022, respectively.

6. Contracts Balances and Costs to Obtain Contract

Contract assets and liabilities

The account consists of the following as of December 31:

	2024	2023
Contract assets		
Current portion	₱896,276	₱927,347
Noncurrent portion	372,620	290,858
Contract liabilities	121,785	72,279

Contract assets are initially recognized for revenue earned from real estate sales. Upon completion of performance obligation and acceptance by the customer, the amounts recognized as contract assets are reclassified to trade receivables (see Note 5). Contract assets are expected to be realized in 1 to 2 years.



Contract liabilities consist of excess of collections over the recognized receivables and contract assets based on percentage of completion.

Revenue recognized from the amount of contract liabilities included at the beginning of the year amounted to ₱47.6 million, ₱34.0 million and ₱2.6 million in 2024, 2023 and 2022, respectively.

Costs to Obtain Contracts

The balances below pertain to the costs to obtain contracts included in “Prepayments and other current assets” (see Note 8):

	2024	2023
At January 1	₱116,493	₱77,179
Additions	67,695	104,083
Amortization (Note 20)	(78,256)	(64,769)
At December 31	₱105,932	₱116,493

7. Real Estate Held for Sale

	2024	2023
At January 1, as previously reported	₱664,080	₱715,609
Effect of adoption of IFRIC Agenda Decision on PAS 23 (Note 2)	(78,822)	—
At January 1, as restated	585,258	715,609
Costs of real estate sold (Note 20)	(663,274)	(650,200)
Reclassification from investment properties (Note 10)	537,688	177,525
Construction/development costs	456,696	421,146
Land acquisitions	95,575	—
At December 31	₱1,011,943	₱664,080

Sale of real estate included in the statements of comprehensive income amounted to ₱1.1 billion, ₱1.1 billion and ₱0.8 billion in 2024, 2023 and 2022, respectively (see Note 19). Construction of the residential subdivisions and condominium units is on-going as of December 31, 2024 and 2023.

Construction/development costs incurred include capitalized interest amounting to ₱66.3 million in 2023 (see Notes 13 and 14). Effective January 1, 2024, the Group adopted IFRIC Agenda Decision on Over Time Transfer of Constructed Goods (see Note 2). No borrowing costs were capitalized in 2024.



8. Prepayments and Other Current Assets

	2024	2023
Prepaid income tax	₱261,095	₱205,438
Advances to suppliers	157,941	109,745
Unamortized costs to obtain contract (Note 6)	105,932	116,493
Net input VAT	71,050	51,663
Prepaid insurance	16	1,306
Others	8,310	4,720
	604,344	489,365
Less noncurrent portion of advances to suppliers	20,251	7,096
	₱584,093	₱482,269

Prepaid income tax pertains to the excess of tax credits over income tax due.

Advances to suppliers mainly pertain to the advance payments made for the construction of a building to be held for lease and for the various procurement of construction materials used in real estate development. Advances to suppliers that are presented as part of noncurrent assets pertain to those that are not related to real estate held for sale.

Unamortized costs to obtain a contract consists of commissions to be paid in relation to the sales of real estate which is to be amortized in the same pattern as the revenue recognition for such contracts (see Note 6).

Net input VAT will be applied against output VAT in the succeeding periods.

9. Investment in Associate

The Group's investment in associate represents its interest in Accendo Commercial Corporation, an entity incorporated in the Philippines to engage in real estate activities. The Group has 19% ownership interest with its associate.

	2024	2023
Cost at January 1 and December 31	₱46,380	₱46,380
Accumulated equity in net earnings:		
At January 1, as previously reported	610,436	560,622
Equity in the effect of associate's adoption of PFRS 15 covered by PIC Q&A 2018-12-D	(7,975)	—
At January 1, as restated	602,461	—
Equity in net earnings of associate	62,981	49,814
At December 31	665,442	610,436
Accumulated equity in other comprehensive income:		
At January 1	296	358
Equity in other comprehensive income (loss) of associate	133	(62)
At December 31	429	296
	₱712,251	₱657,112

The earnings of the associate is not available for distribution to the stockholders unless declared by the associate.



Summarized statements of financial position follow:

	2024	2023
Current assets	₱4,352,892	₱3,927,930
Noncurrent assets	6,495,116	5,675,963
Current liabilities	4,495,282	3,634,142
Noncurrent liabilities	2,359,074	2,271,653
Equity	₱3,993,652	₱3,698,098
Group's share in identifiable net assets	745,215	690,065
Carrying amount of investment*	₱712,251	₱657,112

**Difference pertains to elimination of profit from downstream transactions*

Summarized statements of income for the years ended December 31, 2024 and 2023 follow:

	2024	2023
Revenue	₱1,889,531	₱1,593,498
Costs and expenses	1,551,950	1,326,493
Net income	337,581	267,005
Group's share in net income for the year*	₱62,981	₱49,814



10. Investment Properties

2024

	Land	Land Improvements	Buildings and Improvements	Construction in Progress	Total
Cost					
At January 1	₱1,569,847	₱126,070	₱2,072,015	₱383,268	₱4,151,200
Additions	218,138	—	520	53,500	272,158
Reclassification to real estate held for sale (Note 7)	(392,412)	—	(697)	(144,795)	(537,904)
Reclassifications	130,926	275	11,794	(138,953)	4,042
Retirement/disposal	—	(288)	(84,213)	—	(84,501)
At December 31	1,526,499	126,057	1,999,419	153,020	3,804,995
Accumulated Depreciation					
At January 1	—	67,353	555,607	—	622,960
Depreciation (Notes 20 and 21)	—	7,691	90,789	—	98,480
Reclassification to real estate held for sale (Note 7)	—	—	(216)	—	(216)
Retirement/disposal	—	(188)	(15,522)	—	(15,710)
Reclassifications	—	10	—	—	10
At December 31	—	74,866	630,658	—	705,524
Net Book Value	₱1,526,499	₱51,191	₱1,368,761	₱153,020	₱3,099,471

2023

	Land	Land Improvements	Buildings and Improvements	Construction in Progress	Total
Cost					
At January 1	₱1,323,588	₱123,475	₱853,999	₱1,754,096	₱4,055,158
Additions	57,732	2,595	5,898	207,342	273,567
Reclassification to real estate held for sale (Note 7)	(127,236)	—	—	(50,289)	(177,525)
Reclassifications	315,763	—	1,212,118	(1,527,881)	—
At December 31	1,569,847	126,070	2,072,015	383,268	4,151,200
Accumulated Depreciation					
At January 1	—	59,160	462,302	—	521,462
Depreciation (Notes 20 and 21)	—	8,193	93,305	—	101,498
At December 31	—	67,353	555,607	—	622,960
Net Book Value	₱1,569,847	₱58,717	₱1,516,408	₱383,268	₱3,528,240



The fair values of land and buildings and improvements are based on valuations made by professionally-qualified independent appraisers. The value of land appraised, that form part of investment properties, was estimated using the Market Approach. This is a comparative approach that considers the sales of similar or substitute properties and related market data and establishes a value estimate by processes involving comparison. Listings and offerings may also be considered. The value of improvements appraised, that form part of investment properties, was estimated using the Cost Approach. This is a comparative approach to the value of property or another asset that considers as a substitute for the purchase of a given property, the possibility of constructing another property that is a replica of, or equivalent to, the original or one that could furnish equal utility with no undue cost resulting from delay. The fair values of the investment properties amounted to ₱18.7 billion as of December 31, 2024 and 2023, respectively.

In determining the appropriate class of investment properties, the Group has considered the nature, characteristics and risks of its properties as well as the level of the fair value hierarchy within which the fair value measurements are categorized. This resulted in determining the fair value of investment properties under Level 3 of the fair value hierarchy.

Significant increase in the economic market value of the land brought by inflation, area stability, development and improvements per hectare, per location over time would result in a significantly higher fair value of the property.

Construction in-progress is mainly attributable to the construction of a building to be held for future lease and the development of the Group's master-planned township with commercial, institutional, and agritourism components. In 2024, the construction in-progress includes ongoing construction of roadworks and land developments in addition to those in-progress in 2023. These projects are expected to be completed in 2028 to 2030.

Total revenue from the above investment properties amounted to ₱375.3 million, ₱343.7 million and ₱226.2 million in 2024, 2023 and 2022, respectively (see Note 19). Direct costs and expenses incurred for the above investment properties amounted to ₱238.4 million, ₱219.2 million and ₱156.9 million in 2024, 2023 and 2022, respectively.

Borrowing cost for the construction of properties to be held for future lease amounted to nil and ₱55.8 million in 2024 and 2023, respectively. This was capitalized under "Construction in Progress" (see Notes 13 and 14).

Investment properties of the Group with carrying amounts of ₱37.3 million and ₱41.3 million as of December 31, 2024 and 2023, respectively, are part of the collaterals for the long-term debt obtained by the Group and its related party (see Notes 14 and 16).

Depreciation and Amortization

Depreciation and amortization were charged to the following accounts:

	2024	2023	2022
Direct costs and expenses (Note 20)			
Rental	₱129,569	₱119,167	₱78,178
Hotel operations	11,096	10,250	11,404
	140,665	129,417	89,582
General and administrative expenses (Note 21)	6,709	7,244	5,913
	₱147,374	₱136,661	₱95,495



Sources of depreciation and amortization are as follows:

	2024	2023	2022
Investment properties (Note 10)	₱98,480	₱101,498	₱62,815
Property and equipment (Note 11)	32,948	25,558	24,765
Right-of-use assets (Note 18)	15,646	9,305	7,615
Franchise fee (Note 29)	300	300	300
	₱147,374	₱136,661	₱95,495



11. Property and Equipment

2024

	Land	Land Improvements	Buildings and Improvements	Leasehold Improvements	Transportation Equipment	Office Furniture and Equipment	Computer Equipment	Construction In-Progress	Total
Cost									
At January 1	₱37,456	₱12,494	₱207,885	₱101,641	₱37,054	₱115,587	₱35,860	₱54,995	₱602,972
Additions	—	—	6,804	—	2,727	9,085	3,176	112,495	134,287
Retirement/disposal	—	—	—	—	(2,950)	(362)	—	—	(3,312)
Reclassifications	(3,959)	(83)	3,569	—	—	37,261	—	(40,830)	(4,042)
At December 31	33,497	12,411	218,258	101,641	36,831	161,571	39,036	126,660	729,905
Accumulated Depreciation									
At January 1	—	7,284	120,075	15,022	28,356	91,190	27,168	—	289,095
Depreciation (Notes 20 and 21)	—	802	8,090	10,762	2,623	4,729	5,942	—	32,948
Reclassifications	—	(10)	—	—	—	—	—	—	(10)
Retirement/disposal	—	—	—	—	(1,936)	2,477	(2,561)	—	(2,020)
At December 31	—	8,076	128,165	25,784	29,043	98,396	30,549	—	320,013
Net Book Value	₱33,497	₱4,335	₱90,093	₱75,857	₱7,788	₱63,175	₱8,487	₱126,660	₱409,892

2023

	Land	Land Improvements	Buildings and Improvements	Leasehold Improvements	Transportation Equipment	Office Furniture and Equipment	Computer Equipment	Construction In-Progress	Total
Cost									
At January 1	₱37,456	₱12,160	₱204,956	₱44,018	₱31,257	₱110,229	₱34,021	₱48,682	₱522,779
Additions	—	334	1,129	57,623	7,183	5,303	4,400	8,190	84,162
Retirement/disposal	—	—	—	—	(1,388)	(20)	(2,561)	—	(3,969)
Reclassifications	—	—	1,800	—	2	75	—	(1,877)	—
At December 31	37,456	12,494	207,885	101,641	37,054	115,587	35,860	54,995	602,972
Accumulated Depreciation									
At January 1	—	6,501	112,497	9,587	26,981	88,136	23,804	—	267,506
Depreciation (Notes 20 and 21)	—	783	7,578	5,435	2,763	3,074	5,925	—	25,558
Retirement/disposal	—	—	—	—	(1,388)	(20)	(2,561)	—	(3,969)
At December 31	—	7,284	120,075	15,022	28,356	91,190	27,168	—	289,095
Net Book Value	₱37,456	₱5,210	₱87,810	₱86,619	₱8,698	₱24,397	₱8,692	₱54,995	₱313,877

Cost of fully depreciated assets still in use in the Group's operations amounted to ₱138.8 million and ₱119.7 million as of December 31, 2024 and 2023, respectively. Borrowing costs capitalized as part of the construction in progress amounted to ₱3.2 million and nil in 2024 and 2023, respectively. The rate used to determine the amount of borrowing costs eligible for capitalization is 6.90% and nil in 2024 and 2023, respectively, which represent the weighted average rate of the general borrowing.



12. Trade and Other Payables

	2024	2023
Trade		
Third parties	₱199,281	₱132,473
Related companies (Note 16)	136,176	95,323
Commissions payable	145,792	143,050
Deferred credits	51,944	88,054
Accrued expenses	43,111	43,442
Nontrade Payable	34,385	39,361
Unearned rental income	23,551	28,011
Dividends payable (Note 17)	—	60,496
Income tax payable	—	56
Others	17,257	22,912
	651,497	653,178
Less: noncurrent portion of trade payables	20,111	29,087
	₱631,386	₱624,091

Trade payables to third parties are non-interest bearing and are generally on 30–45 days' term, while trade payables to related companies pertain to various transactions, which include the purchase of investment property from Kensington Ventures Inc. (KVI), an affiliate, in 2023 (see Note 16).

Commissions payable pertains to the excess of the total commissions to be paid under contract over the total commissions paid as of date on open real estate contracts.

Deferred credits mainly pertain to the deposits made by real estate buyers to cover various processing fees in relation to the sale of real estate inventories including, but not limited to, fees related to transfer of title and water and electricity connection fees.

Accrued expenses mainly include accruals made for interest and utilities.

Unearned rent revenue represents advanced payments from lessees.

Nontrade payable represents the unpaid consideration payable to Davao Centre Felcris Inc. (DCFI) exclusive of VAT, as a result of the business combination entered into by the Group (see Note 29). This payable is secured by a guarantee from ANFLOCOR (see Note 16).

Cash and non-cash movements of the nontrade payable and the related unamortized discount in 2024 and 2023 are as follows:

	2024	2023
Nontrade payable		
At January 1	₱43,912	₱50,582
Payments	(6,670)	(6,670)
At December 31	37,242	43,912
Unamortized discount		
At January 1	4,551	6,343
Amortization	(1,694)	(1,792)
At December 31	2,857	4,551
	34,385	39,361
Less current portion	14,274	10,274
Noncurrent portion	₱20,111	₱29,087



Accretion of interest expense on unamortized discount amounted to ₱1.7 million, ₱1.8 million and ₱1.9 million in 2024, 2023 and 2022, respectively. This was recorded as part of “Interest and other financing charges” in the consolidated statements of comprehensive income.

13. Bank Loans

The Group’s bank loans consist of short-term peso denominated loans obtained from local banks for working capital requirements with carrying value amounting to ₱399.5 million and ₱224.4 million as of December 31, 2024 and 2023, respectively.

These loans bear annual interest of 5.75% to 6.75% and 4.00% to 7.71% in 2024 and 2023, respectively. These are payable over a period of 1 to 12 months. These loans are collateralized by a continuing suretyship from ANFLOCOR (see Note 16).

The table below shows cash and non-cash movements of bank loans:

At January 1, 2023	₱584,240
Additions	100,000
Payments	(459,840)
At December 31, 2023	224,400
Additions	249,445
Payments	(74,307)
At December 31, 2024	₱399,538

Total interest expense recognized as part of “Interest and other financing charges” in the consolidated statements of comprehensive income amounted to ₱14.3 million, ₱3.7 million and ₱20.9 million in 2024, 2023 and 2022, respectively (see Note 14). Total interest capitalized from these bank loans presented as part of “Real estate held for Sale” account amounted to nil, ₱7.3 million and ₱7.1 million in 2024, 2023 and 2022, respectively (see Note 7). Total interest capitalized as part of “Construction in progress” under investment properties amounted to nil, ₱17.6 million and ₱26.1 million in 2024, 2023 and 2022, respectively (see Note 10). These represent general borrowing costs incurred for the construction of its buildings to be held for future lease. The rate used to determine the amount of borrowing costs eligible for capitalization were nil, 7.06% and 4.10% in 2024, 2023 and 2022, respectively, which represent the weighted average rate of the general borrowing.

14. Long-Term Debt

The Group’s long-term debt as of December 31 is composed of the following:

Year Aailed	Interest Rate	Payment Terms	2024	2023
Local bank 1				
2022	7.59%	Payable quarterly with 1-year grace period up to December 17, 2027	₱223,666	₱298,215
2022	7.60%	Payable quarterly with 1-year grace period up to December 17, 2027	238,576	318,094
2023	7.66%	Payable quarterly with a 1-yr grace period up to December 17, 2027	135,000	180,000
			597,242	796,309

(Forward)



Year Availed	Interest Rate	Payment Terms	2024	2023
Local bank 2				
2018	6.05%	Payable quarterly with a maximum grace period of 3 years up to December 7, 2028	₱172,800	₱216,000
2019	6.05%	Payable quarterly with a maximum grace period of 3 years up to December 7, 2028	518,400	648,000
2021	4.74%	Payable quarterly with a 1-year grace period up to September 17, 2026	43,750	68,750
2021	5.82%	Payable quarterly with a 1-year grace period up to September 17, 2026	30,625	48,125
2021	5.88%	Payable quarterly with a 1-year grace period up to September 17, 2026	26,250	41,250
2022	6.20%	Payable quarterly with a 1-year grace period up to September 17, 2026	30,625	48,125
2023	7.65%	Payable quarterly with a 2-year grace period up to January 13, 2028	90,000	90,000
2023	7.95%	Payable quarterly with a 2-year grace period up to January 13, 2028	50,000	50,000
2023	7.58%	Payable quarterly with a 2-year grace period up to January 13, 2028	100,000	100,000
2023	7.82%	Payable quarterly with a 2-year grace period up to January 13, 2028	50,000	50,000
2023	7.48%	Payable quarterly with a 2-year grace period up to January 13, 2028	60,000	60,000
2023	7.46%	Payable quarterly with a 2-year grace period up to January 13, 2028	250,000	250,000
			1,422,450	1,670,250
Local bank 3				
2021	7.75%	Payable quarterly with a 2-year grace period up to January 12, 2031	320,312	371,562
2023	7.75%	Payable quarterly with a 2-year grace period up to January 12, 2031	70,312	81,562
			390,624	453,124
			2,410,316	2,919,683
Less current portion			657,541	506,609
Noncurrent portion			₱1,752,775	₱2,413,074

The loans obtained in 2023 were used to finance the development of a condominium project, while the loans obtained in 2019 and 2021 were used to finance the development of a building. The loan obtained in 2018 was used for the construction of the Group's residential subdivision and condominium projects.

These loans are collateralized by a continuing suretyship from ANFLOCOR (see Note 16).

The loans are covered by an agreement which provides certain restrictions and requirements for the Group to maintain certain financial ratios. The table below shows the externally imposed requirements that are complied with by the Group as of December 31, 2024 and 2023.

	Required Ratio
Debt to equity ratio	Not greater than 1.5:1
Debt service ratio	Not less than 1:1
Current ratio	Not less than 1:1



Total interest expense recognized as part of “Interest and other financing charges” in the consolidated statements of comprehensive income amounted to ₱188.7 million, ₱138.0 million and ₱0.1 million in 2024, 2023 and 2022, respectively. Total interest capitalized presented as part of “Real estate held for sale” account in 2024, 2023 and 2022 amounted to nil, ₱58.9 million and nil, respectively (see Note 7). Total interest capitalized presented as part of “Construction in Progress” under investment properties amounted to nil, ₱38.2 million and ₱107.3 million in 2024, 2023 and 2022, respectively (see Note 10). Total interest capitalized presented as part of “Construction in Progress” under property and equipment amounted to ₱3.2 million in 2024 and nil in both years 2023 and 2022 (see Note 11).

Movements of long-term debt are as follows:

	2024	2023
At January 1	₱2,919,683	₱2,343,400
Additions	—	870,000
Payments	(509,367)	(293,717)
At December 31	2,410,316	2,919,683
Less current portion	657,541	506,609
Long-term debt - noncurrent portion	₱1,752,775	₱2,413,074

Interest and Other Financing Charges

Details of the Group’s interest and other financing charges recognized in the consolidated statements of comprehensive income are as follows:

	2024	2023	2022
Interest expense			
Long-term debts	₱188,701	₱137,965	₱117
Bank loans (Note 13)	14,349	3,700	20,869
Bank charges	2,011	687	535
Nontrade payable (Note 12)	1,694	1,792	1,883
Lease liabilities (Note 18)	2,987	2,502	1,811
	₱209,742	₱146,646	₱25,215

15. Refundable Deposits

Refundable deposits pertain to security deposits given by the Group’s tenants at the start of the lease term. This is equivalent to two months of rent and will be applied against damages caused or done to the property or returned to the tenants upon termination of the contract. As of December 31, 2024 and 2023, the Group’s refundable deposits amounted to ₱66.3 million and ₱65.5 million, respectively.

16. Related Party Transactions

Parties are considered to be related if one party has the ability to control, directly or indirectly, the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence. Related parties may be individuals or corporate entities.



The Group's consolidated statements of financial position and consolidated statements of comprehensive income include the following accounts resulting from transactions with related parties:

	2024	
	Amount	Balance*
<i>Ultimate Parent</i>		
ANFLOCOR		
Lease of office space and others (see Notes 16e and 18)	₱21,202	₱—
<i>Entities Under Common Control</i>		
Tagum Agricultural Development Company, Inc. (TADECO)		
Lease of office space and others (see Notes 16e and 18)	10,404	96
Anflo Resort Development Corp. (ARDC)		
Lease of office space and others (see Notes 16e and Note 18)	1,512	1
Anflo Construction Corp. (ANFLOCON)		
Electricity and water charges (see Note 16f)	1,345	82
Others		
Lease of office space and others (see Notes 16e and 18)	8,083	1
		₱180

*Outstanding balance is included as part of "Trade and other receivables" (see Note 5).

	2023	
	Amount	Balance*
<i>Ultimate Parent</i>		
ANFLOCOR		
Lease of office space and others (see Notes 16e and 18)	₱22,494	₱—
<i>Entities Under Common Control</i>		
TADECO		
Lease of office space and others (see Notes 16e and 18)	11,677	14
ARDC		
Lease of office space and others (see Notes 16e and 18)	1,399	—
ANFLOCON		
Electricity and water charges (see Notes 16f)	381	99
Others		
Lease of office space and others (see Notes 16e and 18)	6,612	104
		₱217

*Outstanding balance is included as part of "Trade and other receivables" (see Note 5).

The balances above have 30-days' term and are non-interest bearing. These are unsecured and are not impaired as of December 31, 2024 and 2023.

	2024			
	Amount	Balance**	Terms	Conditions
<i>Ultimate Parent</i>				
ANFLOCOR				
Service fees (see Note 16a)	₱30,031	₱20,565	20 days, non-interest bearing	Unsecured, no collateral
Purchase of land (see Note 16c)	95,575	—		
<i>Entities Under Common Control</i>				
ANFLOCON				
Contract labor and services (see Note 16f)	190,122	78,089	On demand, non-interest bearing	Unsecured, no collateral
KVI				
Purchase of land (see Note 16d)	—	26,162	On demand, non-interest bearing	Unsecured, no collateral
Restaurant services (see Note 16g)	1,729	286		

(Forward)



	2024			
	Amount	Balance**	Terms	Conditions
NESTFARMS				
Landscaping services and others (see Note 16h)	₱9,872	₱1,996	On demand, non- interest bearing	Unsecured, no collateral
Others				
Various purchases (see Note 16i)	15,484	9,078	On demand, non- interest bearing	Unsecured, no collateral
₱136,176				
**Outstanding balance is included as part of “Trade and other payables” (see Note 12)				
	2023			
	Amount	Balance**	Terms	Conditions
Ultimate Parent				
ANFLOCOR				
Service fees (see Note 16a)	₱31,500	₱5,792	20 days, non- interest bearing	Unsecured, no collateral
Entities Under Common Control				
ANFLOCON				
Contract labor and services (see Note 16f)	197,613	28,371	On demand, non- interest bearing	Unsecured, no collateral
KVI				
Purchase of land (see Note 16d)	74,104	54,766	On demand, non- interest bearing	Unsecured, no collateral
Restaurant services (see Note 16g)	1,613	165		
NESTFARMS				
Landscaping services and others (see Note 16h)	11,223	2,144	On demand, non- interest bearing	Unsecured, no collateral
Others				
Various purchases (see Note 16i)	22,033	4,085	On demand, non- interest bearing	Unsecured, no collateral
₱95,323				
**Outstanding balance is included as part of “Trade and other payables” (see Note 12)				

The above transactions are to be settled in cash.

The Group, in its regular course of business, has transactions with related parties, which principally consists of the following:

- The Group incurred support services fees in accordance with its service agreement with ANFLOCOR. Total support services fees incurred amounted to ₱30.0 million and ₱31.5 million in 2024 and 2023, respectively (see Note 12).
- Various properties of the Group and its related companies are covered by a mortgage for the long-term debt obtained by the Group and ARDC. All of the bank loans and some of the long-term debt of the Group are also collateralized with a continuing suretyship from ANFLOCOR (see Notes 10, 13 and 14).
- In 2024, the Group acquired parcels of land situated in Brgy. Limao, Island Garden City of Samal, Davao del Sur and in Brgy. Cagangohan, Panabo City, Davao del Norte from ANFLOCOR, for a total cash consideration of ₱95.6 million. This transaction has been settled during the year.
- In 2023, the Group acquired a parcel of land from its affiliate, KVI, for a total consideration of ₱74.1 million. The outstanding balance for this transaction amounted to ₱26.2 million and ₱54.8 million as of December 31, 2024 and 2023, respectively, and are payable on demand.



