

COVER SHEET

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S.E.C. Registration Number

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

(Company's Full Name)

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

Atty. Maria Sofia A. Lopez

Contact Person

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

1	2
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Month

3	1
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Day

Fiscal Year

SEC Form 20-IS (Preliminary Information Statement)

Form Type

Second Wednesday of May

Regular Meeting

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

M	S	R	D
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Dept. Requiring this Doc.

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Amended Articles Number/Section

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Total No. of Stockholders

Total amount of Borrowings	

Domestic

Foreign

To be Accomplished by SEC Personnel concerned

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File Number

LCU

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Document I.D.

Cashier

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Remarks = Pls. use black ink for scanning purposes.



GT CAPITAL
HOLDINGS, INCORPORATED

Notice of Annual Stockholders' Meeting

May 14, 2025 at 2:00 p.m.
Virtual Annual Stockholders' Meeting

To All Stockholders:

Please take notice that the 2025 Annual Stockholders' Meeting of GT Capital Holdings, Inc. ("GT Capital" or the "Corporation") will be conducted virtually on May 14, 2025 at 2:00 p.m. Stockholders of record may attend and participate by following the registration process to be posted in the website of the Corporation, www.gtcapital.com.ph.

A G E N D A

1. Call to order
2. Certification of Notice and Quorum
3. Explanation of Voting Procedures
4. Approval of Minutes of the Annual Stockholders' Meeting held on May 8, 2024
5. Annual Report for the Year 2024
6. General Ratification of the Acts of the Board of Directors, Committees, and Management from the date of the last Annual Stockholders' Meeting up to May 14, 2025
7. Election of Directors for 2025-2026
8. Appointment of External Auditor
9. Other Matters
10. Adjournment

The Board of Directors has fixed the end of trading hours of the Philippine Stock Exchange (PSE) on April 3, 2025 as the record date for the determination of stockholders entitled to notice of and to vote at such Meeting and any adjournment thereof.

Stockholders may attend the Meeting by remote communication, in absentia, or by proxy. The Meeting will be recorded. All votes cast shall be subject to the validation of SGV & Co.

Those who shall participate by remote communication may notify the Corporate Secretary by sending an e-mail to ASM2025@gtcapital.com.ph or go through the registration process to be posted in the Corporation's website, www.gtcapital.com.ph. Those who wish to participate by proxy shall accomplish the attached proxy form and return the same by e-mail to the office of the Corporate Secretary at proxies@gtcapital.com.ph on or before 5:00 p.m. on May 2, 2025.

Makati City, March 25, 2025.

BY THE ORDER OF THE BOARD OF DIRECTORS

ANTONIO V. VIRAY
Corporate Secretary
GT CAPITAL HOLDINGS, INC.

PROXY

The undersigned stockholder of GT Capital Holdings, Inc. (the "Corporation") hereby appoints _____ or in his absence, the Chairman of the meeting, as *attorney and proxy*, with the power of substitution, to present and vote all shares registered in his/her/its name as proxy of the undersigned stockholder, at the Annual Stockholders' Meeting of the Corporation on **May 14, 2025** and at any adjournments thereof for the purpose of acting on the following matters:

1. Approval of Minutes of previous Annual Stockholders' Meeting held on May 8, 2024

_____ Yes _____ No _____ Abstain

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

_____ Yes _____ No _____ Abstain

3. Appointment of external auditor

_____ Yes _____ No _____ Abstain

4. Election of Directors

_____ Vote for all nominees listed below

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

_____ Withhold authority for all nominees listed above

_____ Withhold authority to vote for the nominees listed below:

_____ PRINTED NAME OF STOCKHOLDER	_____ SIGNATURE OF STOCKHOLDER/ AUTHORIZED SIGNATORY	_____ DATE
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THIS PROXY SHOULD BE SENT TO AND RECEIVED BY THE CORPORATE SECRETARY ON OR BEFORE 5:00 PM of **MAY 2, 2025** , THE DEADLINE FOR SUBMISSION OF PROXIES.

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

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

EXPLANATION / RATIONALE OF AGENDA ITEMS

1. Call to order

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

2. Certification of notice and quorum

The Corporate Secretary will certify that copies of the notice of the meeting were provided to holders of the Corporation's shares of stock as of April 3, 2025 Record Date and that a quorum exists for the valid transaction of the business in the agenda.

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

3. Explanation of Voting Procedures

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

4. Approval of minutes of the May 8, 2024 Annual Stockholders' Meeting

The draft minutes of the May 8, 2024 Annual Stockholders' Meeting has been posted on the GT Capital website since May 9, 2024 and may be accessed using the following link:

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

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

5. Annual Report for the Year 2024

The Chairman of the Board will call on the President, Mr. Carmelo Maria Luza Bautista, to render his report for the year 2024. GT Capital's Annual Report will be posted on the Corporation's website: www.gtcapital.com.ph.

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

6. General Ratification of the Acts of the Board of Directors, Committees, and Management from the date of the last Annual Stockholders' Meeting up to May 14, 2025

This matter includes all acts, transactions, and resolutions of the Board of Directors, the Committees, and Management from the date of the 2024 Annual Stockholders' Meeting up to May 14, 2025.

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

7. Election of Directors for 2025-2026

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

Preliminary votes cast will be presented during the meeting.

8. Appointment of External Auditor

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

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

9. Other Matters

The stockholders of the Corporation may raise other matters or questions which may be taken up during the meeting. Questions may be sent to the Corporate Secretary at ASM2025@gtcapital.com.ph on or before 5:00 PM of May 9, 2025. Questions that cannot be taken up during the meeting will be responded to via e-mail.

10. Adjournment

End of meeting.

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 20-IS

INFORMATION STATEMENT PURSUANT TO SECTION 20
OF THE SECURITIES REGULATION CODE

1. Check the appropriate box:
[X] Preliminary Information Statement [] Definitive Information Statement
2. Name of Registrant as specified in its charter: **GT CAPITAL HOLDINGS, INC.**
3. Province, country or other jurisdiction of incorporation or organization: **Philippines**
4. SEC Identification Number: **CS200711792**
5. BIR Tax Identification Code: **006-806-867**
6. Address of principal office: **43/F, GT Tower International, 6813 Ayala Avenue corner H. V. de la Costa Street, Makati City, Metro Manila, Philippines** Postal Code: **1227**
7. Registrant's telephone number, including area code: **(632) 8836-4500**
8. Date, time and place of the meeting of security holders: To be conducted virtually via Zoom on **May 14, 2025 at 2:00 p.m.**, with links to be designated and provided to GT Capital's shareholders entitled to vote upon registration.
9. Approximate date on which the Information Statement is first to be sent or given to security holders: **April 16, 2025**
10. Securities registered pursuant to Sections 8 and 12 of the Code or Sections 4 and 8 of the SRC (information on number of shares and amount of debt is applicable only to corporate registrants):

a) Shares of Stock

Title of Each Class	Number of Shares
Common Shares	215,284,587
Series B Perpetual Preferred Shares (GTPPB)	7,160,760
Amount of Debt Outstanding	None

b) Debt securities: None

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

Yes No

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

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

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

PART I.

INFORMATION REQUIRED IN INFORMATION STATEMENT

A. GENERAL INFORMATION

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

- (a) The Annual Stockholders' Meeting ("ASM") of GT Capital Holdings, Inc. ("GT Capital" or the "Corporation") is scheduled to be held on May 14, 2025 at 2:00 p.m. to be conducted virtually via Zoom, with links to be provided to GT Capital's shareholders entitled to vote upon registration, subject to the registration procedure posted on the GT Capital website. The complete mailing address of the principal office of the registrant is 43/F, GT Tower International, 6813 Ayala Avenue corner H. V. de la Costa Street, Makati City, Metro Manila, Philippines 1227.
- (b) The approximate date on which the Information Statement will be sent or given to the stockholders is on April 16, 2025.

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

Voting Securities

The record date for purposes of determining the stockholders entitled to vote is April 3, 2025. The total number of shares outstanding and entitled to vote in the stockholders' meeting is 389,584,587 shares composed of 215,284,587 Common Shares and 174,300,000 Voting Preferred Shares. Stockholders are entitled to cumulative voting in the election of the Board of Directors, as provided in the Revised Corporation Code of the Philippines (the "Revised Corporation Code").

Item 2. Dissenters' Right of Appraisal

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

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

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

- (a) The dissenting stockholder shall make a written demand on the corporation within 30 days after the date on which the vote was taken for payment of the fair value of his shares. The failure of the stockholder to make the demand within the 30-day period shall be deemed a waiver on his appraisal

right;

- (b) If the proposed corporate action is implemented or effected, the corporation shall pay to such stockholder, upon surrender of corresponding certificate(s) of stock within 10 days after demanding payment for his shares (Section 85), the fair value thereof; and
- (c) Upon payment of the agreed or awarded price, the stockholder shall transfer his share to the Corporation.

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

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

B. CONTROL AND COMPENSATION INFORMATION

Item 4. Voting Securities and Principal Holders Thereof

- (a) As of February 28, 2025, the total number of shares outstanding and entitled to vote in the stockholders' meeting and the percentage holdings are as follows:

	Total Outstanding Shares	Shares Allowed to Foreigners	Foreign Shares	Local Shares
Common (Listed)	215,284,587	86,113,834.80	44,376,880	170,907,707
Preferred (Unlisted)	174,300,000	69,720,000	1,325,936	172,974,064
Total	389,584,587	155,833,834.80	45,702,816	343,881,771
Percentage	100%	40%	11.73%	88.27%

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

- (b) The record date for determining the stockholders entitled to notice and to vote is April 3, 2025.
- (c) Stockholders may, subject to validation, attend, participate and vote at the Annual Stockholders' Meeting by remote communication, in absentia, or by proxy. A stockholder who attends *in absentia* as well as a stockholder participating by remote communication shall be deemed present for purposes of quorum. Unless otherwise provided by law, each stockholder shall have one (1) vote for each share of stock entitled to vote, whether Common or Voting Preferred, and recorded in his name in the books of the Corporation. Stockholders are entitled to cumulative voting in the election of the board of directors, as provided in the Revised Corporation Code. At all meetings of the stockholders, all elections and all questions shall be decided by the plurality of vote of stockholders present in person or by proxy and entitled to vote thereat, a quorum being present, except in cases where other provision is made under a statute. Voting shall be done by ballots or by proxy. All votes received shall be tabulated by the office of the Corporate Secretary and the stock transfer agent, and shall be validated by an external independent party. The Corporate Secretary shall report the results on the voting of each matter during the meeting.

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

- (d) Security Ownership of Certain Record and Beneficial Owners as of February 28, 2025:

As of February 28, 2025, the following are the owners of more than 5% of the Company's voting stocks::

Title of Class	Name and Address of Record Owner and Relationship with Issuer	Name of Beneficial Owner and Relationship with Record Owner	Citizenship	No. of Shares Held	Percent (%)	Percent as to the Total Voting Shares
Common	Grand Titan Capital Holdings, Inc. 43rd Floor GT Tower International 6813 Ayala Avenue cor. H.V. de la Costa St., Makati City	Same as the Record Owner Arthur Vy Ty is authorized to vote the shares held by Grand Titan Capital Holdings, Inc.	Filipino	120,413,658	55.93%	30.91%

Common	PCD Nominee Corp. (Filipino)	Various Clients ¹	Filipino	49,566,954	23.02%	12.72%
Common	PCD Nominee Corp. (Non-Filipino)	Various Clients ¹	Foreign	44,368,332	20.61%	11.39%
Voting Preferred	Grand Titan Capital Holdings, Inc. 43rd Floor GT Tower International 6813 Ayala Avenue cor. H.V. de la Costa St., Makati City	Same as the Record Owner Arthur Vy Ty is authorized to vote the shares held by Grand Titan Capital Holdings, Inc.	Filipino	54,899,406	31.50%	14.09%
Voting Preferred	Nove Ferum Holdings, Inc. 43rd Floor GT Tower International 6813 Ayala Avenue cor. H.V. de la Costa St., Makati City	Same as the Record Owner Arthur Vy Ty is authorized to vote the shares held by Nove Ferum Holdings, Inc.	Filipino	47,261,757	27.12%	12.13%
Voting Preferred	82 Alpha Holdings Corporation 43rd Floor GT Tower International 6813 Ayala Avenue cor. H.V. de la Costa St., Makati City	Same as the Record Owner Alfred Vy Ty is authorized to vote the shares held by 82 Alpha Holdings Corporation.	Filipino	39,594,789	22.72%	10.16%
Voting Preferred	Neiman Rhodes Holdings, Inc. 43rd Floor GT Tower International 6813 Ayala Avenue cor. H.V. de la Costa St., Makati City	Same as the Record Owner Anjanette Ty Dy Buncio is authorized to vote the shares held by Neiman Rhodes Holdings, Inc.	Filipino	13,299,452	7.63%	3.41%
Voting Preferred	Philippine Geiko Holdings, Inc. 43rd Floor GT Tower International 6813 Ayala Avenue cor. H.V. de la Costa St., Makati City	Same as the Record Owner Alesandra T. Ty is authorized to vote the shares held by Philippine Geiko Holdings, Inc.	Filipino	13,299,452	7.63%	3.41%

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

Security Ownership of Management as of February 28, 2025

Title of Securities	Name of Beneficial Owner of Common Stock	Amount and Nature of Beneficial Ownership (D) direct/ (I) indirect	Citizenship	Percent of Class
Common	Francisco C. Sebastian	112 (D) 173,802 (I)	Filipino	0.0001% 0.0807%
Common	Alfred Vy Ty	111,780 (D) 25,299 (I)	Filipino	0.0519% 0.0117%
Common	Arthur Vy Ty	111,780 (D) 13,149 (I)	Filipino	0.0519% 0.0061%
Common	Carmelo Maria Luza Bautista	1,118 (D) 26,103 (I)	Filipino	0.0005% 0.0121%
Common	Renato C. Valencia	218 (D)	Filipino	0.0001%
Common	Rene J. Buenaventura	112 (D)	Filipino	0.0001%
Common	Consuelo D. Garcia	1,000 (I)	Filipino	0.0005%
Common	Gil B. Genio	9,810 (I)	Filipino	0.0045%
Common	Carlos G. Dominguez III	100 (I)	Filipino	0.0000%
Common	David T. Go	112 (D)	Filipino	0.0001%
Common	Regis V. Puno	112 (D) 2,000 (I)	Filipino	0.0001% 0.0010%
Common	Anjanette T. Dy Buncio	176,856 (I)	Filipino	0.0821%
Common	Alesandra T. Ty	13,407 (I) 8,387 (D)	Filipino	0.0062% 0.0039%
Perpetual Preferred Shares (GTPPB)		1,100 (I)		0.0154%
Common	Antonio V. Viray	0	Filipino	0.0000%
Common	Jocelyn Y. Kho	14,080 (I)	Filipino	0.0065%
Common	Maria Sofia A. Lopez	0	Filipino	0.0000%
Common	Vicente Jose S. Socco	0	Filipino	0.0000%
Common	George S. Uy-Tioco, Jr.	370	Filipino	0.0002%

Common	Jose B. Crisol, Jr.	0	Filipino	0.0000%
Perpetual Preferred Shares (GTPPB)		50 (I)		0.0007%
Common	Reyna Rose P. Manon-Og	1,224 (I)	Filipino	0.0006%
Common	Stephen John S. Comia	1,140 (I)	Filipino	0.0005%
Common	Joyce B. De Leon	1,700	Filipino	0.0008%
Common	Susan E. Cornelio	0	Filipino	0.0000%
Common	Renee Lynn Miciano-Atienza	50 (I)	Filipino	0.0000%
Perpetual Preferred Shares (GTPPB)		50 (I)		0.0007%
Common	Don David C. Asuncion	0	Filipino	0.0000%
Common	Cheryll B. Sereno	0	Filipino	0.0000%
Common	Mar Loreto A. Apuhin	0	Filipino	0.0000%
Common	Farrah Lyra Q. De Ala	959 (I)	Filipino	0.0004%
Common	Rachel Anne R. De Leon	47 (I)	Filipino	0.0000%
Common	Bruce Ricardo O. Lopez	333 (I)	Filipino	0.0002%
Total Common		233,731 (D) 461,439 (I)		0.3230%
GTPPB		<u>1,200 (I)</u>		0.0168%
		<u>696,370 (Total)</u>		

There are no persons holding more than 5% of a class under a voting trust or any similar agreements as of February 28, 2025.

(e) Change in Control

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

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

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

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

(i) Board of Directors

<u>Office</u>	<u>Name</u>	<u>Age</u>	<u>Citizenship</u>
Chairman	Francisco C. Sebastian	71	Filipino
Vice Chairman	Alfred Vy Ty	57	Filipino
Director	Arthur Vy Ty	58	Filipino
Director/President	Carmelo Maria Luza Bautista	67	Filipino
Lead Independent Director	Renato C. Valencia	83	Filipino
Independent Director	Rene J. Buenaventura	70	Filipino
Independent Director	Consuelo D. Garcia	70	Filipino
Independent Director	Gil B. Genio	65	Filipino
Independent Director	Carlos G. Dominguez III	79	Filipino
Director	David T. Go	71	Filipino
Director	Regis V. Puno	66	Filipino

Board Advisers

Adviser	Mary Vy Ty	84	Filipino
Adviser	Guillermo Co Choa	65	Filipino
Adviser	Jaime Miguel G. Belmonte	61	Filipino
Adviser	Pascual M. Garcia III	71	Filipino

Period of Directorship

<u>Name</u>	<u>Date First Elected</u>	<u>No. of Years Served (as of end of term 2024)</u>
Francisco C. Sebastian	May 12, 2014	11
Alfred Vy Ty	February 14, 2012	13
Arthur Vy Ty	June 3, 2011	14
Carmelo Maria Luza Bautista	August 5, 2011	14
Renato C. Valencia	May 10, 2017*	9
Rene J. Buenaventura	May 9, 2018	7
Consuelo D. Garcia	May 17, 2021	4
Gil B. Genio	May 11, 2022	3
David T. Go	May 12, 2014	11
Regis V. Puno	May 9, 2018	7
Carlos G. Dominguez III	August 11, 2023	2

**Prior to May 10, 2017, Mr. Valencia was first elected as an independent director of the Company on February 14, 2012 and served as Independent Director until May 14, 2013.*

Board Committees:

The members of the Executive Committee are:

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

The members of the Audit Committee are:

Gil B. Genio	- Chairman
Renato C. Valencia	- Member
Rene J. Buenaventura	- Member
Regis V. Puno	- Member

The members of the Risk and Sustainability Oversight Committee are:

Rene J. Buenaventura	- Chairman
Renato C. Valencia	- Member
Gil B. Genio	- Member
David T. Go	- Member
Consuelo D. Garcia	- Member

The members of the Compensation Committee are:

Renato C. Valencia	- Chairman
Alfred Vy Ty	- Member
Rene J. Buenaventura	- Member

The members of the Nominations Committee are:

Renato C. Valencia	- Chairman
Gil B. Genio	- Member
Rene J. Buenaventura	- Member
Carmelo Maria Luza Bautista	- Adviser

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

Renato C. Valencia	- Chairman
Gil B. Genio	- Member
Rene J. Buenaventura	- Member
Anjanette Ty Dy Buncio	- Adviser

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

Francisco C. Sebastian, 71 years old, Filipino, was re-elected as Chairman of GT Capital Holdings, Inc. in May 2022. Prior to assuming this post, he was co-Vice Chairman of GT Capital since May 2016. He was appointed in 1997 as president of the investment banking arm of the Metrobank Group, First Metro Investment Corporation, a position that he held for 13 years, and as chairman for another 12 years. He continues to serve as First Metro's senior adviser today. Mr. Sebastian concurrently serves as Vice Chairman of Metrobank since 2006. He is also a director of Metro Pacific Investments Corporation (MPIC), and Federal Land, Inc. Mr. Sebastian started his financial career when he was seconded by Ayala Investment and Development Corporation to Hong Kong in 1977 in Ayala International Finance Limited and subsequently Filinvest Finance (HK) Ltd. until 1984. He then started his own corporate and financial advisory firm, Integrated Financial Services Ltd. (HK), which he owned and managed until his return to the Philippines to join the Metrobank Group in 1997. He earned his Bachelor of Arts in Economics (Honors) from the Ateneo de Manila University and graduated Magna Cum Laude in 1975.

Alfred V. Ty, 57 years old, Filipino, has been Vice Chairman of GT Capital since February 14, 2012 and has served as a Director of the Corporation since 2007. He is also a Director of Metropolitan Bank & Trust Company (Metrobank), Chairman of Toyota Motor Philippines Corporation (TMP), and Chairman of Federal Land, Inc. He graduated from the University of Southern California in 1989 with a degree in Business Administration. Some of his other current roles and positions include: Vice Chairman of Metro Pacific Investments Corporation, Member of the Board of Trustees and Vice Chairman, Metrobank Foundation, Inc.; Chairman, Toyota Motor Philippines Foundation (TMPF); and Member of the Board of Trustees and President, GT Foundation, Inc. (GTFI).

Arthur V. Ty, 58 years old, Filipino, is a Director of GT Capital Holdings, Inc. Prior to this, he served as the Chairman of GT Capital from 2012 until 2014 and again from 2016 until 2022. He was also the Corporation's Vice Chairman since its inception in 2007 before assuming the Chairmanship in 2012. He was the President of

Metropolitan Bank & Trust Company (Metrobank), a listed company, from 2006 to 2012 and was appointed as its Chairman in April 2012, a position he still holds to date. He also serves as the Chairman of Metropolitan Bank (China) Ltd., Inc., GT Foundation, Inc., and Metrobank Foundation, Inc.; Vice Chairman and Director of Philippine Savings Bank (PSBank), a listed company. He earned his Bachelor of Science degree in Economics from the University of California, Los Angeles and obtained his Master in Business Administration degree from Columbia University, New York in 1991.

Carmelo Maria Luza Bautista, Carmelo Maria Luza Bautista, 67 years old, Filipino, assumed the role of President and Director of GT Capital in 2011. Prior to his election, Mr. Bautista joined First Metro Investment Corporation (FMIC) in April of 2008 as Executive Director and was appointed as Chairman of the Risk Management Committee. He later assumed the position of Head of FMIC's Investment Banking Group in 2009. Mr. Bautista has been in the Banking and Financial Services sector for 45 years. Some highlights of his scope of responsibilities over this period include: Program Director at Citibank Asia Pacific Banking Institute; Vice President and Head of the Local Corporate and Public Sector Groups at Citibank-Manila; Vice President-Real Estate Finance Group, Citibank N.A.-Singapore Branch; Vice President-Structured Finance at Citibank N.A.-Singapore Regional Office; Country Manager of ABN AMRO Bank-Philippines; and President and CEO of Philippine Bank of Communications (PBCOM). Mr. Bautista has a Master's degree in Business Management from the Asian Institute of Management, where he graduated in the Dean's Citation List. He also has a Bachelor's degree, Major in Economics, from the Ateneo de Manila University. Mr. Bautista currently serves as Chairman of Toyota Financial Services Philippines Corporation (TFSPH), as well as Director of Federal Land, Inc., Toyota Motor Philippines Corporation (TMP), AXA Philippines, GT Capital Auto and Mobility Holdings, Inc. (GTCAM), GT Mobility Ventures, Inc., Toyota Manila Bay Corporation (TMBC), and Federal Land NRE Global Corporation (FNG). He is also an Adviser to the Board of Trustees of GT Foundation, Inc., a Trustee of the Asian Institute of Management (AIM), and an Independent Director of Vivant Corporation, a listed company.

Renato C. Valencia, 83 years old, Filipino, is the Chairman of Omnipay, Inc., Lead Independent Director of GT Capital and iPeople Inc., and Independent Director of EEI Corporation. His past positions include: President/CEO, Social Security System (SSS); Chairman/CEO, Union Bank of the Philippines; President/CEO, Roxas Holdings, Inc.; Vice Chairman/Director, San Miguel Corporation (SMC); Chairman, Philippine Savings Bank (PSBank); Independent Director, Metropolitan Bank & Trust Company (Metrobank); Advisory Board Member, Philippines Coca-Cola System Council, and Director, Philippine Long Distance Telephone Company (PLDT), Manila Electric Company (Meralco), Philex Mining Corporation, Far East Bank and Trust Company, Roxas and Company, Inc., Bases Conversion Development Academy (BCDA), Fort Bonifacio Development Corporation, Philippine Veterans Bank, and Makati Stock Exchange. He is a graduate of the Philippine Military Academy, with a Bachelor's degree in General Engineering, and the Asian Institute of Management, with a Master's degree in Business Management.

Rene J. Buenaventura, 70 years old, Filipino, is an Independent Director of GT Capital Holdings, Inc. He is also the Vice Chairman of Equicom Manila Holdings, Inc., a holding company for businesses engaged in healthcare, banking and finance, and information technology. In addition to his appointment to GT Capital's Board, he also holds the following positions: Independent Director of UBS Philippines, Inc., Independent Director of Lorenzo Shipping Corporation, and Independent Director of DDMP REIT, Inc. He is likewise a Director and Member of the Executive Committee of Maxicare Healthcare Corporation and Maxicare Life Insurance Corporation and is President of Cliveden Management Corporation. Mr. Buenaventura is a Certified Public Accountant and graduated Summa Cum Laude for Bachelor of Arts, major in Behavioral Sciences and Bachelor of Science in Commerce, major in Accounting at De La Salle University in the Philippines. He also earned his Master in Business Administration from the same university.

Consuelo D. Garcia, 70 years old, Filipino, was elected as an Independent Director of GT Capital Holdings, Inc. in May 2021. She currently holds the following positions: Independent Director of Lopez Holdings Corporation, and Far Eastern University, Incorporated, both publicly listed corporations, and Sun Life Investment Management and Trust Corporation, a non-bank BSP supervised financial institution, and a Director of Murrayhill Realty and Development Corporation. She was formerly an Independent Director of The Philippine Stock Exchange Inc. and ACEN Corporation. She is also currently an Independent Director and Trustee of ING Foundation Philippines, Inc.; Member of the Board of Trustees of the FINEX Academy, a Fellow of the Institute of Corporate Directors, and a Member of the Filipina CEO Circle. Ms. Garcia worked for ING Bank for 31 years. She was formerly the Country Manager and Head of Clients of ING Bank N.V., Manila Branch for 9 years from September 2008 until November 15, 2017, and a Senior Consultant for ING Bank Asia, Challengers and Growth Markets, with focus on the roll-out of retail banking on an all-digital platform

for 5 years from November 16, 2017 to June 30, 2022. Prior to these roles, she headed Financial Markets for ING which had overall responsibility for FX, Local Fixed Income and Local Interest Rate Derivatives, Debt Capital Markets, High Yield Bond Trading and Credit Derivatives. Ms. Garcia previously worked with SGV in audit and in Bank of Boston, Philippine Branch where she was involved in internal audit, trust, corporate finance and special projects. Ms. Garcia is a Certified Public Accountant and graduated Magna Cum Laude for Bachelor of Science in Business Administration, major in Accounting from the University of the East.

Gil B. Genio, 65 years old, Filipino, was elected as an Independent Director of GT Capital in May 2022. He is also an Independent Director of Puregold Price Club Inc. Mr. Genio worked as an executive for Globe Telecom and Ayala Corporation for a combined 24 years. He was Globe Telecom's Chief Technology and Information Officer (CTIO) from November 2015 to April 2021, as well as its Chief Strategy Officer (CSO) from 2011 to April 2021. As CTIO, Mr. Genio led all functions related to product development and management, network, information technology, and information security. He drove the overall vision, development and execution of architecture and strategies, proactively responding to business and market demands. In addition, Mr. Genio's CTIO responsibilities included the enterprise data analytics function and enterprise fraud risk management. As CSO, Mr. Genio led overall corporate strategy and business development efforts. He also performed other legal entity functions for Globe such as CEO of Globe Capital Venture Holdings, and Director at its strategic joint ventures, Global Telehealth, Inc., BellTel, ETPI, and others. He also became COO of Bayan Telecommunications (Bayantel) and Isla Communications (Islacom) as they were acquired, and before they were integrated into Globe. His executive roles in Globe prior to his CTIO appointment included: COO for Business and International Markets (2010-2015), Group Head for Business Customers (2003-2010), Head of Carrier Services (2002-2010), Group Head for the Residential and Business Fixed Network Group (2000-2003), and Chief Financial Officer (1997-2000). Mr. Genio was hired by Ayala Corporation in 1997 and was seconded to Globe Telecom. He retired from Ayala Corporation in 2018 and became a direct employee of Globe, finally retiring at the end of 2021. Before joining Ayala in 1997, Mr. Genio had spent more than 12 years with Citibank in the Philippines, Singapore, Japan, Hong Kong, and New York, with stints in financial control, risk management, product development, treasury audit, corporate audit and market risk review. Mr. Genio was an Independent Director at Insular Life Assurance Company from May 2018 to March 2022. He is a Fellow member of the Institute of Corporate Directors (ICD), and is a member of the Board of Governors of the Management Association of the Philippines (MAP). He has also served a variety of industry associations. His past affiliations include: Vice Chairman (2012-2014) then Chairman (2014-2016) of the GSM Association Asia Pacific (GSMA AP); member (2012-2014) of the Advisory Board for Mobile World Capital Barcelona; member of the Board of Trustees of the IT and Business Process Association of the Philippines or iBPAP (2011-2013 and 2015-2016). He also served in the Advisory Boards of Globe's technology partners Amdocs and Cloudera. Mr. Genio obtained a Master's degree in Business Management, With Distinction, from the Asian Institute of Management in 1986. He earned his Bachelor of Science degree in Physics, Magna Cum Laude, from the University of the Philippines in 1980.

Carlos G. Dominguez III, Filipino, 79 years old, was nominated for the first time as Independent Director of GT Capital in August 2023. He was Secretary of the Department of Finance (DOF), from July 1, 2016 to June 30, 2022. As Secretary of Finance, he served as a member of the Monetary Board of the Bangko Sentral ng Pilipinas (BSP), the Governor for the Philippines at the Asian Development Bank (ADB), the Governor for the Philippines at the World Bank, and Alternate Governor for the Philippines at the International Monetary Fund (IMF). His post also made him ex-officio Chairman of various government-owned institutions – the LANDBANK, the Philippine Deposit Insurance Corporation (PDIC) and the Social Security System (SSS). He has over 40 years of experience in both the government and the private sector. From 1969 until 1982, Mr. Dominguez managed agriculture-related enterprises ranging from agricultural machinery distribution and 5,000 hectares of farmland producing bananas for export, as well as coconuts, cacao, rice, and cattle. He joined the Bank of the Philippine Islands (BPI) in 1983 as President of the BPI Agricultural Development Bank before being invited by President Corazon Aquino to join her administration to serve as the head of the Ministry of Natural Resources, and then with the Department of Agriculture in 1987. After leaving government service in 1989, Mr. Dominguez entered the tobacco, energy, real estate, retail, hospitality, mining, and copper smelting industries and served as CEO of companies such as the Retail Specialist Inc., Philippine Tobacco Flue-Curing and Redrying Corp., Philippine Associated Smelting and Refining Corp. as well as Halifax Capital Resources Inc. He joined Philippine Airlines in 1993 and served as its Chairman and CEO in the 1990s. Mr. Dominguez served on the boards of RCBC Capital Corp. House of Investments, Shangri-la Plaza Corp., Northern Mindanao Power Corp., Roxas Holdings, and MERALCO. He was conferred by the President of the Philippines with the Order of Lakandula with the Rank of Grand Cross (Bayani) for his exemplary service to the nation and was also conferred by the Emperor of Japan with the Grand Cordon of

the Order of the Rising Sun for exercising outstanding leadership in promoting cooperation between Japan and the Philippines. Mr. Dominguez graduated from the Ateneo de Manila University with a Bachelor's degree in Economics in 1965, and a Master's degree in Business Administration in 1969. He completed the Executive Management Program offered by Stanford University's Graduate School of Business in 1982.

Dr. David T. Go, 71 years old, Filipino, has been a Director of GT Capital since May 2014. He earned his Doctor of Philosophy degree in International Relations from New York University in 1982. He currently serves as Vice Chairman and Treasurer of Toyota Motor Philippines Corporation. He is also the Vice Chairman of Toyota Aisin Philippines, Inc., Director and Treasurer of Toyota Financial Services Philippines Corporation, President of Toyota Motor Philippines School of Technology, Inc., and Advisor to the Board of Toyota San Fernando, Inc., Toyota Motor Philippines Logistics, Inc., Toyota Motor Philippines Foundation, Inc. and Toyota Mobility Solutions Philippines, Inc.

Atty. Regis V. Puno, 66 years old, Filipino, assumed the role of Director and Member of the Audit Committee of GT Capital in 2018. He is currently the General Counsel and Corporate Secretary of Metropolitan Bank & Trust Company (Metrobank). In addition, he is also Of Counsel of Angara Abello Concepcion Regala & Cruz Law Offices (ACCRALAW). He was formerly a Senior Partner of Puno & Puno Law Offices and formerly Undersecretary of the Department of Justice. Atty. Puno has a Master of Laws Degree from the Georgetown University Law Center, Washington D.C., U.S.A. He obtained his Bachelor of Laws degree from the Ateneo de Manila University, where he graduated with honors, and has a Bachelor's degree in Economics from the University of the Philippines. He is currently a Director of Lepanto Consolidated Mining Co. and LMG Corporation (formerly LMG Chemicals Corporation), both publicly listed companies.

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

Mary Vy Ty, 84 years old, Filipino, was appointed as Board Adviser of GT Capital in June 2014. Prior to this, she served as the Corporation's Treasurer since its incorporation in 2007. Mrs. Ty has more than 50 years of experience in banking and general business. She currently holds the following positions: Board Adviser, Metropolitan Bank & Trust Company (Metrobank); Trustee, Metrobank Foundation, Inc. and Federal Land, Inc.; Adviser, Manila Medical Services, Inc.; Director, Grand Titan Capital Holdings, Inc. Previously, Mrs. Ty held the position of Director of First Metro Investment Corporation. She earned her collegiate degree from the University of Santo Tomas.

Guillermo Co Choa, 65 years old, Filipino, was appointed as Board Adviser of GT Capital in June 2016. He is currently the Chairman of Maplecrest Group, Inc. and Property Company of Friends, Inc. Mr. Choa earned his Bachelor's Degree in Commerce, major in Marketing, from De La Salle University and his Master's degree in Business Economics from the University of Asia and the Pacific.

Jaime Miguel G. Belmonte, 61 years old, Filipino, is a Board Adviser of GT Capital. Prior to this, he was an Independent Director of GT Capital from 2012 until 2020. He is also the President and Chief Executive Officer of The Philippine Star (since 1998); President and Chief Executive Officer of BusinessWorld (since 2015); President and Publisher of Pilipino Star Ngayon (since 1994) and PM Pang-Masa (since 2003); and President of Pilipino Star Printing Company (since 1994). Mr. Belmonte is also the President of Cebu-based The Freeman and Banat News (since 2004); Vice Chairman of People Asia magazine; Member of the Board of Trustees of Metrobank Foundation (since 2022); and a former member of the Board of Advisers of Manila Tytana College (since 2008 to 2022). Mr. Belmonte also sits on the board of Cignal TV and TV5. He earned his undergraduate degree from the University of the Philippines in Diliman.

Pascual M. Garcia III, 71 years old, Filipino, is a Board Adviser of GT Capital Holdings, Inc. He previously served as a director of the company from May 2018 until August 2023 and as a Board Adviser from May 2013 to May 2018. He held several positions in other companies, among which were: Vice Chairman, Cathay International Resources Corporation; Chairman, Central Realty & Development Corporation; Chairman, Crown Central Properties; Chairman, Alveo-Federal Land Communities, Inc.; President, Bonifacio Landmark Realty & Development Corporation; President, North Bonifacio Landmark Realty and Development Inc.; President, Federal Land-Orix Corporation; President, ST 6747 Resources Corporation; Director, Horizon Land Resources Development Corporation and Director, Sunshine Fort North Bonifacio Realty and Development Corporation. He is also the former President of Federal Land, Inc. Prior to joining Federal Land, he was the President and Director of Philippine Savings Bank (PSBank) from 2001 to 2013; Co-Vice Chairman of Property Company of

Friends, Inc. from 2016 to 2019; Director of Toyota Financial Services Philippines Inc. from 2007 to 2017 and Director of Sumisho Motor Finance Corporation from 2009 to 2016. Mr. Garcia earned his Bachelor's degree in Commerce, major in Management, from the Ateneo de Zamboanga University.