- e. The Group leases out office spaces to related parties for a period of 1 to 10 years (up to January 31, 2033), renewable for another 5 to 10 years upon mutual agreement of both parties (see Note 18).
- f. The Group availed services of ANFLOCON for the construction and project management of the Group's various real estate projects such as Ameria, Harborview Estates, Bridgeport, Kahi Estates, and Agriya Gardens. In relation to this, the Group has also covered electricity and water charges for ANFLOCON, which the Group charges the latter.
- g. The Group availed services and incurred expenses on restaurants, catering and other related services provided by establishments owned by KVI. The outstanding balance for these transactions amounted to ₱0.3 million as of December 31, 2024 and ₱0.2 million as of December 31, 2023.
- h. The Group availed services of NESTFARMS for landscaping and other related services for the Group's lots located at Brgy. Marapangi, Davao City.
- i. Various purchases and services were availed by the Group from related parties such as, among others, Securus Security Agency Inc. (SSAI) for security services, and ARDC for restaurant and accommodation.
- j. In 2021, ANFLOCOR issued and granted a guarantee for the benefit of DCFI in relation to the asset purchase agreement relating to the business of the latter. ANFLOCOR unconditionally and irrevocably guarantees that all of the Group's obligations under such agreement will be duly and punctually paid and performed. On default by the Group, ANFLOCOR will immediately make each payment and perform each obligation required to be made or performed by the Group under the said agreement. As of December 31, 2024 and 2023, the carrying value of the long-term nontrade payable related to this acquisition amounted to ₱34.4 million and ₱39.4 million, respectively (see Note 12).

Compensation of Key Management Personnel

The compensation of the Group's key management personnel, which includes its general manager, administrative managers and executive officers, follows:

	2024	2023	2022
Short-term employee benefits	₱49,649	₱55,034	₱47,053
Post-employment benefits	3,473	2,275	1,908
	₱53,122	₱57,309	₱48,961

17. Equity

Capital Stock

Details of the Group's authorized capital stock are as follows:

	<u>Number of Shares</u>			
Authorized Capital Stock (ACS)	2024	2023	2024	2023
Common Class A at January 1 and December 31, ₱100 par value	7,500,000	7,500,000	₱750,000	₱750,000
Preferred shares, ₱1,000 par value				
At January 1	1,400,000	1,400,000	1,400,000	1,400,000
Increase in ACS	300,000	—	300,000	—
At December 31	1,700,000	1,400,000	1,700,000	1,400,000
			₱2,450,000	₱2,150,000



Details of the Group's issued capital stock are as follows:

Issued Capital Stock	Number of Shares		2024	2023
	2024	2023		
Common Class A - ₱100 par value				
At January 1 and December 31	7,500,000	7,500,000	₱750,000	₱750,000
Preferred shares - ₱1,000 par value				
At January 1	1,176,687	1,176,687	₱1,176,687	₱1,176,687
Issuance during the year	391,800	—	391,800	—
At December 31	1,568,487	1,176,687	1,568,487	1,176,687
			₱2,318,487	₱1,926,687

The Group has class “A” common shares with a par value of ₱100 per share and shall be transferable only to Philippine nationals.

The Group has preferred shares with a par value of ₱1,000 per share. These shares are redeemable, participating, non-voting and non-cumulative preferred shares with a fixed preferential dividend of 3% per annum based on the issue price, subject to availability of unrestricted retained earnings. The preferred shares may be redeemable, in whole or in part, at the sole option of the Parent Company at any time, at a price and upon such terms and conditions as the BOD may determine and approve at the time of the redemption.

On October 11, 2023, the Parent Company's BOD approved the declaration of special cash dividends amounting to ₱300.0 million (₱40.00 per share) and paid to all shareholders of record based on outstanding common shares as of December 31, 2022. As of December 31, 2023, unpaid portion of the dividend declared amounting to ₱60.5 million is presented as part of “Trade and other payables” (see Note 12).

On March 22, 2024, the Parent Company's BOD approved the increase in the Parent Company's authorized capital stock (ACS) from ₱2.2 billion divided into 7.5 million common shares with a par value of ₱100 per share and 1.4 million preferred shares with a par value of ₱1000 per share, to ₱2.5 billion divided into 7.5 million common shares with a par value ₱100 per share and 1.7 million preferred shares with a par value of ₱1000 per share. The increase in ACS was also approved by the Parent Company's stockholders representing at least two-thirds (2/3) of the outstanding capital stock at a meeting held on March 22, 2024. The SEC approved the increase in ACS on December 26, 2024.

On March 22, 2024, the Parent Company's BOD approved the declaration of cash dividends amounting to ₱30.0 million (₱4.00 per share) and paid to all shareholders of record based on outstanding common shares as of December 31, 2023.

Capital Management

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may issue new common shares or obtain additional funding from its ultimate parent company and related companies. To ensure the adequacy of the Group's capital, management prepares annual cash flow forecast projecting the Group's future cash requirements, which is used to assess if additional capital may be required. No changes were made in the objectives, policies or processes in 2024 and 2023.

The Group is exposed to externally imposed capital requirement in relation to its long-term debt (see Note 14).



As of December 31, 2024 and 2023, the Group considers the following as its core economic capital:

	2024	2023
Capital stock		
Common shares	₱750,000	₱750,000
Preferred shares	1,568,487	1,176,687
Additional paid-in capital	207,905	207,905
Retained earnings	1,345,658	1,339,276
	₱3,872,050	₱3,473,868

18. Lease Agreements

Group as a Lessor

The Group leases out the following:

- Office spaces for a period of 1 to 10 years (up to January 31, 2033) to related parties (see Note 16) and other entities, renewable for another 5 to 10 years upon mutual agreement of both parties. Total rental income in 2024, 2023 and 2022 amounted to ₱38.4 million, ₱39.7 million and ₱35.0 million, respectively (see Note 19);
- Commercial spaces for periods of 1 to 15 years (up to December 31, 2028) and can be extended upon mutual agreement by both parties subject to the terms and conditions stipulated in the contract. Total rental income amounted to ₱130.2 million, ₱118.9 million and ₱106.6 million in 2024, 2023 and 2022 respectively (see Note 19);
- IT park for a period of one to five years and can be extended upon mutual agreement by both parties subject to the terms and conditions stipulated in the contract. Rental income amounted to ₱206.7 million, ₱185.1 million and ₱76.6 million in 2024, 2023, and 2022, respectively (see Note 19).

In 2016, the Group entered into a 10-year profit-share lease agreement with a local corporation covering an area of 1,393 square meters in the Group's IT Park. In 2016, the Group billed the lessee the cost of the fit-out and equipment, in accordance with the agreement. The lessee is obligated to commence payment of the aforesaid billing not later than after the 24th month of operations. Share in net income of the said lessee, presented in profit or loss under rental revenue, amounted to ₱6.5 million, ₱4.3 million and ₱1.1 million in 2024, 2023 and 2022, respectively.

Future minimum rent receivable under renewable long-term operating leases are as follows:

	2024	2023
Within one year	₱281,763	₱319,313
After one year but not more than five years	744,228	788,436
More than five years	434,091	132,333
	₱1,460,082	₱1,240,082



Group as a Lessee

The Group has the following lease agreements:

- The Group has entered into a contract of lease with a third party for the office space located at the 12th floor of SM CDO Downtown Tower at Claro M. Recto Avenue corner Osmeña Street, Cagayan de Oro City for a term of three years commencing from October 15, 2024 to October 14, 2027. A five percent (5%) increase in the monthly rent, computed on an annual basis, shall be imposed on the first (1st) month of the third (3rd) year of the lease. In 2025, the lease term was revised to a term of five years commencing on December 1, 2024 to November 30, 2029. The lease contract may be renewed for another five (5) years upon agreement of the parties, with a written notice of lessee's intention, which both parties will negotiate twelve months prior to the expiration of the initial lease term.
- The Group has entered into a contract of lease with a third party for the office space located at the 12th floor of SM CDO Downtown Tower at Claro M. Recto Avenue corner Osmeña Street, Cagayan de Oro City for a term of five years commencing from July 1, 2023 to June 30, 2028. The applicable monthly rent shall be subject to an annual five percent (5%) escalation starting on the second (2nd) year. The lease contract may be renewed for another period at such terms and conditions, with a written notice of lessee's intention, which both parties will negotiate twelve months prior to the expiration of the initial lease term.
- The Group has entered into a noncancellable lease contract with a third party for its office space located at the 6th floor BPO Building of Felcris Centrale at Quimpo Boulevard, Davao City for a term of seven years commencing from April 1, 2021 to March 31, 2028. The applicable basic rent shall be subject to an annual five percent (5%) escalation starting on the second (2nd) year. The lease contract may be renewed for another period at such terms and conditions which both parties will negotiate three months prior to the expiration of the contract.

Under PFRS 16, the lessee shall recognize right-of-use assets consisting of the amount of the initial measurement of the lease liabilities, any lease payments made at or before the commencement date, less any incentives received and any initial direct costs incurred by the lessee.

The rollforward analysis of the Group's right-of-use assets follows:

	2024	2023
Cost		
At January 1	₱87,102	₱53,305
Addition	13,362	33,797
At December 31	100,464	87,102
Accumulated Amortization		
At January 1	22,631	13,326
Amortization (Note 20)	15,646	9,305
At December 31	38,277	22,631
Net Book Value	₱62,187	₱64,471



The rollforward analysis of the Group's lease liabilities follows:

	2024	2023
At January 1	₱64,165	₱41,359
Addition	12,561	31,870
Accretion of interest	2,987	2,502
Payments		
Principal portion	(13,252)	(9,042)
Interest	(3,100)	(2,524)
At December 31	63,361	64,165
Less current portion of lease liabilities	18,608	12,587
Lease liabilities - net of current portion	₱44,753	₱51,578

Shown below is the maturity analysis of the undiscounted lease payments as of December 31, 2024 and 2023:

	2024	2023
Within one year	₱21,403	₱15,550
After one year but not more than five years	47,207	55,368
	₱68,610	₱70,918

19. Revenue

Disaggregated Revenue Information

The Group derives revenue from the transfer of goods and services over time and at a point in time in different product types. Set out below is the disaggregation of the Group's revenue in 2024, 2023 and 2022:

By Type	2024	2023	2022
Revenue from contracts with customers			
Sale of real estate (Note 7)	₱1,116,646	₱1,118,805	₱768,208
Hotel operations	94,724	85,591	70,185
Other revenue	4,415	10,196	6,899
Rental income (Notes 10 and 18)	427,779	395,106	251,266
	₱1,643,564	₱1,609,698	₱1,096,558
By Customers	2024	2023	2022
Revenue from contracts with customers			
Real estate buyers (Note 7)	₱1,116,646	₱1,118,805	₱768,208
Guests	94,724	85,591	70,185
Other customers	4,415	10,196	6,899
Lessees (Note 18)	427,779	395,106	251,266
	₱1,643,564	₱1,609,698	₱1,096,558



Sale of Real Estate

The Group's main source of revenue is from contracts with customers involving real estate sales. The disaggregation for this source of revenue is presented as follows:

	2024	2023	2022
At a point in time			
Industrial lots	₱131,642	₱319,416	₱–
Condominium units	–	–	137,575
Residential lots	–	–	138,789
	131,642	319,416	276,364
Over time			
Condominium units	625,824	315,437	2,019
Residential house and lots	318,901	483,952	515,700
Residential lots	40,279	–	(25,875)
	985,004	799,389	491,844
	₱1,116,646	₱1,118,805	₱768,208

Rental (see Note 10)

	2024	2023	2022
Lease of space	₱324,477	₱298,222	₱197,539
CUSA services	50,856	45,443	28,650
Office revenue	45,839	45,753	20,810
Non-office revenue	6,607	5,688	4,267
	₱427,779	₱395,106	₱251,266

Revenue from lease of space is recognized on a straight-line basis over the lease term.

Hotel Operations

	2024	2023	2022
Room accommodation	₱79,151	₱69,274	₱56,622
Food and beverage	12,914	13,531	12,125
Other operated departments	2,659	2,786	1,438
	₱94,724	₱85,591	₱70,185

Revenue from room accommodation is revenue from contracts with customers recognized over time at the amount of consideration to which the Group has a right to invoice. All other revenue of the Group from hotel operations is recognized at a point in time.

Other Revenue

	2024	2023	2022
Property management fee	₱2,768	₱6,980	₱2,256
Ticket fees and leisure sales	1,647	3,216	4,643
	₱4,415	₱10,196	₱6,899

The Group derived revenue incidental to its operations which is recognized at a point in time when related services are rendered.



Miscellaneous - Net

	2024	2023	2022
Gain on disposal of investment property and property and equipment	₱8,452	₱400	₱—
Processing fees	3,889	2,807	4,003
Penalties	3,028	1,266	36
Gain on cancellation of real estate contracts	2,532	2,112	606
Boat services	948	1,187	969
Other hotel services	580	86	—
Events, sponsorships and incentives	537	135	—
Parking fees	301	269	—
Transfer fees	223	1,903	1,726
Administrative fees	190	1,349	119
Sale of various materials	156	109	—
Foreign exchange gain (loss) - net	(92)	(178)	430
Other income	418	455	379
	₱21,162	₱11,900	₱8,268

20. Direct Costs and Expenses

	2024	2023	2022
<i>Real Estate Sales</i>			
Cost of real estate sold (Note 7)	₱663,274	₱650,200	₱373,807
Amortization of costs to obtain contracts (Note 6)	78,256	64,769	41,129
	₱741,530	₱714,969	₱414,936

	2024	2023	2022
<i>Rental Operations</i>			
Depreciation (Note 10)	₱129,569	₱119,167	₱78,178
Outside services	46,996	50,830	44,998
Light and water	31,859	24,996	13,704
Travel and transportation	17,185	14,545	16,121
Taxes and licenses	15,711	3,666	5,357
Salaries, wages and benefits (Note 22)	13,842	11,070	7,107
Maintenance and repairs	12,414	8,675	6,990
Rental	10,156	2,331	3,344
Insurance	5,910	5,403	2,677
Retirement costs (Notes 22 and 23)	535	668	390
Others	178	569	192
	₱284,355	₱241,920	₱179,058

	2024	2023	2022
<i>Hotel Operations</i>			
Outside services	₱15,312	₱13,631	₱10,231
Depreciation and amortization (Notes 10, 11 and 28)	11,096	10,250	11,404
Room and guest supplies	11,082	10,514	8,948

(Forward)



	2024	2023	2022
Salaries, wages and benefits (Note 22)	₱8,790	₱8,340	₱5,488
Communication, light and water	6,965	7,217	7,454
Management and license fees (Note 29)	5,853	5,775	4,761
Office supplies	2,265	2,012	1,513
Maintenance and repairs	1,876	1,478	1,599
Commissions	1,840	1,445	1,064
Advertising and marketing (Note 29)	1,492	1,265	559
Travel and transportation	1,013	778	442
Insurance	1,002	767	736
SSS, Pag-ibig and other contributions (Note 22)	860	732	477
Retirement costs	64	—	—
Taxes and licenses	24	46	27
Others	1,856	1,393	741
	₱71,390	₱65,643	₱55,444

21. General and Administrative Expenses

	2024	2023	2022
Salaries, wages and benefits (Note 22)	₱80,870	₱82,108	₱78,030
Outside services	70,981	93,508	75,880
Taxes and licenses	34,307	40,099	35,176
Selling expense	29,131	28,286	27,207
Rent and landscaping expense	11,585	7,258	5,812
Promotions	7,426	7,204	3,415
Depreciation (Notes 10 and 11)	6,709	7,244	5,913
Communication, light and water	6,523	4,994	14,238
Entertainment, amusement and representation	6,481	4,744	3,497
Stationery and office supplies	6,216	10,665	8,381
Insurance	5,938	3,180	3,860
Retirement costs (Notes 22 and 23)	4,542	2,340	3,275
SSS, Pag-ibig and other contributions (Note 22)	4,431	3,966	2,629
Travel and transportation	4,111	3,888	2,168
Maintenance and repairs	3,743	3,960	6,036
Fuel, oil and lubricants	2,429	2,718	2,663
Trainings and seminars	—	538	—
Others	10,042	2,901	2,016
	₱295,465	₱309,601	₱280,196

22. Personnel Expenses

	2024	2023	2022
Salaries, wages and benefits (Notes 20 and 21)	₱103,502	₱101,518	₱90,625
SSS, Pag-ibig and other contributions (Notes 20 and 21)	5,291	4,698	3,106
Retirement costs (Notes 20, 21 and 23)	5,141	3,008	3,665
	₱113,934	₱109,224	₱97,396



23. Retirement Costs

The Group has a funded and noncontributory defined benefit retirement plan, covering substantially all of its regular employees. Total retirement costs charged to operations amounted to ₱5.1 million, ₱3.0 million and ₱3.7 million in 2024, 2023 and 2022, respectively (see Notes 20, 21 and 22). The retirement plan meets the minimum retirement benefit specified under Republic Act 7641.

The following tables summarize the components of retirement costs recognized in the statements of comprehensive income and amounts recognized in the statements of financial position for the retirement plan as of December 31:

2024

	Present Value of Defined Benefit Obligation	Fair Value of Plan Assets	Pension Liability
At January 1	₱24,060	₱–	₱24,060
Retirement costs in profit or loss:			
Current service cost	3,686	–	3,686
Interest cost on defined benefit obligation	1,455	–	1,455
Re-measurement in other comprehensive income:			
Actuarial gain due to changes in financial assumptions	(3,028)	–	(3,028)
Actuarial loss due to changes in experience adjustments	1,397	–	1,397
Gain on return on plan asset	–	47	(47)
Actual contribution to the fund	–	5,000	(5,000)
Benefits paid	(3,722)	(3,722)	–
At December 31	₱23,848	₱1,325	₱22,523

2023

	Present Value of Defined Benefit Obligation	Fair Value of Plan Assets	Pension Liability
At January 1	₱17,931	₱–	₱17,931
Retirement costs in profit or loss:			
Current service cost	1,712	–	1,712
Interest cost on defined benefit obligation	1,296	–	1,296
Re-measurement in other comprehensive income:			
Actuarial loss due to changes in financial assumptions	2,926	–	2,926
Actuarial loss due to changes in experience adjustments	195	–	195
At December 31	₱24,060	₱–	₱24,060

The re-measurement gain on pension liability, net of the deferred income tax effect, amounting to ₱0.4 million in 2024, and the re-measurement loss on pension liability, net of the deferred income tax effect, amounting to ₱0.8 million in 2023 is recognized in the consolidated statement of comprehensive income.



The cost of defined benefit pension plan and the present value of the pension obligation are determined using actuarial valuations. The actuarial valuation involves making various assumptions.

The principal assumptions used in determining pension obligation for the defined benefit plan are shown below:

	2024	2023	2022
Discount rates	6.11%	6.10%	7.30%
Future salary increases	4.00%	5.00%	5.00%
Turnover rate	A scale ranging from 12% at age 18 decreasing to 1.7% at age 59	A scale ranging from 12% at age 18 decreasing to 1.7% at age 59	A scale ranging from 12% at age 18 decreasing to 1.7% at age 59
Mortality rate	2017 PICM	2017 PICM	2017 PICM
Disability rate	1952 Disability Study, Period 2, Benefit 5	1952 Disability Study, Period 2, Benefit 5	1952 Disability Study, Period 2, Benefit 5

The fair value of plan assets by each class as of December 31 are as follow:

	2024	2023
Fixed income	₱926	₱—
Equity Instruments	37	—
Money markets	362	—
	₱1,325	₱—

The Group expects to contribute to the defined benefit pension plan up to the extent of normal cost in 2025.

The sensitivity analysis below as of December 31, 2024 and 2023, has been determined based on reasonably possible changes of each assumption on the defined benefit obligation as of December 31, assuming all other assumptions were held constant:

	Increase (Decrease)	Increase (Decrease) in Present Value of Defined Benefit Obligation	
		2024	2023
Discount rates	+1.00%	(₱2,444)	(₱2,490)
	-1.00%	2,864	2,919
Future salary increases	+1.00%	3,010	3,031
	-1.00%	(2,605)	(2,626)

The average duration of the defined benefit obligation as of December 31, 2024 and 2023 is 15.03 years and 9.96 years, respectively.



Shown below is the maturity analysis of the undiscounted benefit payments:

2024

	Normal Retirement	Other than Normal Retirement	Total
Less than 1 year	₱250	₱377	₱627
One to less than 5 years	5,261	1,124	6,385
Five to less than 10 years	868	4,675	5,543
Ten to less than 15 years	29,064	9,006	38,070
Fifteen to less than 20 years	33,098	7,168	40,266
Twenty years and above	38,566	10,697	49,263
	₱107,107	₱33,047	₱140,154

2023

	Normal Retirement	Other than Normal Retirement	Total
Less than 1 year	₱22,265	₱3,046	₱25,311
One to less than 5 years	40,775	5,240	46,015
Five to less than 10 years	25,206	6,584	31,790
Ten to less than 15 years	22,282	8,654	30,936
Fifteen to less than 20 years	39,814	9,010	48,824
Twenty years and above	75,963	15,740	91,703
	₱226,305	₱48,274	₱274,579

24. Income Tax

The provision for current income tax represents the minimum corporate income tax (MCIT) in 2024 and regular corporate income tax (RCIT) in 2023 and 2022.

Furthermore, the current income tax includes 5% tax on the PEZA registered activities.

The components of the Group's net deferred tax liabilities are as follows:

	2024	2023
Net deferred tax liabilities:		
Difference in accounting and tax bases for real estate sales and rental revenue	₱145,210	₱124,362
NOLCO	(18,261)	—
MCIT	(10,300)	—
Pension cost recognized in statements of income	(6,367)	(6,337)
Pension costs recognized in other comprehensive income	882	463
Others	(756)	(1,085)
	₱110,408	₱117,403
Net deferred tax assets:		
Lease liabilities	₱15,840	₱16,041
Right-of-use assets	(14,499)	(15,648)
NOLCO	1,926	—
Difference in accounting and tax base of property and equipment	1,770	2,288
Unamortized discount on notes payable	(714)	(1,138)
MCIT	42	—
Pension costs recognized in statements of income	12	7
Unearned revenue	—	748
	₱4,377	₱2,298



The details for the Group's NOLCO and excess MCIT over RCIT are as follows:

NOLCO

Year Incurred	Year of Expiry	At January 1, 2024	Addition	As of December 31, 2024
2024	2027	₱—	₱80,746	₱80,746

Excess of MCIT over RCIT

Year Incurred	Year of Expiry	At January 1, 2024	Addition	As of December 31, 2024
2024	2027	₱—	₱10,342	₱10,342

The reconciliation between the provision for income tax computed at the statutory income tax rate to actual provision for income tax follows:

	2024	2023	2022
Income before income tax	₱125,524	₱196,714	₱196,460
At statutory income tax rate	₱31,381	₱49,179	₱49,115
Additions to (reductions in) income taxes resulting from:			
Change in value of deferred tax assets	(27,503)	(528)	(152)
Equity in net earnings of associate	(15,745)	(12,454)	(11,446)
Net accounting loss under Income Tax Holiday (ITH)	9,041	20,635	19,274
Effect of difference in rate of RCIT and Gross Income Tax (GIT) on PEZA-registered activity	(6,048)	(4,708)	78
Change in value of unrecognized deferred tax assets	—	(1,030)	333
Elimination of profit from downstream transaction	—	—	8,347
Others	51	2,611	(930)
	(₱8,823)	₱53,705	₱64,619

Current income tax expense for PEZA registered activity amounted to ₱1.5 million each year in 2024 and 2023, and ₱1.3 million in 2022.

25. Operating Segment

Business Segment Information

For management purposes, the Group is organized into three (3) major business units that are largely organized and managed separately. Reporting operating segments are as follows:

- Sale of real estate – primarily engaged in the sale of condominium units, residential houses, residential lots, and industrial lots.
- Leasing operations – primarily engaged in leasing and renting out buildings, industrial lots, warehouses, condominium units, office spaces, commercial spaces and IT Park.



- Hotel operations – engaged in hotel management which includes restaurant and other related services through a Unit License Agreement with Phinma Microtel Hotels, Inc. (formerly Microtel Inns and Suites (Pilipinas), Inc.) (see Note 29)

No operating segments have been aggregated to form the above reportable operating segments.

The President monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on revenue, earnings before interest, income taxes and depreciation and amortization (EBITDA) and operating profit or loss, and is measured consistently in the consolidated financial statements. The Group's management reporting and controlling systems use accounting policies that are the same as those described in Note 2 in the material accounting policy information under PFRS Accounting Standards.

EBITDA is the measure of segment profit (loss) used in segment reporting and comprises of revenues, cost of sales and services and selling and general administrative expenses before interest, taxes and depreciation and amortization.

Group financing and income taxes are also managed per operating segments. Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

Business Segments

The following tables present revenue, net income and depreciation and amortization information regarding business segments for the years ended December 31, 2024, 2023 and 2022.

December 31, 2024

	Sale of Real Estate	Leasing Operations	Hotel Operations	Total
Revenue	₱1,121,034	₱427,806	₱94,724	₱1,643,564
Equity in net earnings of associate	62,981	–	–	62,981
Other income	15,404	5,050	1,007	21,461
	1,199,419	432,856	95,731	1,728,006
Cost of sales and services (before depreciation and amortization)	741,530	154,786	60,294	956,610
Operating expenses (before depreciation and amortization)	239,362	39,967	9,427	288,756
	980,892	194,753	69,721	1,245,366
EBITDA	218,527	238,103	26,010	482,640
Other expenses				
Depreciation and amortization	1,477	133,607	12,290	147,374
Interest and other financing charges	126,011	83,077	654	209,742
Pretax income	91,039	21,419	13,066	125,524
Benefit from income tax	(6,785)	(2,038)	–	(8,823)
Net income	₱97,824	₱23,457	₱13,066	₱134,347
Segment Assets				
Cash	₱199,495	₱89,603	₱32,889	₱321,987
Receivables and contract assets	1,381,220	59,971	8,866	1,450,057
Inventories	1,011,943	–	–	1,011,943
Investment in associate	712,251	–	–	712,251
Fixed assets and right-of-use assets*	1,176,279	2,246,498	148,773	3,571,550
Others	515,660	70,891	66,430	652,981
	₱4,996,848	₱2,466,963	₱256,958	₱7,720,769

(Forward)



	Sale of Real Estate	Leasing Operations	Hotel Operations	Total
Segment Liabilities				
Payables and contract liabilities	₱573,171	₱162,601	₱37,510	₱773,282
Short-term and long-term debt	2,214,291	595,563	—	2,809,854
Others	135,908	126,663	—	262,571
	₱2,923,370	₱884,827	₱37,510	₱3,845,707

**Includes property and equipment and investment properties*

December 31, 2023

	Sale of Real Estate	Leasing Operations	Hotel Operations	Total
Revenue	₱1,128,392	₱395,715	₱85,591	₱1,609,698
Equity in net earnings of associate	49,814	—	—	49,814
Other income	10,870	4,986	125	15,981
	1,189,076	400,701	85,716	1,675,493
Cost of sales and services (before depreciation and amortization)	714,969	122,753	55,393	893,115
Operating expenses (before depreciation and amortization)	223,478	65,781	13,098	302,357
	938,447	188,534	68,491	1,195,472
EBITDA	250,629	212,167	17,225	480,021
Other expenses				
Depreciation and Amortization	1,304	123,571	11,786	136,661
Interest and other financing charges	61,785	84,322	539	146,646
Pretax income	187,540	4,274	4,900	196,714
Provision for income tax	52,407	1,298	—	53,705
Net income	₱135,133	₱2,976	₱4,900	₱143,009
Segment Assets				
Cash	₱29,767	₱399,587	₱28,098	₱457,452
Receivables and contract assets	1,120,255	274,233	8,234	1,402,722
Inventories	664,080	—	—	664,080
Investment in associate	657,112	—	—	657,112
Fixed assets and right-of-use assets*	472,699	3,289,775	144,114	3,906,588
Others	389,118	69,062	70,019	528,199
	₱3,333,031	₱4,032,657	₱250,465	₱7,616,153
Segment Liabilities				
Payables and contract liabilities	₱534,997	₱160,342	₱30,118	₱725,457
Short-term and long-term debt	2,386,270	757,813	—	3,144,083
Others	143,591	127,533	—	271,124
	₱3,064,858	₱1,045,688	₱30,118	₱4,140,664

**Includes property and equipment and investment properties.*

December 31, 2022

	Sale of Real Estate	Leasing Operations	Hotel Operations	Total
Revenue	₱775,107	₱251,266	₱70,185	₱1,096,558
Equity in net earnings of associate	45,785	—	—	45,785
Other income	7,033	1,749	184	8,966
	827,925	253,015	70,369	1,151,309

(Forward)



	Sale of Real Estate	Leasing Operations	Hotel Operations	Total
Cost of sales and services (before depreciation and amortization)	₱414,936	₱100,880	₱44,040	₱559,856
Operating expenses (before depreciation and amortization)	205,537	56,675	12,071	274,283
	620,473	157,555	56,111	834,139
EBITDA	207,452	95,460	14,258	317,170
Other expenses				
Depreciation and amortization	6,184	76,898	12,413	95,495
Interest and other financing charges	7,226	17,519	470	25,215
Pretax income	194,042	1,043	1,375	196,460
Provision for income tax	65,548	(929)	—	64,619
Net income	₱128,494	₱1,972	₱1,375	₱131,841
Segment Assets				
Cash	₱70,121	₱104,343	₱11,856	₱186,320
Receivables and contract assets	1,222,518	390,964	10,209	1,623,691
Inventories	715,609	—	—	715,609
Investment in associate	607,360	—	—	607,360
Fixed assets and right-of-use assets*	127,145	3,553,878	147,926	3,828,949
Others	333,526	93,512	68,489	495,527
	₱3,076,279	₱4,142,697	₱238,480	₱7,457,456
Segment Liabilities				
Payables and contract liabilities	₱382,305	₱217,045	₱55,692	₱655,042
Short-term and long-term debt	1,471,899	1,455,741	—	2,927,640
Others	140,311	99,580	—	239,891
	₱1,994,515	₱1,772,366	₱55,692	₱3,822,573

*Includes property and equipment and investment properties.

26. Earnings Per Share

The following table presents information necessary to calculate basic earnings per share on consolidated net income (amounts in thousands, except basic earnings per share and number of shares):

	2024	2023	2022
Net income	₱134,347	₱143,009	₱131,841
Divided by weighted average number of common shares	7,500,000	7,500,000	7,500,000
Basic/diluted earnings per share	₱17.91	₱19.07	₱17.58

There were no potentially dilutive ordinary shares as at December 31, 2024, 2023 and 2022.

27. Financial Instruments

The following methods and assumptions are used to estimate the fair value of each class of financial instruments for which it is practicable to estimate such value:

- *Cash and cash equivalents, trade and other receivables, trade and other payables (excluding deferred credits, unearned rent income, statutory payable, and income tax payable) and bank loans.* The carrying amounts of these financial instruments approximate their fair values due to relatively short-term maturity of these financial instruments.



- *Noncurrent trade receivables.* The carrying amounts in the consolidated financial statements also reflect the face value of the receivables. The amount of unrecognized discount to carry them at present value is not material to affect the fair presentation of the consolidated financial statements.
- *Long-term debt.* The fair value of long-term debt is based on the present value of future cash flows discounted using current rates available for debt with the same profile as of reporting date (Level 3). Discount rates used as of December 31, 2024 and 2023 range from 6.71% to 7.12% and 6.12% to 6.99%, respectively. The carrying value of long-term debt amounted to ₱2.4 billion and ₱2.9 billion as of December 31, 2024 and 2023, respectively. The fair values amounted to ₱2.1 billion and ₱2.5 billion as of December 31, 2024 and 2023, respectively.
- *Refundable deposits.* The fair value of refundable deposits approximates the carrying values as the timing and related amounts of future cash flows cannot be reasonably and reliably estimated for purposes of establishing their fair values using an alternative valuation technique.

As of December 31, 2024 and 2023, the Group has no financial instruments measured at fair value.

28. Financial Risk Management Objectives and Policies

The Group's principal financial instrument pertains to its long-term debt and bank loans. The main purpose of these financial instruments is to finance for the Group's operations. The Group also has various financial instruments such as cash and cash equivalents, trade receivables, and trade and other payables (excluding deferred credits, unearned rent revenue, statutory payables and income tax payable), lease liabilities and refundable deposits, which arise directly from its operations. The main risks arising from the Group's financial instruments are credit risk and liquidity risk.

The BOD reviews and approves the Group's risk management objectives and policies as summarized below.

a. Credit Risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions. In general, the Group trades with its related companies and recognized, credit-worthy third parties. The maximum exposure to credit risk for the Group's financial assets and contract assets at the reporting date is the carrying amounts as disclosed in Notes 4, 5 and 6.

The Group applies the PFRS 9 simplified approach to measuring ECL which uses a lifetime expected loss allowance for trade receivables and contract assets and the general approach is applied for all other financial assets.

- For cash in banks and cash equivalents, the Group applies the low credit risk simplification. The probability of default and loss given defaults are publicly available and are considered to be low credit risk investments. It is the Group's policy to measure ECLs on such instruments on a 12-month basis. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL. The Group uses the ratings from the external credit rating agencies to



determine whether the debt instrument has significantly increased in credit risk and to estimate ECLs. While cash is also subject to the impairment requirements of PFRS 9, the identified impairment loss was immaterial.

- For trade receivables and contract assets from real estate sales, customer credit risk is managed primarily through credit review procedures for certain installment payment structures. Exposure to bad debts is not significant as title to real estate properties are not transferred to the buyers until full payment has been made and the requirement for remedial procedures is minimal given the profile of buyers.
- For trade receivables from leasing operations, the Group's exposure to credit risk is influenced mainly by the assessment made according to the Group's criteria prior to entering into lease agreements with prospective tenants. In accordance with the provisions of the contracts, tenants are required to pay advance rentals and refundable deposits, which helps reduce the Group's credit exposure in case of defaults. An impairment analysis is performed at each reporting date on an individual basis for major tenants. The credit quality is further classified and assessed by reference to historical information about each of the counterparty's historical default rates. Based on assessment of qualitative and quantitative factors that are indicative of the risk of default, the Group has assessed that the outstanding balances are exposed to low credit risk. ECL on these balances have therefore been assessed to be amounting to ₱0.6 million as of December 31, 2024 and 2023.
- For all other receivables, the Group's exposure to credit risk is influenced mainly by the individual characteristics of each counterparty. To measure the expected credit losses, these trade receivables have been grouped based on shared credit risk characteristics and the days past due. The expected loss rates are based on the payment profiles of revenues/sales and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers or counterparties to settle the receivables. Based on assessment of qualitative and quantitative factors that are indicative of the risk of default, the Group has assessed that the outstanding balances are exposed to low credit risk. ECL on these balances have therefore been assessed as insignificant.

The Group considers a financial asset in default when contractual payments are past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual cash flows in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Concentration Risk

There are no significant concentrations of credit risk, whether through exposure to individual customers, specific industry sectors and/or regions.

b. Liquidity Risk

Liquidity risk is the risk that the Group will be unable to meet its payment obligations when they fall due under normal and stress circumstances. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank loans. The Group monitors its risk of a shortage of funds by considering the maturity of both its financial instruments and financial assets and projected cash flows from operations.



The tables below summarize the maturity profile of the Group's financial liabilities based on contractual undiscounted payments as of December 31, 2024 and 2023:

December 31, 2024

	Total	On Demand	Less Than One Year	More Than One Year
Financial Liabilities:				
Trade and other payables*	₱521,748	₱521,748	₱ –	₱ –
Nontrade payable	37,242	–	15,564	21,678
Bank loans	399,538	–	399,538	–
Long-term debt	2,410,316	–	657,541	1,752,775
Future interest on bank loans and long-term debt	382,851	–	225,786	157,065
Refundable deposits	66,279	–	–	66,279
Lease liabilities	68,610	–	21,403	47,207
Total undiscounted financial liabilities	₱3,886,584	₱521,748	₱1,319,832	₱2,045,004

*Excluding deferred credits, unearned rent revenue, statutory payables, and income tax payable

December 31, 2023

	Total	On Demand	Less Than One Year	More Than One Year
Financial Liabilities:				
Trade and other payables*	₱472,879	₱472,879	₱ –	₱ –
Nontrade payable	43,912	–	11,672	32,240
Bank loans	224,400	–	224,400	–
Long-term debt	2,919,683	–	506,609	2,413,074
Future interest on bank loans and long-term debt	582,889	–	200,039	382,850
Refundable deposits	65,496	–	–	65,496
Lease liabilities	70,918	–	15,550	55,368
Total undiscounted financial liabilities	₱4,380,177	₱472,879	₱958,270	₱2,949,028

*Excluding deferred credits, unearned rent revenue, statutory payables, and income tax payable

The financial liabilities in the above table are gross undiscounted cash flows. However, these amounts may be settled using liquid assets such as cash and cash equivalents and trade receivables. Furthermore, available credit lines may also be used to manage liquidity.

29. Franchise Agreements

Set out below is the carrying amount of the Group's "Franchise" presented under "Other noncurrent assets":

	2024	2023
DAMOSA	₱881	₱1,047
DWSI	842	976
	₱1,723	₱2,023

DAMOSA

On May 4, 2006, DAMOSA entered into a Unit License Agreement with Phinma Microtel Hotels, Inc. (formerly Microtel Inns and Suites Pilipinas, Inc.), a Company granted by Microtel International, Inc. to sublicense its hotel system within the Philippines.

The hotel system includes, without limitation, the trade names, trademarks and service marks; prototypical architectural plans, designs, and layouts; the Microtel directory; management and personnel trainings; management and operational procedures and techniques; standards and



specifications for construction, equipment and furnishings; advertising, marketing and promotional programs; and such other improvements that the licensee may make from time to time. Under the agreement, DAMOSA will pay a one-time fee of \$700/guest room or equivalent to \$35,000. Furthermore, DAMOSA shall pay a licensee fee of 4% of the gross revenue of the hotel and marketing/reservation contribution of 2% of the gross revenue. The agreement shall expire without notice effective 20 years from the authorized opening date subject to earlier termination as set forth in the agreement. In 2011, DAMOSA paid for additional franchise fee amounting to ₱1.5 million for its Microtel Inns and Suites established in General Santos City. Amortization of additional franchise fee began in February 2013.

Unamortized franchise fee is presented as part of “Other noncurrent assets” account in the consolidated statements of financial position. Movement of the unamortized license fee is as follows (see Note 8):

	2024	2023
Cost		
At January 1 and December 31	₱3,315	₱3,315
Accumulated Amortization		
At January 1	2,268	2,102
Amortizations	166	166
At December 31	2,434	2,268
Net Book Value	₱881	₱1,047

Total license fee amounted to ₱1.4 million in 2024, ₱1.5 million in 2023 and ₱1.2 million in 2022 which is included as part of “Management and license fees” under costs and expenses – hotel operations (see Note 20). Total marketing/reservation fee amounted to ₱1.5 million in 2024, ₱1.3 million in 2023 and ₱0.6 million in 2022 is included as part of “Advertising and marketing” under costs and expenses - hotel operations (see Note 20).

On July 4, 2007, DAMOSA entered into a management agreement with Phinma Hospitality, Inc. (formerly Microtel Development Corporation). for the latter to operate, direct, manage and supervise DAMOSA’s hotel operations. DAMOSA is to pay management fee amounting to 10% of Microtel’s total gross operating profit.

The agreement shall commence for five years from the start of the commercial operations of the Hotel and is renewable for another three years upon mutual agreement of the parties. Total management fee amounting to ₱4.5 million, ₱4.3 million and ₱3.5 million in 2024, 2023 and 2022, respectively, is included as part of “Management and license fees” under costs and expenses - hotel operations (see Note 20).

DWSI

In 2021, as a result of acquiring business from DCFI, DWSI and Franchise International GmbH (“IWG”) executed a Business Services and Centre Development Agreement (“BSD”). Pursuant to the BSD, DWSI paid ₱1.3 million for IWG to issue a business center operating certificate (“Certificate”) to DWSI, which relates to the Business Centre to be operated (“Site”). The Certificate grants DWSI the right within the territory to open and operate the Site subject to certain terms and conditions for a term of 10 years or such longer period as allowed within the agreement. The said payments is recognized as “Franchise” under “Other noncurrent assets” in the consolidated statement of financial position. The carrying amount of the franchise amounted to ₱0.8 million and ₱1.0 million as of December 31, 2024 and 2023, respectively.



Movement of the unamortized franchise fee in 2024 and 2023 follows:

	2024	2023
Cost		
At January 1 and December 31	₱1,345	₱1,345
Accumulated Amortization		
At January 1	369	235
Amortizations	134	134
At December 31	503	369
Net Book Value	₱842	₱976



DAMOSA LAND, INC. AND SUBSIDIARIES
INDEX TO THE SUPPLEMENTARY SCHEDULES

Schedule	Contents
A	Financial Assets
B	Amounts Receivable from Directors, Officers, Employees, Related Parties, and Principal Stockholders (Other than Related Parties)
C	Amounts Receivable from Related Parties which are Eliminated during the Consolidation of Financial Statements
D	Long-term Debt
E	Indebtedness to Related Parties
F	Guarantees of Securities of Other Issuers
G	Capital Stock
H	Reconciliation of Retained Earnings Available for Dividend Declaration
I	Map Showing the Relationships Between and Among the Companies in the Group, its Ultimate Parent Company, Co-subsiidiaries and Associate



SCHEDULE A

DAMOSALAND, INC. AND SUBSIDIARIES
FINANCIAL ASSETS
DECEMBER 31, 2024
(Amounts in Thousands)

Name of Issuing entity and Association of Each Issue	Number of Shares or Principal Amount of Bonds and Notes	Amount shown in the Consolidated Statement of Financial Position	Value Based on Market Quotation at End of Reporting Period	Income Received and Accrued
Cash and Cash Equivalents				
<i>Cash on hand</i>				
Damosa Land, Inc. and Subsidiaries		₱913	₱913	₱—
<i>Cash in bank</i>				
Security Bank Corporation		179,392	179,392	69
BDO Unibank, Inc.		68,645	68,645	34
Metropolitan Bank and Trust Company		22,099	22,099	9
Bank of the Philippine Islands		19,190	19,190	5
Rizal Commercial Banking Corporation		16,625	16,625	11
Development Bank of the Philippines		13,534	13,534	16
China Banking Corporation		160	160	—
Asia United Bank		135	135	—
Philippine National Bank		114	114	—
<i>Cash equivalents</i>				
Rizal Commercial Banking Corporation		1,180	1,180	3
		₱321,987	₱321,987	₱147



SCHEDULE B

DAMOSA LAND, INC. AND SUBSIDIARIES
AMOUNTS RECEIVABLE FROM DIRECTORS, OFFICERS,
EMPLOYEES, RELATED PARTIES,
AND PRINCIPAL STOCKHOLDERS (OTHER THAN RELATED PARTIES)
DECEMBER 31, 2024

Name and Designation of Debtor	December 31, 2023	Additions	Amounts collected	Amounts written off	Current	Noncurrent	December 31, 2024
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– Not applicable –

The Group's receivable from officers and employees pertain to ordinary purchases to usual terms, travel and expense advances and other transactions arising from the Group's ordinary course of business.

This schedule shall be filed with respect to each person among the directors, officers, employees, and principal stockholders (other than related parties) from whom an aggregate indebtedness of more than ₱1,000,000 or one percent (1%) of total assets, whichever is less, is owed.

For the purpose of this schedule, all amounts receivable from such persons for purchases subject to usual terms, for ordinary travel and expense advances and for other such items arising in the ordinary course of business are excluded.



SCHEDULE C

DAMOSALAND, INC. AND SUBSIDIARIES
AMOUNTS RECEIVABLE FROM
RELATED PARTIES WHICH ARE ELIMINATED
DURING THE CONSOLIDATION OF FINANCIAL STATEMENTS
DECEMBER 31, 2024

Related Party	Nature of Affiliation	Nature of Transaction	Terms and Conditions	2024
Damosa Workspace Solutions, Inc.	Wholly-owned by the Parent Company	Intercompany charges	On demand, non- interest bearing, unsecured, no impairment	₱109,583



SCHEDULE D**DAMOSALAND, INC. AND SUBSIDIARIES****LONG-TERM DEBT****DECEMBER 31, 2024**

(Amounts in Thousands)

Title of Issue and Type of Obligation	Amount Authorized by Indenture	Amount shown under	Amount shown under
		Caption “Current Portion of Long-term Debt” in related Consolidated Statement of Financial Position	Caption “Long-term Debt” in related Consolidated Statement of Financial Position
<i>Bank loan - Philippine Peso</i>			
Local Bank 1	₱238,576	₱78,576	₱160,000
Local Bank 1	223,666	73,666	150,000
Local Bank 1	135,000	45,000	90,000
Local Bank 2	90,000	22,500	67,500
Local Bank 2	50,000	12,500	37,500
Local Bank 2	100,000	25,000	75,000
Local Bank 2	50,000	12,500	37,500
Local Bank 2	60,000	15,000	45,000
Local Bank 2	250,000	62,500	187,500
Local Bank 2	172,800	43,200	129,600
Local Bank 2	518,400	129,600	388,800
Local Bank 2	43,750	25,000	18,750
Local Bank 2	30,625	17,500	13,125
Local Bank 2	26,250	15,000	11,250
Local Bank 2	30,625	17,500	13,125
Local Bank 3	320,312	51,249	269,063
Local Bank 3	70,312	11,250	59,062
	₱2,410,316	₱657,541	₱1,752,775



SCHEDULE E

DAMOSA LAND, INC. AND SUBSIDIARIES
INDEBTEDNESS TO RELATED PARTIES
DECEMBER 31, 2024

Name of Related Party	Balance at Beginning of Period	Balance at End of Period
– Not Applicable –		
<i>The Group does not have long-term loans from related companies in its consolidated statements of financial position.</i>		



SCHEDULE F

DAMOSA LAND, INC. AND SUBSIDIARIES
GUARANTEES OF SECURITIES OF OTHER ISSUERS
DECEMBER 31, 2024

Name of Issuing Entity of Securities Guaranteed by the Company for which this Statement is Filed	Title of Issue of each Class of Securities Guaranteed	Total Amount Guaranteed and Outstanding	Amount Owned by Person for which Statement is Filed	Nature of Guarantee
– Not Applicable – <i>The Group does not have any guarantees of securities of other issuing entities by the Company for which the statement is filed.</i>				



SCHEDULE G**DAMOSIA LAND, INC. AND SUBSIDIARIES
CAPITAL STOCK
DECEMBER 31, 2024**

Titte of Issue	Number of Shares Authorized	Number of Shares Issued and Outstanding as shown under related Consolidated Statement of Financial Position Caption	Number of Shares Reserved for Options, Warrants Conversion and Other Rights	Number of Shares held by Related Parties	Number of Shares held by Directors, Officers and Employees	Number of Shares held by Others
Common shares	7,500,000	7,500,000	—	6,123,638	889,244	487,118
Preferred shares	1,700,000	1,568,487	—	1,305,377	10,133	252,977



SCHEDULE H

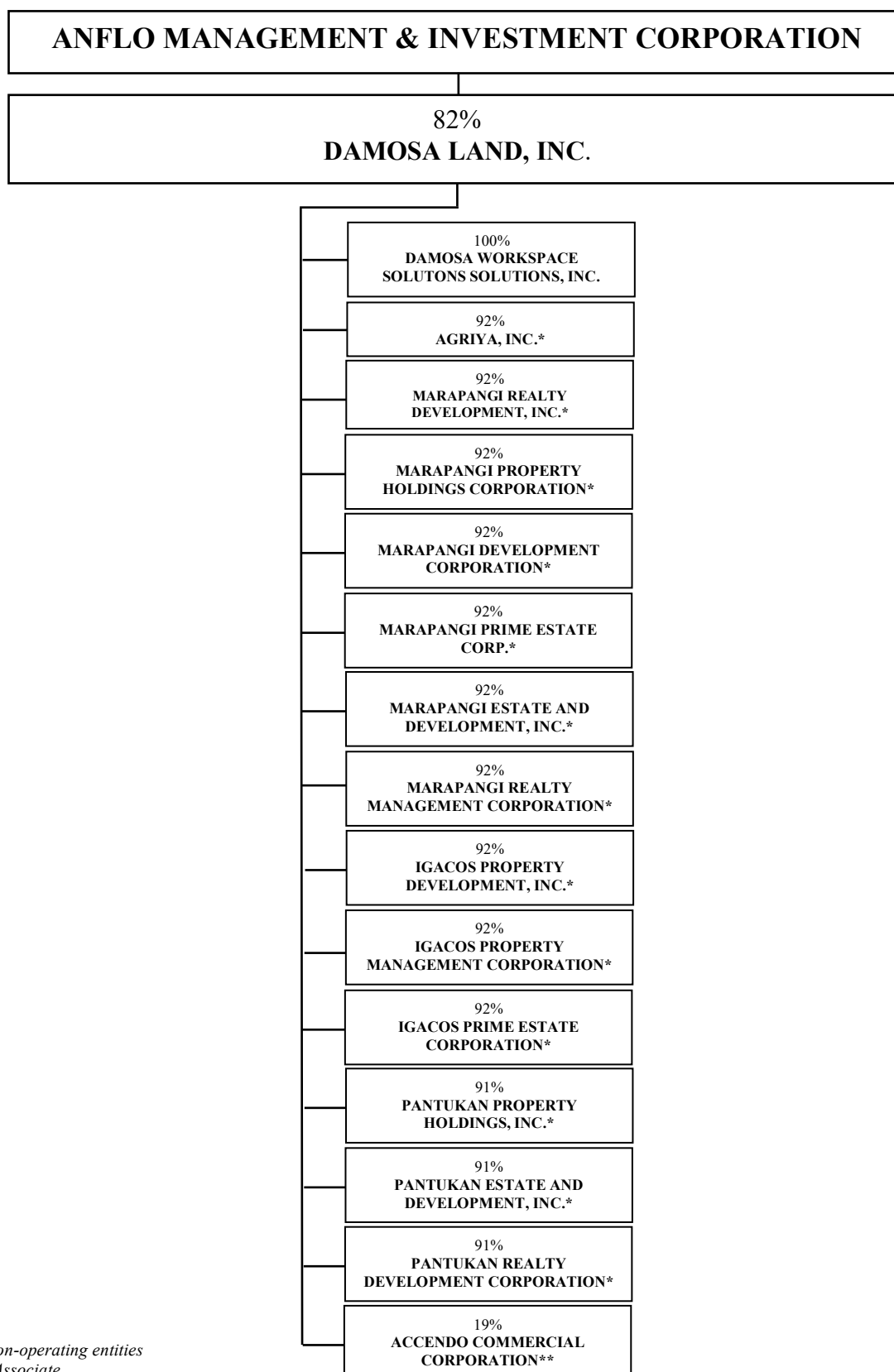
**DAMOSA LAND, INC. AND SUBSIDIARIES
RECONCILIATION OF RETAINED EARNINGS
AVAILABLE FOR DIVIDEND DECLARATION
PURSUANT TO SEC MEMORANDUM CIRCULAR NO. 16-2023
DECEMBER 31, 2024**

Unappropriated Retained Earnings, beginning of reporting period	₱722,615,656
Add: <u>Category A</u> : Items that are directly credited to Unappropriated Retained Earnings	
Reversal of Retained Earnings Appropriations	—
Less: <u>Category B</u> : Items that are directly debited to Unappropriated Retained Earnings	
Dividend declaration during the reporting period	(30,000,000)
Retained Earnings appropriated during the reporting period	—
Unappropriated Retained Earnings, as adjusted	692,615,656
Add: Net Income for the current year	71,703,010
Less: <u>Category C.1</u> : 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	(16,647)
Adjusted net income	71,686,363
Add/Less: <u>Category E</u> : Adjustments related to relief granted by the SEC and BSP	
Effect on adoption of IFRIC Agenda Decision on Over Time Transfer of Constructed Goods (PAS 23)	(89,990,234)
Add/Less: <u>Category F</u> : Other items that should be excluded from the determination of the amount available for dividends distribution	
Net movement of deferred tax asset not considered in the reconciling items under the previous categories	(28,145,700)
Total Retained Earnings, end of the reporting period available for dividend	₱646,166,085



SCHEDULE I

DAMOSALAND, INC. AND SUBSIDIARIES MAP SHOWING THE RELATIONSHIPS BETWEEN AND AMONG THE COMPANIES IN THE GROUP, ITS ULTIMATE PARENT COMPANY, CO- SUBSIDIARIES AND ASSOCIATE DECEMBER 31, 2024



*Non-operating entities
**Associate



DAMOSA LAND, INC. AND SUBSIDIARIES
SCHEDULE OF FINANCIAL SOUNDNESS INDICATORS
DECEMBER 31, 2024 AND 2023

		December 31	
		2024	2023
Liquidity and Solvency			
	Current ratio	1.64	1.89
	$\frac{\text{Current assets}}{\text{Current liabilities}}$		
	Acid-test ratio	0.28	0.45
	$\frac{\text{Cash + Accounts Receivable}}{\text{Current liabilities}}$		
	Solvency ratio	0.99	1.19
	$\frac{\text{Total liabilities}}{\text{Total equity}}$		
	Debt-to-equity ratio	0.73	0.90
	$\frac{\text{Total debt}}{\text{Total equity}}$		
	Asset-to-equity ratio	1.99	2.19
	$\frac{\text{Total assets}}{\text{Total equity}}$		
	Interest rate coverage ratio	1.62	2.39
	$\frac{\text{Earnings before interest and taxes}}{\text{Interest expense}}$		
Profitability			
	Return on equity	0.04	0.04
	$\frac{\text{Net income}}{\text{Ave. total equity}}$		
	Return on assets	0.018	0.019
	$\frac{\text{Net income}}{\text{Ave. total assets}}$		
	Profit margin	0.08	0.09
	$\frac{\text{Net income}}{\text{Net revenues}}$		





**STATEMENT OF MANAGEMENT'S RESPONSIBILITY
FOR FINANCIAL STATEMENTS
(CONSOLIDATED FINANCIAL STATEMENTS)**

The management of **Damosa Land, Inc.** (the Company) is responsible for the preparation and fair presentation of the consolidated financial statements including the schedules attached therein, as of March 31, 2025 and December 31, 2024 and for the three months ended March 31, 2025 and 2024, in accordance with the prescribed financial reporting framework indicated therein, and for such internal control as management determines is necessary to enable the preparation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

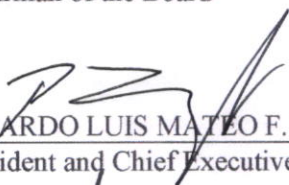
The Board of Directors is responsible for overseeing the Company's financial reporting process.