Nominee Directors

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

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

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

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

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

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

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

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

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

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

Period of Officership

<u>Name</u>	<u>Office</u>	<u>Period Held</u>
Carmelo Maria Luza Bautista	President	2011-Present
George S. Uy-Tioco, Jr.	Senior Vice President/Chief Financial Officer	2024-Present
Anjanette T. Dy Buncio	Treasurer	2007-Present
Alesandra T. Ty	Assistant Treasurer	2012-Present

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

George S. Uy-Tioco, Jr., 53 years old, Filipino, joined GT Capital as Senior Vice President for Finance on May 16, 2024. He was appointed as the company's Chief Financial Officer on July 1, 2024. Mr. Uy-Tioco brings to the company close to three decades of experience in investment banking, investment management, and general management, which he gained in the Philippines, Asia, and North America. Prior to joining GT Capital, he was the Head of Corporate Finance for ING Bank NV, Manila Branch and the Head of Mergers and Acquisitions at BPI Capital Corporation, advising Philippine corporations and conglomerates on various strategic acquisitions and divestments. Before those, he spent five years in Hong Kong with the Regional Strategy and Business Development for ING Asia/Pacific Ltd., which was the regional headquarters of ING's life insurance business in Asia. Moreover, Mr. Uy-Tioco served in various capacities with American Orient Capital Partners, Mapúa IT Center, Ernst & Young Corporate Finance in New York, RCBC Capital Corporation, and Capital One Equities Corporation. Mr. Uy-Tioco previously served as Director of several private and public corporations, including the predecessor company of Arthaland Corporation. He also served as the Chairperson of the Audit and Risk Committees of Entrego Fulfilment Solutions Inc. and Entrego Express Corporation. Mr. Uy-Tioco holds a Master's degree in Business Administration from the Darden Graduate School of Business of the University of Virginia in the USA and a Bachelor of Science degree in Management Engineering from the Ateneo de Manila University.

Anjanette Ty Dy Buncio, 56 years old, Filipino, was appointed as GT Capital's Treasurer in May 2015. Prior to this, she served as the Corporation's Assistant Treasurer since 2007. She holds several other positions in other companies, among which are: Director, Treasurer and Executive Vice President of Federal Land, Inc.; Treasurer and CFO of Federal Land NRE Global, Inc.; Director and Chairman of the Board of Manila Medical Services, Inc.; Director, Treasurer and Corporate Secretary of Bonifacio Landmark Corporation; Director and Executive Vice President of Horizon Land Property Development Corporation; Board of Trustee and Senior Vice President of Metrobank Foundation, Inc.; Board of Trustee and Senior Vice President of GT Foundation, Inc.; and Corporate Secretary of Pro Oil Corporation and Proline Sports Center Inc. She graduated from the International Christian University in Tokyo, Japan with a Bachelor of Social Science Degree in Economics.

Alesandra T. Ty, 45 years old, Filipino, was appointed Assistant Treasurer of GT Capital on February 14, 2012. She graduated from the Ateneo de Manila University with a Bachelor of Science degree in Legal Management. She then earned her Master's in Business Administration from the China Europe International Business School in Shanghai, China. She is currently Director and Corporate Treasurer of AXA Philippines; Trustee and Vice President of GT Foundation, Inc.; Vice President of Metrobank Foundations, Inc.; Senior Vice President and Treasurer of Federal Homes, Inc.; and Executive Vice President of Grand Titan Capital Holdings, Inc.

Vicente Saniel Socco, 65 years old, is the Chairman of GT Capital Auto and Mobility Holdings, Inc. (GTCAM).

GTCAM is a wholly-owned subsidiary of GT Capital and is the vehicle for the management of the Group's mobility initiatives and automotive dealerships. He brings forty-two years of expertise in the automotive sector. Mr. Socco began his career with Toyota in the Philippines as a member of its marketing team. He was then appointed General Affairs Manager of Toyota's Manila Representative Office in 1984, until Toyota Motor Philippines Corporation (TMP) opened in 1988, where he rose from the ranks to become Senior Vice President (SVP) for Marketing and After-Sales. In 2001, Mr. Socco joined the regional headquarters of Toyota in Singapore. Mr. Socco was appointed SVP of Lexus Asia in 2007, concurrent with his roles as the Executive-in-Charge for country operations at Toyota Motor Asia Pacific (TMAP). In 2012, he assumed the role of Executive Vice President and acting Chief Operating Officer for the region. Then, in 2014, he was assigned to Toyota's global headquarters as Project General Manager for TMAP in Japan. He then returned to Singapore in 2017 as EVP for Lexus Asia until his retirement in July 2019. Mr. Socco earned his Bachelor of Science in Economics degree from the University of the Philippines in Diliman and completed the Executive Development Program of the Wharton School of the University of Pennsylvania.

Atty. Antonio V. Viray, 85 years old, Filipino, has served as Corporate Secretary of GT Capital since 2009. His legal profession started as a litigation lawyer of the Feria Law Office (then Feria Manglapus & Associates). He then embarked on a banking career with the Philippine Savings Bank (PSBank) holding the positions of Senior Vice-President for Loans, Legal, Administrative and Branch Operations, and Corporate Secretary. When PSBank was acquired by Metropolitan Bank & Trust Company (Metrobank), he was recruited as General Counsel (then Special Counsel) of Metrobank, later becoming Senior Vice President, Corporate Secretary, and Director. He is currently Corporate Secretary of Grand Titan Capital Holdings, Inc., Chief Legal Adviser of the Bankers Institute of the Philippines (BAIPhil) and Of Counsel of Feria Tantoco Daos Law Firm.

His foundations as a respected corporate lawyer and secretary were provided by Colegio de San Juan de Letran (Letran College), where he graduated Valedictorian of his Associate in Arts, the University of Santo Tomas, where he finished his Bachelor of Laws as Valedictorian and Magna Cum Laude; and Northwestern University School of Law in Chicago, Illinois, U.S.A., where he obtained his Master of Laws (emphasis on Corporation Law) degree through a Ford Foundation Fellowship Grant. He placed 19th in the 1961 BAR exams.

He was principal counsel in the joint ventures of the Metrobank Group with Toyota Motors Corporation, AXA Insurance and ANZ Bank (for Metrobank Card). As Of Counsel of Feria Law Office, he helped oversee some joint ventures of the Federal Land Group.

Atty. Viray's latest publication is a book titled "Close Corporations" (2022 edition).

Jocelyn Y. Kho, 70 years old, Filipino, has served as GT Capital's Assistant Corporate Secretary since June 2011. Previously, she was the company's Controller until 2010. Before this, Ms. Kho worked for Metropolitan Bank & Trust Company (Metrobank) as Vice President under the Office of the Assistant to the Group Chairman from 1978 to 2009. She concurrently holds the following positions: Assistant Corporate Secretary of Grand Titan Capital Holdings, Inc.; Director, Senior Vice President, and Treasurer of Global Business Holdings, Inc.; Director and Treasurer of Horizon Royale Holdings, Inc.; Director, Senior Vice President and Corporate Secretary of Federal Homes, Inc.; Treasurer of Federal Land, Inc.; Director, Treasurer and Corporate Secretary of Crown Central Properties Corporation; Director and Corporate Secretary of Philippine Securities Corporation; Director of Magnificat Resources Corporation; Corporate Secretary of Norberto & Tytana Ty Foundation, Inc.; Chairman of Multi Fortune Holdings, Inc., and Splendor Realty Corporation; Chairman and President of MBTC Management Consultancy, Inc., Solid Share Holdings Philippines, Inc., Cellini Holdings, Inc., City Tower Realty Corporation, and Ocean Park Condominium and Realty, Inc., Director and President of Harmony Property Holdings, Inc., and Splendor Fortune Holdings, Inc.; Independent Director of AP Securities, Inc.; Adviser of Cathay International Resources, Inc.. She earned her Bachelor of Science degree in Commerce, major in Accounting, from the University of Santo Tomas in 1975, and is a candidate for the Master of Science degree in Taxation from Manuel L. Quezon University.

Atty. Maria Sofia A. Lopez, 57 years old, Filipino, was appointed as GT Capital's Assistant Corporate Secretary on November 10, 2022. Before this, Ms. Lopez worked for Metropolitan Bank & Trust Company (Metrobank) as Legal Counsel from 2005 to 2022. She concurrently holds the following positions: Corporate Secretary of Metrobank Foundation, Inc., GT Foundation, Inc., Manila Medical Services, Inc., MDH Clinic Management, Inc., Manila Tytana Colleges, Inc., Metrobankers Foundation, Inc., First Metro Insurance and Reinsurance Brokers, Inc., ORIX METRO Leasing and Finance Corp., and Sumisho Motor Finance Corp.; Assistant Corporate Secretary of Norberto and Tytana Ty Foundation, Inc. She earned her Bachelor of Science

degree in Business Administration, major in Accounting, from the University of the East (Manila) and graduated Cum Laude in 1987, and earned her Juris Doctor degree from San Beda College (Mendiola) in 1992.

Jose B. Crisol, Jr., 58 years old, Filipino, serves as Senior Vice President and Head of the Investor Relations, Strategic Planning, and Corporate Communication Department of GT Capital. He was appointed to the position on July 26, 2012. He also serves as a Director and the Audit Committee Chairman of Toyota Sta. Rosa, Inc. Before joining the Corporation, he was the Assistant Vice President for Investor Relations of SM Investments Corporation (SM). Prior to working with SM, he was a Director at the Republic of the Philippines Department of Trade and Industry (DTI), heading its Trade and Industry Information Center. He also served for a time, on a concurrent basis, as Head of DTI's Office of Operational Planning. His other past employment includes occupying various positions at The Philippine American Life Insurance Company and Merrill Lynch Philippines, Inc., among others. He holds a Master in Business Economics degree from the University of Asia and the Pacific, and a Bachelor of Science degree in Economics from the University of the Philippines - Diliman. He completed his primary and secondary education at the Ateneo de Manila University.

Reyna Rose P. Manon-og, 43 years old, Filipino, is the Controller and Senior Vice President of GT Capital. She was appointed Controller in October 2011 and serves as Head of the Accounting and Financial Control Department. She concurrently holds the following positions: Director and Chairman of the Audit Committee of Toyota Manila Bay Corporation, Director and Treasurer of Toyota Subic, Inc. and Treasurer of GT Capital Auto and Mobility Holdings, Inc. (GTCAM).

Before joining the conglomerate, she was the Assistant Vice President and Head of the Financial Accounting Department of United Coconut Planters Bank. This role was preceded by a foundational experience at Sycip Gorres Velayo & Company (SGV & Co.), where she dedicated seven years mastering the discipline of external audit.

Ms. Manon-og's academic credentials complement her professional endeavors, holding a Certified Public Accountant license and graduating Cum Laude from Bicol University with a Bachelor of Science degree in Accountancy. She furthered her studies by completing the Strategic Business Economics Program of the University of Asia and the Pacific.

Joyce B. De Leon, 51, is Chief Risk Officer, Head of Sustainability, and First Vice President of GT Capital Holdings, Inc., appointed on October 19, 2020. She provides oversight and strategic advisory on risk management and sustainability/ESG for its operating companies. Ms. De Leon brings close to 17 years of risk management experience across local and international financial institutions. Prior to GT Capital, she was First Vice President and Head of Market and Liquidity Risk for BDO Unibank, Inc. and a member of its asset and liability committee. Previously, she served as Senior Vice President and Head of Risk Management for Maybank ATR Kim Eng, building its Risk Management function and participating in its management risk, credit and underwriting, and executive committees. Before this, she was Country Head for Market Risk at Standard Chartered Bank and began her risk management career as Market Risk Manager for Philippine Savings Bank (PSBank). Ms. De Leon holds a Master's degree in International Business from the University of Melbourne, an MBA with distinction, and a Bachelor of Arts in Psychology from De La Salle University. She is a certified Global Association for Risk Professionals (GARP) Sustainability and Climate Risk (SCR) professional and an alumnus of the University of the Asia & Pacific (UA&P) Applied Sustainability Management in Asia Pacific program (ASMAP).

Stephen John San Juan Comia, 47 years old, Filipino, serves as First Vice President and Head of the Property Management Department of GT Capital and concurrently, Head of the Project Development Group of Federal Land. He brings to GT Capital more than 17 years of experience in the property sector having worked for Ayala Land, Inc. from 2005 until 2021 where he served as Estate Development Head. Mr. Comia handled land acquisition and overall master-planning, development, sales, marketing, and property management of various estate developments such as Nuvali in Sta. Rosa and Calamba, Laguna, Arca South in Taguig, and Vermosa in Imus and Dasmariñas, Cavite. Mr. Comia holds a Master in Business Administration degree from the Asian Institute of Management and a Bachelor of Science degree in Management Engineering from the Ateneo de Manila University.

Susan E. Cornelio, 53 years old, Filipino, joined GT Capital on July 4, 2012 as its Head of Human Resources

and Administration. Prior to this, she served as Vice President and Head of Compensation and Benefits of Sterling Bank of Asia and as Assistant Vice President and Head of Compensation and Benefits of United Coconut Planters Bank. She has had other HR stints from the following institutions: Metrobank, ABN AMRO Offshore Banking, Solidbank, and Citytrust. She holds a Bachelor of Science in Commerce major in Accounting from Sta. Isabel College-Manila and a Master Certificate in Human Resources and International HR Practices from Cornell University's School of Industrial and Labor Relations. She obtained a Master's degree in Business Economics from the University of Asia and the Pacific and recently earned her Doctor of Philosophy degree in Human Resource Management at the University of Santo Tomas.

Atty. Renee Lynn Miciano-Atienza, 42 years old, Filipino, is the Data Privacy Officer, Corporate Governance Officer, Vice President and Head of the Legal & Compliance Department of GT Capital. She was appointed to her position on May 11, 2016 and has been with GT Capital since August 2012.

She concurrently holds the following positions: Director and Corporate Secretary at GT Capital Auto and Mobility Holdings, Inc. and Toyota Subic, Inc.; Corporate Secretary at AXA Philippines, Toyota Motor Philippines Corporation, Toyota Motor Philippines School of Technology, Inc., Toyota Motor Philippines Foundation, Inc., Lexus Manila, Inc., LMI Insurance Agency, Inc., GT Mobility Ventures, Inc., JBA Philippines Inc., Premium Warranty Services Philippines, Inc., Toyota Santa Rosa, Laguna, Inc., Toyota Santa Rosa, Laguna Insurance Agency, Inc., Toyota Manila Bay Corporation, TMBC Insurance Agency Corporation, and Oxfordshire Holdings, Inc.; and Assistant Corporate Secretary at Toyota Financial Services Philippines Corporation.

Prior to joining GT Capital, she was the Head of the Investigation and Enforcement Department of the Capital Markets Integrity Corporation (CMIC). Before joining CMIC, she was the Officer-in-Charge of the Prosecution and Enforcement Department of the PSE. She was also Legal Counsel of the Office of Senator Miguel Zubiri, and prior to entering law school, a trader for United Coconut Planters Bank. She earned her Bachelor of Science degree in Management from the Ateneo de Manila University and finished her Juris Doctor degree in the same university. In 2019, she completed the Strategic Business Economics Program of the University of Asia and the Pacific.

Don David C. Asuncion, 46, is the Vice President of GT Capital Auto and Mobility Holdings, Inc. (GTCAM), the automotive and mobility arm of the GT Capital Group. With over 23 years of experience in the automotive industry, he has held various leadership roles across notable companies. Mr. Asuncion began his career at Toyota Motor Philippines in 2002, before moving on to Ford Philippines, Bermaz Auto Philippines, and Mitsubishi Motors Philippines Corporation, where he held various functions in the areas of Sales, Marketing, Dealer Development, After Sales and Customer Service. He joined GTCAM in 2020. Mr. Asuncion holds a Bachelor of Science in Management degree from the Ateneo de Manila University.

Cheryll B. Sereno, 45 years old, Filipino, was appointed Chief Audit Executive on November 10, 2023. Before this, Ms. Sereno was Head of Enterprise-wide Risk Management at Manila Electric Company. Prior to that, she served as Head of Opportunity and Risk Management at Megaworld Corporation from 2017 to 2022. She has also served in varying roles in Ayala Land from 2005 to 2017 including Risk Management Associate Manager and Business Continuity Program Officer. She is a Certified Public Accountant, a Certified Business Continuity Professional, and holds a Bachelor's degree in Accountancy from Ateneo De Naga University.

Mar Loreto A. Apuhin, 48, Filipino, is a technology leader and cybersecurity strategist. He joined GT Capital as the Chief Information Security Officer and Head of IT & Security on February 3, 2025, where he plays a key role in protecting GT Capital's digital assets, ensuring cyber-resiliency and compliance, and driving secure digital transformation.

With a career spanning Accenture (Managing Director of Cybersecurity), Citibank (VP of Infrastructure for Cybersecurity & Network), and key leadership and technologist roles at Cisco Systems, Verizon Business Hong Kong, British Telecom HK, and Bayantel, he has driven technical expertise in information and communications technologies, cybersecurity frameworks, governance risk and compliance, cloud strategies, systems design, network security and infrastructure build, and operations across global enterprises.

An Electronics & Communications Engineering graduate from the University of San Carlos, Cebu, Mr. Apuhin is currently pursuing an MBA at the University of the People, California, USA, further strengthening his expertise in business strategic management, financial acumen, and global perspective leadership.

Directorships in Other Reporting Companies and Subsidiaries

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

<u>Name of Corporation</u>	<u>Position</u>
Francisco C. Sebastian	
Metropolitan Bank & Trust Company	Vice Chairman/ Director
Federal Land, Inc.	Director
Metro Pacific Investments Corporation	Director
First Metro Investment Corporation	Chairman/ Director*
Alfred Vy Ty	
Toyota Motor Philippines Corporation	Chairman/ Director
Federal Land, Inc.	Chairman/ Director
Metropolitan Bank & Trust Company	Director
Metrobank Foundation, Inc.	Trustee/ Vice Chairman
Metro Pacific Investment Corporation	Vice Chairman/ Director
GT Capital Auto and Mobility Holdings, Inc.	Director
Toyota Motor Philippines School of Technology, Inc.	Vice Chairman/ Director
Federal Land-Orix Corporation	Chairman/ Director
Toyota Motor Philippines Foundation	Chairman/ Trustee
Arthur Vy Ty	
Metropolitan Bank & Trust Company	Chairman/ Director
Metropolitan Bank (China) Ltd., Inc.	Chairman/ Director
Metrobank Foundation, Inc.	Chairman/ Trustee
Philippine Savings Bank	Vice-Chairman/Director
First Metro Investment Corporation	Vice-Chairman/Director*
AXA Philippines Life and General Insurance Corporation	Vice-Chairman/Director*
Federal Land, Inc.	Director*
Carmelo Maria Luza Bautista	
Toyota Motor Philippines Corporation	Director
Federal Land, Inc.	Director
AXA Philippines Life and General Insurance Corporation	Director
GT Capital Auto and Mobility Holdings, Inc.	Director
Toyota Manila Bay Corporation	Director
Toyota Financial Services Philippines Corporation	Chairman/Director
GT Mobility Ventures, Inc.	Director
Vivant Corporation	Independent Director
JBA Philippines, Inc.	Director*
Toyota Subic, Inc.	Director*
David T. Go	
Toyota Motor Philippines Corporation	Vice Chairman
Toyota Financial Services Philippines Corporation	Director
Toyota Aisin Philippines, Inc.	Vice Chairman
Toyota San Fernando, Inc.	Chairman*
Toyota Motor Philippines Logistics, Inc.	Chairman*
Toyota Mobility Solutions Philippines, Inc.	Director*
Lexus Manila, Inc.	Vice Chairman *
Toyota Manila Bay Corporation	Chairman*
Rene J. Buenaventura	
Lorenzo Shipping Corporation	Independent Director
DDMP REIT, Inc.	Independent Director

Renato C. Valencia	
iPeople, Inc.	Chairman/Director
EEl Corporation	Independent Director
Anglo Philippine Holdings Corporation	Independent Director*
Metropolitan Bank & Trust Company	Independent Director*
Consuelo D. Garcia	
Lopez Holdings Corporation	Independent Director
Far Eastern University, Incorporated	Independent Director
The Philippine Stock Exchange, Inc.	Independent Director*
ACEN Corporation (formerly AC Energy Corporation)	Independent Director*
Gil B. Genio	
Puregold Price Club, Inc.	Independent Director
Carlos G. Dominguez III	
House of Investments, Inc.	Independent Director
PetroEnergy Resources Corporation	Independent Director
Atty. Regis V. Puno	
Lepanto Consolidated Mining Co.	Director
LMG Corp. (formerly LMG Chemicals Corporation)	Director
Anjanette Ty Dy Buncio	
Federal Land, Inc.	Director
GT Foundation, Inc.	Trustee
Metrobank Foundation, Inc.	Trustee
Alesandra T. Ty	
AXA Philippines Life and General Insurance Corporation	Director
GT Foundation, Inc.	Trustee
Vicente Jose S. Socco	
GT Capital Auto and Mobility Dealership Holdings, Inc.	Chairman/President
GT Mobility Ventures, Inc.	Chairman/President
Toyota Manila Bay Corporation	Chairman/Director
Toyota Motor Philippines Corporation	Director
Toyota Subic, Inc.	Chairman/Director
JBA Philippines Inc.	Chairman/Director
Premium Warranty Services Philippines, Inc.	Chairman/Director
Toyota Santa Rosa, Laguna, Inc.	Chairman/Director
George S. Uy-Tioco, Jr.	
GT Capital Auto and Mobility Holdings, Inc.	Director
Toyota Manila Bay Corporation	Director
GT Mobility Ventures, Inc.	Director
Jose B. Crisol, Jr.	
Toyota Santa Rosa, Laguna, Inc.	Director
Reyna Rose P. Manon-og	
Toyota Manila Bay Corporation	Director
Toyota Subic, Inc.	Director
Renee Lynn Miciano-Atienza	
GT Capital Auto and Mobility Holdings, Inc.	Director
Toyota Subic, Inc.	Director

Don David C. Asuncion
 Toyota Subic, Inc.
 JBA Philippines, Inc.
 Premium Warranty Services Philippines, Inc.
**Past Directorships*

Director
 Director
 Director

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

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

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

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

(b) Significant Employees

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

(c) Family Relationships

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

(d) Certain Relationships and Related Transactions

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

(e) Involvement in Legal Proceedings

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

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

Item 6. Compensation of Directors and Executive Officers

Summary compensation table of Directors

Remuneration Item	Executive Directors	Non-Executive Directors (other than independent directors)	Independent Directors
Per diem Allowance	Php 1.70 million	Php 10.10 million	Php 9.20 million
Bonuses	Php 0.95 million	Php 5.95 million	Php 5.50 million
Transportation Allowance	-	Php 0.53 million	Php 2.86 million

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

Summary compensation table of Executive Officers

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

Name and Principal Position	Year	Salary	Bonus	Other	Annual Compensation
Named Executive Officers*.....	2023	72.38	19.05	-	-
	2024	71.27	18.33	-	-
	2025**	74.83	19.25	-	-
All Other Officers as a Group.....	2023	64.30	17.99	-	-
	2024	83.41	24.46	-	-
	2025**	87.58	25.68	-	-

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

*** Figures for the year 2025 are estimates*

Employment contracts between the Corporation and named executive officers

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

Warrants and options outstanding

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

Stock option plan

The Corporation has no employee stock option plan.

Item 7. Independent Public Accountants

Sycip, Gorres, Velayo & Company is the external auditor for the calendar year 2024. The same external auditor will be recommended for re-appointment at the scheduled stockholders' meeting. Representatives of the said firm are expected to be present at the stockholders' meeting and they will have the opportunity to make a statement if they desire to do so and are expected to be available to respond to appropriate questions.

The Corporation engaged Ms. Irene Janet A. Paraiso of SGV & Co. for the examination of the Corporation's financial statements for the calendar years 2024 and 2023. Pursuant to SRC Rule 68, Paragraph 3 (b) (ix) (Rotation of External Auditors), the independent auditors or in the case of an audit firm, the signing partner, shall be rotated after every five (5) years of engagement, with a two-year cooling off period to be observed in the re-engagement of the same signing partner or individual auditor.

The following table sets out the aggregate fees for audit and audit-related services, inclusive of out-of-pocket expenses, but exclusive of value added tax for each of the years ended December 31, 2023 and 2024 for professional services rendered by SGV & Co. to GT Capital:

	2023	2024
Audit and Audit-Related Services	2.32	2.44
Non-Audit Services	0.05	0.05
Total	2.37	2.49

Audit services rendered include the audit of the financial statements and supplementary schedules for submission to SEC, and review of annual income tax computation. Non-audit services in 2024 and 2023 pertain to third party validation of votes for the Annual Shareholders Meeting.

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

Item 8. Compensation Plans

Not applicable.

C. ISSUANCE AND EXCHANGE OF SECURITIES

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

Not applicable.

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

Not applicable.

Item 11. **Financial and Other Information**

Not applicable.

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

Not applicable.

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

Not applicable.

Item 14. **Restatement of Accounts**

Not applicable.

D. OTHER MATTERS

Item 15. Action with Respect to Reports

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

(a) Minutes of the Annual Meeting of Stockholders held on May 8, 2024

The following was the agenda of the said meeting:

- Call to order
- Certification of notice and quorum
- Explanation of Voting Procedures
- Approval of Minutes of the May 10, 2023 Annual Stockholders' Meeting
- Annual Report for the Year 2023
- General Ratification of the Acts of the Board of Directors, Committees, and Management from the date of the last Annual Stockholders' Meeting up to May 8, 2024
- Election of Directors for 2024-2025
- Appointment of External Auditor
- Other Matters
- Adjournment

(b) Annual Report for the Year 2024

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

(d) Appointment of external auditor

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

Item 16. Matters Not Required to be Submitted

Not applicable.

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

Not applicable.

Item 18. Other Proposed Action

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

Item 19. Voting Procedures

(a) Election of Directors

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

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

(b) Appointment of External Auditor

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

Methods by which votes will be counted

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

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

N.B. UPON WRITTEN REQUEST OF A STOCKHOLDER, GT CAPITAL HOLDINGS, INC. SHALL PROVIDE, FREE OF CHARGE, A COPY OF ITS 2024 ANNUAL REPORT (SEC FORM 17-A). THE REQUEST SHOULD BE ADDRESSED TO THE ATTENTION OF GEORGE S. UY-TIOCO, JR., CHIEF FINANCIAL OFFICER, 43RD FLOOR, GT TOWER INTERNATIONAL, AYALA AVENUE CORNER H. V. DE LA COSTA ST., MAKATI CITY 1227.

SIGNATURE PAGE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this report is true, complete, and correct. This report is signed in the City of Makati on March 25, 2025.

By:

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

ANTONIO V. VIRAY
Corporate Secretary

MANAGEMENT REPORT

A.i Consolidated Audited Financial Statements

The Company's consolidated financial statements for the year ended December 31, 2024 are incorporated herein by reference.

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

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

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

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

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

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

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

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

The financial statements of Federal Land, Inc. (“Federal Land”), Toyota Motor Philippines Corporation (“TMP”), and GT Capital Auto and Mobility Holdings, Inc. (“GTCAM”) are consolidated in the financial statements of the Group. The

investments in other operating companies Metropolitan Bank and Trust Company (“Metrobank”), AXA Philippines Life and General Insurance Corporation (“AXA Philippines”), Toyota Financial Services Philippines Corporation (“TFSPC”), MPIC and Sumisho Motor Finance Corporation (“SMFC”) are reported through equity accounting.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

materials of assembled vehicles.

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

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

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

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

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

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

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

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

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

ASSETS

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

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

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

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

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

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

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

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

Property and equipment rose by 19% from Php13.59 billion to Php16.14 billion mostly due to TMP's acquisition of vehicles for use in operations, increase in assets under construction and purchase of dies and jigs primarily for the new car model Tamaraw. The local production of the next generation Tamaraw is based on Toyota's International Multi-purpose Vehicle (IMV-0) platform for the Asian market.

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

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

LIABILITIES

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

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

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

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

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

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

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

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

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

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

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

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

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

EQUITY

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

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

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

Key Performance Indicators of the Company and its component companies

The following are the key performance indicators of the Company for the years ended December 31, 2024, 2023 and 2022.

	In Million Pesos, except for percentages		
Income Statement	2024	2023 (As restated)	2022
Total Revenues	321,527	307,271	245,307
Net Income attributable to Equity Holders of GT Capital Holdings	28,783	29,313	18,360
Balance Sheet			
Total Assets	474,088	447,186	417,156
Total Liabilities	194,238	199,362	204,142
Equity attributable to GT Capital Holdings, Inc.	262,517	232,011	201,742
Return on Equity *	11.83%	13.95%	8.21%

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

Banking

Metropolitan Bank & Trust Company (Metrobank)

In Billion Pesos, except for percentages and ratios			
	2024	2023	2022
Net income attributable to equity holders	48.1	42.2	32.8
Net interest margin on average earning assets	3.77%	3.90%	3.56%
Operating efficiency ratio ¹	53.8%	52.1%	54.3%
Return on average assets ²	1.5%	1.4%	1.2%
Return on average equity ³	13.0%	12.5%	10.3%

	2024	2023	2022
Total assets	3,520.4	3,104.9	2,843.1
Total liabilities	3,124.0	2,738.2	2,515.0
Equity attributable to equity holders of the parent company	385.5	356.7	318.5
Tier 1 capital adequacy ratio	15.9%	17.4%	16.8%
Total capital adequacy ratio ⁴	16.7%	18.3%	17.7%
Non-performing loans ratio ⁵	1.4%	1.7%	1.9%
Non-performing loans coverage ratio ⁶	163.5%	180.3%	172.4%

1. Operating efficiency ratio is the ratio of total operating expenses (excluding provisions for credit and impairment loss and income tax) to total operating income (excluding share in net income of associates and joint venture).
2. Return on average asset is the net income attributable to equity holders of the parent company divided by the average total assets
3. Return on average equity is the net income attributable to equity holders of the parent company divided by the average total equity attributable to equity holders of the parent company
4. Capital adequacy ratios as of December 31, 2022, 2023 and 2024 were computed based on Basel III standards.
5. Non-performing loans ratio is the ratio of net non-performing loans divided by total loans – excluding interbank loans.
6. Non-performing loans coverage ratio is the ratio of the total allowance for probable losses on loans divided by gross non-performing loans

Metrobank net income attributable to equity holders grew by 14.0% from Php42.2 billion in 2023 to Php48.1 billion in 2024. This was primarily due to increases in interest income on loans and receivables and investment securities.

Net interest income grew by 8.7% from Php105.0 billion in 2023 to Php114.1 billion in 2024, accounting for approximately 79% of total operating income. Gross loans and receivables increased by 17% from Php1.6 trillion in 2023 to Php1.8 trillion in 2024 driven by the growth in all segments, majority in corporate loans. On the other hand, total deposits grew by 8% from Php2.4 trillion to Php2.6 trillion in 2024, primarily due to the higher growth in time deposits which increased by 17.3%. CASA deposits, however, grew only by 3.4%. As a result, CASA ratio declined to 57.8% of total deposits in 2024 compared with 60.4% in 2023.

Non-interest income also increased by 2.5% from Php28.5 billion in 2023 to Php29.2 billion in 2024 on account of a 3% growth in fee-based income and a Php1.6 billion increase in trading, securities and forex gain from Php4.0 billion in 2023 to Php5.6 billion in 2024.

Total assets grew by 13.4% from Php3.1 trillion as of December 31, 2023 to Php3.5 trillion as of December 31, 2024 primarily due to increases in net loans and receivables across all segments, investment securities, interbank loans receivable and SPURA, deferred tax assets and other assets, partially offset by decrease in cash, due from BSP & due from other banks.

Total liabilities, increased by 14.1% from Php2.7 trillion as of December 31, 2023 to Php3.1 trillion in 2024 due mainly to increases in deposit liabilities, bonds payable, bills payable and securities sold under repurchase agreements, income taxes payable, other liabilities and accrued interest and other expenses, partially offset by decline in derivative liabilities

Equity attributable to equity holders of the parent company stood at Php385.5 billion as of December 31, 2024 higher by 8.1% compared to the previous year, led by the growth in net income reported for the year, favorable movement in net unrealized loss recognized in investment securities at FVOCI but slightly offset by the net effect of cash dividends paid.

Property Development

Federal Land, Inc.

	In Million Pesos, except for percentages and ratios		
	2024	2023	2022
Real Estate Sales ¹	6,194.1	8,467.6	5,557.3
Revenues	11,978.4	16,355.3	15,411.9
Net income attributable to equity holders of the parent	749.7	2,089.4	4,548.4
	2024	2023	2022
Total assets	126,092.2	124,908.7	123,593.4
Total liabilities	67,180.8	67,017.0	81,775.0
Total equity attributable to equity holders of the parent	58,668.1	57,688.6	41,648.8
Current ratio ²	1.0x	1.4x	2.1x
Debt to equity ratio ³	0.8x	0.8x	1.5x

1. Includes interest income on real estate sales

2. Current ratio is the ratio of total current assets divided by total current liabilities.

3. Debt to equity ratio is the ratio of total loans divided by total equity attributable to equity holders of the parent company

Federal Land's reservation sales amounted to Php16.6 billion in 2024, decreasing 27.8% year-on-year due to lower available inventory in Bonifacio Global City.

Real estate sales decreased by 26.9% to Php6.2 billion due to lower lot sales year-on-year. Excluding lot sales, real estate sales were up 10.4% in 2024 to Php4.8 billion. Total revenues ended at Php12.0 billion, 26.8% lower than the previous year, reflecting lower real estate sales and contribution from joint venture projects which are nearing full completion. Net income attributable to equity holders of the parent declined by 64.1% from Php2.1 billion in 2023 to Php749.7 million in 2024 in line with the decline in revenues.

Total assets of Federal Land ended up at Php126.1 billion as of December 31, 2024 from Php124.9 billion as of December 31, 2023 due to the increase in investment in associates and joint ventures.

Automobile Assembly and Importation and Dealership and Financing

Toyota Motor Philippines (TMP)

	In Million Pesos, except for percentages and ratios		
	2024	2023	2022
Sales	245,316.8	227,101.1	183,810.2
Gross Profit	35,487.1	30,379.5	16,804.6
Operating Profit	21,038.6	17,888.3	7,418.0
Net income attributable to Parent	15,947.1	13,832.1	5,657.3
	2024	2023	2022
Total Assets	71,993.5	69,263.9	45,342.7
Total Liabilities	48,528.6	48,073.3	32,641.1
Total Equity	23,464.8	21,190.7	12,701.6
Total Liabilities to Equity ratio ¹	2.1x	2.3x	2.6x

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

TMP's consolidated sales grew from Php227.1 billion in 2023 to Php245.3 billion in 2024 as wholesale volume increased by 6.3% from 205,113 to 218,031 units. Likewise, TMP's retail sales volume increased by 9.0% from 200,031 to 218,019 units, while industry retail sales volume increased by 6.9% from 438,619 to 469,062 units (excluding BYD). As a result, TMP's overall market share increased from 45.6% in 2023 to 46.5% in 2024.

The year-on-year increase in bookings was driven by a stronger presence in provincial markets, full-year impact of new models introduced in 2023 and greater demand for electrified mobility compared to the previous year. TMP also benefitted from the new models released in 2024, namely the Corolla Cross HEV, Land Cruiser Prado, Lexus LBX and Lexus GX. The Next Generation Tamaraw and a refreshed Camry were also launched in December 2024. Together with the 2023 launch of the Zenix and Yaris Cross hybrid electric variants, these new vehicles broadened TMP's already-widest range of electric vehicle offerings.

Gross profit margin improved from 13.4% in 2023 to 14.5% in 2024 due to the favorable foreign exchange impact of a weaker Japanese yen vs. the US dollar, and favorable models mix. This was however partially offset by the peso depreciation vs. the US dollar, particularly in the second quarter. Operating profit margin improved from 7.9% in 2023 to 8.6% in 2024, while net income margin grew from 6.3% in 2023 to 6.7% in 2024. Consolidated net income attributable to equity holders reached a record high of Php15.9 billion, higher by 15.3% from Php13.8 billion in 2023, primarily due to volume growth, higher spare parts and export parts profits and favorable foreign exchange impact.

As of December 31, 2024, TMP directly owns six (6) dealer outlets namely Toyota Makati with one (1) branch – Toyota Bicutan; Toyota San Fernando in Pampanga with two (2) branches – Toyota Plaridel, Bulacan and Toyota Tarlac; and Lexus Manila, situated in Bonifacio Global City, Taguig.

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

	In Million Pesos, except for ratios		
	2024	2023¹	2022¹
Net sales	37,374.9	35,346.1	28,537.4
Gross Profit	3,435.7	3,380.9	2,814.8
Net Income attributable to Parent	504.0	482.6	329.7
	2024	2023	2022
Total Assets	16,030.0	15,198.2	9,023.6
Total Liabilities	6,935.9	6,685.9	4,227.4
Total Equity	9,094.1	8,512.3	4,796.1

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

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

Consolidated sales increased by 5.7% from Php35.3 billion in 2023 to Php37.4 billion in 2024. The increase was driven by the growth in retail sales volume by 1.5% from 27,318 units in 2023 to 27,736 units in 2024, supplemented by the increase in units serviced by 10.1% from 190,208 units in 2023 to 209,417 units in 2024.