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

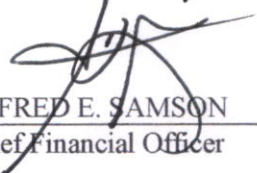
SyCip Gorres Velayo & Co., the independent auditor appointed by the stockholders, has audited the financial statements of the Company in accordance with Philippine Standards on Auditing, and in its report to the stockholders or members, has expressed its opinion on the fairness of presentation upon completion of such audit.



MARIA LINDA F. LAGDAMEO
Chairman of the Board



RICARDO LUIS MATEO F. LAGDAMEO
President and Chief Executive Officer



ALFRED E. SAMSON
Chief Financial Officer

Signed this 18th day of September 2025.

SUBSCRIBED AND SWORN to before me this SEP 18 2025 affiants
exhibiting to me his/her _____ as follows:

Name	Type of Identification	I.D. Number	Date/Place of Issue
MARIA LINDA F. LAGDAMEO	TIN	100-596-209	PHILIPPINES
RICARDO LUIS MATEO F. LAGDAMEO	DRIVER'S LICENSE	N03-94-170958	2023/ PHILIPPINES
ALFRED E. SAMSON	PASSPORT	P498772813	2020/ PHILIPPINES

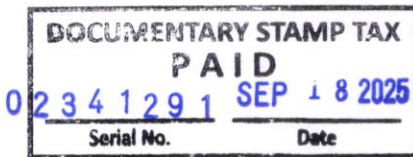
Doc. No. 154
Page No. 32
Book No. 5
Series of 2025

NOTARY PUBLIC


FEV. PUYOS

Notary Public for Davao City
Commission No. 2025-318-2026
Valid until December 31, 2026
Roll of Attorneys No. 60179

IBP O.R. No. 505673 • 01/13/2025
PTR O.R. No. 0817520D • 01/07/2025 • Davao City
16th Floor Damosa Diamond Tower,
Brgy. Alfonso Angliongto Sr., Davao City
MCLE Compliance No. VIII-0032157



COVER SHEET

for
AUDITED FINANCIAL STATEMENTS

SEC Registration Number

3	5	7	1								
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COMPANY NAME

D	A	M	O	S	A		L	A	N	D	,		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)

U	n	i	t		1	5	0	1	,		D	a	m	o	s	a		D	i	a	m	o	n	d		T	o	w	e
r	,		D	a	m	o	s	a		I	.	T	.		P	a	r	k	,		J	.	P	.		L	a	u	r
e	l		A	v	e	.	,		B	r	g	y	.		A	n	g	l	i	o	n	g	t	o	,		D	a	v
a	o		C	i	t	y																							

Form Type

A	A	F	S
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Department requiring the report

C	R	M	D
---	---	---	---

Secondary License Type, If Applicable

N	/	A	
---	---	---	--

COMPANY INFORMATION

Group's Email Address

corporateaffairs@anflocor.com

Group's Telephone Number

(082) 235-2155

Mobile Number

0917 851 5809

No. of Stockholders

12

Annual Meeting (Month / Day)

1st Tuesday of February

Fiscal Year (Month / Day)

12/31

CONTACT PERSON INFORMATION

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

Name of Contact Person

Mr. Ricardo F. Lagdameo

Email Address

rflagdameo@anflocor.com

Telephone Number/s

(082) 235-2157

Mobile Number

—

CONTACT PERSON'S ADDRESS

Damosa Complex, Lanang, Davao 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 Board of Directors and Stockholders
Damosa Land, Inc. and Subsidiaries
Unit 1501, Damosa Diamond Tower, Damosa IT Park
J. Laurel Ave., Brgy. Angliongto, Davao City

Report on the Audit of the Interim Consolidated Financial Statements

Opinion

We have audited the interim consolidated financial statements of Damosa Land, Inc. and Subsidiaries (the Group), which comprise the interim consolidated statements of financial position as at March 31, 2025 and December 31, 2024, and the interim consolidated statements of comprehensive income, interim consolidated statements of changes in equity and interim consolidated statements of cash flows for the three months ended March 31, 2025 and 2024, and notes to interim consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at March 31, 2025 and December 31, 2024, and its consolidated financial performance and its consolidated cash flows for each of the three months ended March 31, 2025 and 2024, in accordance with Philippine Financial Reporting Standards (PFRS) Accounting Standards.

Basis for Opinion

We conducted our audits in accordance with Philippine Standards on Auditing (PSAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Interim Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the Code of Ethics for Professional Accountants in the Philippines (Code of Ethics) together with the ethical requirements that are relevant to our audit of the interim consolidated financial statements in the Philippines, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management and Those Charged with Governance for the Interim Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these interim consolidated financial statements in accordance with PFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of interim consolidated financial statements that are free from material misstatement, whether due to fraud or error.



In preparing the interim 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 Interim Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the interim 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 interim 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 interim 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 interim 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 interim consolidated financial statements, including the disclosures, and whether the interim consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.





Shape the future
with confidence

- 3 -

- 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.

SYCIP GORRES VELAYO & CO.

Dexter Allan Noel N. Madamba

Dexter Allan Noel N. Madamba

Partner

CPA Certificate No. 129516

Tax Identification No. 284-214-093

BOA/PRC Reg. No. 0001, April 16, 2024, valid until April 23, 2026

BIR Accreditation No. 08-001998-150-2023, December 22, 2023,

Valid until December 21, 2026

PTR No. 10465329, January 6, 2025, Makati City

September 18, 2025



INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY SCHEDULES

The Board of Directors and Stockholders
Damosa Land, Inc. and Subsidiaries
Unit 1501, Damosa Diamond Tower, Damosa I.T. Park,
J.P. Laurel Ave., Brgy. Angliongto, Davao City

We have audited in accordance with Philippine Standards on Auditing, the interim consolidated financial statements of Damosa Land, Inc. and Subsidiaries (the Group) as at March 31, 2025 and December 31, 2024 and for the three months ended March 31, 2025 and 2024, and have issued our report thereon dated September 18, 2025. Our audits were made for the purpose of forming an opinion on the basic interim 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 the purpose of complying with the Revised Securities Regulation Code Rule 68, and are not part of the basic interim consolidated financial statements. These schedules have been subjected to the auditing procedures applied in the audit of the basic interim 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 interim consolidated financial statements taken as a whole.

SYCIP GORRES VELAYO & CO.



Dexter Allan Noel N. Madamba

Partner

CPA Certificate No. 129516

Tax Identification No. 284-214-093

BOA/PRC Reg. No. 0001, April 16, 2024, valid until April 23, 2026

BIR Accreditation No. 08-001998-150-2023, December 22, 2023,

Valid until December 21, 2026

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September 18, 2025

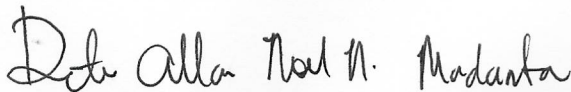


INDEPENDENT AUDITOR'S REPORT ON COMPONENTS OF FINANCIAL SOUNDNESS INDICATORS

The Board of Directors and Stockholders
Damosa Land, Inc. and Subsidiaries
Unit 1501, Damosa Diamond Tower, Damosa I.T. Park,
J.P. Laurel Ave., Brgy. Angliongto, Davao City

We have audited in accordance with Philippine Standards on Auditing, the interim consolidated financial statements of Damosa Land, Inc. and Subsidiaries (the Group) as at March 31, 2025 and December 31, 2024 and for the three months ended March 31, 2025 and 2024, and have issued our report thereon dated September 18, 2025. Our audits were made for the purpose of forming an opinion on the basic interim consolidated financial statements taken as a whole. The Supplementary Schedule on Financial Soundness Indicators, including their definitions, formulas, calculation, and their appropriateness or usefulness to the intended users, are the responsibility of the Group's management. These financial soundness indicators are not measures of operating performance defined by Philippine Financial Reporting Standards (PFRS) Accounting Standards and may not be comparable to similarly titled measures presented by other companies. This schedule is presented for the purpose of complying with the Revised Securities Regulation Code Rule 68 issued by the Securities and Exchange Commission, and is not a required part of the basic interim consolidated financial statements prepared in accordance with PFRS Accounting Standards. The components of these financial soundness indicators have been traced to the Group's basic interim consolidated financial statements as at March 31, 2025 and December 31, 2024 and for the three months ended March 31, 2025 and 2024, and no material exceptions were noted.

SYCIP GORRES VELAYO & CO.



Dexter Allan Noel N. Madamba

Partner

CPA Certificate No. 129516

Tax Identification No. 284-214-093

BOA/PRC Reg. No. 0001, April 16, 2024, valid until April 23, 2026

BIR Accreditation No. 08-001998-150-2023, December 22, 2023,

Valid until December 21, 2026

PTR No. 10465329, January 6, 2025, Makati City

September 18, 2025



DAMOSIA LAND, INC. AND SUBSIDIARIES**INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

(Amounts in Thousands)

	March 31	December 31
	2025	2024
ASSETS		
Current Assets		
Cash and cash equivalents (Note 4)	₱258,378	₱321,987
Trade and other receivables (Note 5)	98,127	181,161
Current portion of contract assets (Note 6)	863,561	896,276
Real estate held for sale (Note 7)	1,041,597	1,011,943
Prepayments and other current assets (Note 8)	604,136	584,093
	2,865,799	2,995,460
Noncurrent Assets		
Contract assets - net of current portion (Note 6)	427,091	372,620
Investment in associate (Note 9)	740,969	712,251
Investment properties (Note 10)	3,077,685	3,099,471
Property and equipment (Note 11)	442,028	409,892
Right-of-use assets (Note 18)	67,367	62,187
Deferred income tax assets - net (Note 24)	2,613	4,377
Other noncurrent assets (Notes 5, 8 and 28)	61,972	64,511
	4,819,725	4,725,309
TOTAL ASSETS	₱7,685,524	₱7,720,769
LIABILITIES AND EQUITY		
Current Liabilities		
Trade and other payables (Note 12)	₱569,985	₱631,386
Contract liabilities (Note 6)	187,315	121,785
Bank loans (Note 13)	499,815	399,538
Current portion of long-term debt (Note 14)	707,776	657,541
Current portion of lease liabilities (Note 18)	18,329	18,608
	1,983,220	1,828,858
Noncurrent Liabilities		
Long-term debt - net of current portion (Note 14)	1,575,200	1,752,775
Lease liabilities - net of current portion (Note 18)	50,786	44,753
Pension liabilities (Note 23)	23,352	22,523
Deferred tax liabilities - net (Note 24)	92,287	110,408
Trade and other payables – net of current (Note 12)	18,700	20,111
Refundable deposits (Note 15)	68,322	66,279
	1,828,647	2,016,849
Equity		
Capital stock (Note 17)		
Common shares	750,000	750,000
Preferred shares	1,568,487	1,568,487
Additional paid-in capital (Note 17)	207,905	207,905
Re-measurement gains on pension liability, net of tax effect	3,012	3,012
Retained earnings (Note 17)	1,344,253	1,345,658
	3,873,657	3,875,062
TOTAL LIABILITIES AND EQUITY	₱7,685,524	₱7,720,769

See accompanying Notes to Interim Consolidated Financial Statements.

DAMOSA LAND, INC. AND SUBSIDIARIES**INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**

(Amounts in Thousands, Except for Earnings Per Share Figures)

	Three Months Ended March 31	
	2025	2024
REVENUE (Note 19)	₱281,971	₱325,454
COSTS AND EXPENSES		
Direct costs and expenses (Note 20)		
Real estate sales	106,704	107,962
Rental (Note 10)	73,584	69,815
Hotel operations	17,364	14,673
General and administrative expenses (Note 21)	70,375	66,685
Interest and other financing charges (Notes 12,13, 14 and 18)	62,495	59,433
	330,522	318,568
OPERATING PROFIT (LOSS)	(48,551)	6,886
OTHER INCOME		
Interest (Notes 4 and 5)	72	40
Equity in net earnings of associate (Note 9)	28,718	9,492
Miscellaneous - net (Note 19)	5,168	3,064
	33,958	12,596
INCOME (LOSS) BEFORE INCOME TAX	(14,593)	19,482
PROVISION FOR (BENEFIT FROM) INCOME TAX (Note 24)		
Current	3,169	10,730
Deferred	(16,357)	(30,202)
	(13,188)	(19,472)
NET INCOME (LOSS)	(1,405)	38,954
Basic/diluted earnings (loss) per share (Note 26)	(₱0.19)	₱5.19
OTHER COMPREHENSIVE INCOME (LOSS)		
<i>Other comprehensive income (loss) not to be reclassified to profit or loss in subsequent periods:</i>		
Re-measurement gain (loss) on pension liability, net of tax effect (Note 23)	—	—
TOTAL COMPREHENSIVE INCOME (LOSS)	(₱1,405)	₱38,954

See accompanying Notes to Interim Consolidated Financial Statements.



DAMOSA LAND, INC. AND SUBSIDIARIES

INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE THREE MONTHS ENDED MARCH 31, 2025 AND 2024

(Amounts in Thousands)

	Capital Stock (Note 17)						
	Common Class A	Preferred Shares	Total	Additional Paid-in Capital (Note 17)	Re-measurement Gains on Pension Liability, Net of Tax Effect	Retained Earnings (Note 17)	Total
At January 1, 2025	P750,000	P1,568,487	P2,318,487	P207,905	P3,012	P1,345,658	P3,875,062
Net loss	—	—	—	—	—	(1,405)	(1,405)
Other comprehensive income	—	—	—	—	—	—	—
At March 31, 2025	P750,000	P1,568,487	P2,318,487	P207,905	P3,012	P1,344,253	P3,873,657
At January 1, 2024	P750,000	P1,176,687	P1,926,687	P207,905	P1,621	P1,241,311	P3,377,524
Dividend declared (Note 17)	—	—	—	—	—	(30,000)	(30,000)
Net income	—	—	—	—	—	38,954	38,954
Other comprehensive income	—	—	—	—	—	—	—
At March 31, 2024	P750,000	P1,176,687	P1,926,687	P207,905	P1,621	P1,250,265	P3,386,478

See accompanying Notes to Interim Consolidated Financial Statements.



DAMOSA LAND, INC. AND SUBSIDIARIES**INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS**

(Amounts in Thousands)

	For the Three Months Ended March 31	
	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Income (loss) before income tax	(P14,593)	P19,482
Adjustments for:		
Interest and other financing charges (Notes 13 and 14)	62,495	59,433
Depreciation and amortization (Notes 10 and 11)	39,627	36,204
Equity in net earnings of associate (Note 9)	(28,718)	(9,492)
Net change in pension liability (Notes 22 and 23)	829	902
Interest income (Notes 4 and 5)	(72)	(40)
Unrealized foreign exchange loss (gain)	21	(42)
Gain on cancellation of real estate contracts	—	(834)
Operating income before working capital changes	59,589	105,613
Decrease (increase) in:		
Trade and other receivables	83,034	(12,150)
Contract assets	(21,756)	11,884
Real estate held for sale	(29,654)	(2,894)
Prepayments and other current assets	(22,844)	4,590
Increase (decrease) in:		
Trade and other payables	(61,401)	(84,680)
Contract liabilities	65,530	7,422
Refundable deposits	2,043	128
Net cash generated from operations	74,541	29,913
Interest received	72	40
Income tax paid	(154)	(325)
Net cash flows from operating activities	74,459	29,628
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to:		
Property and equipment (Note 11)	(42,377)	(14,647)
Investment properties (Note 10)	(2,721)	(20,308)
Decrease (increase) in other noncurrent assets	2,464	(5,363)
Payment of nontrade payable	(1,667)	(1,668)
Net cash flows used in investing activities	(44,301)	(41,986)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from bank loans (Note 13)	200,000	—
Payments of:		
Long-term debt (Note 14)	(127,340)	(127,342)
Bank loans (Note 13)	(99,723)	(42,000)
Interest and other financing charges	(61,495)	(58,019)
Lease liability (Note 18)	(4,223)	(659)
Interest paid on lease liabilities (Note 18)	(964)	(3,100)
Dividends paid (Note 17)	—	(5,437)
Net cash flows used in financing activities	(93,745)	(236,557)
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	(22)	42
NET DECREASE IN CASH AND CASH EQUIVALENTS	(63,609)	(248,873)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	321,987	457,452
CASH AND CASH EQUIVALENTS AT END OF YEAR (Note 4)	P258,378	P208,579

See accompanying Notes to Interim Consolidated Financial Statements.

DAMOSALAND, INC. AND SUBSIDIARIES

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(Amounts in Thousands, Except for Earnings Per Share, Par Values and Number of Shares and Unless Otherwise Indicated)

1. Corporate Information

Damosa Land, Inc. (the Parent Company/DAMOSALAND) was incorporated in the Philippines and is engaged in leasing and renting out buildings, condominium units, commercial spaces and Information Technology (IT) Park. The Parent Company is also engaged in operating a hotel (Microtel) under a franchise agreement (see Note 29) and in developing and selling subdivision house and lots and condominium units (see Note 7). The registered office address of the Parent Company is Unit 1501, Damosa Diamond Tower, Damosa I.T. Park, JP Laurel Ave., Brgy. Angliongto, Davao City.

The Parent Company and its subsidiaries (collectively referred to as the “Group”) is primarily engaged in leasing and renting out buildings, condominium units, office and commercial spaces and Information Technology (IT Park), real estate development, and hotel operations.

On February 5, 2007, the Parent Company’s IT Park located in Davao City, Davao del Sur was registered with the Philippine Economic Zone Authority (PEZA) and as such, the Parent Company is entitled to a special income tax rate of 5% on gross income derived from its registered activity.

As a registered enterprise, the Parent Company is entitled to certain tax and non-tax incentives, subject to compliance with certain terms and conditions. Total provision for income tax for PEZA-registered operations, based on the special rate of 5%, amounted to ₱0.9 million and ₱0.3 million for the three months ended March 31, 2025 and 2024, respectively (see Note 24).

In 2012, the Parent Company started subdividing and selling house and lots for its Fairlane subdivision project.

In 2015, the Parent Company launched three out of six towers of its Seawind condominium project. The remaining three towers were launched in 2016. Selling of the remaining condominium units are still on-going as of March 31, 2025.

In 2019, the Parent Company started pre-selling house and lots for its Ameria subdivision project, the residential component of the Parent Company’s township development. Construction and selling of house and lots are still on-going as of March 31, 2025.

In 2022, the Parent Company launched two out of four towers of its Bridgeport condominium project. The remaining two towers were launched in 2023. In 2022, the Parent Company also started pre-selling lots for its Harborview project. Construction and selling of the condominium and lots are still on-going as of March 31, 2025.

In 2024, the Parent Company started pre-selling lots for its Kahi Estates project. Development and selling of the lots are still on-going as of March 31, 2025.

In 2024, the Parent Company started pre-selling house and lots for its Agriya Gardens subdivision project, another residential component of the Parent Company’s township development. Construction and selling of house and lots are still on-going as of March 31, 2025.

The Parent Company is a subsidiary of Anflo Management & Investment Corporation (ANFLOCOR/the Ultimate Parent), a company incorporated in the Philippines.



The interim consolidated financial statements were authorized for issue by the Board of Directors (BOD) on September 18, 2025.

2. Material Accounting Policy Information

Basis of Preparation

The Group's interim consolidated financial statements as at March 31, 2025 and December 31, 2024 and for the three months ended March 31, 2025 and 2024 have been prepared in compliance with Philippine Accounting Standards (PAS) 34, *Interim Reporting*. Accordingly, the results of operations are not necessarily indicative of the results of the full year, and should not be read in conjunction with the Group's annual financial statements as at December 31, 2024.

The interim consolidated financial statements of the Group have been prepared on a historical cost basis. The interim consolidated financial statements are presented in Philippine peso, the Group's functional currency. All values are rounded to the nearest thousands except par value, number of shares, and as otherwise indicated.

Statement of Compliance

The interim consolidated financial statements of the Group have been prepared in accordance with Philippine Financial Reporting Standards (PFRS) Accounting Standards as adopted by the Financial and Sustainability Reporting Standards Council (FSRSC).

Basis of Consolidation

The interim consolidated financial statements comprise the interim financial statements of the Parent Company and its subsidiaries as of March 31, 2025 and December 31, 2024 and for the three months ended March 31, 2025 and 2024. Subsidiaries are entities controlled by the Parent Company.

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

Specifically, the Group controls an investee if and only if the Group has:

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

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

- The contractual arrangement with the other vote holders of the investee;
- Rights arising from other contractual arrangements; and,
- 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. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the interim consolidated statement of comprehensive income from the date the Group gains control until the date the Group ceases to control the subsidiary.



Profit and loss and each component of other comprehensive income are attributed to the equity holders of the Parent of the Group. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All material intra-group assets, liabilities, equity, income, expenses, cash flows relating to transactions between members of the Group are eliminated on consolidation.

The financial statements of the subsidiaries are prepared for the same reporting year as the Parent Company using consistent accounting policies.

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

Entity	Principal Activities	Ownership Interest	
		2025	2024
Damosa Workspace Solutions Inc.	Real estate	100%	100%
Agriya, Inc.*	Real estate	92%	92%
Marapangi Realty Development, Inc.*	Real estate	92%	92%
Marapangi Property Holdings Corporation*	Real estate	92%	92%
IGACOS Property Development, Inc.*	Real estate	92%	92%
Marapangi Development Corporation*	Real estate	92%	92%
Marapangi Prime Estate Corp.*	Real estate	92%	92%
Marapangi Estate and Development, Inc.*	Real estate	92%	92%
Pantukan Property Holdings, Inc.*	Real estate	91%	91%
Pantukan Estate and Development, Inc.*	Real estate	91%	91%
Pantukan Realty Development Corporation*	Real estate	91%	91%
IGACOS Property Management Corporation*	Real estate	92%	92%
IGACOS Prime Estate Corporation*	Real estate	92%	92%
Marapangi Realty Management Corporation*	Real estate	92%	92%

*No commercial operations as of March 31, 2025.

All of the Parent Company's subsidiaries are incorporated and registered with the Securities and Exchange Commission (SEC) and operate in the Philippines.

New Standards, Interpretations and Amendments

The accounting policies adopted are consistent with those of the previous financial year, except that the Group has adopted the following new accounting pronouncements starting January 1, 2025. Adoption of these pronouncements did not have any significant impact on the interim consolidated financial position or performance of the Group, unless otherwise indicated.

- PFRS 17, *Insurance Contracts*
- Amendments to PAS 21, *Lack of Exchangeability*

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 the interim 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 PFRS 9 and PFRS 7, *Classification and Measurement of Financial Instruments*
- Annual Improvements to PFRS Accounting Standards–Volume 11
 - Amendments to PFRS 1, *Hedge Accounting by a First-time Adopter*
 - Amendments to PFRS 7, *Gain or Loss on Derecognition*
 - Amendments to PFRS 9, *Lessee Derecognition of Lease Liabilities and Transaction Price*
 - Amendments to PFRS 10, *Determination of a 'De Facto Agent'*



- Amendments to PAS 7, Cost Method

Effective Beginning On or After January 1, 2027

- PFRS 18, *Presentation and Disclosure in Financial Statements*
- PFRS 19, *Subsidiaries without Public Accountability*

Deferred Effectivity

- Amendments to PFRS 10, *Consolidated Financial Statements*, and PAS 28, *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

Current and Noncurrent Classification

The Group presents assets and liabilities in the interim consolidated statement of financial position based on current and noncurrent classification.

Deferred tax assets and liabilities are classified as noncurrent assets and liabilities, respectively.

Fair Value Measurement

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.

For assets and liabilities that are recognized in the interim consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy.

Details as to how fair value of assets and liabilities are measured are provided in Note 26.

Financial Instruments: Financial Assets

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 (FVTPL), transaction costs. Trade receivables are measured at the transaction price determined under PFRS 15. Refer to the accounting policies on Revenue recognition.

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.

Contractual Cash Flows Characteristics

If the financial asset is held within a business model whose objective is to hold assets to collect contractual cash flows or within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, the Group assesses whether the cash flows from the financial asset represent solely payments of principal and interest (SPPI) on the principal amount outstanding. In making this assessment, the Group determines whether the contractual



cash flows are consistent with a basic lending arrangement, i.e., interest includes consideration only for the time value of money, credit risk and other basic lending risks and costs associated with holding the financial asset for a particular period of time. In addition, interest can include a profit margin that is consistent with a basic lending arrangement. The assessment as to whether the cash flows meet the test is made in the currency in which the financial asset is denominated. Any other contractual terms that introduce exposure to risks or volatility in the contractual cash flows that is unrelated to a basic lending arrangement, such as exposure to changes in equity prices or commodity prices, do not give rise to contractual cash flows that are SPPI on the principal amount outstanding.

Business Model

The Group's business model is determined at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. The Group's business model does not depend on management's intentions for an individual instrument. The Group's business model refers to how it manages its financial assets in order to generate cash flows. The Group's business model determines whether cash flows will result from collecting contractual cash flows, selling financial assets or both. Relevant factors considered by the Group in determining the business model for a group of financial assets include how the performance of the business model and the financial assets held within that business model are evaluated and reported to the Group's key management personnel, the risks that affect the performance of the business model (and the financial assets held within that business model) and how these risks are managed and how managers of the business are compensated.

Financial Assets at Amortized Cost

The Group's debt financial assets consist of cash and cash equivalents and trade and other receivables. The Group assessed that the contractual cash flows of its debt financial assets are SPPI and are expected to be held to collect all contractual cash flows until their maturity. As a result, the Group concluded these debt financial assets to be measured at amortized cost.

Financial Instruments: Financial Liabilities

Initial Recognition and Measurement

The Group's financial liabilities are recognized initially at fair value and are subsequently carried at amortized cost, taking into account the impact of applying the effective interest method of amortization (or accretion) for any related premium, discount and any directly attributable transaction costs.

Subsequent Measurement - Financial Liabilities at Amortized Cost

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 effective interest rate (EIR) method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

The Group's financial liabilities at amortized cost include trade and other payables (excluding unearned rent revenue, deferred credits, statutory payables, and income tax payable), bank loans, long-term debt and refundable deposits.

Derecognition of Financial Assets and Liabilities

Financial Assets

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognized when, and only when:

- the rights to receive cash flows from the asset expires;



- the Group retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass-through' arrangement; or,
- the Group has transferred its rights to receive cash flows from the asset and either (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group retains the contractual rights to receive the cash flows of a financial asset but assumes a contractual obligation to pay those cash flows to one or more entities, the Group treats the transaction as a transfer of a financial asset if the Group:

- has no obligation to pay amounts to the eventual recipients unless it collects equivalent amounts from the original asset;
- is prohibited by the terms of the transfer contract from selling or pledging the original asset other than as security to the eventual recipients for the obligation to pay them cash flows; and,
- has an obligation to remit any cash flows it collects on behalf of the eventual recipients without material delay.

In transactions where the Group neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset and it retains control over the financial asset, the financial asset is recognized to the extent of the Group's continuing involvement in the financial asset. The extent of the Group's continuing involvement in the transferred asset is the extent to which it is exposed to changes in the value of the transferred asset. When the Group's continuing involvement takes the form of guaranteeing the transferred asset, the extent of the Group continuing involvement is the lower of (i) the amount of the asset and (ii) the maximum amount of the consideration received that the Group could be required to repay (the guarantee amount). When the Group's continuing involvement takes the form of a written or purchased option (or both) on the transferred asset, the extent of the Group's continuing involvement is the amount of the transferred asset that the Group may repurchase. However, in the case of a written put option on an asset that is measured at fair value, the extent of the Group's continuing involvement is limited to the lower of the fair value of the transferred asset and the option exercise price.

When the Group's continuing involvement takes the form of a cash-settled option or similar provision on the transferred asset, the extent of the Group's continuing involvement is measured in the same way as that which results from non-cash settled options.

Financial Liabilities

A financial liability (or a part of a financial liability) is derecognized when the obligation under the liability is discharged, cancelled or has expired.

Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability or a part of it are substantially modified, such an exchange or modification is treated as a derecognition of the original financial liability and the recognition of a new financial liability, and the difference in the respective carrying amounts is recognized in profit or loss.

Offsetting Financial Instruments

Financial instruments are offset and the net amount reported in the interim consolidated statement of financial position if, and only if, there is a legally enforceable right to offset and intention to settle either on a net basis or to realize the asset and settle the liability simultaneously.



Real Estate Held For Sale

Real estate inventories consist of house and lots and condominium units. These are carried at the lower of cost or net realizable value (NRV). NRV is estimated selling price in the ordinary course of business less cost of completion and estimated cost necessary to make the sale.

Cost includes:

- Land cost
- Amounts paid to contractors for construction

Real estate inventories are carried at cost as of March 31, 2025 and December 31, 2024.

Advances to Suppliers

Advances to suppliers are carried at cost less any impairment in value. The current portion of advances to suppliers is presented as part of “Prepayments and other current assets”, while the noncurrent portion is presented as part of “Other noncurrent assets”.

Investment in Associate

The Group’s investment in its associate is accounted for using the equity method. Under the equity method, the investment in an associate is initially recognized at cost. The carrying amount of the investment is adjusted to recognize changes in the Group’s share of net assets of the associate since the acquisition date. Goodwill relating to the associate is included in the carrying amount of the investment and is neither amortized nor individually tested for impairment.

The consolidated statement of comprehensive income reflects the Group’s share of the results of operations of the associates. Any change in other comprehensive income of those investees is presented as part of the Group’s other comprehensive income. In addition, when there has been a change recognized directly in the equity of the associate, the Group recognizes its share of any changes, when applicable, in the consolidated statement of changes in equity. Unrealized gains and losses resulting from transactions between the Group and the associate are eliminated to the extent of the interest in the associate.

The aggregate of the Group’s share of profit or loss of an associate is shown on the face of the consolidated statement of comprehensive income outside operating profit and represents profit or loss after tax and non-controlling interests in the subsidiaries of the associate.

The financial statements of the associate are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognize an impairment loss on its investment in its associate. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value and recognizes the loss in the consolidated statement of comprehensive income.

Upon loss of significant influence over the associate, the Group measures and recognizes any retained investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence and the fair value of the retained investment and proceeds from disposal is recognized in profit or loss.

Investment Properties

Investment properties consist of land, buildings and the improvements thereon, which are held for rental or capital appreciation. Investment properties also consist of buildings under construction



which are to be held for rental or capital appreciation upon completion. Investment property is measured initially at cost, including transaction costs. Subsequent to initial recognition, investment property, except for land and construction-in-progress, are stated at cost less accumulated depreciation and any impairment in value. Land is stated at cost less any impairment in value.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

Category	Number of Years
Land improvements	5–20
Buildings and improvements	5–30

The useful lives and depreciation method are reviewed periodically to ensure that the period and method of depreciation are consistent with the expected pattern of economic benefits from items of investment property.

Construction in progress is stated at cost. This includes cost of construction, equipment and other direct costs. Construction in progress is not depreciated until such time as the relevant assets are completed and become available for operational use.

The Group transfers a property to, or from, investment property when, and only when, there is a change in use. A change in use occurs when the property meets, or ceases to meet, the definition of investment property and there is evidence of the change in use. Since the Group uses the cost model, 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.

Property and Equipment

Property and equipment, except for land, are stated at cost less accumulated depreciation and any impairment in value. Land is stated at cost less any impairment in value.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

Category	Number of Years
Land improvements	5–20
Buildings and improvements	5–30
Leasehold improvements	5–10
Transportation equipment	5
Office furniture and equipment	5–10
Computer equipment	5–10

The useful lives and depreciation method are reviewed periodically to ensure that the period and method of depreciation are consistent with the expected pattern of economic benefits from items of property and equipment.

Intangible Assets

Franchise, presented as part of “Other noncurrent assets”, is stated initially at cost. After initial recognition, franchise is valued at cost less accumulated amortization and any impairment in value. Costs incurred to acquire the license to operate Phinma Microtel Hotels Inc. (formerly Microtel Inns and Suites Pilipinas, Inc.) are amortized over 20 years which is equivalent to the license period granted to the Group.



Deferred Credits

Deferred credits, presented as part of “Trade and other payables”, pertain to payments from real estate buyers to cover various miscs in relation to the sale of real estate inventories including, but not limited to, fees related to transfer of title and water and electricity connection fees. Deferred credits are applied against payments of the Group for the various aforementioned processing fees on behalf of the buyers. Excess of payments made over deferred credits shall be billed to the buyer. Excess deferred credits over payments made shall be recognized as income in the interim consolidated statement of comprehensive income upon full project close out.

Refundable Deposits

Refundable deposits pertain to security deposits given by the Group’s tenants at the start of the lease term. These will either be applied against damages caused or done to the leased property or refunded to tenants upon termination of the contract.

Revenue Recognition

Revenue is recognized when it satisfies an identified performance obligation by transferring a promised good or service to a customer. A good or service is considered to be transferred when the customer obtains control. The Group determines, at contract inception, whether it will transfer control of a promised good or service over time. If the Group does not satisfy a performance obligation over time, the performance obligation is satisfied at a point in time. The Group has generally concluded that it is the principal in its revenue arrangements (unless otherwise indicated) because it typically controls the services before transferring them to the customers.

- **Sale of real estate**

The Group derives its real estate revenue from selling and developing house and lots, condominium units and industrial lots. The Group enters into contract with customers to sell property that are either completed or under development.

For sale of completed real estate inventories, the transaction constitutes a single performance obligation and the Group has determined that this is satisfied at the point in time when control transfers. For unconditional exchange of contracts, this generally occurs when legal title transfers to the customer. For conditional exchanges, this generally occurs when all significant conditions are satisfied. Payments are received when legal title transfers.

For sale of real estate inventories under development, revenue is 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. The promised property is specifically identified in the contract and the contractual restriction on the Group’s ability to direct the promised property for another use is substantive. This is because the property promised to the customer is not interchangeable with other properties without breaching the contract and without incurring significant costs that otherwise would not have been incurred in relation to that contract. In addition, under the current legal framework, the customer is contractually obliged to make payments to the developer up to the performance completed to date. The Group also considers the buyer’s commitment to continue the sale which may be ascertained through the significance of the buyer’s initial payments and the stage of completion of the project.

In evaluating whether collectability of the amount of consideration is probable, the Group considers the significance of the buyer’s initial payments in relation to the total contract price (or buyer’s equity). Collectability is assessed by considering factors such as history with the



buyer, and age and pricing of the property. Also, management regularly evaluates the historical sales cancellations and back-outs, if it would still support its current threshold of buyers' equity before commencing revenue recognition.

In determining the transaction price, the Group considers whether the selling price of the real estate property includes significant financing component. The Group determines whether a contract contains a significant financing component using portfolio approach by considering (a) the difference, if any, between the amount of promised considerations and the cash selling price of the promised goods or services; and (b) the effect of the expected length of time between when the entity transfers the promised goods or services and the prevailing EIR. The Group applied practical expedient by not adjusting the effect of financing component if the period when the Group transfers a promised good or service to a customer and when the customer pays for that good or service will be one year or less.

In measuring the progress of its performance obligation over time, the Group uses both output and input method. For its Seawind and Fairlane projects, the Group uses the output method and 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. For its Ameria, Harborview, Bridgeport, Kahi, and Agriya Gardens projects, the Group uses the input method and recognizes revenue on the basis of actual costs incurred to date relative to the total expected costs to complete the service. Progress is measured in accordance to the proportion of contract costs incurred for work performed to date to the estimated total contract costs. Input method excludes the effects of any inputs that do not depict the entity's performance in transferring control of goods or services to the customer.

Any excess of progress of work over the right to an amount of consideration that is unconditional, recognized as trade receivables, is included in the "Contract assets" account in the interim consolidated statement of financial position. Contract assets for units that are expected to be turned over to the buyer within one year are presented as part of current assets. Those that are expected to be turned over beyond one year are presented as part of noncurrent assets.

Any excess of collections over the total of recognized trade receivables and contract assets is included in the "contract liabilities" account in the interim consolidated statement of financial position.

The disclosures of significant accounting judgements, estimates and assumptions relating to revenue from contracts with customers are provided in Note 3.

Sales Cancellations

The Group currently adopts Approach 3 in accounting for its sales cancellations as discussed in PIC Q&A 2018-14 (as amended by PIC Q&A 2020-05). The cancellation is accounted for as modification of the contract - from noncancellable to being cancellable. In applying the provisions of modification of contract, the Group will have to reverse the previously recognized revenues and related costs recognized. The difference between the revenue and costs reversed after considering payments to buyers required under the Maceda Law and the write off of any unamortized portion of costs of obtaining a contract is recorded as part of "Miscellaneous - net" in the interim consolidated statement of comprehensive income.



- Rental

The Group entered into lease agreements for its commercial, industrial and office spaces with the following identified performance obligations: (a) lease of space, (b) office revenue, (c) non-office revenue, (d) provision of common usage area (CUSA) services.

- Lease of Space

Revenue from lease of space is accounted for on a straight-line basis over the lease term. Rental fees collected in advance, which are applicable to succeeding months are presented as part of “Unearned rent revenue” under “Trade and other payables” in the interim consolidated statement of financial position.

- Office Revenue

Office revenue pertains to revenue earned from providing fully furnished, staffed and equipped instant office spaces to its customers. These services represent a series of daily services that are individually satisfied over time because the tenants simultaneously receive and consume the benefits provided by the Group. Hence, the Group recognizes office revenue over time and applies the time elapsed method to measure progress.

- Non-office Revenue

Non-office revenue, which pertains to revenue earned from providing video conferencing, information technology, telephone communications services to its customers and other incidental revenues, is recognized at a point in time when services have been rendered.

- CUSA Services

The Group has assessed that it is a principal in the revenue arrangement related to CUSA services. The Group has the ability to direct the use of and obtain substantially all the remaining benefits from the services being delivered to the tenants. The entity can direct the maintenance, security and cleaning and administrative services. These services represent a series of daily services and therefore revenue from CUSA charges is recognized over time.

- Hotel Operations

Revenue from room accommodation services are recognized over time since the guests simultaneously receive and consume the services provided by the Group. The Group elects the practical expedient to recognize revenue based on amounts invoiced to the customers, since the Group has a right to consideration from the customers in an amount that corresponds directly with the value to the customer of the entity’s performance completed to date.

Revenue from food and beverage and other operated department are recognized at a point in time when the events take place.

- Other Revenue

Other revenue, which is incidental to the Group’s real estate, leasing, and hotel operations, includes revenue from ticket fees and goods of various events, property management, forfeited deposits and rentals from parking space and event area. Rentals and fees from property management are recognized over time since the customers simultaneously receive and consume the services provided by the Group. All other revenue are recognized at a point in time when the events take place.



- Interest

Revenue is recognized as the interest accrues, taking into account the effective yield of the asset.

- Miscellaneous Income

Miscellaneous income are those income that do not qualify as other revenue. Miscellaneous income, which mainly includes processing fees earned from real estate buyers, is earned when the services are rendered.

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. Hence, any excess of progress of work over the right to an amount of consideration that is unconditional, recognized under trade receivables, is included in the "Contract asset" account in the interim consolidated statement of the financial position. Contract assets are subject to impairment assessment on the same basis as financial assets that are within the scope of PFRS 9.

The Group has contract assets and has outstanding performance obligations as at March 31, 2025 and December 31, 2024.

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.

The Group has contract liabilities as at March 31, 2025 and December 31, 2024.

Costs to Obtain Contract

The incremental costs of obtaining a contract with a customer are recognized as an asset if the Group expects to recover them. The Group has determined that commissions paid to brokers and marketing agents on the sale of pre-completed real estate units are deferred when recovery is reasonably expected and are charged to expense in the period in which the related revenue is recognized as earned. Accordingly, when the percentage of completion method is used, commissions are likewise charged to expense in the period the related revenue is recognized. Commission expense is included in the "Direct cost and expenses of real estate sales" account in the interim consolidated statement of comprehensive income.



Costs incurred prior to obtaining contract with customer are not capitalized but are expensed as incurred.

Amortization, Derecognition and Impairment of Capitalized Costs to Obtain a Contract

The Group amortizes capitalized costs to obtain a contract to cost of sales over the expected construction period using percentage of completion following the pattern of real estate revenue recognition. The amortization is included within cost of sales.

Costs and Expenses

Costs and expenses are decreases in economic benefits during the accounting period in the form of outflows or decreases of assets or incurrence of liabilities that result in decreases in equity, other than those relating to distributions to equity participants. These are recognized in profit or loss in the period these are incurred.

Cost Recognition for the Sale of Real Estate

The Group recognizes costs relating to satisfied performance obligations as these are incurred taking into consideration the contract fulfillment assets such as connection fees. 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.

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 have been enacted or substantively enacted as at the reporting date.

Deferred Tax

Deferred tax is provided using the liability method on all temporary differences, with certain exceptions, at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognized for all taxable temporary differences with certain exceptions. Deferred tax assets are recognized for all deductible temporary differences to the extent that it is probable that taxable income will be available against which the deductible temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable income will be available to allow all or part of the deferred tax asset to be utilized.



Deferred tax assets and deferred liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled based on tax rates and tax laws that have been enacted or substantially enacted at the reporting date.

Deferred tax assets and liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Deferred tax relating to items recognized directly in equity is recognized in equity and not in profit or loss.

Value-Added Tax (VAT)

Revenues, expenses, and assets are recognized net of the amount of VAT, if applicable. When VAT from sales of goods and/or services (output VAT) exceeds VAT passed on from purchases of goods or services (input VAT), the excess is recognized as part of "Trade and other payables" in the interim consolidated statement of financial position. When VAT passed on from purchases of goods or services (input VAT) exceeds VAT from sales of goods and/or services (output VAT), the excess is recognized as part of "Prepayments and other current assets" in the interim consolidated statement of financial position to the extent of the recoverable amount.

Operating Lease

Group as a Lessor

Leases where the Group does not transfer substantially all the risk and benefits of ownership of the assets are classified as operating leases. Initial direct costs incurred in negotiating operating leases are added to the carrying amount of the leased asset and amortized over the lease term on the same basis as the rental income. Contingent rents are recognized as revenue in the period in which they are earned. Operating lease receipts are recognized as an income in the interim consolidated statement of comprehensive income on a straight-line basis over the lease term.

Group as a Lessee

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

Right-of-use Assets

The Group recognizes right-of-use asset at the commencement date of the lease (i.e, the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct cost incurred, and lease payments made at or before commencement date less any lease incentives received and estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories.

Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognized right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term.

Lease Liabilities

At commencement date of the lease, the Group recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depends on an index or rate, and amounts expected to be paid under residual



value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognized as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses 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 and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment or an option to purchase the underlying asset.

Borrowing Costs

Borrowing costs include interest charges and other costs incurred in connection with the borrowing of funds.

Borrowing costs are capitalized if they are directly attributable to the acquisition, construction or production of a qualifying asset. To the extent that funds are borrowed specifically for the purpose of obtaining a qualifying asset, the amount of borrowing costs eligible for capitalization on that asset shall be determined as the actual borrowing costs incurred on that borrowing during the period less any investment income on the temporary investment of those borrowings. To the extent that funds are borrowed generally, the amount of borrowing costs eligible for capitalization shall be determined by applying a capitalization rate to the expenditures on that asset. The capitalization rate shall be the weighted average of the borrowing costs applicable to the borrowings of the Group that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset. The amount of borrowing costs capitalized during a period shall not exceed the amount of borrowing costs incurred during that period. All other borrowing costs are expensed in the period they occur.

Interest are capitalized on the purchase cost of a site of property acquired specifically for sale but only to the extent where activities necessary to prepare the asset for selling are in progress prior to any pre-selling activities.

Retirement Costs

The cost of providing benefits under the defined benefit plans is actuarially determined using the projected unit credit method.

Defined benefit costs comprise the following:

- Service cost
- Net interest on the net defined benefit liability or asset
- Remeasurements of net defined benefit liability or asset

Service costs which include current service costs, past service costs and gains or losses on non-routine settlements are recognized as expense in profit or loss. Past service costs are recognized when plan amendment or curtailment occurs. These amounts are calculated periodically by independent qualified actuaries.

Net interest on the net defined benefit liability or asset is the change during the period in the net defined benefit liability or asset that arises from the passage of time which is determined by applying the discount rate based on government bonds to the net defined benefit liability or asset.



Net interest on the net defined benefit liability or asset is recognized as expense or income in profit or loss.

Re-measurements 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. Re-measurements are not reclassified to profit or loss in subsequent periods.

Earnings Per Share (EPS)

Basic EPS is computed by dividing the consolidated net income for the year by the weighted average number of common shares issued and outstanding during the year and adjusted to give retroactive effect to any stock dividends declared during the period. Diluted EPS is computed by dividing the net income for the year by the weighted average number of common shares outstanding during the year adjusted for the effects of dilutive convertible redeemable preferred shares. Diluted EPS assumes the conversion of the outstanding preferred shares. When the effect of the conversion of such preferred shares is anti-dilutive, no diluted EPS is presented.

Operating Segment

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 services and serves different markets. Financial information on operating segments is presented in Note 25 to the interim consolidated financial statements.

3. Significant Accounting Judgments, Estimates and Assumptions

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

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 financial statements:

- **Operating Lease**

The Group has entered into lease agreements as a lessee and as a lessor. As a lessee, the Group has determined that the lessor retains all significant risks and rewards of ownership of the properties which are leased out on operating lease. The Group, as a lessor, has also determined that it retains all significant risks and rewards of ownership of the property which are leased out to the lessee on operating lease.

- **Uncertainty over Income Tax Treatments**

The Group has assessed whether it has any uncertain tax position and applies significant judgement in identifying uncertainties over its income tax treatments. The Group determined, in consultation with its tax counsel, that it is probable that its income tax treatments will be accepted by the taxation authorities.



- Collectability of the Sales Price

In determining whether the sales prices are collectible, the Group considers that initial and continuing investments by the buyer would demonstrate the buyer's commitment to pay.

- Existence of a Contract

For real estate sales, the Group's primary document for a contract with a customer is a signed contract to sell.

- Significant Influence on Associate with Ownership Interest of Less Than 20% of Issued Shares

Accendo Commercial Corporation, an entity incorporated in the Philippines to engage in real estate activities, is considered an associate of DAMOSA because it has, together with ANFLOCOR (ultimate parent) and Pioneer Trading & Supply Company, Inc. (an entity under common control), representation in the board of directors of the investee, giving it the significant influence in Accendo's financial and operating policies.

- Classification of Properties

The Group determines whether a property qualifies as an investment property. In making its judgment, the Group considers whether the property generates cash flows largely independent of the other assets held by an entity. Owner-occupied properties generate cash flows that are attributable not only to the property but also to the other assets used in supply process. Some properties comprise a portion that is held to earn rentals, for capital appreciation and another portion that is held for use in the supply of services or for administrative purposes. If these portions cannot be sold separately, the property is accounted for as an investment property only if an insignificant portion is held for use in the 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.

The Group determines whether a property is classified as investment property or real estate held for sale as follows:

- Investment property comprises land and buildings (principally offices, commercial and retail property) which are not occupied substantially for use by, or in the operations of, the Group, nor for sale in the ordinary course of business, but are held primarily to earn rental income and capital appreciation.
 - Real estate held for sale comprises property that is held for sale in the ordinary course of business. Principally, this is residential property that the Group develops and intends to sell before or on completion of construction.
- Identifying Performance Obligations

The Group identifies performance obligations by considering whether the promised services in the contract are distinct services. A service is distinct when the customer can benefit from the service on its own or together with other resources that are readily available to the customer and the Group's promise to transfer the service to the customer is separately identifiable from the other promises in the contract.



The Group assesses performance obligations as a series of distinct services that are substantially the same and have the same pattern of transfer if i) each distinct services in the series are transferred over time and ii) the same method of progress will be used to measure the entity's progress towards complete satisfaction of the performance obligation.

Estimates and Assumptions

The estimates and assumptions used in the interim consolidated financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of the financial statements. Actual results could differ from such estimates.

- **Impairment Losses on Financial Assets and Contract Assets**

The measurement of impairment losses under PFRS 9 across all categories of financial assets and contract assets requires judgment, in particular, the estimation of the amount and timing of future cash flows, including collectability, collateral values and other credit enhancements, when determining impairment losses. Increases or decreases to the allowance balance are recorded as general and administrative expenses in the interim consolidated statement of comprehensive income.

Under PFRS 9, additional judgments are also made in assessing a significant increase in credit risk in the case of financial assets measured using the general approach. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

The Group's impairment calculations are outputs of statistical models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies.

Elements of the impairment models that are considered accounting judgments and estimates include:

- The Group's criteria for defining default and for assessing if there has been a significant increase in credit risk;
- The segmentation of financial assets when impairment is assessed on a collective basis;
- The choice of inputs and the various formulas used in the impairment calculation;
- Determination of relationships between macroeconomic scenarios and, economic inputs, such as unemployment levels and collateral values, and the effect on Probability of Default (PD), Exposure at Default (EAD) and Loss Given Default (LGD); and,
- Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into the impairment models.

It has been the Group's policy to regularly review its models in the context of actual loss experience and adjust when necessary.