The increase in retail sales volume was driven by the sales volume growth of Toyota Santa Rosa and Toyota Subic, which was offset by the sales volume decline of Toyota Manila Bay Group. As a result, GTCAM's consolidated penetration rate, or its share in the total sales of Toyota nationwide, declined from 13.7% in 2023 to 12.7% in 2024.

GTCAM's consolidated net income attributable to equity holders reached Php504.0 million, which grew by 4.4% from Php482.6 million in the previous year mainly due to the increase in retail sales volume and aftersales business, and higher commission income from financed units.

Toyota Financial Services Philippines Corporation (TFSPC)

	In Million Pesos		
	2024	2023	2022
Gross Interest Income	15,149.1	12,768.4	10,948.3
Net Interest Income	6,906.4	6,434.2	6,003.5
Net Income	1,724.1	1,836.5	1,630.4
	2024	2023	2022
Total Assets	166,751.6	147,336.3	133,286.9
Total Equity	20,037.0	17,554.8	15,323.6
Finance Receivable-net	154,818.0	136,518.4	122,687.5

TFSPC recorded a 18.6% growth in gross interest income from Php12.8 billion in 2023 to Php15.1 billion in 2024, as finance receivables increased by 13.4% from Php136.5 billion to Php154.8 billion on a year-on-year basis. Booking volume increased by 17.9% from 57,904 units in 2023 to 68,260 units in 2024, attributable to the higher penetration rate from 29% to 31%.

TFSPC generated a net profit of Php1.7 billion, on account of higher interest income based on a growing loan base and improved asset quality, partially offset by tightening Net Interest Margins and ROPA losses in 2024.

Sumisho Motor Finance Corporation (SMFC)

	In Million Pesos		
	2024	2023	2022
Gross Interest Income	1,714.0	1,858.1	1,613.0
Net Interest Income	1,532.3	1,643.8	1,462.3
Net Income	252.8	216.9	383.2
	2024	2023	2022
Total Assets	6,314.4	7,699.0	7,086.3
Total Equity	3,038.8	2,895.2	2,915.2
Finance Receivable	5,961.3	7,006.5	6,678.4

SMFC recorded a 7.8% decrease in gross interest income from Php1.86 billion to Php1.71 billion due to a decrease in finance receivables from Php7.01 billion as of December 2023 to Php5.96 billion as of December 2024 arising from fewer accruing accounts, yet partially cushioned by a higher effective yield. Bookings decreased by 31% to 34,637 units for 2024 from 49,826 units in the same period of last year.

Despite a decrease in topline, SMFC net income increased by 16.6% compared to the same period of last year from Php216.9 million to Php252.8 million due to lower provisions, losses on ROPA, and managed OPEX.

Life and Non-Life Insurance

AXA Philippines Life and General Insurance Corporation (AXA Philippines)

The following are the major performance measures used by AXA Philippines for the period ended 2024, 2023 and 2022.

	In Million Pesos, except percentages		
	2024	2023	2022
Gross Premiums	30,442.4	25,577.7	28,231.6
Net income after tax	2,480.1	2,631.3	2,541.1
Net Profit Margin (%) ¹	8.1%	10.3%	9.2%
Total Assets	186,032.5	177,843.1	157,262.1
Total Liabilities	170,189.7	162,855.5	144,756.8
Total Equity	15,842.8	14,987.6	12,505.2
Solvency ratio ²	297%	235%	171%

1. Net profit margin (%) is the ratio of Net profit over Total Revenues.

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

New business from life insurance expressed in Annualized Premium Equivalent increased by 24.0% from Php3.5 billion in 2023 to Php4.4 billion in 2024, arising from the strong performance in Single Premium-Unit Linked products, namely Asset Master and Asset Protect, and in Regular Premium – Endowment product, AXA Secure Future. As a result, Life unit's gross premium increased to Php27.2 billion in 2024, 21.2% higher than the previous year. The reported premium revenue mix of life insurance shifted to 40%/60% (Single Premium vs. Regular Premium) in 2024 from 26%/74% in 2023. By distribution platform, sales agency, bancassurance, and other channels accounted for 47%, 47%, and 6% of premium revenues, respectively.

Gross written premiums of the non-life insurance business grew from Php3.2 billion in 2023 to Php3.4 billion in 2024 mainly due to increased sales in motor and property lines.

Net income stood at Php2.5 billion in 2024, 5.5% lower than the previous year, driven by higher claims and benefits and lower contribution from traditional products.

Infrastructure and Utilities

Metro Pacific Investments Corporation (MPIC)

	In Million Pesos		
	2024	2023	2022
Core net income	23,612	19,528	14,188
Net income attributable to equity holders	27,885	20,029	10,495
	2024	2023	2022
Total assets	808,781	713,605	643,796
Total liabilities	501,478	424,129	398,755
Total equity attributable to owners of Parent Company	250,599	233,009	200,088

MPIC's share in the consolidated operating core income increased by 16% from Php24.5 billion in 2023 to Php28.4 billion in 2024 driven by the following:

- Higher energy sales up by 6%; Meralco's core net income contribution was Php19.7 billion, up 29% year-on-year;
- Higher traffic on toll roads and toll rate increases; core net income contribution of Metro Pacific Tollways Corporation (MPTC) to MPIC was Php6.4 billion, 11% higher year-on-year;
- Higher net income contribution from Maynilad amounting to Php6.2 billion, 42% higher year-on-year, mainly from higher billed volume and higher tariff implemented in January 2024.
- Lower net losses from Light Rail Manila to Php123 million due to full effect of rate increase during the year despite amortization of the concession asset related to the 5 new LRT stations inaugurated in November 2024

Reported net income attributable to equity holders is higher by 40% from Php20.0 billion in 2023 to Php27.9 billion in 2024. Excluding non-recurring income and expenses, MPIC reported a core net income of Php23.6 billion in 2024 from Php19.5 billion, up 21% year-on-year.

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

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

The GT Capital Group's 2025 capital expenditures ("CAPEX") budget is presented as follows:

Component Company	In Php Billion	Nature	Funding source
Metrobank	Php 3.0-5.0B	Mainly for IT investments	Internal
Federal Land ¹	5.4	Estate development costs, leasing and HO capex	Internal and Debt
TMP	8.1	New Model Introduction, Specs upgrade, and special projects	Internal
GTCAM	0.6	Property improvements	Internal and Debt
TFS	0.5	Hardware, Software, FFE, Leasehold improvement	Debt
SMFC	0.03	Software, Computer equipment, FFE, Leasehold rights and improvement	Internal and Debt
AXA Philippines	0.4	Computer and IT upgrade, Furniture and Fixtures, Office equipment and Refurbishments	Internal
GTCap-Parent	9.0-14.0	Mainly investments/acquisitions and property-related capex	Internal and Debt
Total	Php27.0 – 34.0B		

1. Excludes construction of vertical residential buildings and house construction

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

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

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

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

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

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

Effective December 2023, Toyota Manila Bay Corporation ("TMBC") is consolidated under GTCAM pursuant to the Deed of Assignment of TMBC shares between the Parent Company and GTCAM, with the former as the transferor and

the latter as the transferee. The transfer of TMBC shares from the Parent Company to GTCAM has no impact on the consolidated financial statements of the Group.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

projects.

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

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

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

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

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

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

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

ASSETS

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

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

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

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

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

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

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

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

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

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

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

LIABILITIES

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

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

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

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

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

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

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

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

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

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

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

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

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

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

EQUITY

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

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

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

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

CALENDAR YEAR ENDED DECEMBER 31, 2022 VERSUS YEAR ENDED DECEMBER 31, 2021

GT Capital Consolidated Statements of Income <i>(In Million Pesos, Except for Percentage)</i>	Audited		Increase (Decrease)	
	Year Ended December 31 2022	2021	Amount	Percentage
REVENUE				
Automotive operations	211,945	150,964	60,981	40%
Equity in net income of associates and joint venture	16,455	11,065	5,390	49%
Real estate sales and interest income on real estate sales	5,793	7,269	(1,476)	(20%)
Rent income	1,401	1,046	355	34%
Sale of goods and services	957	589	368	62%
Commission income	667	288	379	132%
Interest income	544	247	297	120%
Other income	7,545	3,175	4,370	138%
	245,307	174,643	70,664	40%
COSTS AND EXPENSES				
Cost of goods and services sold	157,079	102,959	54,120	53%
Cost of goods manufactured and sold	36,366	32,111	4,255	13%
General and administrative expenses	17,278	13,455	3,823	28%
Interest expense	7,144	6,270	874	14%
Cost of real estate sales	3,059	3,123	(64)	(2%)
Cost of rental	830	655	175	27%
	221,756	158,573	63,183	40%
INCOME BEFORE INCOME TAXES	23,551	16,070	7,481	47%
PROVISION FOR INCOME TAX	1,820	1,821	(1)	(0%)
NET INCOME	21,731	14,249	7,482	53%
ATTRIBUTABLE TO:				
Equity holders of the Parent Company	18,360	10,983	7,377	67%
Non-controlling interests	3,371	3,266	105	3%
	21,731	14,249	7,482	53%

GT Capital Holdings, Inc. ("GT Capital" or the "Parent Company" or the "Company") consolidated net income attributable to equity holders of the Parent Company grew by 67% from Php10.98 billion in 2021 to Php18.36 billion in 2022. The increase was principally due to the 40% growth in consolidated revenues with growth registered in equity in net income of associates and joint ventures (+49%), auto sales (+40%), sales and goods and services (+62%) and other income (+147%).

Core net income attributable to equity holders of the Parent Company in 2022 amounted to Php15.89 billion, after deducting the Php2.64 billion non-recurring gains earned by the Group mainly from Federal Land Inc.'s ("Federal Land") gain on investment in a joint venture, net of non-recurring expenses and Metro Pacific Investments Corporation's ("MPIC") reversal of impairment loss upon the consolidation of one of its investments, and adding back the Php0.17 billion amortization of fair value adjustments arising from various business combinations. Core net income in 2021 amounted to Php10.99 billion in 2021 after adding back Php0.07 billion share in non-recurring expenses incurred by Metro Pacific Investments Corporation (MPIC) and deducting Php0.06 billion amortization of fair value adjustments arising from various business combinations.

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

Of the nine (9) component companies, Federal Land, TMBC, GTCAM, Metrobank, MPIC, TFSPC, AXA Philippines, and SMFC posted growth in net income, while TMP reported net income decline.

Automotive operations comprising the sale of assembled and imported auto vehicles and spare parts grew by 40%

from Php150.96 billion in 2021 to Php211.95 billion in 2022 due to a 37% increase in wholesale volume from 127,539 to 174,197 units and several price increases in 2022.

Equity in net income of associates and joint ventures increased by 49% from Php11.07 billion in 2021 to Php16.46 billion in 2022 primarily due to significant increases in the net income of the following associates:

1. Metrobank by 48% from Php22.26 billion to Php32.78 billion arising from the rising loans, better margins, healthy fee income, stable operating expenses and lower provisions;
2. TFSPC by Php0.90 billion from Php0.73 billion to Php1.63 billion due to lower provisions for credit losses and ROPA losses; and
3. MPIC by 7% from Php10.12 billion to Php10.49 billion due to higher energy sales and tollways traffic and toll rate adjustments.

Real estate sales and interest income from real estate sales dropped by 20% from Php7.27 billion to Php5.79 billion (excluding the joint venture projects). Real estate sales and interest income from real estate sales from all projects, however, grew by 7% from Php10.24 billion to Php10.94 billion.

Rent income grew by 34% from Php1.05 billion to Php1.40 billion despite lower occupancy primarily due to the absence of rental concessions.

Sale of goods and services increased by 62% or Php0.37 billion due to higher fuel sales and sales of food franchises arising from the easing of quarantine restrictions and increase in fuel prices.

Commission income increased by Php0.38 billion from Php0.29 billion in 2021 to Php0.67 billion in 2022 due to an increase in booked sales of Federal Land joint venture companies and the easing of quarantine restrictions.

Interest income grew from Php0.25 billion in 2021 to Php0.54 billion in 2022 due to the interest-bearing receivables.

Other income grew by Php4.37 billion mostly due to Federal Land's gain on investments and the tax incentives utilized by TMP in 2022 arising from its participation in the Comprehensive Automotive Resurgence Strategy (CARS) program of the government.

Consolidated costs and expenses increased by 40% from Php158.57 billion in 2021 to Php221.76 billion in 2022. TMP contributed Php177.18 billion comprising cost of goods sold for manufacturing and trading activities, general and administrative expenses and interest expenses. TMBC contributed Php22.10 billion consisting of cost of goods and services sold, general and administrative expenses and interest expenses. Federal Land contributed Php11.11 billion consisting of cost of real estate sales, cost of goods and services sold, general and administrative expenses, cost of rental and interest expenses. GTCAM contributed Php6.11 billion consisting of cost of goods and services sold, general and administrative expenses and interest expenses. GT Capital Parent Company accounted for the balance of Php5.26 billion consisting of interest expenses and general and administrative expenses.

Cost of goods and services sold grew by 53% from Php102.96 billion to Php157.08 billion relative to the increase in automotive sales and unfavorable foreign exchange differential from the depreciation of the peso versus the US dollar.

Cost of goods manufactured comprising cost of materials, labor and overhead incurred in the assembly of vehicles from TMP increased by Php4.26 billion from Php32.11 billion to Php36.37 billion due to an increase in materials costs of assembled vehicles.

General and administrative expenses increased by 28% or Php3.82 billion mainly due to auto delivery and handling services from higher fuel cost, and advertising and promotional expenses from new model introductions.

Interest expense increased by 14% from Php6.27 billion to Php7.14 billion due to loan availments and higher lending rates in 2022.

Cost of rental increased by 27% from Php0.66 billion to Php0.83 billion due to higher common use service area expenses from lower occupancy.

GT Capital Consolidated Statements of Financial Position	Audited December 31		Increase (Decrease)	
<i>(In Million Pesos, Except for Percentage)</i>	2022	2021	Amount	Percentage
ASSETS				
Current Assets				
Cash and cash equivalents	24,005	17,404	6,601	38%
Financial assets at fair value through profit or loss	11,160	8,712	2,448	28%
Receivables	14,135	15,852	(1,717)	(11%)
Contract assets	4,707	6,157	(1,450)	(24%)
Inventories	69,399	78,817	(9,418)	(12%)
Due from related parties	356	155	201	130%
Prepayments and other current assets	17,109	14,070	3,039	22%
	140,871	141,167	(296)	(0%)
Noncurrent Assets				
Financial assets at fair value through other comprehensive income	13,345	16,311	(2,966)	(18%)
Receivables – net of current portion	6,250	3,766	2,484	66%
Contract asset – net of current portion	5,636	7,114	(1,478)	(21%)
Investment properties	22,247	15,646	6,601	42%
Investments in associates and joint ventures	200,238	186,187	14,051	8%
Property and equipment	13,951	14,918	(967)	(6%)
Goodwill and intangible assets	10,025	9,938	87	1%
Deferred tax assets	1,277	1,174	103	9%
Other noncurrent assets	3,316	1,573	1,743	111%
	276,285	256,627	19,658	8%
TOTAL ASSETS	417,156	397,794	19,362	5%
LIABILITIES AND EQUITY				
Current Liabilities				
Accounts and other payables	36,948	34,203	2,745	8%
Contract liabilities – current portion	3,207	3,384	(177)	(5%)
Short-term debt	14,582	9,127	5,455	60%
Current portion of long-term debt	7,758	9,423	(1,665)	(18%)
Current portion of liabilities on purchased properties	348	304	44	14%
Current portion of bonds payable	6,099	–	6,099	100%
Customers' deposits	928	910	18	2%
Dividends payable	589	590	(1)	(0%)
Due to related parties	166	193	(27)	(14%)
Income tax payable	302	161	141	88%
Other current liabilities	1,513	1,316	197	15%
	72,440	59,611	12,829	22%
Noncurrent Liabilities				
Long term debt – net of current portion	118,033	112,755	5,278	5%
Bonds payable – net of current portion	3,992	10,077	(6,085)	(60%)
Liabilities on purchased properties - net of current portion	1,300	1,658	(358)	(22%)
Pension liabilities	1,657	1,629	28	2%
Deferred tax liabilities	3,414	3,232	182	6%
Other noncurrent liabilities	3,306	3,753	(447)	(12%)
	131,702	133,104	(1,402)	(1%)
TOTAL LIABILITIES	204,142	192,715	11,427	6%

<i>(In Million Pesos, Except for Percentage)</i>	Audited December 31		Increase (Decrease)	
	2022	2021	Amount	Percentage
Equity attributable to equity holders of Parent Company				
Capital stock	3,370	3,370	–	0%
Additional paid-in capital	98,827	98,827	–	0%
Retained earnings				
Unappropriated	106,107	88,982	17,125	19%
Appropriated	400	400	–	0%
Other comprehensive gain (loss)	(9,284)	143	(9,427)	(6592%)
Other equity adjustments	2,322	2,322	–	0%
	201,742	194,044	7,698	4%
Non-controlling interests	11,272	11,035	237	2%
TOTAL EQUITY	213,014	205,079	7,935	4%
TOTAL LIABILITIES AND EQUITY	417,156	397,794	19,362	5%

The major changes in GT Capital's consolidated balance sheet from December 31, 2021 to December 31, 2022 are as follows:

Consolidated assets grew by Php19.36 billion from Php397.79 billion as of December 31, 2021 to Php417.16 billion as of December 31, 2022. Total liabilities rose by Php11.43 billion from Php192.72 billion to Php204.14 billion while total equity increased by Php7.94 billion from Php205.08 billion to Php213.01 billion.

ASSETS

Cash and cash equivalents increased by Php6.60 billion from Php17.40 billion to Php24.01 billion with GT Capital, TMP, Federal Land, TMBC and GTCAM accounting for Php10.24 billion, Php7.83 billion, Php5.05 billion, Php0.46 billion, Php0.42 billion, respectively.

Financial assets at fair value through profit or loss increased by Php2.45 billion from Php8.71 billion to Php11.16 billion due to additional investments in unit investment trust by the Parent Company.

Current portion of receivables dropped by 11% or Php1.72 billion due to a reclassification to noncurrent portion, partially offset by reclassification from contract assets both current and noncurrent.

Contract assets decreased by Php1.45 billion attributable to the reclassification to current portion of receivables during the year. Contract assets are the excess of progress of work (POC) over the right to an amount collectible from unit buyers.

Inventories decreased by Php9.42 billion from Php78.82 billion to Php69.40 billion primarily due to the contribution of inventories by Federal Land to Federal Land NRE Global, Inc. ("FNG"), a joint venture company with Nomura Real Estate of Japan.

Due from related parties increased by Php0.20 billion from Php0.16 billion to Php0.36 billion coming from the higher management fees earned by Federal Land from its joint venture entities.

Prepayments and other current assets grew by 22% from Php14.07 billion to Php17.11 billion mainly input VAT, advances to contractors and suppliers, creditable withholding taxes, ad valorem and excise taxes, prepaid expenses and other current assets.

Financial assets at fair value through other comprehensive income decreased by Php2.97 billion from Php16.31 billion to Php13.35 billion due to marked-to-market losses on investments.

Noncurrent portion of receivables grew by 66% or Php2.48 billion mainly due to the reclassification from the current portion of receivables.

Noncurrent portion of contract assets decreased by 21% from Php7.11 billion to from Php5.64 billion attributable to the reclassification to current portion of receivables during the year.

Investment properties increased by 42% from Php15.65 billion to Php22.25 billion due to a reclassification from inventories.

Investments in associates and joint ventures grew by Php14.05 billion mainly due to Federal Land's Php10.77 billion contribution of inventories in FNG and equity share in net income of associates and joint ventures.

Property and equipment decreased by 6% from Php14.92 billion to Php13.95 billion, net of depreciation and amortization expenses incurred.

Deferred tax assets grew by 9% from Php1.17 billion to Php1.28 billion due to the increase in TMP's deferred tax assets.

Other noncurrent assets increased by Php1.74 billion from Php1.57 billion to Php3.32 billion due to higher rental deposits, utilities, guarantee, and construction bonds.

LIABILITIES

Accounts and other payables increased to Php36.93 billion from Php34.20 billion primarily due to inventory purchases of TMP.

Contract liabilities - current portion decreased by 5% from Php3.84 billion to Php3.21 billion coming from increase in percentage of completion of Federal Land.

Short-term debt increased by Php5.46 billion from Php9.13 billion to Php14.58 billion due to Php38.3 billion loan availments made during the period, offset by Php32.85 billion in new loan payments.

Current portion of long-term debt declined by 18% or Php1.67 billion due to the refinancing by GT Capital of its Japanese yen denominated loan due last July 2022.

Current portion of liabilities on purchased properties increased by 14% from Php0.30 billion to Php0.35 billion due to reclassification from noncurrent portion.

Current portion of bonds payable increased by Php6.09 billion due to the reclassification from noncurrent portion to current maturing in February 2023.

Due to related parties declined by 14% mostly payments by Federal Land to its related parties.

Income tax payable increased by Php0.14 billion from Php0.16 billion to Php0.30 billion attributable to higher taxable income reported by the Group.

Other current liabilities increased by 15% from Php1.32 billion to Php1.51 primarily due to the higher withholding taxes payable.

Non-current portion of long-term debt grew by 5% or Php5.28 billion due to the refinancing by GT Capital of its Japanese yen denominated loan due in July 2022, and new term loans availed by Federal Land.

Non-current portion of bonds payable decreased by Php6.09 billion due to reclassification to current portion.

Non-current liabilities on purchased properties decreased by Php0.36 billion due to reclassification to current portion and amortization of deferred financing cost.

Deferred tax liabilities grew by 6% or Php0.18 billion due to GT Capital's deferred tax liabilities on the net unrealized gain on financial assets at fair value through other comprehensive income.

Other noncurrent liabilities decreased by 12% from Php3.75 billion to Php3.31 primarily due to the decline in deferred output VAT payable arising from collections of receivables.

EQUITY

Unappropriated retained earnings increased by Php17.13 billion from Php88.98 billion to Php106.11 billion arising from the Php18.36 billion consolidated net income earned attributable to the Parent Company in 2022, net of Php1.23 billion cash dividends declared.

Other comprehensive loss amounted to Php9.28 billion versus other comprehensive income of Php142.75 million as of December 31, 2021 due to the marked-to-market losses on financial assets at FVOCI of the Group in 2022.

LIQUIDITY AND CAPITAL RESOURCES

In 2024, 2023 and 2022, GT Capital's principal source of liquidity came from cash dividends received from the investee companies, interest received and availment of loans. As of December 31, 2024, GT Capital's cash and cash equivalents reached Php25.34 billion.

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

	In Million Pesos		
	2024	2023	2022
Net cash provided by operating activities	24,976	28,195	2,833
Net cash used in investing activities	(3,621)	(16,508)	(4,152)
Net cash provided by (used in) financing activities	(12,185)	(18,761)	8,686
Effects of exchange rate changes on cash and cash equivalents	(560)	(202)	(766)
Net increase (decrease) in cash and cash equivalents	8,610	(7,274)	6,601
Cash and cash equivalents at the beginning of the period	16,731	24,005	17,404
Cash and cash equivalents of continuing operations at end of the period	25,341	16,731	24,005

Cash flows from operating activities

Net cash provided by operating activities in 2024, 2023 and 2022 amounted to Php24.98 billion, Php28.20 billion, and Php2.83 billion, respectively. In 2024, cash generated from operations, dividend, and interest received amounting to Php33.80 billion, Php11.64 billion, and Php2.01 billion, respectively, were used to pay interest, dividends and income taxes amounting to Php6.90 billion, Php9.29 billion, and Php6.04 billion, respectively. In 2023, cash generated from operations, dividend, and interest received amounting to Php39.71 billion, Php6.12 billion, and Php0.96 billion, respectively, were used to pay interest, dividends and income taxes amounting to Php7.11 billion, Php4.24 billion, and Php6.61 billion, respectively. In 2022, cash generated from operations, dividend, and interest received amounting to Php10.28 billion, Php6.35 billion, and Php0.59 billion, respectively, were used to pay interest, dividends and income taxes amounting to Php7.57 billion, Php4.38 billion, and Php2.32 billion, respectively.

Cash flows used in investing activities

Net cash used in investing activities amounted to Php3.62 billion, Php16.51 billion and Php4.15 billion in 2024, 2023 and 2022, respectively. In 2024, cash flows used in investing activities went to the acquisition of additional property and equipment by Php3.85 billion. In 2023, cash flows used in investing activities went to the additional investments in joint ventures by Php16.39 billion. In 2022, cash flows used in investing activities mainly went to the acquisition of additional investment property by Php1.23 billion and increase noncurrent assets by Php1.74 billion.

Cash flows from financing activities

Net cash used in financing activities amounted to Php12.19 billion and Php18.49 billion in 2024 and 2023, respectively, while the net cash provided by financing activities in 2022 amounted to Php8.69 billion. In 2024, the cash flows from financing activities that came from the proceeds from loan availments amounting to Php51.03 billion were used to refinance other loans amounting to Php59.08 billion, and settle bonds payable amounting to Php4.00 billion and partially settle liabilities on purchased properties amounting to Php0.33 billion. In 2023, the cash flows from financing activities that came from the proceeds from loan availments amounting to Php77.63 billion were used to refinance other loans amounting to Php84.78 billion, settle bonds payable amounting to Php6.10 billion and redeem Php4.84 billion preferred shares series A. In 2022, cash flows from financing activities came from Php52.13 billion in new loans which were used to partially settle Php42.68 billion in outstanding loans.

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

Item 1. Business

GT Capital Holdings, Inc. (GT Capital or the Company or the Parent Company or the Group) was incorporated in the Republic of the Philippines on July 26, 2007. The Company's registered office address and principal place of business is at 43/F GT Tower International, 6813 Ayala Avenue corner H. V. Dela Costa St., Makati City, Metro Manila, Philippines. GT Capital is a listed company, of which 56.26% of common shares is owned by Grand Titan Capital Holdings, Inc. (Grand Titan) and the directors and senior officers of GT Capital, while the balance of 43.74% is publicly owned as of December 31, 2024.

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

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

GT Capital's portfolio of businesses is well-positioned to benefit from broad-based growth in the Philippine economy and domestic consumption in particular. The portfolio as of December 31, 2024 comprises directly-held interests in the following GT Capital component companies:

- **Automotive assembly, importation, distribution, dealership and financing** – GT Capital primarily conducts its automotive business through its 51.0% interest in Toyota Motor Philippines Corporation (TMP). TMP is engaged in the assembly, importation, and wholesale distribution of Toyota motor vehicles in the Philippines and is also engaged in the sale of motor vehicle parts and accessories both within the Philippines and abroad through exports. TMP is also engaged in the distribution of Lexus brand motor vehicles and serves as a mobility solutions provider in the Philippines. In addition, TMP owns Toyota Makati with one (1) branch – Toyota Bicutan; 55.0% interest in Toyota San Fernando in Pampanga with two (2) branches – Toyota Plaridel, Bulacan and Toyota Tarlac; 75.0% interest in Lexus Manila, situated in Bonifacio Global City, Taguig; and 100% interest in Toyota Mobility Solutions Philippines Inc., situated in Makati City.

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

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

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

GT Capital also provides financing for the acquisition of Toyota motor vehicles through its 40.00% interest in Toyota Financial Services Philippines Corporation (TFSPH). TFSPH offers retail loans, finance lease and full-service operating lease to its individual and corporate clients for the acquisition of brand-new and/or

certified pre-owned Toyota vehicles. In October 19, 2021, TFSPH launched myTOYOTA Wallet, a digital payment app that brings together a range of payment options in a single platform connected to the entire Toyota ecosystem.

- **Banking** – GT Capital conducts banking services through its 37.15% interest in Metropolitan Bank & Trust company (“MBT” or “Metrobank”). MBT is a universal bank that provides, through itself and other members of the MBT Group, a full range of banking and other financial products and services including corporate, commercial and consumer banking products and services as well as credit card, investment banking and trust services. Metrobank has been listed on the Philippine Stock Exchange since 1981. As of December 31, 2024, the MBT Group had a total of over 960 branches in the Philippines, of which 710 were operated by MBT and 250 were operated by Philippine Savings Bank (PSB); and over 2,200 automated teller machines (ATMs).
- **Property development** – GT Capital engages in property development business through its wholly-owned subsidiary, Federal Land, Inc. (“Federal Land”). Federal Land primarily focuses on the development of high-rise, vertical residential condominium projects, as well as on master-planned communities that offer residential, retail, office and commercial space. It caters mainly to the upper mid-end market segment with projects in key, strategic urban communities.
- **Life and Non-Life Insurance** – GT Capital conducts its life and non-life insurance business through its 25.3% interest in AXA Philippines Life and General Insurance Corporation (Formerly Philippine AXA Life Insurance Corporation), which offers personal and group insurance products in the country, including investment-linked insurance products. AXA Philippines fully absorbed its subsidiary, Charter Ping An Insurance Corporation (Charter Ping An or CPAIC), with the former being the surviving entity as approved by the Securities and Exchange Commission (SEC) on December 28, 2022. With the merger, AXA Philippines is now a provider of non-life insurance products that include fire/property, marine, motor car, personal accident, other casualty, and engineering insurance, among others. AXA Philippines distributes its products through a multi-channel distribution network comprised of agents, bancassurance (through MBT and PSBank branches), and corporate solutions.
- **Infrastructure and Utilities** – GT Capital, through its 18.20% stake in Metro Pacific Investments Corporation (MPIC), the Philippines’ largest infrastructure conglomerate, has exposure in high-growth businesses such as toll roads, water, power, railways, health, fuel storage, real estate, food, and agriculture. Among MPIC’s portfolio is Manila Electric Company (MERALCO), the country’s largest power distribution utility; Maynilad Water Services, Inc., which manages Metro Manila’s widest water distribution network; and Metro Pacific Tollways Corporation, operator of the country’s largest toll road network.
- **Motorcycle Financing** – GT Capital owns a 20.0% stake in Sumisho Motor Finance Corporation (SMFC), which offers end-user financing for Japanese motorcycle brands. SMFC is a joint venture among GT Capital, PSBank, and Sumitomo Corporation of Japan. Sumisho provides a total financing package that hopes to deliver simple, convenient and hassle-free motorcycle ownership for its clients.

A.v Corporation’s Directors and Executive Officers

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

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

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

In Php	High	Low
	2023	
1 st Quarter (Jan 1 to Mar 31)	550	438.8
2 nd Quarter (Apr 1 to June 30)	519	462
3 rd Quarter (July 1 to Sept 30)	599	495
4 th Quarter (Oct 1 to Dec 31)	590	528

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

As of December 27, 2024, the closing price of the Company's common shares of stock is Php658.00 per share.

Shareholder and Dividend Information

The top 20 stockholders of the Corporation's Common Shares as of December 31, 2024 are as follows::

	NAME OF STOCKHOLDER	NO OF SHARES *	RATIO (%) TO TOTAL AMOUNT SUBSCRIBED
1.	Grand Titan Capital Holdings, Inc.	120,413,658	55.932%
2.	PCD Nominee Corp. (Filipino)	50,909,820	23.648%
3.	PCD Nominee Corp. (Non-Filipino)	43,025,466	19.985%
4.	Ty Siao Kian	223,560	0.104%
5.	Ty, Alfred Vy	111,780	0.052%
	Ty, Arthur Vy	111,780	0.052%
6.	Ty, Mary Vy	110,662	0.051%
7.	Enrile, William T. or Nelly R. Enrile or Edwin R. Enrile or William R. Enrile	100,000	0.046%
8.	Catienza, Emily Chua	97,650	0.045%
9.	Bloomington Enterprises, Inc.	42,261	0.020%
10.	Catienza, Beniya Antoinette Chua	23,500	0.011%
11.	Chua, Josephine Ty	12,871	0.006%
12.	United Life Assurance Corporation	11,178	0.005%
13.	Ty, Alesandra T.	8,387	0.004%
14.	Chan, Asuncion C.	6,707	0.003%
15.	Choi, Anita C.	4,471	0.002%
16.	Lee, Sang Won	4,160	0.002%
17.	Mar, Peter or Annabelle C. Mar	3,353	0.002%
18.	Keh, Yvonne Ong-Chua	3,300	0.001%
19.	Carousel Holdings, Inc.	2,836	0.001%
20.	Yadan, Omry	2,540	0.001%

* Fully subscribed and paid up

As of December 31, 2024, the Corporation had approximately 94 stockholders of record for its common shares, including PCD Nominee Corporation (Filipino) and PCD Nominee Corporation (Non-Filipino).

In 2023, the Corporation had a target annual dividend payout of Php3.00 per share, payable out of its unrestricted retained earnings. Such declaration will take into consideration factors such as restrictions that may be imposed by current and prospective financial covenants; projected levels of operating results, working capital needs and long-term capital expenditures; and regulatory requirements on dividend payments, among others. As such, the Company paid cash dividends to its stockholders as follows:

Year	Common stock	Total	Voting Preferred Stock	Total	Record Date	Payment Date
2023	Php3.00 per share (regular)	Php645.9 million (regular)	3.77% PDST-R2 3Y rate as of April 13, 2015 (regular)	Php657,111.0 (regular)	April 3, 2023	April 19, 2023

On March 13, 2024 and August 7, 2024, the Board of Directors of the Company approved the declaration of cash dividends for common and voting preferred stockholders, as shown below. There are no restrictions limiting payment of dividends on common shares.

Year	Common stock	Total	Voting Preferred Stock	Total	Record Date	Payment Date
2024	Php3.00 per share (regular)	Php645.9 million (regular)	3.77% PDST-R2 3Y rate as of April 13, 2015 (regular)	Php1,076,422,935 (regular)	March 27, 2024	April 12, 2024
	Php2.00 per share (special)	Php430.6 million (special)				
2024	Php3.00 per share (regular)	Php645.9 million (regular)	-	Php645.9 million (regular)	August 22, 2024	September 6, 2024

On March 18, 2025, the Board of Directors of the Company approved the declaration of cash dividends for common stockholders, as shown below. There are also no restrictions limiting payment of dividends on common shares.

Year	Common stock	Total	Record Date	Payment Date
2025	Php3.00 per share (regular)	Php645.9 million (regular)	March 27, 2024	April 12, 2024
	Php2.00 per share (special)	Php430.6 million (special)		
2025	Php3.00 per share (regular)	Php645.9 million (regular)	TBD	TBD

A.vii Recent Sale of Unregistered or Exempt Securities

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

A.viii Legal Proceedings

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

A.ix. Corporate Governance

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

The Corporation's By-laws and Governance Manual provide that the Board shall have at least three (3) independent directors or such number as to constitute at least one-third (1/3) of the members of the board, whichever is higher. The Corporation espouses the definition of independence pursuant to the Securities Regulation Code. The Corporation considers as an independent director one who, except for his director's fees and shareholdings, is independent of management and free from any business or other relationship which, or

could reasonably be perceived to, materially interfere with his exercise of independent judgment in carrying out his responsibilities as an independent director of GT Capital.

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

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

Board Attendance

In 2024, the Board held a total of seven (7) meetings. The Board meeting attendance is as follows:

Name	Position	No. of Meetings Attended
Francisco C. Sebastian	Chairman	7/7 (100%)
Alfred Vy Ty	Vice Chairman	7/7 (100%)
Arthur Vy Ty	Director	6/7 (85%)
Carmelo Maria Luza Bautista	President and Director	6/6 (100%)
Renato C. Valencia	Lead Independent Director	6/7 (85%)
Rene J. Buenaventura	Independent Director	7/7 (100%)
Consuelo D. Garcia	Independent Director	7/7 (100%)
Gil B. Genio	Independent Director	7/7 (100%)
Carlos G. Dominguez III	Independent Director	7/7 (100%)
David T. Go	Director	7/7 (100%)
Regis V. Puno	Director	7/7 (100%)

All directors attended the Annual Stockholders' Meeting of the Corporation held on May 8, 2024.