Measurement of Expected Credit Losses

ECLs are derived from unbiased and probability-weighted estimates of expected loss, and are measured as follows:

- *Financial assets that are not credit-impaired at the reporting date:* as the present value of all cash shortfalls over the expected life of the financial asset discounted by the effective interest rate. The cash shortfall is the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive.
- *Financial assets that are credit-impaired at the reporting date:* as the difference between the gross carrying amount and the present value of estimated future cash flows discounted by the effective interest rate.



The Group leverages existing risk management indicators (e.g. internal credit risk classification and restructuring triggers), credit risk rating changes and reasonable and supportable information which allows the Group to identify whether the credit risk of financial assets has significantly increased.

As of March 31, 2025 and December 31, 2024, the total gross carrying amount of the Group's cash and cash equivalents (excluding cash on hand), trade and other receivables, and contract assets amounted to ₱1.6 billion and ₱1.8 billion, respectively (see Notes 4, 5 and 6). No additional provision for expected credit loss was recognized in 2025 and 2024.

As of March 31, 2025 and December 31, 2024, the Group's allowance for expected credit losses amounted to ₱0.6 million (see Note 5).

- **Revenue Recognition and Amortization of Costs to Obtain Contracts**

The Group's revenue recognition policies require management to make use of estimates and assumptions that may affect the reported amounts of revenues and amortization of costs to obtain contracts. The Group's revenue from real estate is recognized based on the percentage of completion 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. Amortization of costs to obtain contracts is also determined based on the same percentage of completion. Changes in estimate may affect the reported amounts of revenue in real estate sales and amortization of costs to obtain contract.

Revenue from real estate sales, which is recognized over time, amounted to ₱142.5 million and ₱199.5 million for the three months ended March 31, 2025 and 2024, respectively (see Note 19). Amortization of costs to obtain contracts amounted to ₱14.8 million and ₱13.6 million for the three months ended March 31, 2025 and 2024, respectively (see Notes 6 and 20).

Determining Transaction Price of Sale of Real Estate

The Group determines whether a contract contains a significant financing component by considering (1) the difference, if any, between the amount of promised considerations and the cash selling price of the promised goods or service; and (2) the effect of the expected length of time between when the entity transfer the promised goods or service to the customer and when the customer pays for those goods or services and the prevailing effective interest rate. The Group applied practical expedient by not adjusting the effect of financing component in the period when the entity transfers a promised good or service to a customer and when the customer pays for the good or service will be one year or less. The Group assessed that the significant financing component is not significant in determining the transaction price on sale of real estate.

- **Net Realizable Value of Real Estate Held for Sale**

Real estate held for sale is valued at the lower of cost and net realizable value. Determining the fair value requires the determination of cash flows from the expected sale of the asset less cost of marketing and requires the Group to make estimates and assumptions that may materially affect the financial statements. Future events could cause the Group to conclude that these assets are impaired. Any resulting impairment loss could have a material adverse impact on the Group's financial position and results of operations.

As of March 31, 2025 and December 31, 2024, the carrying value of real estate held for sale amounted to ₱1.0 billion (see Note 7). No provision for impairment loss was recognized in 2025 and 2024.



- Useful Lives of Investment Properties and Property and Equipment

The Group estimates the useful lives of investment properties and property and equipment based on the economic lives of investment property and property and equipment. The estimated useful lives of investment properties and property and equipment are reviewed periodically and updated if expectations differ materially from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of the investment properties and property and equipment. However, it is possible that future results of operations could be materially affected by changes in the estimates brought about by changes in factors mentioned above. The amounts and timing of recording of expenses for any period would be affected by changes in these factors and circumstances. A reduction in the estimated useful lives of the investment properties and property and equipment would increase the recorded expenses and decrease the noncurrent assets.

As of March 31, 2025 and December 31, 2024, the aggregate carrying values of investment properties and property and equipment, excluding land and construction-in-progress, amounted to ₱1.7 billion (see Notes 10 and 11).

- Impairment of Costs to Obtain Contract

The Group capitalized those sales commissions paid to its employees for contracts obtained to sell residential properties when they represent incremental costs of obtaining a contract. The capitalized costs are amortized on a systematic basis that is consistent with the transfer to the customer of the property to which the asset relates and amortization for the period is recognized in direct costs of real estate sales.

In line with the Group's accounting policy, as set out in Note 2, if a contract or specific performance obligation exhibited marginal profitability or other indicators of impairment, judgement was applied to ascertain whether or not the future economic benefits from these contracts were 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 key performance indicators that could trigger variable consideration, or service credits. No impairment was considered necessary as the remaining amount of consideration exceeded to a significant extent the remaining budgeted costs and the carrying amount of the contract cost assets.

As of March 31, 2025 and December 31, 2024, the carrying amount of unamortized costs to obtain contract (presented as part of “Prepayments and other current assets”) amounted to ₱117.0 million, and ₱105.9 million, respectively (see Notes 6 and 8). No provision for impairment losses was recognized in 2025 and 2024.

- Impairment of Nonfinancial Assets

The Group assesses at each reporting period whether there is an indication that prepayments and other current assets (except unamortized costs to obtain contract), investment in subsidiaries and associate, investment properties, property and equipment and other noncurrent assets may be impaired. Determining the value in use of these assets, which requires the determination of future cash flows expected to be generated from the continued use and ultimate disposition of these assets, requires the Group to make estimates and assumptions that can materially affect the financial statements. Future events could cause the Group to conclude that these assets are impaired. Any resulting impairment loss could have a



material adverse impact on the Group's financial position and results of operations. The preparation of the estimated future cash flows involves significant judgments and estimates. While the Group believes that the assumptions are appropriate and reasonable, significant changes in the assumptions may materially affect the assessment of recoverable values and may lead to future impairment charges.

As of March 31, 2025, and December 31, 2024, the aggregate carrying values of these assets follow:

	2025	2024
Prepayments and other current assets (Note 8)	₱604,136	₱584,093
Investment in associate (Note 9)	740,969	712,251
Investment properties (Note 10)	3,077,685	3,099,471
Property and equipment (Note 11)	442,028	409,892
Other noncurrent assets** (Notes 8 and 28)	51,036	53,577
	₱4,915,856	₱4,859,284

**Excluding noncurrent portion of trade receivables*

No provision for impairment losses was recognized in 2025 and 2024.

- Retirement Costs

The determination of the Group's pension liability and annual pension retirement costs is dependent on the selection of certain assumptions used by actuaries in calculating such amounts. Those assumptions are described in Note 23 to the interim consolidated financial statements which include among others, discount rates and rates of compensation increase. In accordance with the Revised PAS 19, actual results that differ from Group's assumptions are accumulated and recognized in other comprehensive income and therefore, generally affect the Group's recognized other comprehensive income and recorded obligation in such future periods.

In determining the appropriate discount rate, management considers the interest rates of government bonds that are denominated in the currency in which the benefits will be paid, with extrapolated maturities corresponding to the expected duration of the defined benefit obligation. The mortality rate is based on publicly available mortality table for Philippines and is modified accordingly with estimates of mortality improvements. Future salary increases and pension increases are based on expected future inflation rates for Philippines.

While management believes that the assumptions are reasonable and appropriate, significant differences in the Group's actual experience or significant changes in the assumptions may materially affect the pension obligation.

As of March 31, 2025, and December 31, 2024, pension liabilities amounted to ₱23.4 million and ₱22.5 million, respectively (see Note 23). Retirement costs recognized in profit or loss amounted to ₱0.8 million and ₱0.9 million for the three months ended March 31, 2025 and 2024, respectively (see Notes 20, 21, 22 and 23).

- Deferred Tax Assets

The Group's assessment on the recognition of deferred tax assets on deductible temporary differences, carryforward benefits of unused tax credits and unused tax losses is based on the forecasted taxable income of the following reporting period to allow all or part of the deferred tax assets to be utilized. This forecast is based on the Group's past results and future expectations on revenue and expenses. As of March 31, 2025, and December 31, 2024, total



deferred tax assets recognized in the interim consolidated statements of financial position amounted to ₱70.9 million and ₱55.3 million, respectively (see Note 24).

4. Cash and Cash Equivalents

	March 31, 2025	December 31, 2024
Cash on hand and in banks	₱237,972	₱320,807
Cash equivalents	20,406	1,180
	₱258,378	₱321,987

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

Cash equivalents are short-term cash deposits which are made for varying periods of up to three months depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rates.

Interest earned from cash in banks and cash equivalents (in absolute amounts) amounted to ₱43,310 and ₱40,105 for the three months ended March 31, 2025 and 2024, respectively.

5. Trade and Other Receivables

	March 31, 2025	December 31, 2024
Trade		
Third parties	₱60,214	₱159,432
Related companies (Note 16)	975	180
Rental	21,830	20,202
Advances subject to liquidation	7,499	2,890
Nontrade receivables	11,001	1,126
Others	8,185	8,908
	109,704	192,738
Less allowance for expected credit loss	643	643
	109,061	192,095
Less noncurrent portion of trade receivables	10,934	10,934
	₱98,127	₱181,161

Trade receivables include receivables from leasing which are non-interest bearing and are generally on 30 days' term, and receivables from sale of real estate which are generally non-interest-bearing and are collectible within a year. The Group records any excess of progress of work over the right to an amount of consideration that is unconditional as contract assets (see Note 6).

Rental receivable pertains to the additional rent expected to be received by the Group in future periods as a result of recognizing rental revenue on a straight-line basis from rentals of office spaces, condominium units, commercial spaces, IT park, warehouse units and industrial lots.

Other receivables pertains to advances to officers and employees.

Noncurrent portion of trade receivables arises from the sale of a diverse range of equipment that is included in the overall transaction involving the sale of cold storage facilities. This is presented as part of "Other noncurrent assets" in the interim consolidated statements of financial position.



Interest income from the said receivables (in absolute amounts) amounted to ₱28,869 and nil for the three months ended March 31, 2025 and 2024, respectively.

6. Contracts Balances and Costs to Obtain Contract

Contract assets and liabilities

The account consists of the following as of March 31, 2025 and December 31, 2024:

	March 31, 2025	December 31, 2024
Contract assets		
Current portion	₱863,561	₱896,276
Noncurrent portion	427,091	372,620
Contract liabilities	187,315	121,785

Contract assets are initially recognized for revenue earned from real estate sales. Upon completion of performance obligation and acceptance by the customer, the amounts recognized as contract assets are reclassified to trade receivables (see Note 5). Contract assets are expected to be realized in 1 to 2 years.

Contract liabilities consist of excess of collections over the recognized receivables and contract assets based on percentage of completion.

Revenue recognized from the amount of contract liabilities included at the beginning of the year amounted to ₱18.1 million and ₱47.6 million in 2025 and 2024, respectively.

Costs to Obtain Contracts

The balances below pertain to the costs to obtain contracts included in “Prepayments and other current assets” (see Note 8):

	March 31, 2025	December 31, 2024
At January 1	₱105,932	₱116,493
Additions	25,838	67,695
Amortization (Note 20)	(14,809)	(78,256)
At March 31/ December 31	₱116,961	₱105,932

7. Real Estate Held for Sale

	March 31, 2025	December 31, 2024
At January 1	₱1,011,943	₱585,258
Costs of real estate sold (Note 20)	(91,895)	(663,274)
Reclassification from investment properties (Note 10)	—	537,688
Construction/development costs	121,549	456,696
Land acquisitions	—	95,575
At March 31/ December 31	₱1,041,597	₱1,011,943

Sale of real estate included in the interim consolidated statements of comprehensive income amounted to ₱142.5 million and ₱199.5 million for the three months ended March 31, 2025 and 2024, respectively (see Note 19). Construction of the residential subdivisions and condominium units is on-going as of March 31, 2025 and December 31, 2024.



8. Prepayments and Other Current Assets

	March 31, 2025	December 31, 2024
Prepaid income tax	₱269,882	₱261,095
Advances to suppliers	152,173	157,941
Unamortized costs to obtain contract (Note 6)	116,961	105,932
Net input VAT	68,299	71,050
Prepaid insurance	322	16
Others	13,382	8,310
	621,019	604,344
Less noncurrent portion of advances to suppliers	16,883	20,251
	₱604,136	₱584,093

Prepaid income tax pertains to the excess of tax credits over income tax due.

Advances to suppliers mainly pertain to the advance payments made for the construction of a building to be held for lease and for the various procurement of construction materials used in real estate development. Advances to suppliers that are presented as part of noncurrent assets pertain to those that are not related to real estate held for sale.

Unamortized costs to obtain a contract consists of commissions to be paid in relation to the sales of real estate which is to be amortized in the same pattern as the revenue recognition for such contracts (see Note 6).

Net input VAT will be applied against output VAT in the succeeding periods.

9. Investment in Associate

The Group's investment in associate represents its interest in Accendo Commercial Corporation, an entity incorporated in the Philippines to engage in real estate activities. The Group has 19% ownership interest with its associate.

	March 31, 2025	December 31, 2024
Cost at January 1 and March 31/December 31	₱46,380	₱46,380
Accumulated equity in net earnings:		
At January 1	665,442	602,461
Equity in net earnings of associate	28,718	62,981
At March 31/December 31	694,160	665,442
Accumulated equity in other comprehensive income:		
At January 1	429	296
Equity in other comprehensive income of associate	—	133
At March 31/December 31	429	429
	₱740,969	₱712,251

The earnings of the associate is not available for distribution to the stockholders unless declared by the associate.



Summarized statements of financial position follow:

	March 31, 2025	December 31, 2024
Current assets	₱4,433,340	₱4,352,892
Noncurrent assets	6,994,835	6,495,116
Current liabilities	4,692,363	4,495,282
Noncurrent liabilities	2,588,409	2,359,074
Equity	₱4,147,403	₱3,993,652
Group's share in identifiable net assets	773,905	745,215
Carrying amount of investment*	₱740,969	₱712,251

**Difference pertains to elimination of profit from downstream transactions*

Summarized statements of income for the three months ended March 31, 2025 and 2024 follow:

	March 31, 2025	March 31, 2024
Revenue	₱926,423	₱433,030
Costs and expenses	772,520	339,422
Net income	153,903	93,608
Group's share in net income for the year	₱28,718	₱9,492



10. Investment Properties

March 31, 2025

	Land	Land Improvements	Buildings and Improvements	Construction in Progress	Total
Cost					
At January 1	₱1,526,499	₱126,057	₱1,999,419	₱153,020	₱3,804,995
Additions	–	599	–	2,122	2,721
Reclassifications	–	–	3,277	(3,277)	–
At March 31	1,526,499	126,656	2,002,696	151,865	3,807,716
Accumulated Depreciation					
At January 1	–	74,866	630,658	–	705,524
Depreciation (Notes 20 and 21)	–	1,902	22,605	–	24,507
At March 31	–	76,768	653,263	–	730,031
Net Book Value	₱1,526,499	₱49,888	₱1,349,433	₱151,865	₱3,077,685

December 31, 2024

	Land	Land Improvements	Buildings and Improvements	Construction in Progress	Total
Cost					
At January 1	₱1,569,847	₱126,070	₱2,072,015	₱383,268	₱4,151,200
Additions	218,138	–	520	53,500	272,158
Reclassification to real estate held for sale (Note 7)	(392,412)	–	(697)	(144,795)	(537,904)
Reclassifications	130,926	275	11,794	(138,953)	4,042
Retirement/disposal	–	(288)	(84,213)	–	(84,501)
At December 31	1,526,499	126,057	1,999,419	153,020	3,804,995
Accumulated Depreciation					
At January 1	–	67,353	555,607	–	622,960
Depreciation (Notes 20 and 21)	–	7,691	90,789	–	98,480
Reclassification to real estate held for sale (Note 7)	–	–	(216)	–	(216)
Retirement/disposal	–	(188)	(15,522)	–	(15,710)
Reclassifications	–	10	–	–	10
At December 31	–	74,866	630,658	–	705,524
Net Book Value	₱1,526,499	₱51,191	₱1,368,761	₱153,020	₱3,099,471



The fair values of land and buildings and improvements are based on valuations made by professionally-qualified independent appraisers. The value of land appraised, that form part of investment properties, was estimated using the Market Approach. This is a comparative approach that considers the sales of similar or substitute properties and related market data and establishes a value estimate by processes involving comparison. Listings and offerings may also be considered. The value of improvements appraised, that form part of investment properties, was estimated using the Cost Approach. This is a comparative approach to the value of property or another asset that considers as a substitute for the purchase of a given property, the possibility of constructing another property that is a replica of, or equivalent to, the original or one that could furnish equal utility with no undue cost resulting from delay. The fair values of the investment properties amounted to ₱18.7 billion as of March 31, 2025 and December 31, 2024.

In determining the appropriate class of investment properties, the Group has considered the nature, characteristics and risks of its properties as well as the level of the fair value hierarchy within which the fair value measurements are categorized. This resulted in determining the fair value of investment properties under Level 3 of the fair value hierarchy.

Significant increase in the economic market value of the land brought by inflation, area stability, development and improvements per hectare, per location over time would result in a significantly higher fair value of the property.

Construction in-progress is mainly attributable to the construction of a building to be held for future lease and the development of the Group's master-planned township with commercial, institutional, and agritourism components. In 2025, the construction in-progress includes ongoing construction of roadworks and land developments in addition to those in-progress in 2024. These projects are expected to be completed in 2028 to 2030.

Total revenue from the above investment properties amounted to ₱92.4 million and ₱92.1 million for the three months ended March 31, 2025 and 2024, respectively (see Note 19). Direct costs and expenses incurred for the above investment properties amounted to ₱59.9 million and ₱59.5 million for the three months ended March 31, 2025 and 2024, respectively.

Investment properties of the Group having carrying amounts of ₱36.4 million as of March 31, 2025 and ₱37.3 million as of December 31, 2024, are part of the collaterals for the long-term debt obtained by the Group and its related party (see Notes 14 and 16).

Depreciation and Amortization

Depreciation and amortization were charged to the following accounts:

	March 31, 2025	March 31, 2024
Direct costs and expenses (Note 20)		
Rental	₱33,357	₱32,068
Hotel operations	2,865	2,574
	36,222	34,642
General and administrative expenses (Note 21)	3,405	1,562
	₱39,627	₱36,204



Sources of depreciation and amortization are as follows:

	March 31, 2025	March 31, 2024
Investment properties (Note 10)	₱24,507	₱25,547
Property and equipment (Note 11)	10,241	7,835
Right-of-use assets (Note 18)	4,804	2,747
Franchise fee (Note 29)	75	75
	₱39,627	₱36,204



11. Property and Equipment

March 31, 2025

	Land	Land Improvements	Buildings and Improvements	Leasehold Improvements	Transportation Equipment	Office Furniture and Equipment	Computer Equipment	Construction In-Progress	Total
Cost									
At January 1	₱33,497	₱12,411	₱218,258	₱101,641	₱36,831	₱161,571	₱39,036	₱126,660	₱729,905
Additions	–	–	–	15,104	38	607	–	26,628	42,377
Reclassifications	–	–	4,131	26,976	–	–	–	(31,107)	–
At March 31	33,497	12,411	222,389	143,721	36,869	162,178	39,036	122,181	772,282
Accumulated Depreciation									
At January 1	–	8,076	128,165	25,784	29,043	98,396	30,549	–	320,013
Depreciation (Notes 20 and 21)	–	199	2,442	3,162	623	3,804	11	–	10,241
At March 31	–	8,275	130,607	28,946	29,666	102,200	30,560	–	330,254
Net Book Value	₱33,497	₱4,136	₱91,782	₱114,775	₱7,203	₱59,978	₱8,476	₱122,181	₱442,028

December 31, 2024

	Land	Land Improvements	Buildings and Improvements	Leasehold Improvements	Transportation Equipment	Office Furniture and Equipment	Computer Equipment	Construction In-Progress	Total
Cost									
At January 1	₱37,456	₱12,494	₱207,885	₱101,641	₱37,054	₱115,587	₱35,860	₱54,995	₱602,972
Additions	–	–	6,804	–	2,727	9,085	3,176	112,495	134,287
Retirement/disposal	–	–	–	–	(2,950)	(362)	–	–	(3,312)
Reclassifications	(3,959)	(83)	3,569	–	–	37,261	–	(40,830)	(4,042)
At December 31	33,497	12,411	218,258	101,641	36,831	161,571	39,036	126,660	729,905
Accumulated Depreciation									
At January 1	–	7,284	120,075	15,022	28,356	91,190	27,168	–	289,095
Depreciation (Notes 20 and 21)	–	802	8,090	10,762	2,623	4,729	5,942	–	32,948
Reclassifications	–	(10)	–	–	–	–	–	–	(10)
Retirement/disposal	–	–	–	–	(1,936)	2,477	(2,561)	–	(2,020)
At December 31	–	8,076	128,165	25,784	29,043	98,396	30,549	–	320,013
Net Book Value	₱33,497	₱4,335	₱90,093	₱75,857	₱7,788	₱63,175	₱8,487	₱126,660	₱409,892

Cost of fully depreciated assets still in use in the Group's operations amounted to ₱141.7 million and ₱138.8 million as of March 31, 2025 and December 31, 2024, respectively. Borrowing cost capitalized as part of construction in progress amounted to ₱0.2 million and ₱3.2 million for March 31, 2025 and December 31, 2024, respectively. The rate used to determine the amount of borrowing costs eligible for capitalization is 6.8% and 6.9% for March 31, 2025 and December 31, 2024, respectively, which represent the weighted average rate of the general borrowing.



12. Trade and Other Payables

	March 31, 2025	December 31, 2024
Trade		
Third parties	₱154,321	₱199,281
Related companies (Note 16)	121,971	136,176
Commissions payable	157,833	145,792
Deferred credits	50,708	51,944
Accrued expenses	37,191	43,111
Nontrade payable	33,096	34,385
Unearned rent revenue	22,637	23,551
Income tax payable	224	—
Others	10,704	17,257
	588,685	651,497
Less: noncurrent portion of trade payables	18,700	20,111
	₱569,985	₱631,386

Trade payables to third parties are non-interest bearing and are generally on 30–45 days' term, while trade payables to related companies pertain to various transactions, which include the purchase of investment property from Kensington Ventures Inc. (KVI), an affiliate, in 2023 (see Note 16).

Commissions payable pertains to the excess of the total commissions to be paid under contract over the total commissions paid as of date on open real estate contracts.

Deferred credits mainly pertain to the deposits made by real estate buyers to cover various processing fees in relation to the sale of real estate inventories including, but not limited to, fees related to transfer of title and water and electricity connection fees.

Accrued expenses mainly include accruals made for interest and utilities.

Unearned rent revenue represents advanced payments from lessees.

Nontrade payable represents the unpaid consideration payable to Davao Centre Felcris Inc. (DCFI) exclusive of VAT, as a result of the business combination entered into by the Group (see Note 29). This payable is secured by a guarantee from ANFLOCOR (see Note 16).

Cash and non-cash movements of the nontrade payable and the related unamortized discount in 2025 and 2024 are as follows:

	March 31, 2025	December 31, 2024
Nontrade Payable		
At January 1	₱37,242	₱43,912
Payments	(1,667)	(6,670)
At March 31/ December 31	35,575	37,242
Unamortized Discount		
At January 1	2,857	4,551
Amortization	(378)	(1,694)
At March 31/December 31	2,479	2,857
	33,096	34,385
Less current portion	14,396	14,274
Noncurrent portion	₱18,700	₱20,111



Accretion of interest expense on unamortized discount amounted to ₱0.4 million each period for the three months ended March 31, 2025 and 2024. This was recorded as part of “Interest and other financing charges expense” in the interim consolidated statements of comprehensive income.

13. Bank Loans

The Group’s bank loans consist of short-term peso denominated loans obtained from local banks for working capital requirements with carrying value amounting to ₱499.8 million and ₱399.5 million as of March 31, 2025 and December 31, 2024, respectively.

These loans bear annual interest of 5.75% to 7.5% and 5.75% to 7.71% in 2025 and 2024, respectively. These are payable over a period of 1 to 12 months. These loans are collateralized by a continuing suretyship from ANFLOCOR (see Note 16).

The table below shows cash and non-cash movements of bank loans:

At January 1, 2024	₱224,400
Additions	249,445
Payments	(74,307)
At December 31, 2024	399,538
Additions	200,000
Payments	(99,723)
At March 31, 2025	₱499,815

Total interest expense recognized as part of “Interest and other financing charges” in the interim consolidated statements of comprehensive income amounted to ₱6.2 million, and ₱6.8 million for the three months ended March 31, 2025 and 2024, respectively (see Note 14).

14. Long-Term Debt

The Group’s long-term debt is composed of the following:

Year Aailed	Interest Rate	Payment Terms	March 31, 2025	December 31, 2024
Local bank 1				
2022	7.59%	Payable quarterly with 1-year grace period up to December 17, 2027	₱205,029	₱223,666
2022	7.60%	Payable quarterly with 1-year grace period up to December 17, 2027	218,696	238,576
2023	7.66%	Payable quarterly with a 1-yr grace period up to December 17, 2027	123,750	135,000
			547,475	597,242
Local bank 2				
2018	6.05%	Payable quarterly with a maximum grace period of 3 years up to December 7, 2028	162,000	172,800
2019	6.05%	Payable quarterly with a maximum grace period of 3 years up to December 7, 2028	486,000	518,400
2021	4.74%	Payable quarterly with a 1-year grace period up to September 17, 2026	37,500	43,750

(Forward)



Year Availed	Interest Rate	Payment Terms	March 31, 2025	December 31, 2024
2021	5.82%	Payable quarterly with a 1-year grace period up to September 17, 2026	₱26,250	₱30,625
2021	5.88%	Payable quarterly with a 1-year grace period up to September 17, 2026	22,500	26,250
2022	6.20%	Payable quarterly with a 1-year grace period up to September 17, 2026	26,250	30,625
2023	7.65%	Payable quarterly with a 2-year grace period up to January 13, 2028	90,000	90,000
2023	7.95%	Payable quarterly with a 2-year grace period up to January 13, 2028	50,000	50,000
2023	7.58%	Payable quarterly with a 2-year grace period up to January 13, 2028	100,000	100,000
2023	7.82%	Payable quarterly with a 2-year grace period up to January 13, 2028	50,000	50,000
2023	7.48%	Payable quarterly with a 2-year grace period up to January 13, 2028	60,000	60,000
2023	7.46%	Payable quarterly with a 2-year grace period up to January 13, 2028	250,000	250,000
			1,360,500	1,422,450
Local bank 3				
2021	4.00%	Payable quarterly with a 2-year grace period up to January 12, 2031	307,501	320,312
2023	6.56%	Payable quarterly with a 2-year grace period up to January 12, 2031	67,500	70,312
			375,001	390,624
			2,282,976	2,410,316
Less current portion			707,776	657,541
Noncurrent portion			₱1,575,200	₱1,752,775

The loans obtained in 2023 were used to finance the development of a condominium project, while the loans obtained in 2019 and 2021 were used to finance the development of a building. The loan obtained in 2018 was used for the construction of the Group's residential subdivision and condominium projects.

These loans are collateralized by a continuing suretyship from ANFLOCOR (see Note 16).

The loans are covered by an agreement which provides certain restrictions and requirements for the Group to maintain certain financial ratios. The table below shows the externally imposed requirements that are complied with by the Group as of March 31, 2025 and December 31, 2024.

	Required Ratio
Debt to equity ratio	Not greater than 1.5:1
Debt service ratio	Not less than 1:1
Current ratio	Not less than 1:1

Total interest expense recognized as part of "Interest and other financing charges" in the interim consolidated statements of comprehensive income amounted to ₱41.6 million and ₱51.0 million for the three months ended March 31, 2025 and 2024, respectively. Total interest capitalized presented as part of "Construction in Progress" under property and equipment amounted to



₱0.2 million and nil for the three months ended March 31, 2025 and 2024, respectively.
(see Note 11)

Movements of long-term debt are as follows:

	March 31, 2025	December 31, 2024
At January 1	₱2,410,316	₱2,919,683
Payments	(127,340)	(509,367)
At March 31/December 31	2,282,976	2,410,316
Less current portion	707,776	657,541
Long-term debt - noncurrent portion	₱1,575,200	₱1,752,775

Interest and Other Financing Charges

Details of the Group's interest and other financing charges for the three months ended March 31, 2025 and 2024 recognized in the interim consolidated statements of comprehensive income are as follows:

	March 31, 2025	March 31, 2024
Interest expense		
Long-term debts	₱41,569	₱50,979
Bank loans (Note 13)	6,195	6,759
Bank charges	13,396	459
Nontrade payable (Note 12)	378	445
Lease liabilities (Note 18)	957	791
	₱62,495	₱59,433

15. Refundable Deposits

Refundable deposits pertain to security deposits given by the Group's tenants at the start of the lease term. This is equivalent to two months of rent and will be applied against damages caused or done to the property or returned to the tenants upon termination of the contract. As of March 31, 2025 and December 31, 2024, the Group's refundable deposits amounted to ₱68.3 million and ₱66.3 million, respectively.

16. Related Party Transactions

Parties are considered to be related if one party has the ability to control, directly or indirectly, the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence. Related parties may be individuals or corporate entities.

Transactions with related parties for the three months ended March 31, 2025 and 2024, and account balances as at March 31, 2025 and December 31, 2024 follow:

	2025	
	Amount	Balance*
<i>Ultimate Parent</i>		
ANFLOCOR		
Lease of office space and others (see Notes 16e and 18)	₱5,432	₱11

(Forward)



	2025	
	Amount	Balance*
<i>Entities Under Common Control</i>		
Tagum Agricultural Development Company, Inc. (TADECO)		
Lease of office space and others (see Notes 16e and 18)	₱2,719	₱18
Anflo Resort Development Corporation (ARDC)		
Lease of office space and others (see Notes 16e and Note 18)	342	–
Anflo Construction Corporation (ANFLOCON)		
Electricity and water charges (see Note 16f)	330	259
Others		
Lease of office space and others (see Notes 16e and 18)	1,728	687
		₱975

*Outstanding balance is included as part of "Trade and other receivables" (see Note 5).

	2024	
	Amount	Balance*
<i>Ultimate Parent</i>		
ANFLOCOR		
Lease of office space and others (see Notes 16e and 18)	₱5,165	₱–
<i>Entities Under Common Control</i>		
Davao International Container Terminal, Inc. (DICT)		
Lease of office space and others	603	–
TADECO		
Lease of office space and others (see Notes 16e and 18)	528	96
ARDC		
Lease of office space and others (see Notes 16e and 18)	344	1
Securus Security Agency, Inc. (SSAI)		
Lease of office space and others	170	–
ANFLOCON		
Electricity and water charges (see Notes 16f)	3	82
Others		
Lease of office space and others (see Notes 16e and 18)	1,022	1
		₱180

*Outstanding balance is included as part of "Trade and other receivables" (see Note 5).

The balances above have 30-days' term and are non-interest bearing. These are unsecured and are not impaired as of March 31, 2025 and December 31, 2024.

	2025			
	Amount	Balance**	Terms	Conditions
<i>Ultimate Parent</i>				
ANFLOCOR				
Service fees (see Note 16a)	₱7,205	₱27,928	20 days, non-interest bearing	Unsecured, no collateral
<i>Entities Under Common Control</i>				
ANFLOCON				
Contract labor and services (see Note 16f)	33,304	72,955	On demand, non-interest bearing	Unsecured, no collateral
KVI				
Purchase of land (see Note 16d)	–	14,821	On demand, non-interest bearing	Unsecured, no collateral
Restaurant services (see Note 16g)	142	229	On demand, non-interest bearing	Unsecured, no collateral
NESTFARMS				
Landscaping services and others (see Note 16h)	4,765	1,577	On demand, non-interest bearing	Unsecured, no collateral
Others				
Various purchases (see Note 16i)	3,765	4,461	On demand, non-interest bearing	Unsecured, no collateral
		₱121,971		

**Outstanding balance is included as part of "Trade and other payables" (see Note 12)



	2024			
	Amount	Balance**	Terms	Conditions
<i>Ultimate Parent</i>				
ANFLOCOR				
Service fees (see Note 16a)	₱6,268	₱20,565	20 days, non-	Unsecured, no
Purchase of land (see Note 16c)	—	—	interest bearing	collateral
<i>Entities Under Common Control</i>				
ANFLOCON				
Contract labor and services (see Note 16f)	22,526	78,089	On demand, non-	Unsecured, no
			interest bearing	collateral
KVI				
Purchase of land (see Note 16d)	—	26,162	On demand, non-	Unsecured, no
Restaurant services (see Note 16g)	381	286	interest bearing	collateral
NESTFARMS				
Landscaping services and others (see Note 16h)	—	1,996	On demand, non-	Unsecured, no
			interest bearing	collateral
Others				
Various purchases (see Note 16i)	2,659	9,078	On demand, non-	Unsecured, no
			interest bearing	collateral
		₱136,176		

**Outstanding balance is included as part of "Trade and other payables" (see Note 12)

The above transactions are to be settled in cash.

The Group, in its regular course of business, has transactions with related parties, which principally consists of the following:

- The Group incurred support services fees in accordance with its service agreement with ANFLOCOR. Total support services fees incurred amounted to ₱7.2 million and ₱6.3 million for the three months ended March 31, 2025 and 2024, respectively (see Note 12).
- Various properties of the Group and its related companies are covered by a mortgage for the long-term debt obtained by the Group and ARDC. All of the bank loans and some of the long-term debt of the Group are also collateralized with a continuing suretyship from ANFLOCOR (see Notes 10, 13 and 14).
- In December and August 2024, the Group acquired parcels of land situated in Brgy. Limao, Island Garden City of Samal, Davao del Sur and in Brgy. Cagangohan, Panabo City, Davao del Norte from ANFLOCOR, for a total cash consideration of ₱95.6 million. This transaction has been settled in 2024.
- In 2023, the Group acquired a parcel of land from its affiliate, KVI, for a total consideration of ₱74.1 million. The outstanding balance for this transaction amounted to ₱14.8 million and ₱26.2 million as of March 31, 2025 and December 31, 2024, respectively, and are payable on demand.
- The Group leases out office spaces to related parties for a period of 1 to 10 years (up to January 31, 2033), renewable for another 5 to 10 years upon mutual agreement of both parties (see Note 18).
- The Group availed services of ANFLOCON for the construction and project management of the Group's various real estate projects such as Ameria, Harborview Estates, Bridgeport, Kahi



Estates, and Agriya Gardens. In relation to this, the Group has also covered electricity and water charges for ANFLOCON, which the Group charges the latter.

- g. The Group availed services and incurred expenses on restaurants, catering and other related services provided by establishments owned by KVI. The outstanding balance for these transactions amounted to ₱0.2 million as of March 31, 2025 and ₱0.3 million as of December 31, 2024.
- h. The Group availed services of NESTFARMS for landscaping and other related services for the Group's lots located at Brgy. Marapangi, Davao City.
- i. Various purchases and services were availed by the Group from related parties such as, among others, Securus Security Agency Inc. (SSAI) for security services, and ARDC for restaurant and accommodation.
- j. In 2021, ANFLOCOR issued and granted a guarantee for the benefit of DCFI in relation to the asset purchase agreement relating to the business of the latter. ANFLOCOR unconditionally and irrevocably guarantees that all of the Group's obligations under such agreement will be duly and punctually paid and performed. On default by the Group, ANFLOCOR will immediately make each payment and perform each obligation required to be made or performed by the Group under the said agreement. As of March 31, 2025 and December 31, 2024, the carrying value of the long-term nontrade payable related to this acquisition amounted to ₱33.1 million and ₱34.4 million, respectively (see Note 12).

Compensation of Key Management Personnel

The compensation of the Group's key management personnel, which includes its general manager, administrative managers and executive officers, follows:

	March 31, 2025	March 31, 2024
Short-term employee benefits	₱13,818	₱8,682
Post-employment benefits	524	536
	₱14,342	₱9,218

17. Equity

Capital Stock

Details of the Group's authorized capital stock are as follows:

	Number of Shares			
	March 31, 2025	December 31, 2024	March 31, 2025	December 31, 2024
Common Class A at January 1 and December 31, ₱100 par value	7,500,000	7,500,000	₱750,000	₱750,000
Preferred shares, ₱1,000 par value				
At January 1	1,700,000	1,400,000	1,700,000	1,400,000
Increase in ACS	—	300,000	—	300,000
At March 31/December 31	1,700,000	1,700,000	1,700,000	1,700,000
			₱2,450,000	₱2,450,000



Details of the Group's issued capital stock are as follows:

Issued Capital Stock	Number of Shares		2025	2024
	2025	2024		
Common Class A - ₱100 par value				
At January 1 and December 31	7,500,000	7,500,000	₱750,000	₱750,000
Preferred shares - ₱1,000 par value				
At January 1	1,568,487	1,176,687	1,568,487	1,176,687
Issuance during the year	—	391,800	—	391,800
At March 31/December 31	1,568,487	1,568,487	1,568,487	1,568,487
			₱2,318,487	₱2,318,487

The Group has class “A” common shares with a par value of ₱100 per share and shall be transferable only to Philippine nationals.

The Group has preferred shares with a par value of ₱1,000 per share. These shares are redeemable, participating, non-voting and non-cumulative preferred shares with a fixed preferential dividend of 3% per annum based on the issue price, subject to availability of unrestricted retained earnings. The preferred shares may be redeemable, in whole or in part, at the sole option of the Parent Company at any time, at a price and upon such terms and conditions as the BOD may determine and approve at the time of the redemption.

On March 22, 2024, the Parent Company's BOD approved the increase in the Parent Company's authorized capital stock (ACS) from ₱2.2 billion divided into 7.5 million common shares with a par value of ₱100 per share and 1.4 million preferred shares with a par value of ₱1000 per share, to ₱2.5 billion divided into 7.5 million common shares with a par value ₱100 per share and 1.7 million preferred shares with a par value of ₱1000 per share. The increase in ACS was also approved by the Parent Company's stockholders representing at least two-thirds (2/3) of the outstanding capital stock at a meeting held on March 22, 2024. The SEC approved the increase in ACS on December 26, 2024.

On March 22, 2024, the Parent Company's BOD approved the declaration of cash dividends amounting to ₱30.0 million (₱4.00 per share) and paid to all shareholders of record based on outstanding common shares as of December 31, 2023.

Capital Management

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may issue new common shares or obtain additional funding from its parent company and related companies. To ensure the adequacy of the Group's capital, management prepares annual cash flow forecast projecting the Group's future cash requirements, which is used to assess if additional capital may be required. No changes were made in the objectives, policies or processes in 2025 and 2024.

The Group is exposed to externally imposed capital requirement in relation to its long-term debt (see Note 14).



As of March 31, 2025 and December 31, 2024, the Group considers the following as its core economic capital:

	March 31, 2025	December 31, 2024
Capital stock		
Common shares	₱750,000	₱750,000
Preferred shares	1,568,487	1,568,487
Additional paid-in capital	207,905	207,905
Retained earnings	1,344,253	1,345,658
	₱3,870,645	₱3,872,050

18. Lease Agreements

Group as a Lessor

The Group leases out the following:

- Office spaces for a period of 1 to 10 years (up to January 31, 2033) to related parties (see Note 16) and other entities, renewable for another 5 to 10 years upon mutual agreement of both parties. Total rental income amounted to ₱14.3 million and ₱13.2 million for the three months ended March 31, 2025 and 2024, respectively (see Note 19);
- Commercial spaces for periods of 1 to 15 years (up to December 31, 2028) and can be extended upon mutual agreement by both parties subject to the terms and conditions stipulated in the contract. Total rental income amounted to ₱38.5 million and ₱37.0 million for the three months ended March 31, 2025 and 2024, respectively (see Note 19);
- IT park for a period of one to five years and can be extended upon mutual agreement by both parties subject to the terms and conditions stipulated in the contract. Rental income amounted to ₱39.6 million and ₱41.9 million for the three months ended March 31, 2025 and 2024, respectively (see Note 19).

In 2016, the Group entered into a 10-year profit-share lease agreement with a local corporation covering an area of 1,393 square meters in the Group's IT Park. In 2016, the Group billed the lessee the cost of the fit-out and equipment, in accordance with the agreement. The lessee is obligated to commence payment of the aforesaid billing not later than after the 24th month of operations. Share in net income of the said lessee, presented in profit or loss under rental revenue, amounted to ₱1.2 million and ₱0.4 million for the three months ended March 31, 2025 and 2024, respectively.

Future minimum rent receivable under renewable long-term operating leases are as follows:

	March 31, 2025	December 31, 2024
Within one year	₱189,557	₱281,763
After one year but not more than five years	873,430	744,228
More than five years	418,309	434,091
	₱1,481,296	₱1,460,082



Group as a Lessee

The Group has the following lease agreements:

- The Group has entered into a contract of lease with a third party for the office space located at the 12th floor of SM CDO Downtown Tower at Claro M. Recto Avenue corner Osmeña Street, Cagayan de Oro City for a term of three years commencing from October 15, 2024 to October 14, 2027. A five percent (5%) increase in the monthly rent, computed on an annual basis, shall be imposed on the first (1st) month of the third (3rd) year of the lease.

In 2025, the lease term was revised to a term of five years commencing on December 1, 2024 to November 30, 2029. The lease contract may be renewed for another five (5) years upon agreement of the parties, with a written notice of lessee's intention, which both parties will negotiate twelve months prior to the expiration of the initial lease term. The revised lease term resulted to an increase in the carrying amount of the right-of-use assets and lease liabilities amounting to ₱10.0 million in 2025.

- The Group has entered into a contract of lease with a third party for the office space located at the 12th floor of SM CDO Downtown Tower at Claro M. Recto Avenue corner Osmeña Street, Cagayan de Oro City for a term of five years commencing from July 1, 2023 to June 30, 2028. The applicable monthly rent shall be subject to an annual five percent (5%) escalation starting on the second (2nd) year. The lease contract may be renewed for another period at such terms and conditions, with a written notice of lessee's intention, which both parties will negotiate twelve months prior to the expiration of the initial lease term.
- The Group has entered into a noncancellable lease contract with a third party for its office space located at the 6th floor BPO Building of Felcris Centrale at Quimpo Boulevard, Davao City for a term of seven years commencing from April 1, 2021 to March 31, 2028. The applicable basic rent shall be subject to an annual five percent (5%) escalation starting on the second (2nd) year. The lease contract may be renewed for another period at such terms and conditions which both parties will negotiate three months prior to the expiration of the contract.

Under PFRS 16, the lessee shall recognize right-of-use assets consisting of the amount of the initial measurement of the lease liabilities, any lease payments made at or before the commencement date, less any incentives received and any initial direct costs incurred by the lessee.

The rollforward analysis of the Group's right-of-use assets follows:

	March 31, 2025	December 31, 2024
Cost		
At January 1	₱100,464	₱87,102
Addition	–	13,362
Reassessment	9,984	–
At March 31/December 31	110,448	100,464
Accumulated Amortization		
At January 1	38,277	22,631
Amortization (Note 20)	4,804	15,646
At March 31/December 31	43,081	38,277
Net Book Value	₱67,367	₱62,187



The rollforward analysis of the Group's lease liabilities follows:

	March 31, 2025	December 31, 2024
At January 1	₱63,361	₱64,165
Addition	—	12,561
Reassessment	9,984	—
Accretion of interest	957	2,987
Payments		
Principal portion	(4,223)	(13,252)
Interest	(964)	(3,100)
At March 31/December 31	69,115	63,361
Less current portion of lease liabilities	18,329	18,608
Lease liabilities - net of current portion	₱50,786	₱44,753

Shown below is the maturity analysis of the undiscounted lease payments:

	March 31, 2025	December 31, 2024
Within one year	₱21,569	₱21,403
After one year but not more than five years	56,343	47,207
	₱77,912	₱68,610

19. Revenue

Disaggregated Revenue Information

The Group derives revenue from the transfer of goods and services over time and at a point in time in different product types. Set out below is the disaggregation of the Group's revenue :

By Type	March 31, 2025	March 31, 2024
Revenue from contracts with customers		
Sale of real estate (Note 7)	₱142,458	₱199,452
Hotel operations	21,523	18,592
Other revenue	1,029	715
Rental income (Notes 10 and 18)	116,961	106,695
	₱281,971	₱325,454

By Customers	March 31, 2025	March 31, 2024
Revenue from contracts with customers		
Real estate buyers (Note 7)	₱142,458	₱199,452
Guests	21,523	18,592
Other customers	1,029	715
Lessees (Note 18)	116,961	106,695
	₱281,971	₱325,454



Sale of Real Estate

The Group's main source of revenue is from contracts with customers involving real estate sales. The disaggregation for this source of revenue is presented as follows:

	March 31, 2025	March 31, 2024
At a point in time		
Residential lots	P—	P86,002
Over time		
Condominium units	73,871	83,704
Residential house and lots	49,997	29,746
Residential lots	18,590	—
	142,458	113,450
	P142,458	P199,452

Rental (see Note 10)

	March 31, 2025	March 31, 2024
Lease of space	P79,681	P79,967
CUSA services	17,845	12,169
Office revenue	19,435	14,559
	P116,961	P106,695

Revenue from lease of space is recognized on a straight-line basis over the lease term.

Hotel Operations

	March 31, 2025	March 31, 2024
Room accommodation	P18,705	P15,973
Food and beverage	2,337	2,171
Other operated departments	481	448
	P21,523	P18,592

Revenue from room accommodation is revenue from contracts with customers recognized over time at the amount of consideration to which the Group has a right to invoice. All other revenue of the Group from hotel operations is recognized at a point in time.

Other Revenue

	March 31, 2025	March 31, 2024
Property management fee	P687	P300
Ticket fees and leisure sales	342	415
	P1,029	P715

The Group derived revenue incidental to its operations which is recognized at a point in time when related services are rendered.



Miscellaneous - Net

	March 31, 2025	March 31, 2024
Claims under damaged property	₱1,510	₱—
Processing fees	1,330	1,132
Events, sponsorships, and incentives	945	126
Penalties	392	178
Parking fees	363	29
Boat services	286	233
Other hotel services	66	53
Administrative fees	51	55
Sale of various materials	39	156
Foreign exchange gain (loss) - net	33	84
Gain on cancellation of real estate contracts	—	834
Transfer fees	—	143
Other income	153	41
	₱5,168	₱3,064

20. Direct Costs and Expenses

	March 31, 2025	March 31, 2024
<i>Real Estate Sales</i>		
Cost of real estate sold (Note 7)	₱91,895	₱94,353
Amortization of costs to obtain contracts (Note 6)	14,809	13,609
	₱106,704	₱107,962

	March 31, 2025	March 31, 2024
<i>Rental Operations</i> (Note 10)		
Depreciation (Notes 10 and 11)	₱33,357	₱32,068
Outside services	11,398	12,210
Travel and transportation	7,307	4,000
Light and water	6,508	7,177
Maintenance and repairs	4,034	3,849
Rental	3,328	2,098
Taxes and licenses	3,320	4,148
Salaries, wages and benefits (Note 22)	3,232	2,879
Insurance	752	1,128
Retirement costs (Notes 22 and 23)	123	119
Others	225	139
	₱73,584	₱69,815

	March 31, 2025	March 31, 2024
<i>Hotel Operations</i>		
Outside services	₱3,581	₱3,013
Depreciation and amortization (Notes 10, 11 and 28)	2,865	2,574
Room and guest supplies	2,755	2,012

(Forward)



	March 31, 2025	March 31, 2024
Salaries, wages and benefits (Note 22)	₱2,504	₱1,983
Communication, light and water	1,492	1,482
Management and license fees (Note 29)	1,475	1,179
Advertising and marketing (Note 29)	490	318
Maintenance and repairs	321	251
Travel and transportation	319	339
Commissions	312	397
SSS, Pag-ibig and other contributions (Note 22)	242	201
Insurance	186	302
Retirement costs	82	—
Taxes and licenses	11	24
Others	729	598
	₱17,364	₱14,673

21. General and Administrative Expenses

	March 31, 2025	March 31, 2024
Salaries, wages and benefits (Note 22)	₱21,770	₱14,552
Outside services	15,900	18,869
Taxes and licenses	7,678	7,044
Selling expense	4,457	5,553
Depreciation (Notes 10 and 11)	3,405	1,562
Rent and landscaping expense	3,388	1,823
Communication, light and water	3,156	1,090
Promotions	2,897	2,050
SSS, Pag-ibig and other contributions (Note 22)	1,322	777
Travel and transportation	1,186	651
Stationery and office supplies	844	1,029
Entertainment, amusement and representation	786	2,260
Maintenance and repairs	763	813
Retirement costs (Notes 22 and 23)	624	783
Fuel, oil and lubricants	408	493
Insurance	330	1,516
Donations and contributions	—	5,100
Others	1,461	720
	₱70,375	₱66,685

22. Personnel Expenses

	March 31, 2025	March 31, 2024
Salaries, wages and benefits (Notes 20 and 21)	₱27,506	₱19,414
SSS, Pag-ibig and other contributions (Notes 20 and 21)	1,564	978
Retirement costs (Notes 20, 21 and 23)	829	902
	₱29,899	₱21,294



23. Retirement Costs

The Group has a funded and noncontributory defined benefit retirement plan, covering substantially all of its regular employees. Total retirement costs charged to operations amounted to ₱0.8 million and ₱0.9 million for the three months ended March 31, 2025 and 2024, respectively (see Notes 20, 21 and 22). The retirement plan meets the minimum retirement benefit specified under Republic Act 7641.

The following tables summarize the components of retirement costs recognized in the interim consolidated statements of comprehensive income and amounts recognized in the interim consolidated statements of financial position for the retirement plan as of March 31, 2025 and December 31, 2024:

March 31, 2025

	Present Value of Defined Benefit Obligation	Fair Value of Plan Assets	Pension Liability
At January 1	₱23,848	₱1,325	₱22,523
Retirement costs in profit or loss:			
Current service cost	528	—	528
Interest cost on defined benefit obligation	301	—	301
At March 31	₱24,677	₱1,325	₱23,352

December 31, 2024

	Present Value of Defined Benefit Obligation	Fair Value of Plan Assets	Pension Liability
At January 1	₱24,060	₱—	₱24,060
Retirement costs in profit or loss:			
Current service cost	3,686	—	3,686
Interest cost on defined benefit obligation	1,455	—	1,455
Re-measurement in other comprehensive income:			
Actuarial gain due to changes in financial assumptions	(3,028)	—	(3,028)
Actuarial loss due to changes in experience adjustments	1,397	—	1,397
Gain on return on plan asset	—	47	(47)
Actual contribution to the fund	—	5,000	(5,000)
Benefits paid	(3,722)	(3,722)	—
At December 31	₱23,848	₱1,325	₱22,523

The cost of defined benefit pension plan and the present value of the defined benefit obligation are determined using actuarial valuations. The actuarial valuation involves making various assumptions.



The principal assumptions used in determining pension obligation for the defined benefit plan are shown below:

	2024
Discount rates	6.11%
Future salary increases	4.00%
Turnover rate	A scale ranging from 12% at age 18 decreasing to 1.7% at age 59
Mortality rate	2017 PICM
Disability rate	1952 Disability Study, Period 2, Benefit 5

The fair value of plan assets by each class as of March 31, 2025 and December 31, 2024 are as follows:

Fixed income	₱926
Equity Instruments	37
Money markets	362
	<u>₱1,325</u>

The Group expects to contribute to the defined benefit pension plan up to the extent of normal cost in 2025.

The sensitivity analysis below as of December 31, 2024, has been determined based on reasonably possible changes of each assumption on the defined benefit obligation as of December 31, 2024 assuming all other assumptions were held constant:

	Increase (Decrease) in Present Value of Defined Benefit Obligation	2024
Discount rates	+1.00% -1.00%	(₱2,444) 2,864
Future salary increases	+1.00% -1.00%	3,010 (2,605)

The average duration of the defined benefit obligation as of December 31, 2024 is 15.03 years.