Committee Attendance

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

Executive Committee

Member	Position Held in Committee	Meetings Attended
Francisco C. Sebastian	Chairman	19/19
Alfred Vy Ty	Vice Chairman	18/19
Arthur Vy Ty	Member	19/19
Carmelo Maria Luza Bautista	Member	19/19
Mary Vy Ty	Adviser	19/19
Solomon S. Cua	Adviser	17/19

Nominations Committee

Member	Position Held in Committee	Meetings Attended
Renato C. Valencia	Chairman	4/4
Rene J. Buenaventura	Member	4/4
Gil B. Genio	Member	4/4
Carmelo Maria Luza Bautista	Adviser	4/4

Audit Committee

Member	Position Held in Committee	Meetings Attended
Gil B. Genio	Chairman	4/4
Renato C. Valencia	Member	4/4
Rene J. Buenaventura	Member	4/4
Regis V. Puno	Member	3/4

Risk and Sustainability Oversight Committee

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

Corporate Governance and Related Party Transactions Committee

Member	Position Held in Committee	Meetings Attended
Renato C. Valencia	Chairman	2/2
Rene J. Buenaventura	Member	2/2
Gil B. Genio	Member	2/2
Anjanette Ty Dy Buncio	Adviser	1/2

Compensation Committee

Member	Position Held in Committee	Meetings Attended
Renato C. Valencia	Chairman	1/1
Rene J. Buenaventura	Member	1/1
Alfred V. Ty	Member	1/1

In 2024, the directors of the Corporation attended the following trainings on corporate governance:

Name of Director	Title of Training	Training Provider	Date of Training
Francisco C. Sebastian	Corporate Governance Training	Center for Global Best Practices (CGBP)	July 26, 2024
	AMLC Training Session	Anti-Money Laundering Council	August 16, 2024
	2024 Annual Corporate Governance Enhancement Session	Metro Pacific Investments Corporation	September 27, 2024
Carmelo Maria Luza Bautista	AMLC Training Session	Anti-Money Laundering Council	August 16, 2024
	Strategic Thinking for Board of Directors and Leaders	Center for Global Best Practices (CGBP)	October 1, 2024
Renato C. Valencia	Risks and Resilience in the World of AI	Institute of Corporate Directors	June 17, 2024
Rene J. Buenaventura	Risks and Resilience in the World of AI	Institute of Corporate Directors	June 18, 2024
Gil B. Genio	Global Governance Summit "Leading the Future, Strengthening Unity"	Institute of Corporate Directors	September 19, 2024
	2024 Corporate Governance Seminar	Philippine Chamber of Commerce Industry	September 26, 2024
David T. Go	2024 Annual Corporate Governance Seminar	Good Governance Advocates and Practitioners of the Philippines	November 19, 2024

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

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



GT CAPITAL
HOLDINGS, INCORPORATED

25 March 2025

Securities and Exchange Commission

7907 Makati Avenue, Salcedo Village
Bel-Air Makati City, 1209

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

Gentlemen:

This is to certify that to the best of our knowledge, none of the directors or officers of GT Capital Holdings, Inc. mentioned in its Preliminary Information Statement for the Annual Stockholders' Meeting on May 14, 2025 holds any position or is connected with any Philippine government agency or instrumentality.

Very truly yours,

A black rectangular redaction box covering the signature of the sender.

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



**STATEMENT OF MANAGEMENT'S RESPONSIBILITY
FOR FINANCIAL STATEMENTS**

The management of GT Capital Holdings, Inc. (the Company) is responsible for the preparation and fair presentation of the parent and consolidated financial statements including the schedules attached therein, as of December 31, 2024 and 2023 and for each of the three years in the period ended December 31, 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 financial statements that are free from material misstatement, whether due to fraud or error.



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

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

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

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

Signature:


Francisco C. Sebastian, Chairman of the Board 

Signature:


Carmelo Maria L. Bautista, President 

Signature:


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

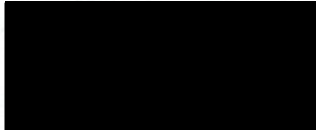
March 18, 2025

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

18 MAR 2025

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

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



Doc. No. 81
Page No. 18
Book No. 59
Series of 2025




ATTY. MARIA SOFIA W. LOPEZ

Notary Public for Makati City
Appointment No. M-072 until December 31, 2026
43/F GT Tower Int'l Ayala Ave. cor. H.V. dela Costa St, Makati City
Roll No. 38610/05.13.1993/MCLE Comp. No. VII-0018072
PT No. 10475676; 01.09.2025 Makati City
Ibr No. 461518, 10.17.2024, Pasig City

COVER SHEET

for
AUDITED FINANCIAL STATEMENTS

SEC Registration Number

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

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

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

4	3	r	d	F	l	o	o	r	,	G	T	T	o	w	e	r	I	n	t	e	r	n	a	t	i
o	n	a	l	,	A	y	a	l	a	A	v	e	n	u	e	c	o	r	n	e	r	H	.	V	.
D	e	l	a	C	o	s	t	a	S	t	.	,	M	a	k	a	t	i	C	i	t	y			

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

COMPANY INFORMATION

Company's Email Address	Company's Telephone Number	Mobile Number			
<table border="1" style="width: 100%;"> <tr> <td>gtcap@gtcapital.com.ph</td> </tr> </table>	gtcap@gtcapital.com.ph	<table border="1" style="width: 100%;"> <tr> <td>8836-4500</td> </tr> </table>	8836-4500	<table border="1" style="width: 100%;"> <tr> <td></td> </tr> </table>	
gtcap@gtcapital.com.ph					
8836-4500					
No. of Stockholders	Annual Meeting (Month / Day)	Fiscal Year (Month / Day)			
<table border="1" style="width: 100%;"> <tr> <td>94</td> </tr> </table>	94	<table border="1" style="width: 100%;"> <tr> <td>2nd Wednesday of May</td> </tr> </table>	2 nd Wednesday of May	<table border="1" style="width: 100%;"> <tr> <td>12/31</td> </tr> </table>	12/31
94					
2 nd Wednesday of May					
12/31					

CONTACT PERSON INFORMATION

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

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

CONTACT PERSON'S ADDRESS

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

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

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



INDEPENDENT AUDITOR'S REPORT

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

Opinion

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

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

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.



We have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Impairment Testing of Goodwill and Customer Relationship

Under PFRS Accounting Standards, the Group is required to annually test the amount of goodwill and intangible assets with indefinite useful life for impairment. As of December 31, 2024, the Group has goodwill attributable to the acquisition of various businesses, and an intangible asset with indefinite useful life relating to customer relationship, with total carrying values of ₱5.93 billion and ₱3.88 billion, respectively, which are considered significant to the consolidated financial statements. In addition, management's assessment process requires significant judgment and is based on assumptions which are subject to higher level of estimation uncertainty, specifically the forecasts of future cash flows, expected gross margins, discount rates, long-term growth rates, and earnings before interest and taxes (EBIT) margin on key customers.

The Group's disclosures about goodwill and customer relationship are included in Notes 12 and 13 to the consolidated financial statements.

Audit Response

We obtained an understanding of management's process for evaluating the impairment of goodwill and customer relationship. We involved our internal specialists in evaluating the reasonableness of the discount rate. We compared the key assumptions used such as revenue growth rate, gross margins and cost ratios against actual historical performance of the CGU and industry outlook. We also reviewed the Group's disclosures about those assumptions to which the outcome of the impairment test is most sensitive; specifically, those that have the most significant effect on the determination of the recoverable amount of goodwill and customer relationship.

Real Estate Revenue Recognition

The Group's real estate revenue recognition process, policies and procedures are significant to our audit because these involve the application of significant judgment and estimation in the following areas: (a) assessment of the probability that the entity will collect the total consideration from the buyer; (b) determination of the transaction price; and (c) application of the output method as the measure of progress in determining real estate revenue.

In evaluating whether collectibility of the total amount of consideration is probable, the Group considers the significance of the buyer's initial payments in relation to the total contract price (buyer's equity). Collectibility is also assessed by considering factors such as history with the buyer, and age and pricing of the property. 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.

Effective January 1, 2024, the Group adopted Philippine Interpretations Committee (PIC) Q&A 2018-12-D (as amended by PIC Q&A 2020-04) in assessing if the transaction price includes significant financing component. The Group applied the modified retrospective approach in its initial adoption.



In measuring the progress of its performance obligation over time, the Group uses the output method. This method measures progress based on physical proportion of work done on the real estate project which requires technical determination by the Group's specialists (project engineers). This is based on the monthly project accomplishment report prepared by the project engineers as approved by the construction manager, which integrates the surveys of performance to date of the construction activities for both the sub-contracted and those that are fulfilled by the Group itself.

The disclosures related to real estate revenue are included in Note 3 to the consolidated financial statements.

Audit Response

For the buyer's equity, we evaluated management's basis of the buyer's equity by comparing this to the historical analysis of sales cancellations from buyers with accumulated payments above the collection threshold. We traced the analysis to supporting documents such as sales and cancellation reports, contract cancellation requests and approvals.

For the determination of the transaction price, we obtained an understanding of the Group's process in implementing PIC Q&A 2018-12-D (as amended by PIC Q&A 2020-04), including the determination of the population of contracts with customers related to real estate sale, the selection of the transition approach and election of available practical expedient. We obtained the financing component calculation of the management which includes an analysis whether the financing component of the Group's contract with customers is significant. We selected sample contracts from the sales contract database and traced these selected contracts to the calculation prepared by management. For selected contracts, we traced the underlying data and assumptions used in the financing component calculation such as contract price, cash discount, payment scheme, payment amortization table and percentage of completion to the contract provision and projected percentage of completion schedule. We also recomputed the financing component for each sample selected.

For the application of the output method in determining real estate revenue, we obtained an understanding of the Group's processes for determining the POC. We inspected the certified POC reports prepared by third party project managers as approved by internal construction managers and assessed their competence, capabilities, and objectivity by reference to their qualifications, experience, and reporting responsibilities. For selected projects, we conducted ocular inspections, made relevant inquiries and obtained the supporting details of POC reports showing the completion of the major activities of the project construction.

We performed test computation of the transition adjustments and evaluated the relevant disclosures made on the initial adoption of the above PIC Q&As.

Accounting for Investments in Significant Associates

The Group has investments in Metropolitan Bank & Trust Company (MBTC) and Metro Pacific Investments Corporation (MPIC) that are both accounted for under the equity method. The application of the equity method of accounting over these investments, particularly the determination of the Group's share in the net income of these associates and the assessment for impairment of these investments, is a key audit matter because the Group's equity in the net earnings of these associates contributed ₱22.80 billion, or 60.80% of the Group's consolidated net income in 2024, and the Group's investments in these associates accounted for 61.49% and 42.28% of the consolidated total noncurrent assets and consolidated total assets, respectively, of the Group as of December 31, 2024.



MBTC's net income is significantly affected by its application of the expected credit loss (ECL) model in calculating the allowance for credit losses for its loans and receivables and recoverability of goodwill.

MBTC's application of the ECL model is significant to our audit as it involves the exercise of significant management judgment. Key areas of judgment include: segmenting MBTC's credit risk exposures; determining the method to estimate ECL; defining default; identifying exposures with significant deterioration in credit quality, taking into account extension of payment terms; determining assumptions to be used in the ECL model such as the counterparty credit risk rating, the expected life of the financial asset, expected recoveries from defaulted accounts and the impact of any financial support and credit enhancements extended by any party; and incorporating forward-looking information in calculating ECL. For the recoverability of goodwill, MBTC performed the impairment testing using the CGU's fair value less costs to sell (FVLCTS). The annual impairment test is significant to our audit because the determination of the CGU's FVLCTS requires significant judgment and is based on assumptions which are subject to a higher level of estimation uncertainty.

The CGU's assets include significant investments in unquoted equity shares and their fair values were determined using price-to-earnings (P/E) ratios of comparable companies and adjusted net asset value (NAV) method.

Meanwhile, MPIC's net income is significantly affected by the recoverability of its goodwill, service concession assets (SCAs) not yet available for use and the amortization of SCAs using the units-of-production (UOP) method.

MPIC has goodwill and SCAs not yet available for use, which are required to be tested for impairment at least annually. These are important to our audit because the impairment assessment of SCAs not available for use involves significant management judgment and estimates. Moreover, the SCAs related to the toll roads, water and rail concession agreements of MPIC are being amortized using the UOP method. The UOP amortization method involves significant management judgment and estimates, particularly in determining the total expected traffic volume, the total estimated volume of billable water, and the total estimated rail ridership over the remaining periods of the concession agreements.

Moreover, the Group assesses the impairment of its investments in associates and joint ventures whenever events or changes in circumstances indicate that the carrying amounts of the investments may not be recoverable. As of December 31, 2024, the fair value of the Group's investment in MBTC based on the current market capitalization, and the book value of the Group's investment in MPIC based on the investee's net assets, has declined compared to the carrying value of the investment, which are impairment indicators. The assessment of the recoverable amount of the investment in MBTC and MPIC requires significant judgment and involves estimation and assumptions about the revenue growth rate, terminal growth rate, and discount rate.

The relevant disclosures related to the Group's investments in associates are provided in Note 8 to the consolidated financial statements.

Audit Response

For MBTC's application of the ECL model, we obtained an understanding of the Board-approved methodologies and models used for the different credit exposures and assessed whether these considered the requirements of PFRS 9, *Financial Instruments*, to reflect an unbiased and probability-weighted outcome, and to consider the time value of money and the best available forward-looking information.



We (a) assessed MBTC's segmentation of its credit risk exposures based on homogeneity of credit risk characteristics; (b) tested the definition of default and significant increase in credit risk criteria against historical analysis of accounts, credit risk management policies and practices in place; (c) tested MBTC's application of its internal credit risk rating system its by reviewing the ratings of sample credit exposures; (d) assessed whether expected life is different from the contractual life by testing the maturity dates reflected in MBTC's records and considering management's assumptions regarding future collections, advances, extensions, renewals and modifications; (e) tested loss given default by inspecting historical recoveries and related costs, write-offs and collateral valuations, and the effects of any financial support and credit enhancements provided by any party; (f) tested exposure at default considering outstanding commitments and repayment scheme; (g) evaluated the forward-looking information used for overlay through statistical tests and corroboration using publicly available information and our understanding of MBTC's lending portfolios and broader industry knowledge, and (h) tested the effective interest rate used in discounting the expected loss.

Further, we checked the data used in the ECL models from source system reports to the data warehouse and from the data warehouse to the loss allowance analysis/models and financial reporting systems. To the extent that the loss allowance analysis is based on credit exposures that have been disaggregated into subsets of debt financial assets with similar risk characteristics, we traced or re-performed the disaggregation from source systems to the loss allowance analysis.

We recalculated ECL provisions on a sample basis. We involved our internal specialists in the performance of the above procedures.

For MBTC's assessment of the recoverability of goodwill, we involved our internal specialists in obtaining an understanding of MBTC's impairment assessment process including methodology and assumptions used in the assessment and in evaluating the assumptions and methodology used by MBTC in determining the FVLCTS of the CGU, in particular those relating to the use of P/E ratios of comparable companies and adjusted NAV method in the valuation of the unquoted equity shares. We tested the fair value of the other assets and liabilities by referring to the quoted prices of listed equity and debt instruments, agreeing the appraised values of real estate properties to the appraisal reports, comparing the future cash flows of unquoted debt instruments to the related contracts, and comparing the discount rates used against prevailing interest rates for similar instruments. We also re-performed the calculation of the FVLCTS.

For MPIC's impairment testing of SCAs not yet available for use and goodwill, we involved our internal specialist in evaluating the methodologies and the assumptions used in the determination of the recoverable amounts of the CGUs. These assumptions include the expected volume of traffic for the toll roads, ridership for the rail, growth rates, discount rates and the assigned probabilities to various scenarios. We also compared the key assumptions such as traffic volume, rail ridership against historical data and against available studies by independent parties that were commissioned by the respective subsidiaries. In cases where volume was determined by management specialists, we obtained the reports of the management specialists and gained an understanding of the methodology and the basis of computing the forecasted volume. We tested the weighted average cost of capital (WACC) used in the impairment test by comparing it with WACC of other comparable companies in the region. We obtained an understanding and evaluated the bases of probabilities assigned to each scenario.

For MPIC's amortization of SCAs using the UOP method, we obtained the report of management's specialists and gained an understanding of the methodology and the basis of computing the forecasted traffic volume, billable water and rail ridership. We evaluated the competence, capabilities, and



objectivity of management's specialists who estimated the forecasted volumes by considering their qualifications, experience and reporting responsibilities. Furthermore, we compared the traffic volume, billable water volume, and rail ridership during the year against the historical data generated from the toll collection system for tollways, from the billing system for water and from the automated fair collection system for rail. We recalculated the amortization expense for the year and the SCAs as of year-end based on the established traffic volume, billable water volume and rail ridership.

For the Group's recoverability of investment in associates, we involved our internal specialists in evaluating the reasonableness of the discount rate. For the investment in MBTC, we compared the revenue and terminal growth rates to available industry, economic and financial data. We also tested whether the discount rate used represents current market assessment of risks associated with the investment. For the investment in MPIC, we reviewed management's calculation of the recoverable amount using the sum-of-the-parts approach, taking into consideration the market price, the applicable discount rate and net asset values of MPIC's component businesses.

Other Information

Management is responsible for the other information. The other information comprises the information included in the SEC Form 20-IS (Definitive Information Statement), SEC Form 17-A and Annual Report for the year ended December 31, 2024, but does not include the consolidated financial statements and our auditor's report thereon. The SEC Form 20-IS (Definitive Information Statement), SEC Form 17-A and the Annual Report for the year ended December 31, 2024 are expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audits of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audits, or otherwise appears to be materially misstated.

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

Management is responsible for the preparation of the consolidated financial statements in accordance with PFRS Accounting Standards and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Group's financial reporting process.



Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with PSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with PSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.



We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Miguel U. Ballelos, Jr.

SYCIP GORRES VELAYO & CO.

Miguel U. Ballelos Jr.

Miguel U. Ballelos, Jr.

Partner

CPA Certificate No. 109950

Tax Identification No. 241-031-088

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

BIR Accreditation No. 08-001998-114-2025, January 8, 2025, valid until January 7, 2028

PTR No. 10465266, January 2, 2025, Makati City

March 18, 2025



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

	December 31	
	2024	2023 (As restated – Note 8)
ASSETS		
Current Assets		
Cash and cash equivalents (Note 4)	₱25,341	₱16,731
Financial assets at fair value through profit or loss (Note 10)	910	871
Receivables (Note 5)	28,185	29,203
Contract assets (Note 21)	4,685	4,092
Inventories (Note 6)	77,211	76,676
Due from related parties (Note 27)	264	134
Prepayments and other current assets (Note 7)	11,785	12,778
Total Current Assets	148,381	140,485
Noncurrent Assets		
Financial assets at fair value through other comprehensive income (Note 10)	20,097	17,696
Receivables - net of current portion (Note 5)	1,433	6,390
Contract assets - net of current portion (Notes 2 and 21)	5,185	5,489
Investment properties (Note 9)	22,459	22,326
Investments in associates and joint ventures (Notes 2 and 8)	248,618	229,283
Property and equipment (Note 11)	16,139	13,589
Goodwill (Note 12)	5,926	5,926
Intangible assets (Note 13)	4,167	4,088
Deferred tax assets - net (Note 29)	1,288	1,085
Other noncurrent assets (Note 14)	395	829
Total Noncurrent Assets	325,707	306,701
	₱474,088	₱447,186
LIABILITIES AND EQUITY		
Current Liabilities		
Accounts and other payables (Note 15)	₱49,837	₱43,790
Contract liabilities (Note 21)	2,950	3,293
Short-term debt (Note 16)	29,911	21,116
Current portion of long-term debt (Note 16)	17,454	16,110
Current portion of liabilities on purchased properties (Notes 20 and 27)	1,001	348
Current portion of bonds payable (Note 17)	–	3,997
Customers' deposits (Note 18)	1,594	1,062
Dividends payable (Note 22)	365	365
Due to related parties (Note 27)	439	416
Income tax payable	1,140	568
Other current liabilities (Note 19)	2,436	2,149
Total Current Liabilities	107,127	93,214

(Forward)



	December 31	
	2024	2023 (As restated – Note 8)
Noncurrent Liabilities		
Long-term debt - net of current portion (Note 16)	₱76,869	₱95,528
Liabilities on purchased properties - net of current portion (Notes 20 and 27)	–	981
Retirement liability (Note 28)	2,096	2,040
Deferred tax liabilities - net (Notes 2 and 29)	5,015	4,409
Other noncurrent liabilities (Note 20)	3,131	3,190
Total Noncurrent Liabilities	87,111	106,148
Total Liabilities	194,238	199,362
Equity		
Equity attributable to equity holders of the Parent Company		
Capital stock (Note 22)	3,370	3,370
Additional paid-in capital (Note 22)	94,472	94,472
Treasury shares (Note 22)	(484)	(484)
Retained earnings - unappropriated (Notes 2 and 22)	161,334	134,408
Retained earnings - appropriated (Note 22)	400	400
Other comprehensive income (loss) (Note 22)	1,103	(2,477)
Other equity adjustments (Note 22)	2,322	2,322
Non-controlling interests (Note 22)	17,333	15,813
Total Equity	279,850	247,824
	₱474,088	₱447,186

See accompanying Notes to Consolidated Financial Statements.



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

(In Millions, Except Earnings Per Share)

	Years Ended December 31		
		2023	
	2024	(As restated – Note 8)	2022
REVENUE			
Automotive operations (Note 35)	₱282,631	₱261,544	₱211,945
Equity in net income of associates and joint ventures (Note 8)	25,310	23,498	16,455
Real estate sales (Note 35)	5,129	12,673	5,362
Rent income (Notes 9 and 30)	1,668	1,509	1,401
Interest income (Note 23)	1,561	1,475	975
Sale of goods and services	1,211	1,137	957
Commission income	354	958	667
Other income (Note 23)	3,663	4,477	7,545
	321,527	307,271	245,307
COSTS AND EXPENSES			
Cost of goods and services sold (Notes 6 and 24)	201,972	189,348	157,079
Cost of goods manufactured and sold (Notes 6 and 25)	42,748	39,661	36,366
General and administrative expenses (Note 26)	23,168	20,257	17,278
Interest expense (Notes 16, 17 and 30)	7,306	7,888	7,144
Cost of real estate sales (Note 6)	1,871	5,400	3,059
Cost of rental (Note 30)	934	905	830
	277,999	263,459	221,756
INCOME BEFORE INCOME TAX	43,528	43,812	23,551
PROVISION FOR INCOME TAX (Note 29)	6,010	6,937	1,820
NET INCOME	₱37,518	₱36,875	₱21,731
NET INCOME ATTRIBUTABLE TO:			
Equity holders of the Parent Company	₱28,783	₱29,313	₱18,360
Non-controlling interests	8,735	7,562	3,371
	₱37,518	₱36,875	₱21,731
Basic/Diluted Earnings Per Share Attributable to Equity Holders of the Parent Company (Note 34)	₱132.00	₱134.46	₱82.55

See accompanying Notes to Consolidated Financial Statements.

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

	Years Ended December 31		
	2024	2023 (As restated – Note 8)	2022
NET INCOME	₱37,518	₱36,875	₱21,731
OTHER COMPREHENSIVE INCOME (LOSS)			
<i>Items that may be reclassified to profit or loss in subsequent periods:</i>			
Changes in cumulative translation adjustments	(9)	(25)	30
Changes in cash flow hedge reserves (Note 16)	45	(103)	121
Equity in other comprehensive income (loss) of associates and joint ventures (Note 8):			
Cash flow hedge reserve	391	159	(182)
Remeasurement on life insurance reserves	(29)	(16)	362
Translation adjustments	(56)	(342)	92
	342	(327)	423
<i>Items that may not be reclassified to profit or loss in subsequent periods:</i>			
Changes in fair value of financial assets at FVOCI (Note 10)	2,295	3,742	(3,068)
Equity in changes in fair value of financial assets at FVOCI of associates and joint ventures (Note 8)	741	5,132	(7,489)
Remeasurement of defined benefit plans (Note 28)	82	(284)	235
Equity in remeasurement of defined benefit plans of associates and joint ventures (Note 8)	174	(2,055)	714
Income tax effect	(64)	584	(237)
	3,228	7,119	(9,845)
OTHER COMPREHENSIVE INCOME (LOSS)	3,570	6,792	(9,422)
TOTAL COMPREHENSIVE INCOME, NET OF TAX	₱41,088	₱43,667	₱12,309
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:			
Equity holders of the Parent Company	₱32,363	₱36,120	₱8,933
Non-controlling interests	8,725	7,547	3,376
	₱41,088	₱43,667	₱12,309

See accompanying Notes to Consolidated Financial Statements.



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

	Attributable to Equity Holders of the Parent Company							Total	Attributable to Non-controlling Interests (Note 22)	Total Equity
	Capital Stock (Note 22)	Additional Paid-in Capital (Note 22)	Treasury Shares (Note 22)	Retained Earnings - Unappropriated (Notes 2, 8 and 22)	Retained Earnings - Appropriated (Note 22)	Other Comprehensive Income (Loss) (Note 22)	Other Equity Adjustments (Note 22)			
Balance at January 1, 2024	₱3,370	₱94,472	(₱484)	₱134,408	₱400	(₱2,477)	₱2,322	₱232,011	₱15,813	₱247,824
Effect of full adoption of PFRS 15, <i>Significant Financing Component</i> (Note 2)	–	–	–	231	–	–	–	231	–	231
Balance at January 1, 2024, as restated	3,370	94,472	(484)	134,639	400	(2,477)	2,322	232,242	15,813	248,055
Cash dividends declared (Note 22)	–	–	–	(2,088)	–	–	–	(2,088)	(7,205)	(9,293)
Total comprehensive income	–	–	–	28,783	–	3,580	–	32,363	8,725	41,088
Balance at December 31, 2024	₱3,370	₱94,472	(₱484)	₱161,334	₱400	₱1,103	₱2,322	₱262,517	₱17,333	₱279,850
Balance at January 1, 2023	₱3,370	₱98,827	₱–	₱106,107	₱400	(₱9,284)	₱2,322	₱201,742	₱11,272	₱213,014
Cash dividends declared (Note 22)	–	–	–	(1,012)	–	–	–	(1,012)	(3,006)	(4,018)
Total comprehensive income, as restated (Note 8)	–	–	–	29,313	–	6,807	–	36,120	7,547	43,667
Redemption of shares	–	(4,355)	(484)	–	–	–	–	(4,839)	–	(4,839)
Balance at December 31, 2023, as restated	₱3,370	₱94,472	(₱484)	₱134,408	₱400	(₱2,477)	₱2,322	₱232,011	₱15,813	₱247,824
Balance at January 1, 2022	₱3,370	₱98,827	₱–	₱88,982	₱400	₱143	₱2,322	₱194,044	₱11,035	₱205,079
Cash dividends declared (Note 22)	–	–	–	(1,235)	–	–	–	(1,235)	(3,139)	(4,374)
Total comprehensive income (loss)	–	–	–	18,360	–	(9,427)	–	8,933	3,376	12,309
Balance at December 31, 2022	₱3,370	₱98,827	₱–	₱106,107	₱400	(₱9,284)	₱2,322	₱201,742	₱11,272	₱213,014

See accompanying Notes to Consolidated Financial Statements.



GT CAPITAL HOLDINGS, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In Millions)

	Years Ended December 31		
	2024	2023 (As restated – Note 8)	2022
CASH FLOWS FROM OPERATING ACTIVITIES			
Income before income tax	₱43,528	₱43,812	₱23,551
Adjustments for:			
Equity in net income of associates and joint ventures (Note 8)	(25,310)	(23,498)	(16,455)
Interest expense (Notes 16,17 and 30)	7,306	7,888	7,144
Depreciation and amortization (Notes 9, 11 and 13)	1,735	2,196	2,117
Pension expense (Note 28)	400	367	364
Provisions (reversal of provisions) (Note 26)	94	(10)	166
Interest income (Note 23)	(1,561)	(1,474)	(975)
Dividend income (Note 23)	(559)	(450)	(388)
Unrealized foreign exchange losses (Notes 26)	560	202	761
Realized and unrealized gain on financial assets at FVTPL (Note 23)	(41)	(366)	(137)
Gain on disposal of property and equipment (Notes 11 and 23)	(46)	(18)	(58)
Operating income before changes in working capital	26,106	28,649	16,090
Decreases (increases) in:			
Financial assets at FVTPL	1	10,655	(2,310)
Receivables	1,782	(14,432)	(550)
Contract assets	(289)	762	2,929
Inventories	(926)	1,830	(6,217)
Due from related parties	(129)	221	(201)
Prepayments and other current assets	993	4,436	(3,054)
Increases (decreases) in:			
Accounts and other payables	5,758	6,152	3,470
Contract liabilities	(343)	86	(177)
Customers' deposits	532	134	18
Due to related parties	23	250	(28)
Other current liabilities	293	628	308
Cash generated from operations	33,801	39,371	10,278
Dividends paid (Note 22)	(9,292)	(4,242)	(4,375)
Interest paid	(6,897)	(7,108)	(7,567)
Income tax paid	(6,040)	(6,610)	(2,315)
Interest received	2,006	961	592
Dividends received (Notes 8,10 and 23)	11,645	6,117	6,350
Contributions to pension plan assets and benefits paid (Note 28)	(247)	(294)	(130)
Net cash provided by operating activities	24,976	28,195	2,833

(Forward)



	Years Ended December 31		
	2024	2023 (As restated – Note 8)	2022
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from disposal of property and equipment (Note 11)	₱241	₱49	₱150
Additions to:			
Investments in associates and joint ventures (Note 8)	–	(16,390)	(577)
Property and equipment (Note 11)	(3,847)	(1,482)	(653)
Investment properties (Note 9)	(257)	(1,016)	(1,230)
Intangible assets (Note 13)	(192)	(56)	(154)
Impact of business combination (Note 8)	–	–	53
Decrease (increase) in other noncurrent assets	434	2,387	(1,741)
Net cash used in investing activities	(3,621)	(16,508)	(4,152)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from loan availments (Notes 16 and 38)	51,025	77,629	52,132
Payments of:			
Loans payable (Note 38)	(59,075)	(84,783)	(42,681)
Bonds payable (Note 38)	(4,000)	(6,099)	–
Principal portion of lease liabilities (Note 30)	(109)	(7)	(6)
Redemption of perpetual preferred shares	–	(4,839)	–
DST on loan availments	–	(5)	–
Increases (decreases) in:			
Liabilities on purchased properties (Note 38)	(328)	(319)	(313)
Other noncurrent liabilities	302	(336)	(446)
Net cash provided by (used in) financing activities	(12,185)	(18,759)	8,686
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	(560)	(202)	(766)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	8,610	(7,274)	6,601
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	16,731	24,005	17,404
CASH AND CASH EQUIVALENTS AT END OF YEAR (Note 4)	₱25,341	₱16,731	₱24,005

See accompanying Notes to Consolidated Financial Statements.



GT CAPITAL HOLDINGS, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. Corporate Information

GT Capital Holdings, Inc. (GT Capital or the Parent Company) was organized and registered with the Philippine Securities and Exchange Commission (SEC) on July 26, 2007. The primary purpose of the Parent Company is to invest in, purchase, or otherwise acquire and own, hold, use, sell, assign, transfer, lease, mortgage, exchange, develop or otherwise dispose of real property of every kind and description, including shares of stocks, bonds, debentures, notes, evidences of indebtedness, and other securities or obligations of any corporation or corporations, associations, domestic or foreign, and to possess and exercise in respect thereof all the rights, powers and privileges of ownership, including all voting powers of any stock so owned, and to secure and guarantee obligations of, and act as surety for its subsidiaries and affiliates.

On March 25, 2022 and May 11, 2022, respectively, at separate meetings, the Parent Company's Board of Directors, by a majority vote of its members, and the stockholders, by affirmative vote of more than two-thirds (2/3) of the outstanding capital stock of the Parent Company, approved the amendment of the Parent Company's Articles of Incorporation to include the following activities in the Parent Company's primary purpose: to act as commission merchant, commercial agent or factor for, or assist in any legal manner, financially or otherwise, its subsidiaries, affiliates, associates or investee companies. The Amended Articles of Incorporation was approved by the SEC on July 8, 2022.

The common shares of the Parent Company were listed beginning April 20, 2012 and have since been traded in the Philippine Stock Exchange, Inc. (PSE).

Group Activities

The Parent Company, Federal Land, Inc. (Federal Land) and Subsidiaries (Federal Land Group), Toyota Motor Philippines Corporation (Toyota or TMPC) and Subsidiaries (Toyota Group), and GT Capital Auto and Mobility Holdings, Inc. (GTCAM) and Subsidiaries (GTCAM Group) are collectively referred herein as the "Group". The Parent Company, which is the ultimate parent of the Group, is the holding company of the Federal Land Group (real estate business), Toyota Group (automotive business), and GTCAM Group (automotive and mobility business), and is engaged in investing, purchasing and holding shares of stock, notes and other securities and obligations, as well as buying, selling, and leasing of real estate properties.

The principal business interests of the Federal Land Group are real estate development and leasing and selling properties and acting as a marketing agent for and in behalf of any real estate development company or companies. The Federal Land Group is also engaged in the business of trading of goods such as petroleum, non-fuel products on wholesale or retail basis, maintaining a petroleum service station and food and restaurant service.

Toyota Group is engaged in the assembly, manufacture, importation, sale and distribution of all kinds of motor vehicles including vehicle parts, accessories and instruments.

The principal business interests of GTCAM Group are to invest in, purchase, or otherwise acquire and own, hold, use, sell, assign, transfer, lease, mortgage, exchange, develop, or otherwise dispose of real or personal property of every kind and description, including shares of stocks, bonds, debentures, notes, evidences of indebtedness, and other securities or obligations of any auto dealership or other corporations, associations, domestic or foreign, and to possess and exercise in respect thereof all the rights, powers and privileges of ownership, including all voting powers of any stock so owned. Its



secondary purpose is to invest in, purchase, or otherwise acquire own shares of companies engaged in mobility-related services, including those that support the used car market which include auction services, auto portal, used car retail sales operations, inspection, warranty, financing, and parts and service.

The Parent Company also has significant shareholdings in Metropolitan Bank & Trust Company (MBTC or Metrobank), Metro Pacific Investments Corporation (MPIC), AXA Philippines Life and General Insurance Corporation (AXA Philippines or Phil AXA), Toyota Financial Services Philippines Corporation (TFSPC) and Sumisho Motor Finance Corporation (SMFC).

The registered office address of the Parent Company is at the 43rd Floor, GT Tower International, Ayala Avenue corner H.V. Dela Costa Street, 1227 Makati City.

2. Summary of Material Accounting Policies

Basis of Preparation

The accompanying consolidated financial statements of the Group have been prepared using the historical cost basis except for financial assets at fair value through profit or loss (FVTPL), financial assets at fair value through other comprehensive income (FVOCI), and derivative financial instruments that have been measured at fair value. The Group's consolidated financial statements are presented in Philippine Peso (₱), the Group's functional currency. All values are rounded to the nearest million peso unless otherwise indicated.

Statement of Compliance

The consolidated financial statements of the Group have been prepared in compliance with Philippine Financial Reporting Standards (PFRS) Accounting Standards. PFRS Accounting Standards include Philippine Financial Reporting Standards, Philippine Accounting Standards (PAS) and Interpretations issued by the Philippine Interpretations Committee (PIC).

Basis of Consolidation

The consolidated financial statements of the Group comprise the financial statements of the Parent Company and the following wholly and majority-owned domestic subsidiaries:

	Country of Incorporation	Direct and Effective Percentages of Ownership	
		December 31	
		2024	2023
Federal Land Group	Philippines	100.00	100.00
Toyota Group	-do-	51.00	51.00
GTCAM Group	-do-	100.00	100.00

Federal Land's Subsidiaries

	Percentages of Ownership	
	2024	2023
Horizon Land Property and Development Corp. (HLPDC)	100.00	100.00
Federal Property Management Corp. (FPMC)	100.00	100.00
Federal Land Orix Corporation (FLOC)	100.00	100.00
Topsphere Realty Development Company Inc. (TRDCI)	100.00	100.00
Bonifacio Landmark Hotel Management Corporation (BLHMC)	100.00	100.00
Fed South Dragon Corporation (FSDC)	100.00	100.00

(Forward)



	Percentages of Ownership	
	2024	2023
Federal Retail Holdings, Inc. (FRHI)	100.00	100.00
Magnificat Resources Corp. (MRC)	100.00	100.00
Mirai Properties, Inc. (MPI)	100.00	100.00
Pasay Hongkong Realty Development Corp. (PHRDC)	100.00	100.00
Central Realty and Development Corp. (CRDC)	75.80	75.80
Federal Brent Retail, Inc. (FBRI)	51.66	51.66

Toyota's Subsidiaries

	Percentages of Ownership	
	2024	2023
Toyota Makati, Inc. (TMI)	100.00	100.00
Toyota Motor Philippines Logistics, Inc. (TLI)	100.00	100.00
Toyota Mobility Solutions Philippines, Inc. (TMSPH)	100.00	100.00
Lexus Manila, Inc. (LMI)	75.00	75.00
Toyota San Fernando Pampanga, Inc. (TSFI)	55.00	55.00

GTCAM's Subsidiaries

	Percentages of Ownership	
	2024	2023
GT Mobility Ventures, Inc. (GTMV)	66.67	66.67
Toyota Sta. Rosa Laguna, Inc. (TSRLI)	60.00	60.00
Toyota Subic, Inc. (TSB)	55.00	55.00
Toyota Manila Bay Corporation (TMBC)*	58.10	58.10

* On October 11, 2023, the Parent Company and GTCAM, signed a Deed of Assignment of Shares of Stock (DOAS), wherein, the Parent Company offered to subscribe to 1,715,408,377 common voting shares of GTCAM with a par value of ₱1.00 per share, and to transfer to GTCAM, in payment of such subscription, its shares of capital stock of TMBC totaling 386,353,238 common shares, with a total book value of ₱1,715,408,377. The effective date of the DOAS was upon SEC's approval of GTCAM's increase in authorized capital stock, which occurred in December 2023. As a result, GTCAM took control of TMBC in December 2023.

Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date when such control ceases. Control is achieved when the Parent Company is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Consolidation of subsidiaries ceases when control is transferred out of the Parent Company.

Specifically, the Parent Company controls an investee if, and only if, the Parent Company has:

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

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

- i. the contractual arrangement with the other vote holders of the investee
- ii. rights arising from other contractual arrangements
- iii. the Group's voting rights and potential voting rights

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.



The financial statements of the subsidiaries are prepared for the same reporting period as the Parent Company, using consistent accounting policies. All intragroup transactions, balances, income and expenses resulting from intragroup transactions and dividends are eliminated in full on consolidation.

Non-controlling Interests

Non-controlling interests (NCI) represent the portion of profit or loss and net assets in a subsidiary not attributed, directly or indirectly, to the Parent Company. The interest of non-controlling shareholders may be initially measured at fair value or share of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis. Subsequent to acquisition, NCI consists of the amount attributed to such interests at initial recognition and the NCI's share of changes in equity since the date of combination.

NCI are presented separately in the consolidated statements of income, consolidated statements of comprehensive income, consolidated statements of changes in equity and within equity in the consolidated statements of financial position, separately from the Parent Company's equity.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the Parent Company and to the NCI, even if that results in the NCI having a deficit balance.

If the Group loses control over a subsidiary, it:

- derecognizes the assets (including goodwill) and liabilities of the subsidiary, the carrying amount of any NCI and the cumulative translation differences, recorded in equity;
- recognizes the fair value of the consideration received, the fair value of any investment retained and any surplus or deficit in profit or loss; and
- reclassifies the Parent Company's share of components previously recognized in other comprehensive income to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

Business Combinations Involving Entities Under Common Control

A business combination involving entities under common control is accounted for using the uniting of interest method, except when the acquisition is deemed to have commercial substance for the Group, in which case the business combination is accounted for under the acquisition method. The combined entities accounted for by the uniting of interests method reports the results of operations for the period in which the combination occurs as though the entities had been combined as of the beginning of the period. Financial statements of the separate entities presented for prior years are also restated on a combined basis to provide comparative information. The effects of intercompany transactions on assets, liabilities, revenues, and expenses for the periods presented, and on retained earnings at the beginning of the periods presented are eliminated to the extent possible.

Under the uniting of interest method, the acquirer accounts for the combination as follows:

- the assets and liabilities of the acquiree are consolidated using the existing carrying values instead of fair values;
- intangible assets and contingent liabilities are recognized only to the extent that they were recognized by the acquiree in accordance with applicable PFRS Accounting Standards;
- no amount is recognized as goodwill;
- any non-controlling interest is measured as a proportionate share of the book values of the related assets and liabilities; and



- comparative amounts are restated as if the combination had taken place at the beginning of the earliest comparative period presented.

The excess of the cost of business combinations over the net carrying amounts of the assets and liabilities of the acquired companies is recognized within the equity section of the consolidated statements of financial position.

When evaluating whether an acquisition has commercial substance, the Group considers the following factors, among others:

- the purpose of the transaction;
- the involvement of outside parties in the transaction, such as NCI or other third parties; and
- whether or not the transaction is conducted at fair value.

Business Combinations and Goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree. For each business combination, the acquirer elects whether to measure the NCI in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets at the date of acquisition. Acquisition-related costs are expensed and included in the consolidated statements of income.

When the Group acquires a business, it assesses the financial assets and liabilities of the acquiree for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree. The Group also assesses whether assets or liabilities of the acquiree that are previously unrecognized in the books of the acquiree will require separate recognition in the consolidated financial statements of the Group at the acquisition date.

In a business combination achieved in stages, the Group remeasures its previously held equity interest in the acquiree at its acquisition-date fair value and recognizes the resulting gain or loss, if any, in the consolidated statements of income. Any recognized changes in the value of its equity interest in the acquiree previously recognized in other comprehensive income are recognized by the Group in profit or loss, as if the previously held equity interest is disposed of.

Any contingent consideration to be transferred by the acquirer will be recognized at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is deemed to be an asset or liability will be recognized either in the consolidated statements of income or as changes to other comprehensive income. If the contingent consideration is classified as equity, it shall not be remeasured until it is finally settled within equity.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period, or additional assets or liabilities are recognized, to reflect new information obtained about facts and circumstances that existed as at the acquisition date that if known, would have affected the amounts recognized as at that date. The measurement period is the period from the date of acquisition to the date the Group receives complete information about facts and circumstances that existed as at the acquisition date and is subject to a maximum of one (1) year.



Goodwill is initially measured as the excess of the aggregate of the consideration transferred, the amount recognized for any NCI in the acquiree and the fair value of the acquirer's previously held interest, if any, over the fair value of the net assets acquired.

If after reassessment, the fair value of the net assets acquired exceeds the consideration transferred, the amount recognized for any NCI in the acquiree and the fair value of the acquirer's previously held interest, if any, the difference is recognized immediately in the consolidated statements of income as 'Gain on bargain purchase'.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. Any impairment loss is recognized immediately in the consolidated statements of income and is not subsequently reversed. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the Group's cash-generating units (CGU) that are expected to benefit from the combination from the acquisition date irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Goodwill is not amortized but is reviewed for impairment at least annually.

Where goodwill forms part of a CGU and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative values of the operation disposed of and the portion of the CGU retained.

Change in Ownership without Loss of Control

Changes in the Group's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. In such circumstances, the carrying amounts of the controlling and NCI are adjusted by the Group to reflect the changes in its relative interests in the subsidiary. Any difference between the amount by which the NCI is adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to the equity holders of the Parent Company.

Changes in Accounting Policies and Disclosures

The accounting policies adopted are consistent with those of the previous financial year, except for the adoption of new standards effective in 2024. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Unless otherwise indicated, adoption of these new standards did not have a significant impact on the consolidated financial statements of the Group.

- Amendments to PFRS 16, *Lease Liability in a Sale and Leaseback*
The amendments specify how a seller-lessee measures the lease liability arising in a sale and leaseback transaction in a way that it does not recognize any amount of the gain or loss that relates to the right-of-use it retained.
- Amendments to PAS 1, *Classification of Liabilities as Current or Non-current*
The amendments clarify that:
 - That only covenants with which an entity must comply on or before reporting date will affect a liability's classification as current or non-current.
 - That classification is unaffected by the likelihood that an entity will exercise its deferral right.



- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification.
- Amendments to PAS 7 and PFRS 7, *Disclosures: Supplier Finance Arrangements*
The amendments specify disclosure requirements to enhance the current requirements, which are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.
- Adoption of provisions of PIC Q&A 2018-12-D, *PFRS 15 Implementation Issues Affecting the Real Estate Industry* (as amended by PIC Q&A 2020-02 and 2020-04)
On February 14, 2018, the PIC issued PIC Q&A 2018-12 which provides guidance on some PFRS 15 implementation issues affecting the real estate industry. On October 25, 2018 and February 8, 2019, the Philippine SEC issued SEC MC No. 14-2018 and SEC MC No. 3-2019, respectively, providing relief to the real estate industry by deferring the application of certain provisions of this PIC Q&A for a period of three years until December 31, 2020.

On December 15, 2020, the Philippine SEC issued SEC MC No. 34-2020 which further extended the deferral of certain provisions of this PIC Q&A until December 31, 2023. The Group availed of the deferral until December 31, 2023.

Upon full adoption of the above deferred guidance beginning on January 1, 2024, the accounting policies applied using modified retrospective approach following the guidance under PAS 8, *Accounting Policies, Changes in Accounting Estimates and Errors*, the overall impact of the adoption of the requirement of PIC Q&A 2018-12-D pertaining to significant financing component follows:

As of January 1, 2024			
Consolidated Statements of Financial Position <i>(amounts in millions)</i>	As previously stated	Adjustments	As restated
ASSETS			
Current assets			
Contract Assets (Note 21)	₱4,092	(₱145)	₱3,947
Inventories (Note 6)	76,676	10	76,686
Noncurrent assets			
Contract assets-net of current portion (Note 21)	5,489	(394)	5,095
Investments in associates & joint ventures (Note 8)	229,283	456	229,739
LIABILITIES			
Current liabilities			
Contract liabilities (Note 21)	3,293	(226)	3,067
Noncurrent liabilities			
Deferred tax liabilities- net	4,409	(78)	4,331
EQUITY			
Unappropriated retained earnings	134,408	231	134,639



Material Accounting Policy Information

Current versus Noncurrent Classification

The Group presents assets and liabilities in the consolidated statements of financial position based on current/noncurrent classification. An asset is current when:

- It is expected to be realized or intended to be sold or consumed in normal operating cycle
- It is held primarily for the purpose of trading
- It is expected to be realized within twelve months after the reporting period

All other assets are classified as noncurrent.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period or there is no unconditional right to defer the settlement of liability for at least twelve months after the reporting period

The Group classifies all other liabilities as noncurrent.

Deferred income tax asset and liability are classified as noncurrent asset and liability, respectively.

Cash and Cash Equivalents

Cash includes cash on hand and in banks. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash with original maturities of three months or less from dates of placement and that are subject to an insignificant risk of changes in value.

Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- in the principal market for the asset or liability, or
- in the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

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

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



All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

External valuers are involved for valuation of significant assets, such as investment properties. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained.

The Group, in conjunction with the external valuers, also compares each of the changes in the fair value of each asset with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Group has determined classes of assets on the basis of the nature, characteristics and risks of the asset and the level of the fair value hierarchy as explained above.

Financial Instruments – Initial Recognition and Subsequent Measurement

Date of recognition

The Group recognizes a financial asset or a financial liability in the consolidated statements of financial position when it becomes a party to the contractual provisions of the instrument. Purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace are recognized on the trade date, which is the date when the Group commits to purchase or sell assets.

a. Financial assets

Initial recognition of financial instruments

At initial recognition, financial assets are classified as, and subsequently measured at amortized cost, FVOCI and FVTPL.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. The Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables, except for installment contract receivables, are measured at the transaction price determined under PFRS 15. Refer to the accounting policies on Revenue from contracts with customers.

In order for a financial asset to be classified and measured at amortized cost or FVOCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.



The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortized cost (debt instruments)
- Financial assets at FVOCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at FVOCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at FVTPL

As of December 31, 2024 and 2023, the Group does not have debt instruments classified at FVOCI.

Financial assets at amortized cost

This category is the most relevant to the Group. The Group measures financial assets at amortized cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortized cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired.

The Group's financial assets at amortized cost includes cash and cash equivalents, receivables, and due from related parties.

Financial assets designated at FVOCI (equity instruments)

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at FVOCI when they meet the definition of equity under PAS 32, *Financial Instruments: Presentation* and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets can no longer be recycled to profit or loss. Foreign exchange revaluations are recognized in OCI. Dividends are recognized as other income in the consolidated statements of income when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at FVOCI are not subject to impairment assessment.

The Group's financial assets at FVOCI includes investments in quoted and unquoted equity instruments.



Financial assets at FVTPL

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

Financial assets at FVTPL are carried in the consolidated statements of financial position at fair value with net changes in fair value recognized in the consolidated statements of income.

This category includes investment in UITF which are held for trading.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e., removed from the Group's consolidated statements of financial position) when:

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

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognize the transferred asset to the extent of its continuing involvement. In that case, the Group also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of Financial Assets

The Group recognizes an allowance for Expected Credit Losses (ECL) for all debt instruments not held at FVTPL.

ECL represents credit losses that reflect an unbiased and probability-weighted amount which is determined by evaluating a range of possible outcomes, the time value of money and reasonable and supportable information about past events, current conditions and forecasts of future economic conditions. The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime ECL), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12-month ECL. The 12-month ECL is the portion of lifetime ECL that results from default events on a financial instrument that



are possible within the 12 months after the reporting date. Lifetime ECL are credit losses that result from all possible default events over the expected life of a financial instrument.

For trade receivables, installment contracts receivable and contract assets, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

For other financial assets such as nontrade receivable, loans receivable, due from related parties and other receivables, ECLs are recognized in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk (SICR) since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For cash and cash equivalents and short-term investments, the Group applies the low credit risk simplification. The probability of default and loss given defaults are publicly available and are considered to be low credit risk investments. It is the Group's policy to measure ECLs on such instruments on a 12-month basis. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL. The Group uses the ratings from reputable credit rating agencies to determine whether the debt instrument has SICR and to estimate ECLs.

The key inputs in the model include the Group's definition of default and historical data of three years for the origination, maturity date and default date. The Group considers trade receivables and contract assets in default when contractual payment is 90 days past due, except for certain circumstances when the reason for being past due is due to reconciliation with customers of payment records which are administrative in nature which may extend the definition of default to 90 days and beyond. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group.

Determining the stage for impairment

At each reporting date, the Group assesses whether there has been a SICR for financial assets since initial recognition by comparing the risk of default occurring over the expected life between the reporting date and the date of initial recognition. The Group considers reasonable and supportable information that is relevant and available without undue cost or effort for this purpose. This includes quantitative and qualitative information and forward-looking analysis. The Group considers that there has been a SICR when contractual payments are more than 90 days past due.

An exposure will migrate through the ECL stages as asset quality deteriorates. If, in a subsequent period, asset quality improves and also reverses any previously assessed SICR since origination, then the loss allowance measurement reverts from lifetime ECL to 12-months ECL.



b. Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at FVTPL, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

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

The Group's financial liabilities include "Accounts and other payables", "Short-term and long-term debts", "Bonds payable", "Liabilities on purchased properties", "Dividends payable", and "Due from related parties", and "Other current liabilities".

As of December 31, 2024 and 2023, the Group does not have financial liabilities at FVTPL.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Loans and borrowings

This is the category most relevant to the Group. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the consolidated statements of income.

This category generally applies to short-term debt, long-term debt, bonds payable and liabilities on purchased properties.

Financial liabilities at FVTPL

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by PFRS 9. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognized in the consolidated statements of income.

Financial liabilities designated upon initial recognition at FVTPL are designated at the initial date of recognition, and only if the criteria in PFRS 9 are satisfied. The Group has not designated any financial liability as at FVTPL.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially



modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the consolidated statements of income.

c. Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the consolidated statements of financial position, if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously. The Group assesses that it has a currently enforceable right of offset if the right is not contingent on a future event, and is legally enforceable in the normal course of business, event of default, and event of insolvency or bankruptcy of the Group and all of the counterparties.

d. Derivative financial instruments and hedge accounting

Initial Recognition and Subsequent Measurement

The Group uses derivative financial instruments such as interest rate swaps to hedge the risks associated with foreign currency and interest rate fluctuations. Derivative financial instruments are initially recognized at fair value on the date on which the derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognized asset or liability or an unrecognized firm commitment; or,
- Cash flow hedges when hedging the exposure to variability in cash flows that is attributable to a particular risk associated with a recognized asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognized firm commitment.

A hedging relationship qualifies for hedge accounting if it meets all of the following effectiveness requirements:

- There is an economic relationship between the hedged item and the hedging instrument.
- The effect of credit risk does not dominate the value changes that result from that economic relationship.
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the Group actually uses to hedge that quantity of the hedged item.

Hedges are accounted for as fair value hedges or cash flow hedges.

Fair value hedge

The change in the fair value of a hedge instrument is recognized in the consolidated statements of income. The change in the fair value attributable to the risk hedged is recorded as part of the carrying value of the hedge instrument and is also recognized in the consolidated statements of income as other expense.

For fair value hedges carried at amortized cost, any adjustment to carrying value is amortized through profit or loss over the remaining term of the hedge using the EIR method. The EIR amortization is initiated when an adjustment exists and no later than when the hedged instrument ceases to be adjusted for changes in its fair value attributable to the risk being hedged.



In case of derecognition, the unamortized fair value of the hedged instrument is recognized immediately in profit or loss.

Cash flow hedges

The effective portion of the gain or loss on the hedging instrument is recognized in OCI, while any ineffective portion is recognized immediately in the consolidated statements of income. The cash flow hedge reserve is adjusted to the lower of the cumulative gain or loss on the hedging instrument and the cumulative change in the fair value of the hedged instrument.

The amounts accumulated in OCI are accounted for depending on the nature of the underlying hedged transaction. If the hedged transaction subsequently results in the recognition of a non-financial item, the amount accumulated in equity is removed from the separate component of equity and included in the initial cost or other carrying amount of the hedged asset or liability. This is not a reclassification adjustment and will not be recognized in OCI for the period. This also applies where the hedged forecast transaction of a non-financial asset or non-financial liability subsequently becomes a firm commitment for which fair value hedge accounting is applied.

For any other cash flow hedges, the amount accumulated in OCI is reclassified to profit or loss as a reclassification adjustment in the same period or periods during which hedged cash flows affect profit or loss.

If hedge accounting is discontinued, the amount accumulated in OCI shall remain in accumulated OCI if the hedged future cash flows are still expected to occur. Otherwise, the amount shall be reclassified to profit or loss as a reclassification adjustment. When the hedged cash flow occurs, any amount remaining in accumulated OCI shall be accounted for depending on the nature of the underlying transaction.

Inventories

Real estate inventories

Property acquired that are being developed or constructed for sale in the ordinary course of business, rather than to be held for rental or capital appreciation, is held as real estate inventory. Real estate inventories consist of land and improvements, condominium units held for sale and residential units. Land and land improvements are carried at the lower of cost or net realizable value (NRV).

Cost includes:

- Acquisition cost of subdivision land;
- Amounts paid to contractors for construction and development of subdivision land, residential houses and lots and condominium units;
- Planning and design costs, cost of site preparation, professional fees for legal services, property transfer taxes, construction overheads and other related costs; and
- Borrowing costs capitalized prior to start of pre-selling activities for the real estate project.

NRV is the estimated selling price in the ordinary course of the business, based on market prices at the reporting date, less costs to complete and the estimated costs of sale. The carrying amount of inventories is reduced through the use of allowance account and the amount of loss is charged to profit or loss.



Construction in progress (CIP) includes development or construction costs incurred for real estate projects that have not yet reached the preliminary stage of completion and/or not yet launched. This account also includes owner supplied materials. Upon reaching the preliminary stage of completion, these are transferred to 'Condominium units held for sale'.

Costs of condominium units held for sale includes the carrying amount of the land transferred from 'Land and improvements' at the commencement of its real estate projects and those costs incurred for construction, development and improvement of the properties, including capitalized borrowing costs.

Costs of residential units include land cost, land improvement costs, borrowing costs, amounts paid to contractors for construction and development, planning and design cost, cost of site preparation, professional fees, property transfer taxes, construction overheads and other related costs.

Gasoline retail, petroleum products and chemicals

Cost is determined using first-in, first-out method. Oil, petroleum products and chemicals are carried at the lower of cost and net realizable value (NRV). Cost comprises all cost of purchase and cost incurred in bringing each product to its present location and condition. NRV is the estimated selling price in the ordinary course of business, less estimated cost necessary to make the sale.

Automotive inventories

These are inventories of the Toyota Group which are valued at the lower of cost or NRV. NRV is the estimated selling price in the ordinary course of business, less the estimated costs of completion, marketing and distribution.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

Raw materials and spare parts	– Purchase cost on a weighted average cost
Finished goods and work-in-process	– Cost of direct material and labor and proportion of fixed and overhead manufacturing costs allocated based on normal operating capacity
Raw materials and spare parts in-transit	– Cost is determined using the specific identification method

Joint Arrangements

Joint arrangements are arrangements with respect to which the Group has joint control, established by contracts requiring unanimous consent from the parties sharing control for decisions about the activities that significantly affect the arrangements' returns. They are classified and accounted for as follows:

- Joint operation – when the Group has rights to the assets, and obligations for the liabilities, relating to an arrangement, the Group accounts for each of its assets, liabilities and transactions, including its share of those held or incurred jointly, in relation to the joint operation in accordance with the PFRS Accounting Standards applicable to the particular assets, liabilities and transactions.
- Joint venture – when the Group has rights only to the net assets of the arrangements, the Group accounts for its interest using the equity method, the same as the Group's accounting for investments in associates.

The financial statements of the joint venture are prepared for the same reporting period as the Group's financial statements. Where necessary, adjustments are made to bring the accounting policies of the joint venture in line with its policies.



The Group has no joint arrangement accounted as joint operation.

Investments in Associates and Joint Ventures

Investments in associates and joint ventures are accounted for under the equity method of accounting. An associate is an entity in which the Group has significant influence and which is neither a subsidiary nor a joint venture of the Group. A joint venture (JV) is a contractual agreement whereby two or more parties undertake an economic activity that is subject to joint control.

An investment is accounted for using the equity method from the day it becomes an associate or a joint venture. On acquisition of investment, the excess of the cost of investment over the investor's share in the net fair value of the investee's identifiable assets, liabilities and contingent liabilities is accounted for as goodwill and included in the carrying amount of the investment and is neither amortized nor individually tested for impairment. Any excess of the investor's share of the net fair value of the associate's identifiable assets, liabilities and contingent liabilities over the cost of the investment is excluded from the carrying amount of the investment, and is included as income in the determination of the share in the earnings of the investee.

Under the equity method, the investments in and advances to associates and joint ventures are carried in the consolidated statements of financial position at cost plus post-acquisition changes in the Group's share in the net assets of the investees, less any impairment in value.

The consolidated statements of comprehensive income reflects the Group's share in the results of operations of the investee companies and the Group's share on movements in the investee's other comprehensive income (OCI) are recognized directly in OCI in the consolidated financial statements. The Group's share on total comprehensive income of an associate is shown in the consolidated statements of income and consolidated statements of comprehensive income. The aggregate of the Group's equity in net income of associates and joint ventures is shown on the face of the consolidated statements of income as part of operating profit and represents profit or loss after tax and NCI in the subsidiaries of the associate and joint venture.

Profits and losses resulting from transactions between the Group and the investee companies are eliminated to the extent of the interest in the investee companies, and for unrealized losses, to the extent that there is no evidence of impairment of the assets transferred. Dividends received from investee companies are treated as a reduction of the accumulated earnings included under 'Investments and advances' account in the consolidated statement of financial position.

The Group discontinues applying the equity method when its investments in investee companies are reduced to zero. Accordingly, additional losses are not recognized unless the Group has guaranteed certain obligations of the associates or joint venture. When the investees subsequently report net income, the Group will resume applying the equity method but only after its equity in the net income equals the equity in net losses of associates and joint ventures not recognized during the period the equity method was suspended.

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



The Group records provisional amounts when the fair value for an acquired investment is not readily available at the date of acquisition. The Group adjusts the provisional amounts recognized at the acquisition date to reflect any information obtained about facts and circumstances that existed as of the acquisition date and, if known, would have affected the measurement of the amounts recognized as of that date. This measurement period shall not exceed one year from the acquisition date.

Investment Properties

Investment properties consist of properties that are held to earn rentals and that are not occupied by the companies in the Group. Investment properties, except for land, are carried at cost less accumulated depreciation and amortization and any impairment in residual value. Land is carried at cost less any impairment in value.

Depreciation and amortization of investment properties are computed using the straight-line method over the estimated useful lives (EUL) of the properties which is 10 to 40 years.

Investment properties are derecognized when either they have been disposed of, or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of an investment property are recognized in the consolidated statements of income in the year of retirement or disposal.

Transfers are made to investment property when there is a change in use, evidenced by ending of owner-occupation, commencement of an operating lease to another party or ending of construction or development. Transfers are made from investment property when and only when there is a change in use, evidenced by commencement of owner-occupation or commencement of development with a view to sale. Transfers between investment property, owner-occupied property and inventories do not change the carrying amount of the property transferred and they do not change the cost of that property for measurement or disclosure purposes.

CIP is stated at cost. This includes cost of construction and other direct costs. Borrowing costs that are directly attributable to the construction of investment properties are capitalized during the construction period. CIP is not depreciated until such time as the relevant assets are in the location and condition necessary for it to be capable of operating in the manner intended by management.

Property and Equipment

Property and equipment are stated at cost less accumulated depreciation and amortization and any impairment in value. The initial cost of property and equipment comprises its purchase price, including import duties, taxes and any directly attributable costs of bringing the property and equipment to its working condition and location for its intended use, including capitalized borrowing costs.

CIP is stated at cost. This includes cost of construction and other direct costs. CIP is not depreciated until such time that the relevant assets are completed and put into operational use.

Major repairs are capitalized as part of property and equipment only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the items can be measured reliably. All other repairs and maintenance are charged against operations as incurred.



Depreciation and amortization of property and equipment commences once the property and equipment are available for use and are calculated on the straight-line basis over the following EUL of the property and equipment as follows:

	Years
Buildings and land improvements	9 to 25
Building	15 to 40
Machinery, tools and equipment	2 to 10
Furniture, fixtures and equipment	3 to 5
Transportation equipment	5
Leasehold improvements	2 to 10 or lease term (whichever is shorter)
Other property and equipment	3 to 5

The assets' residual values, EUL and depreciation and amortization method are reviewed periodically to ensure that the period and method of depreciation and amortization are consistent with the expected pattern of economic benefits from items of property and equipment.

Transfers are made from property and equipment, when there is a change in use, evidenced by ending of owner-occupation, and with a view of sale.

Impairment or losses of items of property, plant and equipment, related claims for or payments of compensation from third parties and any subsequent purchase or construction of replacement assets are separate economic events and are accounted for separately.

When property and equipment are retired or otherwise disposed of, the cost of the related accumulated depreciation and amortization and provision for impairment losses, if any, are removed from the accounts and any resulting gain or loss is credited to or charged against current operations.

Fully depreciated assets are still carried in the accounts until they are no longer in use.

Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is the fair value as at the date of the acquisition. Following initial recognition, intangible assets, except goodwill and assets with indefinite useful life, are carried at cost less any accumulated amortization and any accumulated impairment losses. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the consolidated statements of income in the year in which the expenditure is incurred.

The useful lives of intangible assets with finite life are assessed at the individual asset level. Intangible assets with finite life are amortized over their useful life. Periods and method of amortization for intangible assets with finite useful lives are reviewed annually or earlier when an indicator of impairment exists. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the intangible asset is accounted for by changing the amortization period or method, as appropriate, and are treated as changes in accounting estimates.

Intangible assets with indefinite useful lives are tested for impairment annually either individually or at the cash-generating unit level. Such intangibles are not amortized. The useful life of an intangible asset with an indefinite useful life is reviewed annually to determine whether indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is made on a prospective basis.



The Group's intangible assets consist of customer relationship, software costs and franchise. A gain or loss arising from derecognition of an intangible asset is measured as the difference between the net disposal proceeds and the carrying amount of the intangible asset and is recognized in the consolidated statements of income when the intangible asset is derecognized.

Customer Relationship

Customer relationship pertains to Toyota's contractual arrangements with its top dealer customers, which adds value to the operations of Toyota and enhances the latter's earnings potential. This is recognized initially at fair value and is assessed to have an indefinite useful life. Following initial recognition, the intangible asset is not amortized but assessed annually for impairment.

Software Costs

Costs related to software purchased by the Group for use in the operations are amortized on a straight-line basis over a period of three (3) to five (5) years.

Costs that are directly associated with identifiable and unique software controlled by the Group and will generate economic benefits exceeding costs beyond one year, are recognized as intangible assets to be measured at cost less accumulated amortization and provision for impairment losses, if any. Expenditures which enhance or extend the performance of computer software programs beyond their original specifications are recognized as capital improvements and added to the original cost of the software.

Franchise

Franchise pertains to Federal Land Group's fees paid for the operating rights of its fastfood stores with estimated useful lives of three (3) to five (5) years.

Goodwill

Goodwill acquired in a business combination from the acquisition date is allocated to each of the Group's cash-generating units, or groups of cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units or groups of units.

Each unit or group of units to which the goodwill is so allocated:

- represents the lowest level within the Group at which the goodwill is monitored for internal management purposes; and
- is not larger than a segment based on the Group's operating segments as determined in accordance with PFRS 8, *Operating Segments*.

Following initial recognition, goodwill is measured at cost, less any accumulated impairment loss. Goodwill is reviewed for impairment annually or more frequently, if events or changes in circumstances indicate that the carrying value may be impaired (see Impairment of Non-financial Assets).

Where goodwill forms part of a cash-generating unit and part of the operations within that unit is disposed of, the goodwill associated with the operations disposed of is included in the carrying amount of the operations when determining the gain or loss on disposal of the operations. Goodwill disposed of in this circumstance is measured based on the relative values of the operations disposed of and the portion of the cash-generating unit retained.

Goodwill is presented separately in the consolidated statements of financial position.



Impairment of Non-financial Assets

The Group assesses at each financial reporting date whether there is an indication that their nonfinancial assets (e.g., investments in associates and joint ventures, joint arrangements, investment properties, property and equipment, goodwill and other intangible assets), may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs to sell (FVLCTS) and its value-in-use (VIU) and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing the VIU, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment losses of continuing operations are recognized in the consolidated statements of income in those expense categories consistent with the function of the impaired asset.

An assessment is made at each financial reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. If that is the case, the carrying amount of the asset is increased to its recoverable amount. The recoverable amount cannot exceed the carrying amount that would have been determined, net of depreciation and amortization, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the consolidated statements of income unless the asset is carried at revalued amount, in which case, the reversal is treated as a revaluation increase. After such reversal, the depreciation and amortization charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

This accounting policy applies primarily to the Group's property and equipment and investment properties. Additional considerations for other non-financial assets are discussed below.

Investments in associates and joint ventures

After application of the equity method, the Group determines whether it is necessary to recognize goodwill or any additional impairment loss with respect to the Group's net investment in its associates and joint venture. The Group determines at each financial reporting date whether there is any objective evidence that the investments in associates and joint ventures are impaired.

If this is the case, the Group calculates the amount of impairment as being the difference between the fair value of the associate and joint ventures and the carrying cost and recognizes the amount in the consolidated statements of income.

Intangible assets

Customer relationship is reviewed for impairment annually, similar with goodwill, or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. For intangible assets with finite useful lives, the carrying amount is assessed and written down to its recoverable amount when an indication of impairment occurs.

Goodwill

Goodwill is reviewed for impairment, annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired.



Impairment is determined for goodwill by assessing the recoverable amount of the CGU (or group of CGUs) to which the goodwill relates. Where the recoverable amount of the CGU (or group of CGUs) is less than the carrying amount of the CGU (or group of CGUs) to which goodwill has been allocated, an impairment loss is recognized immediately in the consolidated statements of income. Impairment losses relating to goodwill cannot be reversed for subsequent increases in its recoverable amount in future periods. The Group performs its annual impairment test of goodwill at reporting date.

Value-added Tax (VAT)

Revenue, expenses, and assets are recognized net of the amount of value-added tax except:

- where the tax incurred on a purchase of assets or services is not recoverable from the tax authority, in which case, the tax is recognized as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables that are stated with the amount of tax included.

The net amount of VAT recoverable from the tax authority is included under 'Prepayments and other current assets' in the consolidated statements of financial position.

Equity

The Group records common stock and preferred stock at par value and additional paid-in capital in excess of the total contributions received over the aggregate par values of the equity share. Incremental costs incurred directly attributable to the issuance of new shares are deducted from the proceeds.

Capital stock

The Parent Company has issued common stock and preferred stock that are classified as equity. Incremental costs directly attributable to the issue of new common stock are shown in equity as a deduction, net of tax, from the proceeds. All other equity issuance costs are recognized as expense as incurred.

Where the Parent Company purchases its own common stock or preferred shares (i.e., treasury shares), the consideration paid, including any directly attributable incremental costs (net of applicable taxes) is deducted from equity attributable to the Parent Company's equity holders until the shares are cancelled or reissued.

Where such shares are subsequently reissued, any consideration received, net of any directly attributable incremental transaction costs and the related tax effects, is included in equity attributable to the Parent Company's equity holders.

Additional paid-in capital

Amount of contribution in excess of par value is accounted for as an additional paid-in capital. Additional paid-in capital also arises from additional capital contribution from the shareholders.

Retained earnings

The amount included in retained earnings includes profit or loss attributable to the Group's equity holders and reduced by dividend on capital stock. Dividends on capital stock are recognized as a liability and deducted from equity when they are declared. Dividends for the year that are approved after the reporting date are dealt with as an event after the reporting date. Retained earnings may also include effect of changes in accounting policy as may be required by the standard's transitional provisions.



Unappropriated retained earnings represent that portion which can be declared as dividends to stockholders after adjustments for any unrealized items which are considered not available for dividend declaration. Appropriated retained earnings represent that portion which has been restricted and therefore is not available for any dividend declaration.

Other Comprehensive Income

Other comprehensive income comprises items of income and expenses that are recognized directly in equity. OCI items are either reclassified to profit or loss or directly to equity in subsequent periods.

Acquisition of Non-controlling Interest in a Subsidiary

Acquisition of non-controlling interest is accounted for as an equity transaction, whereby the difference between the fair value of consideration given and the share in the net book value of the net assets acquired is recognized in equity. In an acquisition without consideration involved, the difference between the share of the non-controlling interests in the net assets at book value before and after the acquisition is treated as transaction between equity owners under the 'Non-controlling interests' account in the consolidated statements of financial position.

Revenue Recognition

Revenue from contract with customers

The Group primarily derives its revenue from automotive operations and real estate sales. Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

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

Automotive operations

The Group derives its revenue from automotive operations from the sale of manufactured vehicles, trading of completely built-up vehicles and local and imported auto parts and sale of services. In the sales contract with customers, services other than vehicle sales such as additional service, additional warranty and other services are separated from the sale of vehicles to identify performance obligations.

Timing of revenue recognition may change depending on when the performance obligation is satisfied, either at a point in time or over time. The Group recognizes revenue from goods or services at a point in time when the goods or services are transferred to the customers and fulfills the performance obligations. In order to determine whether the control over the goods or services is transferred over time, the Group determines whether the customer simultaneously obtains and consumes the benefits provided by the Group's performance and whether the assets controlled by the customer and whether the assets created by the Group have no substitute purpose, and whether the Group has the right to make executable claims for the portion that has been completed so far. The Group allocates the transaction prices based on the stand-alone selling prices to the various performance obligations identified in a single contract.

Revenue from sale of goods arises from sale of manufactured vehicles and trading of completely built-up vehicles and local and imported parts are recognized at a point in time. Revenue is recognized when the significant risks and reward of ownership of the goods have passed to the buyer (including certain "bill and hold" sales, wherein the buyer takes title and accepts billings) which is normally upon confirmation of the ordered units and invoicing by the Group and also usually upon dispatch of goods by the dealer subsidiaries. Revenue from sale of goods is reduced by the portion attributable to the actual costs of maintenance service that are shouldered by the Group for certain



Vehicles. This amount is included under “deferred income” and is recognized as revenue as the maintenance services are rendered by the dealers for the customers.

Service fees from installation of parts and repairs and maintenance of vehicles are recognized as revenue when the related services have been rendered. Other service fees from dealer operations assistance and mobility services are recognized on a monthly basis as the services are rendered and are consumed by customers.

The Group estimates the amounts of consideration depending on which method the entity expects to better predict the amount of consideration to which it will be entitled - the expected value or the most likely amount. Variable consideration is included in the transaction price only to the extent that it is highly probable that a significant reversal in the cumulative amount of revenue recognized will not occur in the future periods.

If the period between the transfer of the goods or services promised to the customer and the payment of the customer is within one year, a practical simple method that does not adjust the promised price for a significant financing component is used.

Real estate sales

The Group derives its real estate revenue from sale of lots, house and lot and condominium units. Revenue from the sale of these real estate projects under pre-completion stage are recognized over time during the construction period (or percentage of completion) since based on the terms and conditions of its contract with the buyers, the Group’s performance does not create an asset with an alternative use and the Group has an enforceable right to payment for performance completed to date.

In measuring the progress of its performance obligation over time, the Group uses the output method. The Group recognizes revenue on the basis of direct measurements of the value to customers of the goods or services transferred to date, relative to the remaining goods or services promised under the contract. Progress is measured using survey of performance completed to date. This is based on the monthly project accomplishment report as approved by the construction manager which integrates the surveys of performance to date of the construction activities.

Any excess of progress of work over the right to an amount of consideration that is unconditional, recognized as residential and office development receivables, under trade receivables, is included in the “contract asset” account in the asset section of the consolidated statements of financial position.

Any excess of collections over the total of recognized trade receivables and contract assets is included in the “contract liabilities” account in the liabilities section of the consolidated statements of financial position.

Sale of goods

Sale of goods is recognized from retail customers at the point of sale in the stores. This is measured at the fair value of the consideration received, excluding (or ‘net of,’ or ‘reduced for’) discounts, returns, rebates and sales taxes.

Rendering of services

Marketing fees, management fees from administration and property management are recognized when services are rendered.

Commission income

Commission income is recognized by reference to the percentage of collection of the agreed sales price or depending on the term of the sale as provided under the marketing agreement.



Management fees

Management fees from administrative, property management and other fees are recognized when services are rendered.

Other income

Other income also includes sale of scrap and sludge oil which is recognized when there is delivery of goods to the buyer, and recovery from insurance which is recognized when the right to receive payment is established.

Revenues outside the scope of PFRS 15

Interest income

Interest income is recognized as it accrues using the effective interest method.

Rent income

Rental income under noncancelable and cancelable leases on investment properties is recognized in the consolidated statements of income on a straight-line basis over the lease term and the terms of the lease, respectively, or based on a certain percentage of the gross revenue of the tenants, as provided under the terms of the lease contract.

Dividend income

Dividend income is recognized when the Group's right to receive the payment is established.

Other income

Other customer-related fees such as penalties and surcharges are recognized at an amount that reflects the consideration to which the Group expects to receive taking into account the provisions of the related contract.

Expense Recognition

Cost of goods and services sold

Cost of goods sold for vehicles and spare parts includes the purchase price of the products sold, as well as costs that are directly attributable in bringing the merchandise to its intended condition and location. These costs include the costs of storing and transporting the products. Vendor returns and allowances are generally deducted from cost of goods and services sold.

Other cost of goods sold includes Federal Land's gasoline and food products, and are recognized when goods are delivered which is usually at the point of sale in stores. Cost of services are recognized when services are rendered.

Cost of goods manufactured and sold

Cost of goods manufactured and sold includes the purchase price of the products manufactured, as well as costs that are directly attributable in bringing the merchandise to its intended condition and location.

Commissions

Commissions paid to sales or marketing agents on the sale of pre-completed real estate units are deferred when recovery is reasonably expected and are charged to expense in the period in which the related revenue is recognized as earned. Accordingly, when the POC method is used, commissions are likewise charged to expense in the period the related revenue is recognized. These are recorded as 'Prepaid expenses' under 'Prepayments and other current assets' account.



General and administrative expenses

General and administrative expenses constitute costs of administering the business and are expensed as incurred.

Cost of real estate sales

The Group recognizes costs relating to satisfied performance obligations as these are incurred taking into consideration the contract fulfillment assets. These include costs of land, land development costs, building costs, professional fees, depreciation, permits and licenses and capitalized borrowing costs. These costs are allocated to the saleable area, with the portion allocable to the sold area being recognized as costs of sales while the portion allocable to the unsold area being recognized as part of real estate inventories.

Contract costs include all direct materials and labor costs and those indirect costs related to contract performance. Expected losses on contracts are recognized immediately when it is probable that the total contract costs will exceed total contract revenue. Changes in contract performance, contract conditions and estimated profitability, including those arising from contract penalty provisions, and final contract settlements which may result in revisions to estimated costs and gross margins are recognized in the year in which the changes are determined.

Cost of rental

Cost of rental services includes maintenance fee, depreciation, repairs and maintenance, and taxes and licenses in relation to rendering of services. Except for depreciation which is recognized on a straight-line basis, these are recognized when a decrease in future economic benefits related to a decrease in an asset or an increase of a liability has arisen that can be measured reliably. These are recognized when incurred and measured at the amount paid or payable.

Contract Balances

Receivables

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognized for the earned consideration that is conditional.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognized when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognized as revenue when the Group performs under the contract.

The contract liabilities also include payments received by the Group from the customers for which revenue recognition has not yet commenced.

Costs to obtain a contract

The incremental costs of obtaining a contract with a customer are recognized as an asset if the Group expects to recover them. The Group has determined that commissions paid to brokers and marketing agents on the sale of pre-completed real estate units are deferred when recovery is reasonably expected and are charged to expense in the period in which the related revenue is recognized as



earned. Commission expense is included in the “Real estate costs and expenses” account in the consolidated statements of income.

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

Amortization, derecognition and impairment of capitalized costs to obtain a contract

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

A capitalized cost to obtain a contract is derecognized either when it is disposed of or when no further economic benefits are expected to flow from its use or disposal.

At each reporting date, the Group determines whether there is an indication that cost to obtain a contract maybe impaired. If such indication exists, the Group makes an estimate by comparing the carrying amount of the assets to the remaining amount of consideration that the Group expects to receive less the costs that relate to providing services under the relevant contract. In determining the estimated amount of consideration, the Group uses the same principles as it does to determine the contract transaction price, except that any constraints used to reduce the transaction price will be removed for the impairment test.

Where the relevant costs or specific performance obligations are demonstrating marginal profitability or other indicators of impairment, judgement is required in ascertaining whether or not the future economic benefits from these contracts are sufficient to recover these assets. In performing this impairment assessment, management is required to make an assessment of the costs to complete the contract. The ability to accurately forecast such costs involves estimates around cost savings to be achieved over time, anticipated profitability of the contract, as well as future performance against any contract-specific performance indicators that could trigger variable consideration, or service credits. Where a contract is anticipated to make a loss, these judgments are also relevant in determining whether or not an onerous contract provision is required and how this is to be measured.

Pension Costs

The Parent Company and its subsidiaries have funded, noncontributory defined benefit retirement plans, administered by trustees, covering their permanent employees.

Pension cost is actuarially determined using the projected unit credit method. This method reflects services rendered by employees up to the date of valuation and incorporates assumptions concerning employees’ projected salaries. Actuarial valuations are conducted with sufficient regularity, with option to accelerate when significant changes to underlying assumptions occur.

The net defined benefit liability or asset is the aggregate of the present value of the defined benefit obligation at the end of the reporting period reduced by the fair value of plan assets (if any), adjusted for any effect of limiting a net defined benefit asset to the asset ceiling. The asset ceiling is the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.

Defined benefit costs comprise the following:

- a. service cost;
- b. net interest on the net defined benefit liability or asset; and
- c. remeasurements of net defined benefit liability or asset.



Service costs which include current service costs, past service costs and gains or losses on non-routine settlements are recognized as expense in the consolidated statement of income. Past service costs are recognized when plan amendment or curtailment occurs. These amounts are calculated periodically by independent qualified actuaries. Net interest on the net defined benefit liability or asset is the change during the period in the net defined benefit liability or asset that arises from the passage of time which is determined by applying the discount rate based on Philippine government bonds to the net defined benefit liability or asset. Net interest on the net defined benefit liability or asset is recognized as expense or income in the consolidated statement of income.

Remeasurements comprising actuarial gains and losses, return on plan assets and any change in the effect of the asset ceiling (excluding net interest on defined benefit liability) are recognized immediately in other comprehensive income in the period in which they arise. Remeasurements are not reclassified to profit or loss in subsequent periods.

Plan assets are assets that are held by a long-term employee benefit fund or qualifying insurance policies. Plan assets are not available to the creditors of the Group, nor can they be paid directly to the Group. Fair value of plan assets is based on market price information. When no market price is available, the fair value of plan assets is estimated by discounting expected future cash flows using a discount rate that reflects both the risk associated with the plan assets and the maturity or expected disposal date of those assets (or, if they have no maturity, the expected period until the settlement of the related obligations). If the fair value of the plan assets is higher than the present value of the defined benefit obligation, the measurement of the resulting defined benefit asset is limited to the present value of economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.

The Group's right to be reimbursed of some or all of the expenditure required to settle a defined benefit obligation is recognized as a separate asset at fair value only when reimbursement is virtually certain.

Employee leave entitlement

Employee entitlements to annual leave are recognized as a liability when they are accrued to the employees. The undiscounted liability for leave expected to be settled wholly before twelve (12) months after the end of the annual reporting period is recognized for services rendered by employees up to the end of the reporting period.

Income Tax

Current tax

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the financial reporting dates. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretations and establishes provisions where appropriate.

Deferred tax

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

Deferred tax liability is recognized for all taxable temporary differences. Deferred tax asset is recognized for all deductible temporary differences, carryforward benefit of unused tax credits from excess minimum corporate income tax (MCIT) and net operating loss carryover (NOLCO), to the



extent that it is probable that taxable income will be available against which the deductible temporary differences and carryforward benefit of unused tax credits from MCIT and NOLCO can be utilized. Deferred income tax, however, is not recognized when it arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting income nor taxable income.

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

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

Foreign Currency Transactions

The Group's consolidated financial statements are presented in Philippine peso, which is also the Group's functional currency. Each entity within the Group determines its own functional currency and items included in the consolidated financial statements of each entity are measured using that functional currency.

Transactions and balances

Transactions denominated in foreign currency are recorded using the exchange rate prevailing at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies are retranslated using the closing exchange rates prevailing at reporting date. Nonmonetary items that are measured in terms of historical cost in foreign currency are translated using the exchange rate as at the date of the initial transaction and are not subsequently restated. All foreign exchange differences are taken to the consolidated statements of income.

Segment Reporting

The Group's operating businesses are organized and managed separately according to the nature of the products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. Financial information on the Group's business segments is presented in Note 35.

Borrowing Costs

Borrowing costs directly attributable to the acquisition or construction of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective assets (included in "Real estate inventories" and "Investment properties" accounts in the consolidated statements of financial position). Capitalization ceases when pre-selling of real estate inventories under construction commences. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

The interest capitalized is calculated using the Group's weighted average cost of borrowings after adjusting for borrowings associated with specific developments. Where borrowings are associated with specific developments, the amounts capitalized is the gross interest incurred on those borrowings less any investment income arising on their temporary investment.

The capitalization of finance costs is suspended if there are prolonged periods when development activity is interrupted. Interest is also capitalized on the purchase cost of a site of property acquired specifically for redevelopment but only where activities necessary to prepare the asset for redevelopment are in progress.



Provisions

Provisions are recognized when the Group has: (a) a present obligation (legal or constructive) as a result of a past event; (b) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and (c) a reliable estimate can be made of the amount of the obligation. Where the Group expects a provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as interest expense. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. The expense relating to any provision is presented in the consolidated statements of comprehensive income, net of any reimbursement.

Provision for product warranties

Provision for product warranties are recognized when sale of the related products are consummated. The best estimate of the provision is recorded based on three (3) year warranty coverage provided by the Group as part of the sold product. Reversals are made against provision for the expired portion.

Leases

Group as lessee

The Group assesses at contract inception whether a contract is, or contains a lease. A contract contains a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognizes lease liabilities to make lease payments and Right-of-use (ROU) assets representing the right to use the underlying assets.

ROU assets

The Group recognizes ROU assets (included in 'Property and Equipment') at the commencement date of the lease (i.e., the date the underlying asset is available for use). ROU assets are measured at cost less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of ROU assets includes the amount of lease liabilities recognized and lease payments made at or before the commencement date less any lease incentives received.

ROU assets are depreciated on a straight line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

	Years
Office space	2 to 3

Lease liabilities

At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of lease payments to be made over the lease term (included in 'Other current liabilities' and 'Other noncurrent liabilities'). In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest (included in 'Interest expense') and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term or a change in the lease payments (Note 30).



Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of office spaces (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of other equipment that are considered to be of low value (i.e., those with value of less than ₱250,000). Lease payments on short-term leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

Residual value of leased assets and deposits on lease contracts

The residual value of leased assets, which approximates the amount of guaranty deposit paid by the lessee at the inception of the lease, is the estimated proceeds from the sale of the leased asset at the end of the lease term. At the end of the lease term, the residual value of the leased asset is generally applied against the guaranty deposit of the lessee when the lessee decides to buy the leased asset.

Group as lessor

Leases where the Group does not transfer substantially all the risks and rewards of ownership of the asset are classified as operating leases. Rental income on operating leases is recognized on a straight line basis over the lease term. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same bases as rental income.

Lease modification

Lease modification is defined as a change in the scope of a lease, or the consideration for a lease, that was not part of the original terms and conditions of the lease e.g., addition or termination of the right to use one or more underlying assets, or the extension or shortening of the contractual lease term. In case of a lease modification, the lessor shall account for any such modification by recognizing a new lease from the effective date of the modification, considering any prepaid or accrued lease payments relating to the original lease as part of the lease payments for the new lease.

In case of change in lease payments for an operating lease that does not meet the definition of a lease modification, the lessor shall account for any such change as a negative variable lease payment and recognize lower lease income. No rental income is recognized when the Group waives its right to collect rent and other charges.

Earnings Per Share

Basic earnings per share is calculated by dividing the net income for the year attributable to the owners of the Parent Company by the weighted average number of common shares outstanding during the year, after considering the retroactive effect of stock dividend declaration, if any.

Diluted earnings per share attributable to owners of the Parent Company is calculated in the same manner assuming that the weighted average number of common shares outstanding is adjusted for potential common shares from the assumed exercise of dilutive instruments.

Contingencies

Contingent liabilities are not recognized in the consolidated financial statements. These are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent assets are not recognized in the consolidated financial statements but disclosed when an inflow of economic benefits is probable.



Events After Financial Reporting Date

Post year-end events that provide additional information about the Group's position at the reporting date (adjusting events) are reflected in the consolidated financial statements. Post year-end events that are not adjusting events are disclosed in the notes to the consolidated financial statements when material.

Standards Issued But Not Yet Effective

The list below consists of standards and interpretations issued, which the Group reasonably expects to be applicable at a future date. The Group intends to adopt these standards when they become effective. Except as otherwise indicated, the Group does not expect the adoption of these new and amended standards and interpretations to have significant impact on its consolidated financial statements.

Effective beginning on or after January 1, 2025

- Amendments to PAS 21, *Lack of Exchangeability*

Effective beginning on or after January 1, 2026

- Amendments to PFRS 9 and PFRS 7, *Amendments to the 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 Model*

Effective beginning on or after January 1, 2027

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

Deferred effectivity

- PFRS 17, *Insurance Contracts*
- Amendments to PFRS 10, *Consolidated Financial Statements*, and PAS 28, *Investments in Associates and Joint Ventures, Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

3. Management's Judgments and Use of Estimates

The preparation of the consolidated financial statements in compliance with PFRS Accounting Standards requires the Group's management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. The estimates and assumptions used in the accompanying consolidated financial statements are based upon management's evaluation of relevant facts and circumstances as of reporting date. Actual results could differ from such estimates.



Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under circumstances.

Judgments

In the process of applying the Group's accounting policies, management has made the following judgments, apart from those involving estimations, which have the most significant effect on the amounts recognized in the consolidated financial statements:

Assessment of control over investees

The determination on whether the Group has control over an investee requires significant judgment. For this, the Group considers the following factors: (a) power over the investee, (b) exposure, or rights, to variable returns from its involvement with the investee; and (c) the ability to use its power over the investee to affect the amount of the investor's returns. In assessing whether the Group has power over the investee, the Group assesses whether it has existing rights that give it the current ability to direct the relevant activities of the investee.

Joint arrangements

The Group has investments in joint arrangements. The Group has joint control over these arrangements because under the contractual arrangements, unanimous consent is required from all the parties to the agreements for all relevant activities. Different joint arrangements of the Group are discussed in Note 8.

As at December 31, 2024 and 2023, Federal Land assessed that it does not exercise control at more than 51% ownership over certain joint ventures (JV) entities, but instead exercises joint control as Federal Land and the JV partners have contractually agreed to share control over the relevant economic activities of the JV entities and the decisions about the relevant activities require the unanimous consent of all parties.

Determination of significant influence over another entity

The determination of significant influence over another entity, other than the rebuttable presumption of having ownership of over twenty percent (20.0%), requires significant judgment. In making this judgment, the Group evaluates existence of the following:

- representation on the BOD or equivalent governing body of the investee;
- participation in policy-making processes, including participation in decisions about dividends or other distributions;
- material transactions between the entity and its investee;
- interchange of managerial personnel; or
- provision of essential technical information.

As at December 31, 2024 and 2023, the Parent Company determined that it exercises significant influence over MPIC in which it holds 18.20% and 18.19% ownership interests, respectively. Although the Parent Company holds less than 20.00% of the ownership interest and voting rights in MPIC, the Parent Company considers that it exercises significant influence through its entitlement to nominate at least two (2) out of fifteen (15) directors of MPIC and at least one (1) director from the Parent Company should be present in board meetings. The Parent Company's nominees also participate as member in the Audit Committee, Risk, Cybersecurity and Data Privacy Committee, Governance, Nomination and Sustainability Committee, and Finance Committee.



The combination of the Parent Company's ownership interest in MPIC, the representation in the BOD and in the abovementioned committees of MPIC provides the Parent Company with the ability to exercise significant influence over the operating and financial policies of MPIC. Accordingly, the Parent Company accounted for its investment in MPIC as an associate using the equity method of accounting.

Revenue and cost recognition

Selecting an appropriate revenue recognition method for a particular real estate sale transaction requires certain judgments based on, among others:

- buyer's initial payments in relation to the total contract price (or buyer's equity); and
- stage of completion of the project.

Existence of a contract

The Group's primary document for a contract with a customer is a signed contract to sell. It has determined, however, that in cases wherein contract to sell are not signed by both parties, the combination of its other signed documentation such as reservation agreement, official receipts, buyers' computation sheets and invoices, would contain all the criteria to qualify as contract with the customer under PFRS 15.

In addition, part of the assessment process of the Group before revenue recognition is to assess the probability that the Group will collect the consideration to which it will be entitled in exchange for the real estate property that will be transferred to the customer. In evaluating whether collectibility of an amount of consideration is probable, an entity considers the significance of the customer's initial payments in relation to the total contract price. Collectibility is also assessed by considering factors such as past history with the customer, age and pricing of the property. Management regularly evaluates the historical cancellations and back-outs if it would still support its current threshold of customers' equity before commencing revenue recognition.

Revenue recognition method and measure of progress

The Group concluded that revenue for real estate sales is to be recognized over time because: (a) the Group's performance does not create an asset with an alternative use and; (b) the Group has an enforceable right for performance completed to date. The promised property is specifically identified in the contract and the contractual restriction on the Group's ability to direct the promised property for another use is substantive. This is because the property promised to the customer is not interchangeable with other properties without breaching the contract and without incurring significant costs that otherwise would not have been incurred in relation to that contract. In addition, under the current legal framework, the customer is contractually obliged to make payments to the developer up to the performance completed to date. In addition, the Group requires a certain percentage of buyer's payments of total selling price (buyer's equity), to be collected as one of the criteria in order to initiate revenue recognition. Reaching this level of collection is an indication of buyer's continuing commitment and the probability that economic benefits will flow to the Group. The Group considers that the initial and continuing investments by the buyer of about 10% would demonstrate the buyer's commitment to pay.

The Group has determined that the output method used in measuring the progress of the performance obligation faithfully depicts the Group's performance in transferring control of real estate development to the customers.

Definition of default and credit-impaired financial assets

The Group defines a financial instrument as in default, which is fully aligned with the definition of credit-impaired, when it meets one or more of the following criteria:



Quantitative criteria

The Group has applied the presumption indicated within PFRS 9 pertaining to the default definition; that is, default of a financial instrument does not occur later than when a financial asset is 90 days past due.

Qualitative criteria

The customer meets unlikeliness to pay criteria, which indicates the customer is in significant financial difficulty. These are instances where:

- a. The customer is experiencing financial difficulty or is insolvent
- b. The customer is in breach of financial covenant(s)
- c. An active market for that financial asset has disappeared because of financial difficulties
- d. Concessions have been granted by the Group, for economic or contractual reasons relating to the customer's financial difficulty
- e. It is becoming probable that the customer will enter bankruptcy or other financial reorganization

The criteria above have been applied to the financial instruments held by the Group and are consistent with the definition of default used for internal credit risk management purposes. The default definition has been applied consistently to model the Probability of Default (PD), Loss Given Default (LGD) and Exposure at Default (EAD) throughout the Group's expected loss calculation.

Incorporation of forward-looking information

The Group incorporates forward-looking information into both its assessment of whether the credit risk of an instrument has increased significantly since its initial recognition and its measurement of ECL.

To do this, the Group considers a range of relevant forward-looking macro-economic assumptions for the determination of unbiased general industry adjustments and any related specific industry adjustments that support the calculation of ECLs. Based on the Group's evaluation and assessment and after taking into consideration external actual and forecast information, the Group formulates a 'base case' view of the future direction of relevant economic variables as well as a representative range of other possible forecast scenarios. This process involves developing two or more additional economic scenarios and considering the relative probabilities of each outcome. External information includes economic data and forecasts published by governmental bodies, monetary authorities and selected private-sector and academic institutions.

The base case represents a most-likely outcome and is aligned with information used by the Group for other purposes such as strategic planning and budgeting. The other scenarios represent more optimistic and more pessimistic outcomes. Periodically, the Group carries out stress testing of more extreme shocks to calibrate its determination of these other representative scenarios.

The Group has identified and documented key drivers of credit risk and credit losses of each portfolio of financial instruments and, using an analysis of historical data, has estimated relationships between macro-economic variables and credit risk and credit losses.

Operating lease commitments - Group as lessor

The Group entered into commercial property leases on its retail mall, investment properties and certain units of its real estate projects to different parties for a specific amount depending on the lease contracts. The Group has determined that based on the evaluation of the terms and conditions of the arrangements (i.e., the lease does not transfer the ownership of the asset to the lessee by the end of the lease term, the lessee has no option to purchase the asset at a price that is expected to be sufficiently lower than the fair value at the date the option is exercisable, and the lease term is not for the major



part of the asset's economic life), that it retains all significant risks and rewards of ownership of these properties and so accounts for the contracts as operating leases.

Distinction between investment properties and owner-occupied properties

The Group determines whether a property qualifies as investment property. In making its judgment, the Group considers whether the property generates cash flows largely independent of the other assets held by an entity. Owner-occupied properties generate cash flows that are attributable not only to property but also to the other assets used in the production or supply process.

Some properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for use in the production or supply of goods or services or for administrative purposes. If these portions cannot be sold separately as of financial reporting date, the property is accounted for as investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes. Judgment is applied in determining whether ancillary services are so significant that a property does not qualify as investment property. The Group considers each property separately in making its judgment.

Contingencies

In the normal course of business, the Group is currently involved in various legal proceedings and assessments. The estimate of the probable costs for the resolution of these claims has been developed in consultation with outside counsel handling the defense in these matters and is based upon an analysis of potential results. It is possible, however, that future results of operations could be materially affected by changes in the estimates or in the effectiveness of the strategies relating to these proceedings.

Allocation of costs and expenses

Costs and expenses are classified as exclusive and common. Exclusive costs such as raw materials and direct labor are charged directly to the product line. Common costs and expenses are allocated using sales value.

Management's Use of Estimates

The key assumptions concerning the future and other key sources of estimation and uncertainty at the financial reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Revenue recognition

The Group's revenue recognition policies require management to make use of estimates and assumptions that may affect the reported amounts of revenues and costs. The Group's revenue from real estate sales recognized based on the percentage of completion are measured principally on the basis of the estimated completion of a physical proportion of the contract work, and by reference to the actual costs incurred to date over the estimated total costs of the project. The estimation of the total cost of the real estate project requires technical inputs from project development engineers.

The Group recognized real estate sales in 2024, 2023 and 2022 amounting to ₱5.13 billion, ₱12.67 billion and ₱5.36 billion, respectively.

Evaluating net realizable value of inventories

Inventories are valued at the lower of cost and NRV. The Group reviews its inventory to assess NRV at least annually. The amount and timing of recorded expenses for any period would differ if different judgments were made or different estimates were utilized. The net realizable value of inventories is disclosed in Note 6.



Real estate inventories

The Group adjusts the cost of its real estate inventories to net realizable value based on its assessment of the recoverability of the inventories. NRV for completed real estate inventories is assessed with reference to the market conditions and prices existing at the reporting date and is determined by the Group in light with the recent market transactions. NRV in respect of real estate inventories under construction is assessed with reference to market prices at reporting date for similar completed property, less estimated cost to complete construction less estimated cost to sell. The amount and timing of recorded expense for any period would differ if different judgments were made or different estimates were utilized.

Estimating the useful life of non-financial assets

The Group determines the EUL of its intangible assets based on the period over which the assets are expected to be available for use. The Group reviews annually the EUL of property and equipment, investment properties and intangible assets based on factors that include asset utilization, internal technical evaluation, and anticipated use of the assets. It is possible that future results of operations could be materially affected by changes in these estimates brought about by changes in the factors mentioned. A reduction in the EUL of intangible assets would increase the recorded amortization expense.

Customer relationship pertains to Toyota's contractual arrangements with its top dealer customers which lay out the principal terms upon which its dealers agree to do business. Management assessed the useful life of the customer relationship to be indefinite since management is of the view that there is no foreseeable limit to the period over which the customer relationship is expected to generate net cash inflows to Toyota.

The said assessment is based on the track record of stability for the auto industry and the Toyota brand. Added to this is the commitment of management to continue to invest for the long term, to extend the period over which the intangible asset is expected to continue to provide economic benefits.

The carrying values of investment properties, property and equipment and customer relationship are disclosed in Notes 9, 11 and 13, respectively.

Evaluating impairment of non-financial assets

The Group reviews investments in associates and joint ventures, investment properties, creditable withholding tax, property and equipment, and other noncurrent assets for impairment. This includes considering certain indications of impairment such as significant changes in asset usage, significant decline in assets' market value, obsolescence or physical damage of an asset, plans in the real estate projects, significant underperformance relative to expected historical or projected future operating results and significant negative industry or economic trends.

As described in the accounting policy, the Group estimates the recoverable amount as the higher of the FVLCTS and VIU. In determining the present value of estimated future cash flows expected to be generated from the continued use of the assets, the Group is required to make estimates and assumptions that may affect investments in associates and joint ventures, and property and equipment.

The Group considers the significant or prolonged decline in the quoted market price of MBTC and the excess of carrying value over book value of MPIC as indicators of impairment. Accordingly, the Group conducted an impairment assessment of its investments in MBTC and MPIC. The Group uses the higher of FVLCTS and VIU in determining the recoverable amount. The recoverable amount of the investment in MBTC has been determined based on the free cash flow to equity methodology



while that of MPIC is determined based on the sum of the parts of the VIU and FVLCTS of the MPIC Group. Based on the Group's impairment testing, the investment in MBTC and MPIC are determined to be not impaired.

The carrying values of input VAT and creditable withholding taxes, investments in associates and joint ventures, investment properties, property and equipment, customer relationship, and other noncurrent assets are disclosed in Notes 7, 8, 9, 11, 13 and 14, respectively.

Impairment of goodwill and intangible assets with indefinite useful life

The Group conducts an annual review for any impairment in the value of goodwill and intangible assets with indefinite useful life (i.e., customer relationship). Goodwill and customer relationship are written down for impairment when the net present value of the forecasted future cash flows from the business is insufficient to support its carrying value. The Group estimates key inputs such as discounted future cash flows forecasts, expected gross margins, discount rates and long-term growth rates. The Group uses the weighted average cost of capital in discounting the expected cash flows from specific CGUs.

Refer to Notes 12 and 13 for the details regarding the carrying values of the Group's goodwill and intangible assets as well as details regarding the impairment review and assessment.

Recognition of deferred tax assets

The Group reviews the carrying amounts of deferred taxes at each reporting date and reduces deferred tax asset to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. However, there is no assurance that the Group will generate sufficient taxable profit to allow all or part of deferred income tax assets to be utilized. The Group looks at its projected performance in assessing the sufficiency of future taxable income.

The recognized and unrecognized deferred tax assets on temporary differences of the Group are disclosed in Note 29.

Estimating pension and other retirement benefits

The determination of the obligation and cost of pension and other retirement benefits is dependent on the selection of certain assumptions used by actuaries in calculating such amounts. Those assumptions are described in Note 28 and include among others, discount rates, turnover rates and rates of salary increase. While the Group believes that the assumptions are reasonable and appropriate, significant differences in actual experience or significant changes in assumptions materially affect retirement obligations. The carrying values of pension asset, liability and expense are disclosed in Note 28.

Fair value of financial instruments

Where the fair values of financial assets and financial liabilities recorded in the consolidated statement of financial position cannot be derived from active markets, they are determined using internal valuation techniques using generally accepted market valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimates are used in establishing fair values. These estimates may include considerations of liquidity, volatility, and correlation. The carrying values of financial instruments are disclosed in Note 32.

Provision for product warranties

Estimated warranty costs are provided at the time of sale. The provision is based on the estimated costs of future servicing the products sold, the costs of which are not recoverable from customers. A provision is recognized for expected warranty claims on products sold during the last two (2) years, based on past experience of the level of returns and repairs. It is expected that most of these costs



will be incurred in the next financial year and all will be incurred within three (3) years as of the reporting date. Provision for product warranty is disclosed in Note 20.

Purchase price allocation of investment in MPIC

The Parent Company is required to perform a purchase price allocation for its additional investment in MPIC. A significant portion of MPIC's net assets pertain to equity investments and service concession assets and the valuation of these assets require estimates from management. These estimates include revenue growth, gross margins, expected traffic volume and billed water volume, toll or tariff rates and discount rates (see Note 8).

4. Cash and Cash Equivalents

This account consists of:

	2024	2023
Cash on hand	₱90	₱21
Cash in banks and other financial institutions (Note 27)	5,391	6,242
Cash equivalents (Note 27)	19,860	10,468
	₱25,341	₱16,731

Cash in banks earns interest at the prevailing bank deposit rates. Cash equivalents are made for varying periods of up to three months depending on the immediate cash requirements of the Group, and earn interest at the prevailing interest rates ranging from 0.125% to 6.50% in 2024 and 2023 and from 0.025% to 5.75% in 2022 (Notes 23 and 27). The Group has foreign currency-denominated cash and cash equivalents (Note 33).

5. Receivables

This account consists of:

	2024	2023
Trade receivables	₱22,469	₱24,459
Loans receivable (Note 27)	1,866	5,989
Accrued rent and commission income (Note 27)	1,844	2,042
Nontrade receivables (Note 27)	1,809	1,600
Accrued interest receivable (Note 27)	886	1,330
Management fee receivables (Note 27)	394	329
Installment contracts receivables	360	195
Others (Note 27)	777	517
	30,405	36,461
Less: Allowance for credit losses	787	868
	₱29,618	₱35,593



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

	2024	2023
Current	₱28,185	₱29,203
Noncurrent	1,433	6,390
	₱29,618	₱35,593

Noncurrent receivables consist of:

	2024	2023
Trade receivables	₱-	₱586
Loans receivable	1,433	5,804
	₱1,433	₱6,390

Trade Receivables

Trade receivables pertain to receivables from sale of vehicles and/or parts and services. These are noninterest-bearing and generally have 30 days to one-year term. These also include sale of lots with terms of 60 days to five years. Interest rates used in discounting the receivables on sale of lots range from 2.85% to 3.67% in 2024 and 2023. The Group has foreign currency-denominated receivables (Note 33).

Loans Receivable

Loans receivable from various counterparties in real estate segment are as follows:

Counterparties	Principal	Interest rates	Availment	Maturity	Outstanding balance	
					2024	2023
Cathay International						
Resources Corp.	₱705	3.15%	2012	2032	₱705	₱705
-do-	150	4.15%	2022	2032	100	100
-do-	50	6.00%	2021	2024	-	50
Multi Fortune Holdings, Inc.	40	7.90%	2023	2033	40	40
-do-	290	6.60%	2017	2032	135	205
-do-	154	4.40%	2022	2032	154	154
-do-	299	4.33% - 5.54%	2021	2031	299	299
-do-	290	5.25% - 5.95%	2020	2025	290	290
-do-	135	0.00%	2019	Due and demandable	135	135
-do-	8	0.00%	2024	Due and demandable	8	-
Bonifacio Landmark Corp.	3,311	6.75%	2020	2029	-	3,311
-do-	550	5.25%	2021	2028	-	550
-do-	150	6.75%	2022	2028	-	150
					₱1,866	₱5,989



Interest income earned from these loans receivable follows:

	2024	2023	2022
Bonifacio Landmark Corp.	₱129	₱240	₱215
Cathay International Resources Corp.	56	63	38
Multi Fortune Holdings, Inc.	66	61	59
	₱251	₱364	₱312

Accrued Rent and Commission Income

Accrued rent pertains to tenants' rentals and their share in utilities (electricity, water and liquefied petroleum gas) and other charges to customers (Note 27). Commission income pertains to commission earned from sale of real estate properties (Note 27).

Nontrade Receivables

Nontrade receivables mainly consist of vehicle acquisition plan loans extended to employees which are collectible within one year and expenses of the affiliates which were advanced by the Group (Note 27).

Management Fee Receivables

Management fee receivables pertain to management fee being charged by the real estate businesses for the conduct of relevant studies for the maintenance, upkeep and improvement of real estate properties and equipment of associates and affiliated companies (Note 27).

Installment Contracts Receivables

Installment contracts receivables pertain to receivables from the sale of residential and condominium units. Titles to the sold residential and condominium units are transferred to the buyers only upon full payment of the contract price.

The details of installment contracts receivables and contract assets follow:

	2024	2023
Installment contracts receivables	₱360	₱197
Less: Unearned interest income	-	2
	₱360	₱195

Installment contracts receivables are collected over a period of one to 10 years. The fair value upon initial recognition for Federal Land is derived using the discounted cash flow methodology using discount rate of 8.00% in 2024 and 2023.

Movements in the unearned interest income in 2024 and 2023 follow:

	2024	2023
Balance at beginning of year	₱2	₱2
Additions	-	1
Accretion (Note 23)	(2)	(1)
Balance at end of year	₱-	₱2

Other Receivables

Other receivables include receivable from employees and retention, bond and guarantee fee receivables (Note 27).



Allowance for Credit Losses

Changes in the allowance for credit losses on receivables are as follows:

	December 31, 2024		
	Trade Receivables	Other Receivables	Total
Balance at beginning of year	₱174	₱694	₱868
Provision for credit losses (Note 26)	15	60	75
Reversals (Note 26)	(3)	(23)	(26)
Write-offs	(115)	(15)	(130)
Balance at end of year	₱71	₱716	₱787

	December 31, 2023		
	Trade Receivables	Other Receivables	Total
Balance at beginning of year	₱230	₱713	₱943
Provision for credit losses (Note 26)	19	106	125
Reversals (Note 26)	(75)	(125)	(200)
Balance at end of year	₱174	₱694	₱868

6. Inventories

This account consists of:

	2024	2023
At cost		
Real estate		
Land and improvements	₱28,635	₱28,312
Condominium units held for sale	20,952	19,191
Construction in progress	2,683	2,591
Gasoline retail and petroleum products (Note 24)	10	10
Food (Note 24)	8	6
Automotive		
Finished goods	6,223	7,859
Work-in-process	71	46
Raw materials	11,887	12,628
Raw materials in transit	4,739	4,231
Spare parts	173	142
	75,381	75,016
At NRV		
Automotive		
Spare parts	1,830	1,660
	₱77,211	₱76,676



A summary of movements in real estate inventories (excluding gasoline retail and petroleum products, and food) follows:

	2024			
	Land and improvements	Condominium units held for sale	Construction in progress	Total
Balance at beginning of year	₱28,312	₱19,191	₱2,591	₱50,094
Construction and development costs incurred	974	1,068	2,277	4,319
Borrowing costs capitalized	69	33	262	364
Cost of sales during the year	(412)	(1,775)	-	(2,187)
Reclassifications to condominium units held for sale	(396)	2,436	(2,040)	-
Transfers from (to) investment properties (Note 9)	-	-	(406)	(406)
Others	87	-	-	87
Balance at end of year	₱28,634	₱20,953	₱2,684	₱52,271

	2023			
	Land and improvements	Condominium units held for sale	Construction in progress	Total
Balance at beginning of year	₱34,947	₱15,016	₱3,951	₱53,914
Construction and development costs incurred	160	95	543	798
Borrowing costs capitalized	98	47	372	517
Cost of sales during the year	(5,049)	(1,307)	-	(6,356)
Reclassifications to condominium units held for sale	(2,303)	5,340	(3,037)	-
Transfers from (to) investment properties (Note 9)	(154)	-	762	608
Others	613	-	-	613
Balance at end of year	₱28,312	₱19,191	₱2,591	₱50,094

Federal Land's capitalized borrowing costs in its real estate inventories are as follows:

	2024	2023
General borrowings	₱263	₱144
Specific borrowings	102	373
	₱365	₱517

The average capitalization rate used to determine the amount of borrowing costs eligible for capitalization ranged from 3.10% to 5.57% in 2024, 2023 and 2022.

The Federal Land Group has existing purchase commitments pertaining to its inventories of ongoing projects as of December 31, 2024 and 2023.

Inventories charged to operations follow:

	2024	2023	2022
Cost of goods and services sold (Note 24)	₱201,972	₱189,348	₱157,079
Cost of goods manufactured and sold (Note 25)	42,748	39,661	36,366
Cost of real estate sales	1,871	5,400	3,059
	₱246,591	₱234,409	₱196,504

The cost of real estate sales is net of ₱0.12 billion cost of land sold by the Parent Company to FNG in 2022 (Note 27).



The cost of the inventories carried at NRV amounted to ₱1.83 billion and ₱1.66 billion as of December 31, 2024 and 2023, respectively.