Shown below is the maturity analysis of the undiscounted benefit payments as of December 31, 2024:

	Normal Retirement	Other than Normal Retirement	Total
Less than 1 year	₱250	₱377	₱627
One to less than 5 years	5,261	1,124	6,385
Five to less than 10 years	868	4,675	5,543
Ten to less than 15 years	29,064	9,006	38,070
Fifteen to less than 20 years	33,098	7,168	40,266
Twenty years and above	38,566	10,697	49,263
	<u>₱107,107</u>	<u>₱33,047</u>	<u>₱140,154</u>



24. Income Tax

The provision for current income tax represents the minimum corporate income tax (MCIT) and regular corporate income tax (RCIT) for the three months ended March 31, 2025 and 2024, respectively.

The provision for current income tax also includes 5% tax on the PEZA registered activities.

The components of the Group's net deferred tax liabilities are as follows:

	March 31, 2025	December 31, 2024
Net deferred tax liabilities:		
Difference in accounting and tax bases for real estate sales and rental revenue	₱143,251	₱145,210
NOLCO	(32,551)	(18,261)
MCIT	(12,295)	(10,300)
Pension cost recognized in statements of income	(6,574)	(6,367)
Pension costs recognized in other comprehensive income	882	882
Others	(426)	(756)
	₱92,287	₱110,408
Net deferred tax assets:		
Lease liabilities	₱17,279	₱15,840
Right-of-use assets	(15,794)	(14,499)
Difference in accounting and tax base of property and equipment	1,641	1,770
Unamortized discount on notes payable	(620)	(714)
MCIT	94	42
Pension costs recognized in statements of income	13	12
NOLCO	—	1,926
	₱2,613	₱4,377

The details for the Group's NOLCO and excess MCIT over RCIT are as follows:

NOLCO

Year Incurred	Year of Expiry	At January 1, 2024	Addition	At December 31, 2024	Addition	Application	As of March 31, 2025
2024	2027	₱—	₱80,746	₱80,746	₱57,161	(₱7,702)	₱130,205

Excess of MCIT over RCIT

Year Incurred	Year of Expiry	At January 1, 2024	Addition	At December 31, 2024	Addition	Application	As of March 31, 2025
2024	2027	₱—	₱10,342	₱10,342	₱2,046	₱—	₱12,388



The reconciliation between the provision for income tax computed at the statutory income tax rate to actual provision for income tax follows:

	March 31, 2025	March 31, 2024
Income (loss) before income tax	(P14,593)	P19,482
At statutory income tax rate	(P3,648)	P4,871
Additions to (reductions in) income taxes resulting from:		
Equity in net earnings of associate	(7,180)	(2,373)
Effect of difference in rate of RCIT and Gross Income Tax (GIT) on PEZA-registered activity	(3,817)	(1,069)
Net accounting loss under Income Tax Holiday (ITH)	1,495	3,517
Change in value of deferred tax assets	—	(24,037)
Others	(38)	(381)
	(P13,188)	(P19,472)

Current income tax expense for PEZA registered activity amounted to P0.9 million and P0.3 million for the three months ended March 31, 2025 and 2024, respectively.

25. Operating Segment

Business Segment Information

For management purposes, the Group is organized into three (3) major business units that are largely organized and managed separately. Reporting operating segments are as follows:

- Sale of real estate – primarily engaged in the sale of condominium units, residential houses, residential lots, and industrial lots.
- Leasing operations – primarily engaged in leasing and renting out buildings, industrial lots, warehouses, condominium units, office spaces, commercial spaces and IT Park.
- Hotel operations – engaged in hotel management which includes restaurant and other related services through a Unit License Agreement with Phinma Microtel Hotels, Inc. (formerly Microtel Inns and Suites (Pilipinas), Inc.) (see Note 29)

No operating segments have been aggregated to form the above reportable operating segments.

The President monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on revenue, earnings before interest, income taxes and depreciation and amortization (EBITDA) and operating profit or loss, and is measured consistently in the interim consolidated financial statements. The Group's management reporting and controlling systems use accounting policies that are the same as those described in Note 2 in the material accounting policy information under PFRS Accounting Standards.

EBITDA is the measure of segment profit (loss) used in segment reporting and comprises of revenues, cost of sales and services and selling and general administrative expenses before interest, taxes and depreciation and amortization.

Group financing and income taxes are also managed per operating segments. Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.



Business Segments

The following tables present revenue, net income and depreciation and amortization information regarding business segments for the years ended March 31, 2025 and 2024, December 31, 2024 and 2023 and property, plant and equipment additions, total assets and total liabilities for the business segments as of March 31, 2025, December 31, 2024 and 2023.

March 31, 2025

	Sale of Real Estate	Leasing Operations	Hotel Operations	Total
Revenue	₱143,484	₱116,964	₱21,523	₱281,971
Equity in net earnings of associate	28,718	—	—	28,718
Other income	1,904	3,267	69	5,240
	174,106	120,231	21,592	315,929
Cost of sales and services (before depreciation and amortization)	106,704	40,227	14,499	161,430
Operating expenses (before depreciation and amortization)	55,987	8,960	2,023	66,970
	162,691	49,187	16,522	228,400
EBITDA	11,415	71,044	5,070	87,529
Other expenses				
Depreciation and amortization	423	35,961	3,243	39,627
Interest and other financing charges	44,827	17,455	213	62,495
Pretax income	(35,835)	17,628	1,614	(14,593)
Provision for (benefit from) income tax	(15,182)	1,994	—	(13,188)
Net income (loss)	(₱18,653)	₱15,634	₱1,614	(₱1,405)
Segment Assets				
Cash	₱219,505	₱21,371	₱17,502	₱258,378
Receivables and contract assets	1,300,408	79,804	8,567	1,388,779
Inventories	1,041,597	—	—	1,041,597
Investment in associate	740,969	—	—	740,969
Fixed assets*	1,181,933	2,245,623	159,524	3,587,080
Others	531,064	66,096	71,561	668,721
	₱5,015,476	₱2,412,894	₱257,154	₱7,685,524
Segment Liabilities				
Payables and contract liabilities	₱575,771	₱165,315	₱34,914	₱776,000
Short-term and long-term debt	2,227,791	555,000	—	2,782,791
Others	118,611	134,465	—	253,076
	₱2,922,173	₱854,780	₱34,914	₱3,811,867

March 31, 2024

	Sale of Real Estate	Leasing Operations	Hotel Operations	Total
Revenue	₱200,166	₱106,696	₱18,592	₱325,454
Equity in net earnings of associate	9,492	—	—	9,492
Other income	2,217	830	57	3,104
	211,875	107,526	18,649	338,050

(Forward)



	Sale of Real Estate	Leasing Operations	Hotel Operations	Total
Cost of sales and services (before depreciation and amortization)	₱107,962	₱37,747	₱12,099	₱157,808
Operating expenses (before depreciation and amortization)	51,528	10,187	3,408	65,123
	159,490	47,934	15,507	222,931
EBITDA	52,385	59,592	3,142	115,119
Other expenses				
Depreciation and Amortization	366	33,006	2,832	₱36,204
Interest and other financing charges	36,624	22,634	175	59,433
Pretax income	15,395	3,952	135	19,482
Provision for income tax	(19,673)	201	—	(19,472)
Net income	₱35,068	₱3,751	₱135	₱38,954

December 31, 2024

	Sale of Real Estate	Leasing Operations	Hotel Operations	Total
Segment Assets				
Cash	₱199,495	₱89,603	₱32,889	₱321,987
Receivables and contract assets	1,392,154	59,971	8,866	1,460,991
Inventories	1,011,943	—	—	1,011,943
Investment in associate	712,251	—	—	712,251
Fixed assets*	1,176,279	2,246,498	148,773	3,571,550
Others	504,726	70,891	66,430	642,047
	₱4,996,848	₱2,463,798	₱256,958	₱7,720,769
Segment Liabilities				
Payables and contract liabilities	₱573,171	₱162,601	₱37,510	₱773,282
Short-term and long-term debt	2,214,291	595,563	—	2,809,854
Others	135,908	126,663	—	262,571
	₱2,923,370	₱884,827	₱37,510	₱3,845,707

*Includes property and equipment, and investment properties

26. Earnings Per Share

The following table presents information necessary to calculate basic earnings per share on consolidated net income (amounts in thousands, except basic earnings per share and number of shares):

	March 31, 2025	March 31, 2024
Net income (loss)	(₱1,405)	₱38,954
Divided by weighted average number of common shares	7,500,000	7,500,000
Basic/diluted earnings (loss) per share	(₱0.19)	₱5.19

There were no potentially dilutive ordinary shares as at March 31, 2025 and 2024.



27. Financial Instruments

The following methods and assumptions are used to estimate the fair value of each class of financial instruments for which it is practicable to estimate such value:

- *Cash and cash equivalents, trade and other receivables, trade and other payables (excluding deferred credits, unearned rent revenue, statutory payable, and income tax payable) and bank loans.* The carrying amounts of these financial instruments approximate their fair values due to relatively short-term maturity of these financial instruments.
- *Noncurrent trade receivables.* The carrying amounts in the financial statements also reflect the face value of the receivables. The amount of unrecognized discount to carry them at present value is not material to affect the fair presentation of the financial statements.
- *Long-term debt.* The fair value of long-term debt is based on the present value of future cash flows discounted using current rates available for debt with the same profile as of reporting date (Level 3). Discount rates used as of March 31, 2025 and December 31, 2024 range from 6.62% to 6.97% and 6.71% to 7.12%, respectively. The carrying value of long-term debt amounted to ₱2.3 billion and ₱2.4 billion as of March 31, 2025 and December 31, 2024, respectively. The fair values amounted to ₱1.9 billion and ₱2.1 billion as of March 31, 2025 and December 31, 2024, respectively.
- *Refundable deposits.* The fair value of refundable deposits approximates the carrying values as the timing and related amounts of future cash flows cannot be reasonably and reliably estimated for purposes of establishing their fair values using an alternative valuation technique.

As of March 31, 2025 and December 31, 2024, the Group has no financial instruments measured at fair value.

28. Financial Risk Management Objectives and Policies

The Group's principal financial instrument pertains to its long-term debt and bank loans. The main purpose of these financial instruments is to finance for the Group's operations. The Group also has various financial instruments such as cash and cash equivalents, trade receivables, and trade and other payables (excluding deferred credits, unearned rent revenue, statutory payables and income tax payable), which arise directly from its operations. The main risks arising from the Group's financial instruments are credit risk and liquidity risk.

The BOD reviews and approves the Group's risk management objectives and policies as summarized below.

a. Credit Risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions. In general, the Group trades with its related companies and recognized, credit-worthy third parties. The maximum exposure to credit risk for the Group's financial assets and contract assets at the reporting date is the carrying amounts as disclosed in Notes 4, 5 and 6.



The Group applies the PFRS 9 simplified approach to measuring ECL which uses a lifetime expected loss allowance for trade receivables and contract assets and the general approach is applied for all other financial assets.

- For cash in banks and cash equivalents, the Group applies the low credit risk simplification. The probability of default and loss given defaults are publicly available and are considered to be low credit risk investments. It is the Group's policy to measure ECLs on such instruments on a 12-month basis. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL. The Group uses the ratings from the external credit rating agencies to determine whether the debt instrument has significantly increased in credit risk and to estimate ECLs. While cash is also subject to the impairment requirements of PFRS 9, the identified impairment loss was immaterial.
- For trade receivables and contract assets from real estate sales, customer credit risk is managed primarily through credit review procedures for certain installment payment structures. Exposure to bad debts is not significant as title to real estate properties are not transferred to the buyers until full payment has been made and the requirement for remedial procedures is minimal given the profile of buyers.
- For trade receivables from leasing operations, the Group's exposure to credit risk is influenced mainly by the assessment made according to the Group's criteria prior to entering into lease agreements with prospective tenants. In accordance with the provisions of the contracts, tenants are required to pay advance rentals and refundable deposits, which helps reduce the Group's credit exposure in case of defaults. An impairment analysis is performed at each reporting date on an individual basis for major tenants. The credit quality is further classified and assessed by reference to historical information about each of the counterparty's historical default rates. Based on assessment of qualitative and quantitative factors that are indicative of the risk of default, the Group has assessed that the outstanding balances are exposed to low credit risk. ECL on these balances have therefore been assessed to be amounting to ₱0.6 million as of March 31, 2025 and December 31, 2024.
- For all other receivables, the Group's exposure to credit risk is influenced mainly by the individual characteristics of each counterparty. To measure the expected credit losses, these trade receivables have been grouped based on shared credit risk characteristics and the days past due. The expected loss rates are based on the payment profiles of revenues/sales and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers or counterparties to settle the receivables. Based on assessment of qualitative and quantitative factors that are indicative of the risk of default, the Group has assessed that the outstanding balances are exposed to low credit risk. ECL on these balances have therefore been assessed as insignificant.

The Group considers a financial asset in default when contractual payments are past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual cash flows in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.



Concentration Risk

There are no significant concentrations of credit risk, whether through exposure to individual customers, specific industry sectors and/or regions.

b. Liquidity Risk

Liquidity risk is the risk that the Group will be unable to meet its payment obligations when they fall due under normal and stress circumstances. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank loans. The Group monitors its risk of a shortage of funds by considering the maturity of both its financial instruments and financial assets and projected cash flows from operations.

The tables below summarize the maturity profile of the Group's financial liabilities based on contractual undiscounted payments as of March 31, 2025 and December 31, 2024:

March 31, 2025

	Total	On Demand	Less Than One Year	More Than One Year
Financial Liabilities:				
Trade and other payables*	₱462,375	₱462,375	₱ –	₱ –
Nontrade payable	35,575	–	16,120	19,455
Bank loans	499,815	–	499,815	–
Long-term debt	2,282,976	–	707,776	1,575,200
Future interest on bank loans and long-term debt	382,851	–	225,786	157,065
Refundable deposits	68,322	–	–	68,322
Lease liabilities	68,610	–	21,403	42,207
Total undiscounted financial liabilities	₱3,800,524	₱462,375	₱1,470,900	₱1,867,249

**Excluding deferred credits, unearned rent revenue, statutory payables, and income tax payable*

December 31, 2024

	Total	On Demand	Less Than One Year	More Than One Year
Financial Liabilities:				
Trade and other payables*	₱521,748	₱521,748	₱ –	₱ –
Nontrade payable	37,242	–	15,564	21,678
Bank loans	399,538	–	399,538	–
Long-term debt	2,410,316	–	657,542	1,752,774
Future interest on bank loans and long-term debt	382,851	–	225,786	157,065
Refundable deposits	66,279	–	–	66,279
Lease liabilities	68,610	–	21,403	47,207
Total undiscounted financial liabilities	₱3,886,584	₱521,748	₱1,319,833	₱2,045,003

**Excluding deferred credits, unearned rent revenue, statutory payables, and income tax payable*

The financial liabilities in the above table are gross undiscounted cash flows. However, these amounts may be settled using liquid assets such as cash and cash equivalents and trade receivables. Furthermore, available credit lines may also be used to manage liquidity.



29. Franchise Agreements

Set out below is the carrying amount of the Group's "Franchise" presented under "Other noncurrent assets":

	March 31, 2025	December 31, 2024
DAMOSA	₱840	₱881
DWSI	808	842
	₱1,648	₱1,723

DAMOSA

On May 4, 2006, DAMOSA entered into a Unit License Agreement with Phinma Microtel Hotels, Inc. (formerly Microtel Inns and Suites (Pilipinas), Inc.), a Company granted by Microtel International, Inc. to sublicense its hotel system within the Philippines.

The hotel system includes, without limitation, the trade names, trademarks and service marks; prototypical architectural plans, designs, and layouts; the Microtel directory; management and personnel trainings; management and operational procedures and techniques; standards and specifications for construction, equipment and furnishings; advertising, marketing and promotional programs; and such other improvements that the licensee may make from time to time. Under the agreement, DAMOSA will pay a one-time fee of \$700/guest room or equivalent to \$35,000. Furthermore, DAMOSA shall pay a licensee fee of 4% of the gross revenue of the hotel and marketing/reservation contribution of 2% of the gross revenue. The agreement shall expire without notice effective 20 years from the authorized opening date subject to earlier termination as set forth in the agreement. In 2011, DAMOSA paid for additional franchise fee amounting to ₱1.5 million for its Microtel Inns and Suites established in General Santos City. Amortization of additional franchise fee began in February 2013.

Unamortized franchise fee is presented as part of "Other noncurrent assets" account in the interim consolidated statements of financial position. Movement of the unamortized license fee is as follows (see Note 8):

	March 31, 2025	December 31, 2024
Cost		
At January 1	₱3,315	₱3,315
Accumulated Amortization		
At January 1	2,434	2,268
Amortizations	41	166
At March 31/December 31	2,475	2,434
Net Book Value	₱840	₱881

Total license fee amounted to ₱0.4 million and ₱0.3 million for the three months ended March 31, 2025 and 2024, respectively, which is included as part of "Management and license fees" under costs and expenses - hotel operations (see Note 20). Total marketing/reservation fee amounted to ₱0.5 million and ₱0.3 million for the three months ended March 31, 2025 and 2024, respectively, is included in "Advertising and marketing" under costs and expenses - hotel operations (see Note 20).

On July 4, 2007, DAMOSA entered into a management agreement with Phinma Hospitality, Inc. (formerly Microtel Development Corporation) for the latter to operate, direct, manage and



supervise DAMOSA's hotel operations. DAMOSA is to pay management fee amounting to 10% of Microtel's total gross operating profit.

The agreement shall commence for five years from the start of the commercial operations of the Hotel and is renewable for another three years upon mutual agreement of the parties. Total management fee amounting to ₱1.1 million and ₱0.9 million for the three months ended March 31, 2025 and 2024, respectively, is included as part of "Management and license fees" under costs and expenses - hotel operations (see Note 20).

DWSI

In 2021, as a result of acquiring business from DCFI, DWSI and Franchise International GmbH ("IWG") executed a Business Services and Centre Development Agreement ("BSD"). Pursuant to the BSD, DWSI paid ₱1.3 million for IWG to issue a business center operating certificate ("Certificate") to DWSI, which relates to the Business Centre to be operated ("Site"). The Certificate grants DWSI the right within the territory to open and operate the Site subject to certain terms and conditions for a term of 10 years or such longer period as allowed within the agreement. The said payments is recognized as "Franchise" under "Other noncurrent assets" in the interim consolidated statement of financial position. The carrying amount of the franchise amounted to ₱0.8 million as of March 31, 2025 and December 31, 2024.

Movement of the unamortized franchise fee follows:

	March 31, 2025	December 31, 2024
Cost		
At January 1 and December 31	₱1,345	₱1,345
Accumulated Amortization		
At January 1	503	369
Amortizations	34	134
At March 31/December 31	537	503
Net Book Value	₱808	₱842



DAMOSA LAND, INC. AND SUBSIDIARIES
INDEX TO THE SUPPLEMENTARY SCHEDULES

Schedule	Contents
A	Financial Assets
B	Amounts Receivable from Directors, Officers, Employees, Related Parties, and Principal Stockholders (Other than Related Parties)
C	Amounts Receivable from Related Parties which are Eliminated during the Consolidation of Interim Financial Statements
D	Long-term Debt
E	Indebtedness to Related Parties
F	Guarantees of Securities of Other Issuers
G	Capital Stock



SCHEDULE A

DAMOSALAND, INC. AND SUBSIDIARIES

FINANCIAL ASSETS

MARCH 31, 2025

(Amounts in Thousands)

Name of Issuing entity and Association of Each Issue	Number of Shares or Principal Amount of Bonds and Notes	Amount shown in the Interim Consolidated Statement of Financial Position	Value Based on Market Quotation at End of Reporting Period	Income Received and Accrued
Cash and Cash Equivalents				
<i>Cash on hand</i>				
Damosa Land, Inc. and Subsidiaries		₱840	₱840	₱—
<i>Cash in bank</i>				
Security Bank Corporation		127,258	127,258	15
BDO Unibank, Inc.		55,014	55,014	2
Development Bank of the Philippines		26,400	26,400	3
Metropolitan Bank and Trust Company		20,518	20,518	17
Rizal Commercial Banking Corporation		13,372	13,372	1
Bank of the Philippine Islands		12,092	12,092	1
Philippine National Bank		936	936	—
Asia United Bank		548	548	—
China Banking Corporation		160	160	—
Philippine Business Bank		60	60	—
<i>Cash equivalents</i>				
Rizal Commercial Banking Corporation		1,180	1,180	1
		₱258,378	₱258,378	₱43



SCHEDULE B

DAMOSA LAND, INC. AND SUBSIDIARIES
AMOUNTS RECEIVABLE FROM DIRECTORS, OFFICERS,
EMPLOYEES, RELATED PARTIES,
AND PRINCIPAL STOCKHOLDERS (OTHER THAN RELATED PARTIES)
MARCH 31, 2025

Name and Designation of Debtor	December 31, 2024	Additions	Amounts collected	Amounts written off	Current	Noncurrent	March 31, 2025
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– Not applicable –

The Group's receivable from officers and employees pertain to ordinary purchases to usual terms, travel and expense advances and other transactions arising from the Group's ordinary course of business.

This schedule shall be filed with respect to each person among the directors, officers, employees, and principal stockholders (other than related parties) from whom an aggregate indebtedness of more than ₱1,000,000 or one percent (1%) of total assets, whichever is less, is owed.

For the purpose of this schedule, all amounts receivable from such persons for purchases subject to usual terms, for ordinary travel and expense advances and for other such items arising in the ordinary course of business are excluded.



SCHEDULE C

DAMOSALAND, INC. AND SUBSIDIARIES
AMOUNTS RECEIVABLE FROM
RELATED PARTIES WHICH ARE ELIMINATED
DURING THE CONSOLIDATION OF INTERIM FINANCIAL STATEMENTS
MARCH 31, 2025

Related Party	Nature of Affiliation	Nature of transaction	Terms and conditions	2025
Damosa Workspace Solutions, Inc.	Wholly-owned by the Parent Company	Intercompany charges	On demand, non- interest bearing unsecured, no impairment	₱67,311



SCHEDULE D**DAMOSALAND, INC. AND SUBSIDIARIES****LONG-TERM DEBT****MARCH 31, 2025**

(Amounts in Thousands)

Title of Issue and Type of Obligation	Amount Authorized by Indenture	Amount shown under	
		Caption "Current Portion of Long-term Debt" in related Interim Consolidated Statement of Financial Position	Caption "Long-term Debt" in related Interim Consolidated Statement of Financial Position
<i>Bank loan -peso</i>			
Local Bank 1	₱218,696	₱78,696	₱140,000
Local Bank 1	205,029	73,779	131,250
Local Bank 1	123,750	45,000	78,750
Local Bank 2	90,000	30,000	60,000
Local Bank 2	50,000	16,667	33,333
Local Bank 2	100,000	33,333	66,667
Local Bank 2	50,000	16,667	33,333
Local Bank 2	60,000	20,000	40,000
Local Bank 2	250,000	83,333	166,667
Local Bank 2	162,000	43,200	118,800
Local Bank 2	486,000	129,600	356,400
Local Bank 2	37,500	25,000	12,500
Local Bank 2	26,250	17,500	8,750
Local Bank 2	22,500	15,000	7,500
Local Bank 2	26,250	17,500	8,750
Local Bank 3	307,501	51,251	256,250
Local Bank 3	67,500	11,250	56,250
	₱2,282,976	₱707,776	₱1,575,200



SCHEDULE E

DAMOSALAND, INC. AND SUBSIDIARIES
INDEBTEDNESS TO RELATED PARTIES
MARCH 31, 2025

Name of Related Party	Balance at Beginning of Period	Balance at End of Period
– Not Applicable –		
<i>The Group does not have long-term loans from related companies in its interim consolidated statements of financial position.</i>		



SCHEDULE F

DAMOSA LAND, INC. AND SUBSIDIARIES
GUARANTEES OF SECURITIES OF OTHER ISSUERS
MARCH 31, 2025

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
– Not Applicable – <i>The Group does not have any guarantees of securities of other issuing entities by the Company for which the statement is filed.</i>				



SCHEDULE G

DAMOSIA LAND, INC. AND SUBSIDIARIES
CAPITAL STOCK
MARCH 31, 2025

Title of Issue	Number of Shares Authorized	Number of Shares Issued and Outstanding as shown under related Consolidated Statement of Financial Position Caption	Number of Shares Reserved for Options, Warrants Conversion and Other Rights	Number of Shares held by Related Parties	Number of Shares held by Directors, Officers and Employees	Number of Shares held by Others
Common shares	7,500,000	7,500,000	—	6,123,638	889,244	487,118
Preferred shares	1,700,000	1,568,487	—	1,305,377	10,133	252,977



DAMOSA LAND, INC. AND SUBSIDIARIES
SCHEDULE OF FINANCIAL SOUNDNESS INDICATORS
MARCH 31, 2025 AND 2024, AND DECEMBER 31, 2024

	March 31 2025	December 31 2024	March 31 2024
Liquidity and Solvency			
Current ratio	1.45	1.64	
$\frac{\text{Current assets}}{\text{Current liabilities}}$			
Acid-test ratio	0.18	0.28	
$\frac{\text{Cash + Accounts Receivable}}{\text{Current liabilities}}$			
Solvency ratio	0.98	0.99	
$\frac{\text{Total liabilities}}{\text{Total equity}}$			
Debt-to-equity ratio	0.72	0.73	
$\frac{\text{Total debt}}{\text{Total equity}}$			
Asset-to-equity ratio	1.98	1.99	
$\frac{\text{Total assets}}{\text{Total equity}}$			
Interest rate coverage ratio	0.69	1.62	
$\frac{\text{Earnings before interest and taxes}}{\text{Interest expense}}$			
Profitability			
Return on equity	(0.0004)	0.0366	0.0125
$\frac{\text{Net income}}{\text{Ave. total equity}}$			
Return on assets	(0.0002)	0.0175	0.0054
$\frac{\text{Net income}}{\text{Ave. total assets}}$			
Profit margin	(0.005)	0.082	0.120
$\frac{\text{Net income}}{\text{Net revenues}}$			