Allowance for inventory write-down on automotive spare parts inventories follows:

	2024	2023
Balance at beginning of year	₱194	₱186
Provision for inventory write-down (Note 26)	45	16
Write-off of scrap inventories	(104)	(8)
Balance at end of year	₱135	₱194

7. Prepayments and Other Current Assets

This account consists of:

	2024	2023
Creditable withholding taxes (CWT)	₱3,308	₱2,917
Tax credits from ad-valorem tax refund	2,394	-
Prepaid expenses (Note 21)	2,011	1,677
Prepaid Ad-valorem tax	1,723	1,777
Input VAT (Note 14)	1,335	1,392
Advances to contractors and suppliers	792	1,640
Advances to officers, employees and agents (Note 27)	111	58
Safeguard bonds	1	35
Ad-valorem tax for refund	-	2,979
Others	110	303
	₱11,785	₱12,778

CWT is attributable to taxes withheld by third parties arising from service fees, real estate revenue, auto sales and rental income.

In 2024, the BIR and the Bureau of Customs (BOC) have granted tax credits to Toyota for the cumulative incremental Ad-valorem tax paid of ₱2.98 billion as of December 31, 2023. As of December 31, 2024, ₱0.58 billion of the said tax credits were utilized for payment of VAT and income tax.

Prepaid Ad-valorem tax represents advance payments to the BIR and the BOC. These are either advance payment to be applied against taxes on the manufactured vehicles or taxes on unsold inventories.

Input VAT arises from the Group's purchases of goods and services and will be applied against output VAT on sales in the succeeding periods.

Prepaid expenses mainly include prepayments for supplies, commission, taxes and licenses, rentals, and insurance.

Advances to contractors and suppliers pertain to the Group's advances and initial payments for the purchase of construction materials and supplies and contractor services. These are liquidated every progress billing payment and will be due and demandable upon breach of contract.



Advances to officers and employees amounting to ₱100.68 million and ₱47.42 million as of December 31, 2024 and 2023, respectively, pertain mainly to cash advances for business-related expenses. Advances to officers and employees are liquidated within 30 days after incurrence of expense.

Cash advances to agents amounting to ₱10.19 million and ₱10.39 million as of December 31, 2024 and 2023, respectively, pertain to mobilization funds granted to agents to finance their sales-related needs. These advances are subject to liquidation within 30 days after the release of cash advance.

Safeguard bonds represent payments made by Toyota to the BOC for the provisional safeguard duties on imported vehicles, the remaining ₱1.00 million and ₱35.00 million is still unclaimed as of 2024 and 2023, respectively.

Others include deferred import charges, marginal deposits set aside for payment to the contractors and suppliers, security deposit for operating leases, ancillary services, and deposit for purchase of external services and materials.

8. Investments in Associates and Joint Ventures

This account consists of:

	2024	2023 (As restated)
Investments in associates	₱204,535	₱190,336
Investments in joint ventures	44,083	38,947
	₱248,618	₱229,283

There were no impairment losses for these investments in 2024 and 2023.

The movements in the Group's investments in associates follow:

	2024	2023 (As restated)
Cost		
Balance at beginning of year	₱116,710	₱112,319
Additional investments during the year	–	4,391
Balance at end of year	116,710	116,710
Accumulated equity in net income		
Balance at beginning of year	114,236	93,774
Equity in net income for the year	23,569	19,930
Gain on bargain purchase on additional investment	–	570
Amortization of FV increment on net assets	(136)	(161)
Recognition of previously deferred gain*	72	123
Balance at end of year	137,741	114,236
Dividends received		
Balance at beginning of year	(34,035)	(28,152)
Dividends received during the year	(10,108)	(5,883)
Balance at end of year	(44,143)	(34,035)

(Forward)



	2024	2023 (As restated)
Accumulated equity in other comprehensive income (loss)		
Balance at beginning of year	(₱7,611)	(₱10,854)
Equity in fair value changes on financial assets at FVOCI for the year	741	5,132
Equity in translation adjustments	(56)	(342)
Equity in remeasurement of life insurance reserves	(29)	(16)
Equity in net unrealized gain on remeasurement of defined benefit plans	131	(1,536)
Equity in cash flow hedge reserve	87	5
Balance at end of year	(6,737)	(7,611)
Effect of elimination of intragroup profits		
Balance at beginning of year	1,036	1,159
Recognition of previously deferred profits*	(72)	(123)
Balance at end of year	964	1,036
	₱204,535	₱190,336

*Pertains to intercompany sale of lots in 2014 and 2015, which were sold to third parties in 2024 and 2023.

The movements in the Group's investments in joint ventures follow:

	2024	2023
Cost		
Balance at beginning of year	₱40,249	₱28,250
Additional investments during the year	3,220	11,999
Balance at end of year	43,469	40,249
Accumulated equity in net income		
Balance at beginning of year	7,780	4,744
Effect of full adoption of PFRS 15, <i>Significant Financing Component</i> (Note 2)	456	-
Balance at beginning of year, as restated	8,236	4,744
Equity in net income for the year	1,805	3,036
Balance at end of year	10,041	7,780
Dividends received		
Balance at beginning of year	(128)	(90)
Dividends received during the year	(722)	(38)
Balance at end of year	(850)	(128)
Accumulated equity in other comprehensive income (loss)		
Balance at beginning of year	(264)	(413)
Equity in net unrealized loss on remeasurement of defined benefit plans	-	(5)
Equity in cash flow hedge reserve	304	154
Balance at end of year	40	(264)
Effect of elimination of intragroup profits (losses)		
Balance at beginning of year	(8,690)	(499)
Elimination of deferred profit on sale	-	(8,640)
Recognition of previously deferred profit	73	449
Balance at end of year	(8,617)	(8,690)
	₱44,083	₱38,947



Details regarding the Group's associates and joint ventures follow:

	Nature of Business	Country of Incorporation	2024		2023	
			Direct	Indirect	Direct	Indirect
Associates:						
MBTC	Banking	Philippines	37.15	–	37.15	–
MPIC	Infrastructure	-do-	18.20	–	18.19	–
Phil AXA	Insurance	-do-	25.33	–	25.33	–
Crown Central Properties Corporation (CCPC)	Real estate	-do-	–	48.00	–	48.00
Joint ventures:						
Bonifacio Landmark Corporation (BLC)* ^A	-do-	-do-	–	70.00	–	70.00
North Bonifacio Landmark Realty and Development Inc. (NBLRDI)*	-do-	-do-	–	70.00	–	70.00
Federal Land NRE Global, Inc. (FNG)*	-do-	-do-	–	66.00	–	66.00
Sunshine Fort North Bonifacio Realty and Development Corporation (Sunshine Fort)*	-do-	-do-	–	60.00	–	60.00
HSL South Food Inc. (HSL)*	-do-	-do-	–	60.00	–	60.00
Sunshine Fort North Bonifacio Commercial Management Corporation (SFNBCMC)*	-do-	-do-	–	51.00	–	51.00
Alveo Federal Land Communities, Inc. (AFLCI)	-do-	-do-	–	50.00	–	50.00
ST 6747 Resources Corporation (STRC)	-do-	-do-	–	50.00	–	50.00
Mitsukoshi Federal Retail, Inc. (MFRI)	-do-	-do-	–	40.00	–	40.00
TFSPC	Financing	-do-	40.00	–	40.00	–
SMFC	-do-	-do-	20.00	–	20.00	–

* Federal Land does not exercise control at more than 51% ownership over these joint ventures (JV) entities, but instead exercises joint control as Federal Land and the JV partners have contractually agreed to share control over the relevant economic activities of the JV entities.

^A Formerly Bonifacio Landmark Realty and Development Corporation (BLRDC).

The following table summarizes cash dividends declared and paid by the Group's associates and joint ventures (amount in millions, except for dividend per share):

	Declaration Date	Per Share	Total	Record Date	Payment Date
2024					
MBTC	February 21, 2024	₱1.50	₱6,746	March 8, 2024	March 25, 2024
MBTC	February 21, 2024	1.50	6,746	September 5, 2024	September 20, 2024
MBTC*	February 21, 2024	2.00	8,995	March 8, 2024	March 25, 2024
MPIC	March 6, 2024	0.14	4,420	March 22, 2024	April 18, 2024
SMFC	June 28, 2024	5.45	109	June 13, 2024	July 23, 2024
MPIC	August 12, 2024	0.10	3,154	September 2, 2024	September 19, 2024
Phil AXA	December 12, 2024	150.00	1,500	November 30, 2024	December 17, 2024

*Special cash dividends

	Declaration Date	Per Share	Total	Record Date	Payment Date
2023					
MBTC	February 22, 2023	₱0.80	₱3,598	March 17, 2023	March 31, 2023
MBTC	February 22, 2023	0.80	3,598	September 8, 2023	September 22, 2023
MBTC*	February 22, 2023	1.40	6,296	March 17, 2023	March 31, 2023
MPIC	March 8, 2023	0.076	2,181	March 27, 2023	April 13, 2023
SMFC	June 23, 2023	9.60	192	July 10, 2023	July 19, 2023
MPIC	August 14, 2023	0.05	1,435	September 1, 2023	September 15, 2023
Phil AXA	December 11, 2023	100.00	1,000	November 30, 2023	January 17, 2024

*Special cash dividends



Investment in MPIC

On May 27, 2016, the Parent Company subscribed to 3.60 billion common shares of MPIC for a total subscription price of ₱21.96 billion. On the same day, the Parent Company entered into a Sale and Purchase Agreement with Metro Pacific Holdings, Inc. (MPHI), with the Parent Company as the buyer and MPHI as the seller of 1.30 billion common shares of MPIC for a total consideration of ₱7.94 billion. On August 5, 2016, the SEC approved the increase in the authorized capital stock of MPIC. As a result, the Parent Company's ownership interest is 15.55% of the issued and outstanding capital stock of MPIC. In relation to the acquisition, the Parent Company capitalized advisory fees and other professional fees amounting to ₱0.24 billion and ₱0.04 billion, respectively, as part of the cost of the investment. Based on the final purchase price allocation relating to the Parent Company's investment in MPIC, the difference of ₱7.41 billion between the Parent Company's share in the carrying values of MPIC's specific identifiable assets and liabilities and total cost of the Parent Company's investment was allocated to the Parent Company's share in the difference between the fair values and carrying values of MPIC's specific and identifiable assets and liabilities amounting to ₱4.68 billion and the remaining balance of ₱2.73 billion as goodwill.

As a result of MPIC's buy-back program in 2022 and 2021, the issued and outstanding shares of MPIC declined to 28,695,934,752 and 30,070,247,752 as of December 31, 2022 and 2021, respectively. This resulted to an increase in the Parent Company's ownership in MPIC to 17.08% and 16.30% as of December 31, 2022 and 2021, respectively.

On April 26, 2023, the Parent Company, together with other entities, formed a consortium to undertake a tender offer for the outstanding common shares of MPIC, with the aim of taking MPIC private through a voluntary delisting process. Pursuant to this, on various dates in September 2023, the Parent Company acquired an aggregate of 840 million common shares of MPIC for a total consideration of ₱4.37 billion which increased the Parent Company's ownership interest in MPIC from 17.08% to 20.00%. In relation to the acquisition, the Parent Company capitalized advisory fees and other professional fees totaling ₱0.24 billion as part of the cost of the investment.

Subsequently, on November 8, 2023, MPIC issued an aggregate of 2.87 billion new common shares to its shareholders, of which the Parent Company did not participate, and this decreased the Parent Company's ownership interest in MPIC to 18.18%. Further, in December 2023, MPIC continued to buy back shares held by its minority shareholders who missed the opportunity to participate in the delisting tender offer. A total of 16.5 million shares were bought back from minority shareholders in December 2023, which increased the Parent Company's ownership interest in MPIC to 18.19% as of December 31, 2023.

In 2024, as permitted under the accounting standards, the Group finalized its purchase price allocation relating to the additional acquisition of MPIC shares in 2023. As a result, the Parent Company has recorded a net gain on bargain purchase of ₱0.57 billion, representing the difference between the Parent Company's share in the net fair values of MPIC's identifiable assets and liabilities that were determined at the acquisition date amounting to ₱6.71 billion over the cost of the additional investment amounting to ₱4.39 billion. and after considering the effect of dilution of interest over MPIC. The gain on bargain purchase was offset by the effect of the dilution in ownership interest where the Parent Company recognized a loss of ₱1.75 billion representing the difference between the carrying value of the investment in MPIC before and after deemed partial disposal of ownership interest. The finalization of purchase price allocation resulted to a restatement of 2023 balances.

In September 2024, the SEC approved the amendment of MPIC's Articles of Incorporation, increasing the par value of shares in MPIC or otherwise implementing a reverse stock split. This increased the par value of MPIC's common shares from ₱1.00 per common share to ₱500.00 per common share, thereby resulting in the reduction in the number of the authorized common shares



from 38,500,000,000 to 77,000,000. This reduced MPIC's issued and outstanding shares to 63,087,353, and the Parent Company's owned shares to 11,480,000.

In 2024, a total of 9.07 million shares were bought back by MPIC as it continued to buy back shares held by its minority shareholders who missed the opportunity to participate in the delisting tender offer. This increased the Parent Company's ownership interest in MPIC from 18.19% to 18.20% as of December 31, 2024.

Investment in BLC

On June 8, 2012, Federal Land and Orix Risingsun Properties II, Inc. (ORPI) entered into a joint venture agreement for the creation of BLC, with Federal Land owning 70% and ORPI owning 30% to develop three (3) main projects, namely (1) residential condominium project, (2) hotel/office building, and (3) hotel operation. In 2024, Federal Land converted a portion of its loans receivable from BLC amounting to ₱3.22 billion into additional investments in BLC.

Investment in NBLRDI

On June 14, 2018, Federal Land entered into a Joint Venture Agreement with ORPI to incorporate a joint venture company, NBLRDI, in which Federal Land held 70% equity interest. The agreement was entered to develop Grand Hyatt Residences Tower II.

Investment in FNG

In January 2022, Federal Land signed a joint venture agreement with Nomura Real Estate Development Co., Ltd. (NRE) to incorporate Federal Land NRE Global, Inc. (FNG), in which Federal Land holds a 66% stake. FNG was incorporated on March 25, 2022. FNG will develop a new urban lifestyle, creating value, and sustainable growth. As its initial project, it will incorporate four areas of land development with a total area of about 250 hectares in Metro Manila, Cavite and Cebu. These include an initial pipeline of residential, office, commercial and industrial facilities.

In 2022, FLI and HLPDC entered into a deed of exchange agreements with NRE where FLI and HLPDC will contribute real estate inventories with a total fair value of ₱17.66 billion in exchange for common and preferred shares in FNG. The total cost of the said real estate inventories amounted to ₱6.30 billion (Note 6). The Group recognized gain on the asset-for-share swap amounted to ₱3.86 billion, net of intercompany elimination. As a result of the asset-for-share swap, the cost of investment in FNG included the cost of inventories and the gain amounting to ₱6.30 billion and ₱3.86 billion, respectively.

In May 2023, the Parent Company and FNG entered into a deed of absolute sale, wherein, the Parent Company agreed to sell to FNG certain real estate inventories located in Cavite with a gross aggregate area of eight hundred eighty-five thousand sixty-seven square meters (885,067 sqm). The total selling price and total cost of the said real estate inventories amounted to ₱9.28 billion and ₱2.74 billion, respectively. The gain on sale recognized from this transaction in 2023 consolidated statements of income amounted to ₱2.16 billion, net of intercompany elimination and applicable taxes.

In May 2023, Federal Land and FNG also entered into a deed of absolute sale, wherein, Federal Land agreed to sell to FNG certain real estate inventories located in Cavite with a gross aggregate area of one million two hundred thirty-four thousand five hundred sixty-six square meters (1,234,566 sqm). The total selling price and total cost of the said real estate inventories amounted to ₱11.41 billion and ₱4.86 billion, respectively. The gain on sale recognized from this transaction at the Federal Land level and recognized in 2023 consolidated statements of income amounted to ₱588.96 million and ₱490.14 million, respectively, net of intercompany elimination and applicable taxes.



Investment in Sunshine Fort

On July 3, 2017, Federal Land entered into a Joint Venture Agreement with NREMI Development Company (NRE) to incorporate a joint venture company in which Federal Land held 60% equity interest. In 2017, Federal Land made an initial investment amounting to ₱288.75 million. In 2018, Federal Land made additional investments amounting to ₱4.33 billion.

Investment in AFLCI

On April 29, 2015, Federal Land and Alveo Land Corp. executed a joint venture agreement for the organization of a joint venture, AFLCI, to manage the development of a 45-hectare property along Laguna Boulevard in Biñan, Laguna. AFLCI was incorporated on June 16, 2015. An initial investment amounting to ₱574.13 million was reflected as additions to the investments in associates and joint ventures in 2015. In 2016, an additional investment amounting to ₱17.00 million was made.

Investment in STRC

In June 2016, SM Development Corporation (SMDC) entered into an agreement with Federal Land to incorporate a joint venture company, STRC, in which Federal Land holds a 50% stake. STRC will develop a three thousand two hundred square meter (3,200 sqm) property located along Ayala Avenue as a high-end luxury residential tower. An initial investment amounting to ₱250.00 million was reflected as additions to the investments in associates and joint ventures in 2016.

On December 12, 2016, the BOD of Federal Land approved the additional investment in STRC amounting to ₱750.00 million divided into preferred shares in the amount of ₱712.50 million and common shares in the amount of ₱37.50 million. On January 10, 2017, Federal Land has fully paid its subscription to STRC. The percentage of ownership is retained as SMDC also invested an equivalent amount.

In 2018 and 2017, Federal Land made additional investments in STRC amounting to ₱0.47 billion and ₱0.03 billion, respectively.

Investment in TFSPC

On August 29, 2014, the Parent Company signed a Sale and Purchase Agreement with MBTC and Philippine Savings Bank (PSBank), a majority owned subsidiary of MBTC, to purchase their respective shares in TFSPC representing 15.00% and 25.00%, respectively, of ownership interest for an aggregate consideration of ₱2.10 billion.

In 2021, 2020 and 2018, the Parent Company remitted ₱800.00 million, ₱800.00 million and ₱720.00 million, respectively, to TFSPC in response to the latter's equity call upon its stockholders.

Investment in SMFC

On August 11, 2017, the Parent Company acquired 4.0 million common shares, representing 20% ownership in SMFC for a total consideration of ₱379.92 million, from PSBank and PSBank Retirement Fund. In relation to the acquisition, the Parent Company capitalized documentary stamp taxes amounting to ₱1.50 million as part of the cost of the investment.

Fair Value of Investments in Associates and Joint ventures

Phil AXA and CCPC as well as BLC, NBLRDI, Sunshine Fort, SFNBCMC, AFLCI, STRC, PHRDC, HSL, MFRI, FNG, TFSPC and SMFC are private companies and there are no quoted market prices available for their shares.

As of December 31, 2024 and 2023, the fair value of the Group's investment in MBTC and share of the Group in the net asset value of MPIC are below the carrying value of the investments (Note 32).



Details follow:

	2024	2023
MBTC based on listed price	₱120,284	₱85,702
MPIC based on net asset value	45,609	42,384

Management considers significant or prolonged decline in the quoted market price of MBTC and the excess of carrying value over book value of MPIC as indicators of impairment. The Group uses the higher of FVLCTS and VIU in determining the recoverable amount. Based on the Group's impairment testing, the investments in MBTC and MPIC are determined to be not impaired.

The Group conducted an impairment assessment of its investment in MBTC in 2024 and 2023. The Group uses the higher of FVLCTS and VIU in determining the recoverable amount. Based on the Group's impairment testing, the investments in MBTC are determined to be not impaired.

The recoverable amount of the investment in MBTC was based on the VIU of MBTC. The discount rate applied to MBTC cash flow projections is 12.56%. Cash flows beyond the five-year period are extrapolated using a steady growth rate of 2.00%. The calculation of VIU for the MBTC CGU is most sensitive to the assumptions on revenue and terminal growth rates, and discount rate.

The Group conducted an impairment assessment of its investment in MPIC in 2024. The recoverable amount of the investment in MPIC, which is the calculated VIU, was based on the sum-of-the-parts of the VIU and FVLCTS of the MPIC Group. The VIU and FVLCTS calculations for the MPIC CGU are most sensitive to the FVLCTS of its listed associate based on its market price, and the VIU of MPIC's component businesses based on net asset values, cash flow forecasts and applicable discount.

The following tables present the carrying values of the Group's material associates:

Investment in MBTC

	2024	2023
<i>Consolidated Statements of Comprehensive Income</i>		
Net interest income, other income and share in net income of associates and joint ventures	₱144,099	₱134,349
Expenses and provision for income tax	94,866	91,390
Net income	49,233	42,959
Other comprehensive income	3,011	9,328
Total comprehensive income	52,244	52,287
<i>Consolidated Statements of Financial Position*</i>		
Total assets	3,520,355	3,104,902
Total liabilities	(3,123,950)	(2,738,164)
Net assets	396,405	366,738
Equity attributable to NCI	(10,903)	(10,073)
Net assets attributable to common shareholders of MBTC	385,502	356,665
GT Capital's ownership interest	37.15%	37.15%
GT Capital's share in net assets	143,214	132,501
Notional goodwill	4,162	4,162
Fair value and other adjustments	2,423	2,451
	₱149,799	₱139,114

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



Investment in MPIC

	2024	2023
<i>Consolidated Statements of Comprehensive Income</i>		
Revenues	₱139,277	₱114,124
Expenses and provision for income tax	104,298	87,601
Net income	34,979	26,523
Other comprehensive loss	(1,411)	(2,549)
Total comprehensive income	33,568	23,974
<i>Consolidated Statements of Financial Position</i>		
Current assets	76,577	79,778
Noncurrent assets	732,204	633,827
Current liabilities	(123,295)	(94,016)
Noncurrent liabilities	(378,183)	(330,113)
Net assets	307,303	289,476
Equity attributable to NCI	(56,704)	(56,467)
Net assets attributable to common shareholders of MPIC	250,599	233,009
GT Capital's ownership interest	18.20%	18.19%
GT Capital's share in net assets	45,609	42,384
Capitalized transaction cost	296	296
Notional goodwill	2,573	2,573
Fair value and other adjustments*	2,176	2,110
	₱50,653	₱47,364

*Includes ₱570 million adjustments upon finalization of the purchase price allocation in 2024.

The following table presents the carrying value of the Group's material joint venture:

Investment in FNG

	2024	2023
<i>Statements of Comprehensive Income</i>		
Revenues	₱436	₱301
Expenses and provision for income tax	640	294
Net income (loss)	(204)	8
Total comprehensive income (loss)	(204)	8
<i>Statements of Financial Position</i>		
Current assets	44,742	44,828
Noncurrent assets	1,285	651
Current liabilities	(781)	(280)
Noncurrent liabilities	(331)	(61)
Net assets	44,915	45,138
GT Capital's ownership interest	66.00%	66.00%
GT Capital's share in net assets	29,644	29,791
Intercompany eliminations and other adjustments	(15,950)	(15,966)
	₱13,694	₱13,825



The following table presents the aggregate financial information of the Group's other associates and joint ventures as of and for the years ended December 31, 2024 and 2023:

	2024		2023	
	Associates	Joint ventures	Associates	Joint ventures
<i>Statements of Financial Position</i>				
Current assets	₱254	₱27,693	₱267	₱29,605
Non-current assets	3	32,489	3	32,376
Total assets*	186,032	166,752	177,843	147,336
Current liabilities	76	19,759	70	23,217
Non-current liabilities	9	6,574	10	11,146
Total liabilities*	170,190	146,715	162,855	129,782
<i>Statements of Comprehensive Income</i>				
Revenues	₱19,388	₱30,560	₱19,014	₱34,657
Expenses	16,068	23,803	15,568	26,567
Net income	2,492	4,046	2,653	5,682
Other comprehensive income (loss)	(125)	759	798	350
Total comprehensive income	2,367	4,805	3,451	6,032

*Phil AXA and TFSPC do not present classified statements of financial position.

The aggregate carrying values of the other associates and joint ventures, which includes Phil AXA, TFSPC, SMFC, CCPC, BLC, NBLRDI, Sunshine Fort, SFNBCMC, AFLCI, STRC, HSL and MFRI, amounted to ₱34.47 billion and ₱28.98 billion as of December 31, 2024 and 2023, respectively.

Limitation on dividend declaration of associates and joint venture

AXA Philippines

Section 195 of the Insurance Code provides that a domestic insurance company shall declare or distribute dividends on its outstanding stock only from profits remaining on hand after retaining the following unimpaired:

- the entire paid-up capital stock;
- the margin of solvency required;
- the legal reserve fund required; and
- a sum sufficient to pay all net losses reported or in the course of settlement and all liabilities for expenses and taxes.

MBTC and TFSPC

The Bangko Sentral ng Pilipinas (BSP) requires banks to keep certain levels of regulatory capital and liquid assets, limit their exposures to other parts of the Group and comply with other regulatory ratios.

As of December 31, 2024 and 2023, there were no agreements entered into by the associates and joint ventures of the Group that may restrict dividends and other capital distributions to be paid, or loans and advances to be made or repaid to or from other entities within the Group.

As of December 31, 2024 and 2023, accumulated equity in net earnings amounting to ₱102.79 billion and ₱87.23 billion, respectively, are not available for dividend declaration. The accumulated equity in net earnings becomes available for dividends upon declaration and receipt of dividends from the investees.

As of December 31, 2024 and 2023, the Group has no share in the commitments and contingencies of its associates and joint ventures.



9. Investment Properties

The composition and rollforward analysis of this account follow:

	December 31, 2024				Total
	Land and Improvements	Building and Improvements	Construction-in-Progress	Right-of-use Assets	
Cost					
At January 1	₱8,030	₱11,659	₱6,302	₱–	₱25,991
Additions	–	219	17	21	257
Transfers (Note 6)	–	406	–	–	406
At December 31	8,030	12,284	6,319	21	26,654
Accumulated Depreciation					
At January 1	32	3,633	–	–	3,665
Depreciation (Note 11)	–	519	–	11	530
At December 31	32	4,152	–	11	4,195
Net Book Value at December 31	₱7,998	₱8,132	₱6,319	₱10	₱22,459

	December 31, 2023			Total
	Land and Improvements	Building and Improvements	Construction-in-Progress	
Cost				
At January 1	₱7,656	₱11,659	₱6,048	₱25,363
Additions	–	–	1,016	1,016
Reclassifications	220	–	–	220
Transfers (Note 6)	154	–	(762)	(608)
At December 31	8,030	11,659	6,302	25,991
Accumulated Depreciation				
At January 1	32	3,084	–	3,116
Depreciation (Note 11)	–	549	–	549
At December 31	32	3,633	–	3,665
Net Book Value at December 31	₱7,998	₱8,026	₱6,302	₱22,326

Various parcels of land are leased to several individuals and corporations including related parties. Some of the lease contracts provide, among others, that within a certain period from the expiration of the contracts, the lessee will have to demolish and remove any and all improvements built within the leased properties. Otherwise, the lessor will cause the demolition and removal thereof and charge the cost to the lessee unless the lessor occupies and appropriates the same for its use and benefit. Rent income recognized from these properties amounted to ₱1.67 billion, ₱1.51 billion and ₱1.40 billion in 2024, 2023 and 2022, respectively (Note 30).

Construction-in-progress pertains to the accumulated cost incurred for the development and redevelopment of Federal Land's malls. The mall redevelopment is expected to be completed in 2025.

The aggregate fair values of the Group's investment properties amounted to ₱76.73 billion and ₱66.05 billion as of December 31, 2024 and 2023, respectively (Note 32). The fair values of the Group's investment properties have been determined based on valuations performed by third party independent appraisers which are accredited by the SEC. Valuation of the Group's investment properties are done every three years. The valuation approach and inputs to the valuation of investment properties are discussed in Note 32.

The Group has contractual commitments and obligations for the construction and development costs to be incurred for investment properties amounting to ₱342.99 million and ₱329.89 million as of December 31, 2024 and 2023, respectively. These will be recognized as liabilities in the Group's consolidated financial statements when the related services are received.



10. Investment Securities

Investment securities consist of:

	2024	2023
Current:		
Financial assets at FVTPL (Note 27)		
Quoted	₱910	₱871
Noncurrent:		
Financial assets at FVOCI		
Quoted	19,950	17,420
Unquoted	147	276
	20,097	17,696
	₱21,007	₱18,567

Financial assets at FVTPL

These pertain to the Parent Company and GTCAM's investments in unit investment trust fund (UITF) (Note 32).

Financial assets at FVOCI

Quoted equity securities

This includes foreign currency-denominated equity investments in Toyota Motor Corporation (TMC), a listed company in the Tokyo Stock Exchange, and investments in Vivant Corporation (VVT), a listed company in the PSE. The total of investments in TMC and VVT amounted to ₱19.54 billion and ₱17.07 billion as of December 31, 2024 and 2023, respectively. The Group has irrevocably elected to classify these investments under this category as it intends to hold these investments for the foreseeable future.

Unquoted equity securities

This account comprises shares of stocks of various unlisted private corporations. The Group has designated these equity securities at FVOCI because they will not be sold in the foreseeable future.

Unquoted equity securities include Toyota Aisin Philippines, Inc. (TAPI), representing 5.00% ownership interest, with carrying values of ₱135.87 million and ₱265.22 million as of December 31, 2024 and 2023, respectively. Also included in the balance are unquoted equity securities held by Federal Land amounting to ₱9.94 million as of December 31, 2024 and 2023.

Unquoted equity securities of Federal Land pertain to preferred shares of a utility company issued to the Group in connection with its subscription to the electricity services of the said utility company needed for Federal Land's real estate projects. The Group does not intend to dispose these investments since these are directly related to the continuity of its business.



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

	2024		
	Attributable to Parent Company	Non-controlling Interest	Total
Balance at beginning of year	₱5,588	₱302	₱5,890
Changes in fair values of financial assets at FVOCI	2,326	(31)	2,295
Balance at end of year	₱7,914	₱271	₱8,185

	2023		
	Attributable to Parent Company	Non-controlling Interest	Total
Balance at beginning of year	₱1,928	₱220	₱2,148
Changes in fair values of financial assets at FVOCI	3,660	82	3,742
Balance at end of year	₱5,588	₱302	₱5,890



11. Property and Equipment

The composition and rollforward analysis of this account follow:

	2024									
	Building and Land Improvements	Land and Building	Machinery, Tools and Equipment	Furniture, Fixtures and Equipment	Transportation Equipment	Leasehold Improvements	Other Property and Equipment	Right-of-use assets	Construction-in-Progress	Total
Cost										
At January 1	₱9,388	₱3,340	₱2,856	₱1,479	₱723	₱387	₱6,522	₱127	₱1,292	₱26,114
Additions	471	1,078	181	297	546	32	1,545	70	456	4,676
Disposals	(82)	(148)	(18)	(92)	(189)	–	(123)	(169)	–	(821)
Reclassifications	164	–	97	154	51	2	190	–	(658)	–
Intercompany eliminations and other adjustments	–	(754)	–	–	–	–	–	–	(6)	(760)
At December 31	9,941	3,516	3,116	1,838	1,131	421	8,134	28	1,084	29,209
Accumulated Depreciation and Amortization										
At January 1	2,180	192	2,081	1,157	413	352	6,104	47	–	12,526
Depreciation and amortization	359	41	206	131	158	36	163	11	–	1,105
Disposals	(82)	(35)	(18)	(92)	(180)	–	(123)	(31)	–	(561)
Intercompany eliminations and other adjustments	–	–	–	–	–	–	–	–	–	–
At December 31	2,457	198	2,269	1,196	391	388	6,144	27	–	13,070
Net Book Value at December 31	₱7,484	₱3,318	₱847	₱642	₱740	₱33	₱1,990	₱1	₱1,084	₱16,139

	2023									
	Building and Land Improvements	Land and Building	Machinery, Tools and Equipment	Furniture, Fixtures and Equipment	Transportation Equipment	Leasehold Improvements	Other Property and Equipment	Right-of-use assets	Construction-in-Progress	Total
Cost										
At January 1	₱9,105	₱3,254	₱2,731	₱1,387	₱615	₱356	₱6,522	₱129	₱927	₱25,026
Additions	253	306	196	99	215	31	–	274	382	1,756
Disposals	–	–	(76)	(8)	(107)	–	–	–	–	(191)
Reclassifications	17	–	–	–	–	–	–	–	(17)	–
Intercompany eliminations and other adjustments	13	(220)	5	1	–	–	–	(276)	–	(477)
At December 31	9,388	3,340	2,856	1,479	723	387	6,522	127	1,292	26,114
Accumulated Depreciation and Amortization										
At January 1	1,707	174	1,422	949	381	309	6,103	30	–	11,075
Depreciation and amortization	453	18	730	213	113	43	1	7	–	1,578
Disposals	–	–	(76)	(6)	(78)	–	–	–	–	(160)
Intercompany eliminations and other adjustments	20	–	5	1	(3)	–	–	9	–	32
At December 31	2,180	192	2,081	1,157	413	352	6,104	46	–	12,525
Net Book Value at December 31	₱7,208	₱3,148	₱775	₱322	₱310	₱35	₱418	₱81	₱1,292	₱13,589



Construction-in-progress as of December 31, 2024 and 2023 pertains to Federal Land's and Toyota's building construction and improvements, and Toyota Group's machineries and building improvements. Expected completion of construction-in-progress is in subsequent year.

The Group has no significant capital commitments pertaining to its property and equipment as of December 31, 2024 and 2023.

Gain on disposal of property and equipment amounted to ₱46.34 million, ₱18.42 million and ₱58.43 million in 2024, 2023 and 2022, respectively (Note 23).

Details of depreciation and amortization follow:

	2024	2023	2022
Property and equipment	₱1,105	₱1,578	₱1,517
Investment properties (Note 9)	530	549	532
Intangible assets (Note 13)	100	69	68
	₱1,735	₱2,196	₱2,117

Breakdown of depreciation and amortization in the consolidated statements of income follows:

	2024	2023	2022
Consolidated Statements of Income			
Cost of rental (Note 30)	₱532	₱550	₱529
Cost of goods manufactured and services sold (Notes 24 and 25)	477	981	896
General and administrative expenses (Note 26)	726	665	692
	₱1,735	₱2,196	₱2,117

12. Goodwill

Goodwill in relation to acquisitions has been attributed to the following CGUs:

	2024	2023
Toyota	₱5,424	₱5,424
TMBC	241	241
TSRLI	173	173
TRDCI	88	88
	₱5,926	₱5,926

Goodwill

Goodwill comprises the excess of the acquisition cost over the fair value of the identifiable assets and liabilities of companies acquired by the Group.

Toyota

The recoverable amount of Toyota CGU was based on VIU calculations using cash flow projections from financial budgets approved by management covering a five-year period. The pre-tax discount rate applied to cash flow projections is 11.79% in 2024 and 10.41% in 2023. Cash flows beyond the five-year period are extrapolated using a steady growth rate of 2.97% in 2024 and 2.81% in 2023. The carrying value of goodwill amounted to ₱5.60 billion as of December 31, 2024 and 2023. No impairment loss was recognized for goodwill arising from the acquisition of Toyota.



The calculations of VIU for the Toyota CGU are most sensitive to the following assumptions:

- Budgeted gross margins - Gross margins are based on vehicle models mix per dealer and the foreign exchange movements between the Philippine Peso versus the United States (US) Dollar and the Japanese Yen versus the US Dollar.
- Growth rate - The projected growth rate is based on a conservative steady growth rate that does not exceed the compounded annual growth rate for the global automotive industry; and
- Pre-tax discount rate - Discount rates reflect management's best estimate of the risks associated with the specific CGU. This is the benchmark rate used by management to measure operating performance.

Regarding the assessment of the VIU of Toyota, management believes that no reasonably possible change in any of the aforementioned assumptions would cause the carrying value of the CGU to exceed their recoverable amount.

TMBC

The recoverable amount of TMBC CGU was based on VIU calculations using cash flow projections from financial budgets approved by management covering a five-year period. The pre-tax discount rate applied to cash flow projections is 12.36% in 2024 and 10.81% in 2023. Cash flows beyond the forecast period are extrapolated using a long-term growth rate of 2.97% in 2024 and 2.81% in 2023. The carrying value of goodwill amounted to ₱241.06 million as of December 31, 2024 and 2023. No impairment loss was recognized on the goodwill arising from the acquisition of TMBC.

The calculations of VIU for TMBC CGU are most sensitive to the following assumptions:

- Expected future cash inflows from automobile sales - The expected automobile sales is based on outlook and historical performance of the top car dealers.
- Growth rate - The projected growth rate is based on a conservative steady growth rate that does not exceed the compounded annual growth rate for the global automotive industry; and
- Pre-tax discount rate - Discount rate reflects management's best estimate of the risks associated with the specific CGU. This is the benchmark rate used by management to measure operating performance.

Regarding the assessment of the VIU of TMBC, management believes that no reasonably possible change in any of the aforementioned assumptions would cause the carrying value of the CGU to exceed their recoverable amount.

13. Intangible Assets

Intangible assets consist of:

	2024	2023
Customer relationship	₱3,883	₱3,883
Software costs - net	281	202
Franchise - net	3	3
	₱4,167	₱4,088

Customer Relationship

Customer relationship pertains to Toyota's contractual arrangements with its top dealer customers which lay out the principal terms upon which its dealers agree to do business. Toyota's relationship



with its top dealers adds value to the operations of Toyota and enhances the latter's earnings potential. Management assessed the useful life of the customer relationship to be indefinite since management is of the view that there is no foreseeable limit to the period over which the customer relationship is expected to generate net cash inflows to Toyota.

The recoverable amount of the customer relationship of the Group was based on VIU calculations using earnings projections from financial budgets approved by management covering a three-year period. The pre-tax discount rate applied to earnings projections is 14.42% and 12.55% in 2024 and 2023, respectively. Cash flows beyond the forecast period are extrapolated using a steady growth rate of 2.97% and 2.81% in 2024 and 2023, respectively. The carrying value of the customer relationship amounted to ₱3.88 billion as of December 31, 2024 and 2023. No impairment loss was recognized for the customer relationship arising from the acquisition of Toyota.

The calculations of VIU for the customer relationship are most sensitive to the following assumptions:

- Attrition rate - Sales to key customers for the four-year period are computed by taking into account a 5.00% attrition rate or 95.00% retention rate;
- Earnings before interest and taxes (EBIT) margin on key customers - A 7.20% EBIT margin was used in projecting the net operating profit on sales to key customers for the three-year period; and
- Pre-tax discount rate - Discount rates reflect management's best estimate of the risks associated with the specific CGU. This is the benchmark rate used by management to measure operating performance.

Regarding the assessment of the VIU of Toyota's customer relationship, management believes that no reasonably possible change in any of the aforementioned assumptions would cause the carrying value of the CGU to exceed their recoverable amount.

Software Cost

The Group's software costs pertain to software cost and licenses. The rollforward analysis of the Group's software cost is as follows:

	2024	2023
Cost		
Balance at beginning of year	₱883	₱827
Additions	164	56
Disposals/reclassification	27	—
Balance at end of year	1,074	883
Accumulated Amortization		
Balance at beginning of year	681	613
Amortization (Note 11)	99	68
Disposals/reclassification	13	—
Balance at end of year	793	681
Net Book Value	₱281	₱202

Franchise

Franchise fee pertains to the Federal Land Group's operating rights for its fastfood stores with estimated useful lives of three to five years.

Additions to Franchise cost amounted to ₱0.99 million and ₱1.18 million as of December 31, 2024 and December 31, 2023, respectively.



The amortization of the franchise fee amounting to ₱0.71 million, ₱0.72 million and ₱1.18 million in 2024, 2023 and 2022, respectively, is included in the 'General and administrative expenses' account in the consolidated statements of income (Note 26).

Details of amortization of intangible assets are as follows (Note 11):

	2024	2023	2022
Software cost	₱99	₱68	₱67
Franchise	1	1	1
	₱100	₱69	₱68

14. Other Noncurrent Assets

This account consists of:

	2024	2023
Rental and other deposits (Note 30)	₱311	₱753
Retirement asset (Note 28)	36	57
Others	48	19
	₱395	₱829

Rental and other deposits include rental deposits for the leased offices of the Group and deposits for the initial set-up of the services rendered by public utility companies. Rental deposits are to be applied on the last month's rent of the lease contract.

Others include the Group's noncurrent input VAT, deferred input VAT and derivative assets.

15. Accounts and Other Payables

This account consists of:

	2024	2023
Trade payables	₱24,717	₱21,903
Accrued expenses	11,370	8,979
Telegraphic transfers, drafts and acceptances payable	5,136	4,546
Deferred income	1,653	1,092
Accrued interest payable	1,288	977
Accrued commissions	1,136	1,227
Deferred output tax	1,020	1,885
Customer advances	471	343
Nontrade payables	446	391
Royalty payable	331	326
Insurance payable	257	253
Retentions payable	95	95
Others	1,917	1,773
	₱49,837	₱43,790



The details of trade payables are as follows:

	2024	2023
Automotive	₱19,805	₱18,504
Real estate	4,875	3,216
Others	37	183
	₱24,717	₱21,903

Trade payables for automotive pertain to the purchase of raw materials, spare parts and vehicles which are noninterest-bearing and are normally settled on one to 30-day term.

Trade payables for real estate pertain to billings received from contractors for construction costs incurred on a per project basis and commissaries for food products ordered.

The Group has foreign currency-denominated accounts and other payables (Note 33).

The details of accrued expenses are as follows:

	2024	2023
Dealers' incentives, supports and promotions	₱6,011	₱4,965
Salaries and employee benefits	1,086	1058
Taxes	1,129	807
Freight, handling and transportation	713	426
Professional fees	376	150
Outsourced services	262	166
Utilities and services	292	192
Payable to contractors	198	117
Office supplies	173	241
Repairs and maintenance	171	69
Insurance	116	118
Regulatory fees and charges	10	7
Rent	10	6
Others	823	658
	₱11,370	₱8,979

Accrued expenses are noninterest-bearing and are normally settled within a 15-to-60-day term.

Telegraphic transfers and drafts and acceptance payable pertain to the liabilities of Toyota Group arising from importations of materials, spare parts and/or vehicles. These payables are normally settled after a 30-day term.

Deferred output tax pertains to VAT on the uncollected portion of the contract price of sold units.

Accrued commissions are settled within one (1) year.

Accrued interest payables are normally settled within a 15-to-60-day term.

Customer advances pertain to payments received from buyers for the processing of transfer of units upon turnover.



Royalty payable represent cost of license for the use of technical know-how and information on data. The fees are calculated at 6.00% of the local value-added (LVA) of vehicles under production. The LVA represents the selling price less all costs for the knock-down parts, related taxes such as excise and sales tax and a certain percentage of administrative and selling costs. The fees also include charges from related affiliates and third-party suppliers representing initial costs of testing materials and trial parts and tools, sample molds and jigs that were utilized to test TMPC's present technical feasibility for the commercial production of newer car models.

Retentions payable represent a portion of construction cost withheld by the Federal Land Group and paid to the contractors after an agreed period commencing the completion of the project. Retentions payable due beyond one year are presented as noncurrent payable (Note 20).

Others include refunds from cancelled sales from Federal Land and other government-related payables which are non-interest bearing and are normally settled within one year. These also include other non-interest bearing payables which are all due within one year.

16. Short-term Debt, Corporate Notes, and Long-term Debt

Short-term Debt

	Interest rate range		Outstanding balance	
	2024	2023	2024	2023
<i>Affiliated</i> (Note 27)				
Federal Land Group	5.35% - 6.60%	4.50% - 6.50%	₱2,945	₱1,850
Toyota Group	5.25% - 6.80%	5.90% - 6.35%	2,787	7,150
GTCAM Group	5.60% - 6.30%	6.35%	1,391	290
<i>Non-affiliated</i>				
Federal Land Group	5.35% - 6.00%	4.25% - 6.38%	19,795	5,750
Toyota Group	5.05% - 6.58%	5.25% - 6.38%	2,354	5,126
GTCAM Group	5.70% - 6.35%	5.75% - 6.35%	639	950
			₱29,911	₱21,116

*Short term debt are all unsecured

Corporate Notes and Long-term Debt

	Interest rate range	Face amount		Outstanding balance		Terms
		2024	2023	2024	2023	
<i>Long-term Debt - Affiliated</i> (Note 27)						
Federal Land Group	8.16% - 8.42%	₱6,650	₱7,325	₱6,586	₱7,261	5-year unsecured loans; Payable in full upon maturity (Due from 2022 to 2027); Fixed interest
<i>Long-term Debt - Non-affiliated</i>						
Parent Company Peso loans	5.00% - 7.25%	61,345	61,650	61,184	61,452	10 to 13 years unsecured loans; Payable upon maturity (Due from 2025 to 2032); Fixed interest



	Interest rate range	Face amount		Outstanding balance		Terms
		2024	2023	2024	2023	
Parent Company JPY loans	3-month JPY TONA plus 0.65%	¥8,082	¥9,161	¥8,043	¥9,106	JPY22.01 billion loan; Payable in full upon maturity (due March 2027); Floating interest 5 to 10 years unsecured loans; Payable in full upon maturity (due from 2022 to 2029); Fixed & Floating interest 5 to 10 years unsecured loans; Payable in full upon maturity; Fixed interest 10-year secured loans; Payable in equal quarterly installments (due in 2026); Fixed interest
Federal Land Group	3.95% - 8.20%	18,050	33,248	18,029	33,180	
Toyota Group	2.70% - 4.20%	246	246	246	246	
GTCAM Group	4.85% - 5.94%	1,500	1,500	235	393	
Total				94,323	111,638	
Less: Current portion				17,454	16,110	
				¥76,869	¥95,528	

In July 2018, the Parent Company obtained an unsecured long-term loan from three (3) non-affiliated foreign banks for an aggregate principal amount of ¥23.31 billion. Beginning January 1, 2022, JPY Libor settings across all tenors have ceased publication. The new benchmark reference rate for the Parent Company's JPY-denominated loans and interest rate swap is the JPY Tokyo Overnight Average (TONA). This was refinanced in July 2022 with a long-term loan with the same foreign banks which will mature in March 2027.

In July 2018, the Parent Company entered into an interest rate swap agreement with a non-affiliated foreign bank. Under the agreement, the Parent Company, on a quarterly basis, pays fixed interest rate of 0.852% and receives floating interest rate of 3-month JPY Libor plus 0.65% spread from July 2018 to July 2024. On the same date, the Parent Company designated the swap as an effective hedging instrument under a cash flow hedge arrangement.

In July 2022, upon refinancing, the Parent Company derecognized the derivative liability under the 2018 interest rate swap agreement and entered into an interest rate swap agreement with a non-affiliated foreign bank with the following terms:

Pay	Receive	Terms
0.852%	JPY TONA + 0.65%	¥11.655 billion up to July 2024
0.865%	JPY TONA + 0.65%	¥11.655 billion up to July 2024
1.255%	JPY TONA + 0.80%	¥22.01 billion from July 2024 to March 2027

In July 2022, the Parent Company entered into an interest rate swap agreement with a non-affiliated foreign bank. Under the agreement, the Parent Company, on a quarterly basis, pays fixed interest rate of 0.852% - 1.255% and receives a floating interest rate of JPY TONA plus 0.65% - 0.80% spread from July 2022 to March 2027. On the same date, the Parent Company designated the swap as an effective hedging instrument under a cash flow hedge arrangement (Note 33). As such, the effective portion of the changes in fair value of the swaps was recognized under other comprehensive income amounting to ¥31.34 million in 2024 and other comprehensive loss amounting to ¥14.23 million in 2023. The derivative asset amounted to ¥31.34 million as of December 31, 2024 (Note 20), and the derivative liability amounted to ¥14.23 million as of December 31, 2023 (Note 20).



As of December 31, 2024 and 2023, the movements in the deferred financing cost follow:

	2024	2023
<i>Parent Company</i>		
Balance at beginning of year	P253	P304
Amortization	(53)	(51)
Balance at end of year	P200	P253
<i>Federal Land</i>		
Balance at beginning of year	P132	P198
Additions	-	5
Amortization	(46)	(71)
Balance at end of year	P86	P132

Total interest expense incurred on the above-mentioned debts in 2024, 2023 and 2022 follows:

	Interest expense charged to operations			Interest expense capitalized		
	2024	2023	2022	2024	2023	2022
Short-term debt	P800	P1,121	P573	P35	P50	P39
Corporate notes	91	104	81	23	33	26
Long-term debt	5,819	6,054	5,609	306	434	336

Required Financial Ratios

The table below presents a summary of the financial ratios required to be maintained by each entity within the Group under existing loan agreements.

<u>Entity</u>	<u>Financial Ratio</u>	<u>Required Ratio</u>
<i>Corporate notes</i>		
Federal Land	Debt-to-equity ratio	2:1
<i>Long-term loans</i>		
Parent Company	Debt-to-equity ratio	2.3:1
Federal Land (Affiliated)	Debt-to-equity ratio	3:1
Federal Land (Non-affiliated)	Debt-to-equity ratio	2:1
TMBC	Current ratio	1:1
TMBC	Debt-to-equity ratio	2.5:1
TMBC	Debt service ratio	1.2x

As of December 31, 2024 and 2023, the Group has complied with the foregoing required financial ratios.

17. Bonds Payable

<u>Maturity Dates</u>	<u>Interest rate</u>	<u>Par Value</u>		<u>Amount</u>	
		2024	2023	2024	2023
P12.0 billion Bonds					
August 7, 2024	5.6250%	P-	P4,000	P-	P3,997

Unamortized debt issuance costs on these bonds amounted to nil and P3.24 million as of December 31, 2024 and 2023, respectively.



₱10.00 billion GT Capital bonds due 2020 and 2023

On February 13, 2013, the Parent Company issued ₱10.00 billion 7-year and 10-year unsecured bonds due on February 27, 2020 and February 27, 2023, respectively, with annual interest rate of 4.84% and 5.09%, respectively. Gross and net proceeds amounted to ₱10.00 billion and ₱9.90 billion, respectively, net of deferred financing cost of ₱0.10 billion. The bonds were listed on the Philippine Dealing and Exchange Corporation on February 27, 2013.

The ₱3.90 billion bonds with maturity date of February 27, 2020 were paid upon maturity. This was refinanced in February 2020 with a long-term loan from a non-affiliated local bank.

The ₱6.10 billion bonds with maturity date of February 27, 2023 were paid upon maturity.

₱12.00 billion GT Capital bonds due 2019, 2021 and 2024

On July 24, 2014, the Parent Company issued ₱12.00 billion unsecured bonds with tenors of five years, seven years and ten years due November 7, 2019 (Series A Bonds), August 7, 2021 (Series B Bonds) and August 7, 2024 (Series C Bonds), respectively, with annual interest rates of 4.71%, 5.20% and 5.63% respectively. Gross and net proceeds amounted to ₱12.00 billion and ₱11.88 billion, respectively, net of deferred financing cost incurred of ₱0.12 billion. The bonds were listed on August 7, 2014.

The ₱3.00 billion and ₱5.00 billion bonds with maturity dates of November 7, 2019 and August 7, 2021 were paid upon maturity. These were refinanced in November 2019 and July 2019 with long-term loans from non-affiliated local banks.

The ₱4.00 billion bonds with maturity date of August 7, 2024 were paid upon maturity.

As of December 31, 2024 and 2023, the movement in the deferred financing cost is as follows:

	2024	2023
Balance at beginning of year	₱3	₱10
Amortization	(3)	(7)
Balance at end of year	₱-	₱3

Both bonds contain negative covenants, which among others, include provision that the Parent Company should maintain a debt-to-equity ratio of 2.3:1.0.

Total interest expense incurred on bonds payable in 2024, 2023 and 2022, amounted to ₱0.14 billion (including amortization of deferred financing cost of ₱3.24 million), ₱0.27 billion (including amortization of deferred financing cost of ₱6.49 million) and ₱0.55 billion (including amortization of deferred financing cost of ₱12.80 million), respectively.

18. Customers' Deposits

As of December 31, 2024 and 2023, customers' deposits represent refundable reservation fees and advance payments received from customers which can be applied as payment to the respective automotive sale transaction with the Group.

As of December 31, 2024 and 2023, the balance of this account amounted to ₱1.59 billion and ₱1.06 billion, respectively (Note 27).



19. Other Current Liabilities

This account consists of:

	2024	2023
VAT payable	₱1,768	₱1,509
Withholding taxes payable	466	492
Unearned warranty revenue	60	8
Lease liabilities (Note 30)	8	13
Unearned management fee income	–	42
Others	134	85
	₱2,436	₱2,149

Others pertain to payables on utilities, contracted maintenance and security agencies and regulatory premium or contribution payable of the Group. These are normally payable within one year.

20. Liabilities on Purchased Properties and Other Noncurrent Liabilities

Liabilities on Purchased Properties

Liabilities on purchased properties are payables to various real estate property sellers. Under the terms of the agreements executed by Federal Land covering the purchase of certain real estate properties, the titles of the subject properties shall be transferred to Federal Land only upon full payment of the real estate loans.

In 2012, Federal Land acquired certain land and investment properties aggregating ₱3.72 billion, with 20.00% downpayment amounting to ₱0.74 billion. The outstanding balance amounting to ₱2.98 billion is payable in 13 years with 3.00% interest per annum. The outstanding balance was discounted at the prevailing market rate of 5.40% and the discounted liability as of December 31, 2024 and 2023 amounted to ₱1.00 billion and ₱1.15 billion, respectively.

On November 2019, Federal Land acquired a land located in Makati City. Of the total purchase amount of ₱1.20 billion, ₱0.29 billion was paid in 2019 as downpayment and ₱0.91 billion is payable in five equal annual installments commencing February 1, 2020 to 2024. The loan bears 3.50% interest per annum and is unsecured. The outstanding balance was discounted at the prevailing market rate of 6.87% and the discounted liability as of December 31, 2024 and 2023 amounted to nil and ₱0.18 billion, respectively.

Current portion of liabilities on purchased properties amounted to ₱1.00 billion and ₱0.35 billion as of December 31, 2024 and 2023, respectively. Noncurrent portion of liabilities on purchased properties amounted to nil and ₱0.98 billion as of December 31, 2024 and 2023, respectively (Note 27). Accretion of interest in 2024, 2023 and 2022 amounted to ₱20.4 million, ₱28.18 million and ₱35.4 million, respectively.



Other Noncurrent Liabilities

This account consists of:

	2024	2023
Retentions payable - noncurrent portion	₱1,215	₱1,212
Refundable and other deposits	891	894
Provisions (Note 36)	753	671
Finance lease obligation - net	182	178
Lease liabilities (Note 30)	89	155
Deferred output VAT	-	65
Derivative liabilities (Note 16)	-	14
Unearned rent income	1	1
	₱3,131	₱3,190

Retentions payable represent a portion of construction cost withheld by the Group and paid to the contractors after an agreed period commencing the completion of the project.

Refundable and other deposits consist mainly of tenants' rental deposit from operating lease contracts with terms ranging from five to ten years. Rental deposits are obtained to secure faithful compliance of tenants' obligation under the lease contract and to answer for unpaid bills of lessees affecting the leased premises, any damage to the leased premises, and other similar costs. Rental deposits may also be applied to the unpaid rentals upon termination of the lease contract.

Provisions consist of:

	2024	2023
Product warranties	₱607	₱579
Claims and assessments	146	92
	₱753	₱671

Provisions for other expenses pertains to liabilities with uncertain amount or timing of actual disbursement. These include regulatory fees, management incentives and other charges which payment is probable, and the amount is estimable as of reporting date. The management reassesses their estimates on an annual basis to determine the reasonableness of provision. Disclosure of information usually required by PAS 37, *Provisions, Contingent Liabilities and Contingent Assets* are not provided because of reasons permitted under paragraph 92 of PAS 37. Accordingly, only general descriptions are provided.

Deferred output VAT pertains to the VAT on installment sale of lots with terms of 60 days to five years.



21. Contract Balances and Cost to Obtain a Contract

The contract balances of the Group consist of the following:

	2024	2023
Contract Assets		
Current	₱4,685	₱4,092
Noncurrent (Note 2)	5,185	5,489
	₱9,870	₱9,581
Contract Liabilities		
Current	₱2,950	₱3,293

Contract assets are initially recognized for revenue earned from real estate sales as receipt of consideration is conditional on successful completion of installation. Upon completion of performance obligation and acceptance by the customer, the amounts recognized as contract assets are reclassified to trade residential and office development receivables.

Contract liabilities consist of collections from real estate customers which have not reached the 10.00% threshold to qualify for revenue recognition and excess of collections over the recognized receivables and contract assets based on percentage of completion.

The amount of revenue recognized in 2024 and 2023 from amounts included in contract liabilities at the beginning of the year amounted to ₱0.76 billion and ₱0.89 billion, respectively.

Cost to Obtain a Contract

The balances below pertain to the cost to obtain contracts included in 'Prepaid expenses' (Note 7):

	2024	2023
Balance at beginning of year	₱143	₱45
Additions during the year	464	601
Amortization	(513)	(503)
Balance at end of year	₱94	₱143

Performance Obligations

Information about Federal Land Group's performance obligations are summarized below:

Real estate sales

The Federal Land Group entered into contracts to sell with one identified performance obligation which is the sale of the real estate unit together with the services to transfer the title to the buyer upon full payment of contract price. The amount of consideration indicated in the contract to sell is fixed and has no variable consideration.

The sale of real estate unit covers condominium units, and Federal Land Group concluded that there is one performance obligation in each of these contracts. Federal Land Group recognizes revenue from the sale of these real estate projects under pre-completed contract over time during the course of the construction.

Payment commences upon signing of the contract to sell and the consideration is payable in cash or under various financing schemes entered with the customer. The financing scheme would include payment of 10%-100% of the contract price to be paid over a maximum of 60 months at a monthly payment based on amortization schedule with remaining balance payable (a) in full at the end of the



period either through cash or external financing; or (b) through in-house financing which ranges from five (5) to ten (10) years with fixed monthly payment. The amount due for collection under the amortization schedule for each of the customer does not necessarily coincide with the progress of construction, which results in either a contract asset or contract liability.

After the delivery of the completed real estate unit, Federal Land Group provides one-year warranty to repair minor defects on the delivered condominium unit. This is assessed by the Parent Company as a quality assurance warranty and not treated as a separate performance obligation.

The transaction price allocated to the remaining performance obligations (unsatisfied or partially satisfied) as at December 31 as follows:

	2024	2023
Within one year	₱2,086	₱2,511
More than one year	1,138	1,226
	₱3,224	₱3,737

22. Equity

Capital Stock and Additional Paid-in Capital

As of December 31, 2024 and 2023, the paid-up capital consists of the following (amounts in millions, except for number of shares):

	Shares		Amount	
	2024	2023	2024	2023
Voting Preferred stock - ₱0.10 par value				
Authorized	174,300,000	174,300,000		
Issued and outstanding	174,300,000	174,300,000	₱17	₱17
Perpetual Preferred stock - ₱100.00 par value				
Authorized	20,000,000	20,000,000		
Issued and outstanding	12,000,000	12,000,000	1,200	1,200
Common stock - ₱10.00 par value				
Authorized	298,257,000	298,257,000		
Issued and outstanding	215,284,587	215,284,587	2,153	2,153
Subtotal			3,370	3,370
Treasury shares	(4,839,240)	(4,839,240)	(484)	(484)
Additional paid-in capital			94,472	94,472
			₱97,358	₱97,358

The Parent Company's common shares with par value of ₱10.00 were listed on the Philippine Stock Exchange on April 20, 2012.

Voting Preferred Shares of Stock

The voting preferred shares has the following features, rights and privileges:

- a. The voting preferred shares have a par value of ₱0.10 per share.
- b. The Dividend Rate of 3.77% was fixed based on the 3-year PDST-R2 on April 13, 2015, subject to re-pricing every ten (10) years and payable annually;
- c. These are non-cumulative and the holders thereof are entitled to the payment of current but not past dividends;
- d. These are non-participating in any other further dividends beyond that specifically payable on the shares;
- e. These are redeemable at par value, at the sole option of the Parent Company, under terms and conditions approved by the Board of Directors;



- f. The holders of Voting Preferred Shares shall be entitled to one vote for each share in his name on the books of the Parent Company;
- g. The holders of Voting Preferred Shares shall have no pre-emptive rights to any issue of shares, Common or Preferred;
- h. These are not listed and not tradable in the Philippine Stock Exchange.

Perpetual Preferred Shares of Stock

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

- a. The perpetual preferred shares have a par value of ₱100.00 per share and issued on October 27, 2016 with an issue value of ₱1,000.00 per share. Series A issued amount to ₱4.80 billion with a dividend rate per annum of 4.6299% while Series B issued amount to ₱7.20 billion with a dividend rate per annum of 5.0949%;
- b. The perpetual preferred shares are cumulative and the holders thereof are entitled to the payment of current as well as any accrued or unpaid dividends before any dividends can be paid to the holders of common shares. No dividend shall be declared or paid on the common shares unless the full accumulated dividends on all the perpetual preferred shares for all past dividend periods and for the current dividend period shall have been declared and paid by the Corporation;
- c. The holders of perpetual preferred shares have preference over holders of common shares in the distribution of corporate assets in the event of dissolution, liquidation or winding up of the corporation, whether voluntary or involuntary;
- d. The perpetual preferred shares are not entitled to vote, except in those cases specifically provided by law;
- e. The perpetual preferred shares are non-participating in any other further dividends beyond that specifically payable thereon;
- f. The perpetual preferred shares are non-convertible to common shares or voting preferred shares;
- g. The perpetual preferred shares have no pre-emptive rights to any issue of shares, common or preferred;
- h. Both Series A and B of said perpetual preferred shares were listed on the Philippine Stock Exchange on October 27, 2016;
- i. The Parent Company has the option, but not the obligation, to redeem in whole (but not a part of) the Shares of Series A on 5th anniversary of the Issue Date, or any dividend payment date and for Series B on the 7th anniversary of the Issue Date, or any dividend payment date;
- j. If not redeemed on the optional redemption date, the dividend rate will be adjusted on the 7th anniversary of the Issue Date for Series A while the 10th anniversary of the Issue Date for Series B;
- k. The dividend rate for Series A will be adjusted on the relevant Rate Adjustment Date to the higher of (1) Prevailing dividend rate of 4.6299%; or (2) the sum of: (a) simple average of closing 7-year PDST-R2 benchmark rate for each of the 3 consecutive business days immediately preceding and inclusive of the Rate Adjustment date; and (b) Series A adjustment Spread of 1.5% per annum while for Series B will be adjusted to the higher of (1) Prevailing dividend rate of 5.0949%; or (2) the sum of: (a) simple average of closing 10yr PDST-R2 benchmark rate for each of the 3 consecutive business days immediately preceding and inclusive of the Rate Adjustment date; and (b) Series B adjustment Spread of 1.875% per annum.

On October 27, 2023, the Parent Company redeemed all of its 4,839,240 perpetual preferred shares series A (GTPPA) at the issue price of ₱1,000 per share or a total redemption price of ₱4.84 billion including APIC amounting to ₱4.36 billion.

Common Shares

As of December 31, 2024 and 2023, the total number of shareholders of common stock of the Parent Company are 94 and 95, respectively.



Retained Earnings

On December 6, 2018, the BOD of the Parent Company approved the appropriation of retained earnings amounting to ₱17.00 billion to be earmarked for strategic investment in property development starting in 2019. In March 2019, ₱16.60 billion out of ₱17.00 billion was reversed. The remaining ₱400.00 million was earmarked for strategic investment in property development expected to be completed until 2025.

Details of the Parent Company's dividend distributions to preferred shareholders out of the Parent Company's retained earnings as approved by the Parent Company's BOD follow:

Date of declaration	Per share	Total amount (in millions)	Record date	Payment date
Voting Preferred Shares				
March 13, 2024	₱0.00377	₱0.66	March 27, 2024	April 12, 2024
March 20, 2023	0.00377	0.66	April 3, 2023	April 19, 2023
March 25, 2022	0.00377	0.66	April 8, 2022	April 22, 2022
Perpetual Preferred Shares				
Series A				
December 16, 2022	11.57475	56.01	January 5, 2023	January 27, 2023
December 16, 2022	11.57475	56.01	April 5, 2023	April 27, 2023
December 16, 2022	11.57475	56.01	July 5, 2023	July 27, 2023
December 16, 2022	11.57475	56.01	October 5, 2023	October 27, 2023
Series B				
December 13, 2024	12.73725	91.21	January 6, 2025	January 27, 2025
December 13, 2024	12.73725	91.21	April 7, 2025	April 28, 2025
December 13, 2024	12.73725	91.21	July 7, 2025	July 28, 2025
December 13, 2024	12.73725	91.21	October 6, 2025	October 27, 2025
December 15, 2023	12.73725	91.21	January 5, 2024	January 29, 2024
December 15, 2023	12.73725	91.21	April 5, 2024	April 29, 2024
December 15, 2023	12.73725	91.21	July 5, 2024	July 29, 2024
December 15, 2023	12.73725	91.21	October 7, 2024	October 28, 2024
December 16, 2022	12.73725	91.21	January 5, 2023	January 27, 2023
December 16, 2022	12.73725	91.21	April 5, 2023	April 27, 2023
December 16, 2022	12.73725	91.21	July 5, 2023	July 27, 2023
December 16, 2022	12.73725	91.21	October 5, 2023	October 27, 2023

Details of the Parent Company's dividend distributions to common shareholders out of the Parent Company's retained earnings as approved by the Parent Company's BOD follow:

Date of declaration	Per share	Total amount (in millions)	Record date	Payment date
August 7, 2024 (2nd payout)	₱3.00	₱645.85	August 22, 2024	September 6, 2024
March 13, 2024 (1st payout)	3.00	645.85	March 27, 2024	April 12, 2024
March 13, 2024	2.00	430.57	March 27, 2024	April 12, 2024
March 20, 2023	3.00	645.85	April 3, 2023	April 19, 2023
March 25, 2022	3.00	645.85	April 8, 2022	April 22, 2022

The computation of retained earnings available for dividend declaration in accordance with the SEC Memorandum Circular No. 11 issued in December 2008 differs to a certain extent from the Parent Company's stated retained earnings as of December 31, 2024 and 2023.

In addition, certain amount of retained earnings is required to be maintained to enable the Group to meet certain financial ratios as stipulated in the loan covenants.



Details of dividend declarations of the Group's subsidiaries follow:

	Date of declaration	Class of stock	Total amount (in millions)	Record date	Payment date
Federal Land	February 27, 2023	Preferred Shares-A	₱320.00	February 28, 2023	February 28, 2023
	February 27, 2023	Preferred Shares-B	332.58	February 28, 2023	February 28, 2023
	December 20, 2021	Preferred Shares-A	320.00	December 31, 2021	February 28, 2022
	December 20, 2021	Preferred Shares-B	332.58	December 31, 2021	February 28, 2022
	December 20, 2021	Common	100.00	December 31, 2021	February 28, 2022
Toyota	June 10, 2024	Common	13,882.82	December 31, 2023	October 29, 2024
	June 8, 2023	Common	5,398.90	December 31, 2022	October 27, 2023
	June 13, 2022	Common	5,913.11	December 31, 2021	October 28, 2022

Other comprehensive income (loss)

Other comprehensive income (loss) consists of the following, net of applicable income taxes:

	2024	2023
Fair value reserves on financial assets at FVOCI (Note 10)	₱7,914	₱5,588
Cash flow hedge reserve (Notes 14 and 16)	31	(14)
Cumulative translation adjustments	1	6
Net unrealized loss on remeasurement of retirement plan	(191)	(228)
Equity in other comprehensive income (loss) of associates and joint ventures:		
Equity in remeasurement of life insurance reserves	207	236
Equity in cash flow hedge reserves	202	(189)
Equity in net unrealized loss on remeasurement of retirement plan	(2,057)	(2,188)
Equity in cumulative translation adjustments	(3,052)	(2,996)
Equity in fair value reserves on financial assets at FVOCI	(1,956)	(2,697)
Equity in other equity adjustments of associates	5	5
	₱1,103	(₱2,477)

The movements and analysis of the other comprehensive income are presented in the consolidated statements of comprehensive income.

Non-controlling interests

The following table presents the rollforward of non-controlling interests:

	2024	2023	2022
Balance at beginning of year	₱15,813	₱11,272	₱11,035
Share of non-controlling interest in:			
Net income	8,735	7,562	3,371
Other comprehensive income (loss)	(10)	(15)	5
Cash dividends paid to non- controlling interesat shareholders	(7,205)	(3,006)	(3,139)
Balance at end of year	₱17,333	₱15,813	₱11,272



Financial Information of Subsidiaries

The financial information of subsidiaries that have material non-controlling interests is provided below:

Proportion of equity interests held by non-controlling interests

	<u>Direct and Effective Ownership</u>	
	2024	2023
TMPC	49.00%	49.00%

Carrying value of material non-controlling interests

	2024	2023
TMPC	₱14,328	₱13,059

Net income for the period allocated to material non-controlling interests

	2024	2023	2022
TMPC	₱8,334	₱7,184	₱2,994

The following table presents the financial information of subsidiaries with material NCI as of and for the years ended December 31, 2024 and 2023:

	2024	2023
	TMPC	TMPC
Statement of Financial Position		
Current assets	₱57,278	₱58,348
Non-current assets	14,716	10,915
Current liabilities	45,452	45,118
Non-current liabilities	3,077	2,955
Dividends paid to non-controlling interests	7,057	2,977
Statement of Comprehensive Income		
Revenues	247,151	228,822
Expenses and provision for income tax	230,727	214,546
Net income	16,424	14,276
Total comprehensive income	16,411	14,219
Statement of Cash Flows		
Net cash provided by (used in) operating activities	₱27,196	(₱1,723)
Net cash used in investing activities	(3,628)	(605)
Net cash provided by (used in) financing activities	(21,561)	1,541

Capital Management

The primary objective of the Group's capital management is to ensure that it maintains a strong and healthy consolidated statement of financial position to support its current business operations and drive its expansion and growth in the future.

The Group maintains its current capital structure, and will make adjustments, if necessary, in order to generate a reasonable level of returns to shareholders over the long term. Equity, which the Group considers as capital, pertains to the equity attributable to equity holders of the Parent Company excluding effect of uniting of interest. The Group's sources of capital are capital stock and retained



earnings. No changes were made in the objectives, policies or processes in 2024 and 2023. The Parent Company considers total equity as its capital amounting to ₱156.45 billion and ₱142.82 billion as of December 31, 2024 and 2023, respectively.

The Parent Company maintains equity at a level that is compliant with its loan covenants.

23. Interest and Other Income

Interest Income

This account consists of:

	2024	2023	2022
Interest income on:			
Cash and cash equivalents (Note 4)	₱1,180	₱886	₱121
Installment contracts receivable (Note 5)	34	196	431
Receivables (Note 5)	273	393	338
Others	74	—	85
	₱1,561	₱1,475	₱975

Interest income on installment contracts receivable consist of accretion of unamortized discount of and interest income from collections of the Group.

Other Income

This account consists of:

	2024	2023	2022
Ancillary income	₱1,466	₱1,271	₱1,078
Dividend income	559	450	388
Real estate forfeitures, charges and penalties	285	545	463
Management fee (Note 27)	410	625	409
Gain on disposal of property and equipment (Note 11)	46	18	58
Realized and unrealized gain on financial assets at FVTPL	41	366	137
Subscription income	62	70	56
CARS incentives (Note 29)	—	433	475
Others (Notes 5 and 8)	794	699	4,481
	₱3,663	₱4,477	₱7,545

Ancillary income represents incentives received by Toyota dealers from financing institutions for vehicles sold to financing customers and from insurance companies for policies written for buyers.

Real estate forfeitures, charges and penalties are earned when a buyer is delinquent on his payment or cancels his purchase of condominium units, after deducting any cash surrender value.

In 2021, Toyota availed of the tax incentives under Executive Order No. 182 Series of 2015 or the Comprehensive Automotive Resurgence Strategy (CARS) Program. Tax credits utilized by Toyota to pay tax dues amounted to nil, ₱433.47 million and ₱474.68 million in 2024, 2023, and 2022 respectively (Note 29).



Management fee includes services rendered by Federal Land in the administration of different projects related to the joint venture (Note 27).

In 2022, other income includes the ₱3.86 billion gain on property exchange of Federal Land for its transfer of properties to FNG in exchange for common shares (Note 8).

24. Cost of Goods and Services Sold

Cost of goods and services sold consists of:

	2024	2023	2022
Beginning inventory			
Automotive	₱20,291	₱10,085	₱7,191
Gasoline, retail, and petroleum products	10	7	10
Food	6	5	5
	20,307	10,097	7,206
Add: Net purchases	200,899	200,176	158,824
Total inventories available for sale	221,206	210,273	166,030
Less: Ending inventory (Note 6)			
Automotive	19,928	20,291	10,085
Gasoline, retail, and petroleum products	10	10	7
Food	8	6	5
Subtotal	201,260	189,966	155,933
Transfers and incidental expenses	(655)	(1,419)	180
Cost of services	1,265	1,135	973
Overhead (Note 11)	319	289	212
Subtotal	929	5	1,365
Cost adjustments and intercompany elimination	(217)	(623)	(219)
	₱201,972	₱189,348	₱157,079

Overhead includes depreciation and amortization, rent expense and common usage and service area charges.

25. Cost of Goods Manufactured and Sold

Cost of goods manufactured and sold consists of:

	2024	2023	2022
Raw materials used	₱38,584	₱36,199	₱32,452
Employee welfare & benefits	965	897	-
Royalty and technical assistance fees	963	802	728
Direct labor	447	391	347
Repairs and maintenance	447	205	98
Indirect labor	379	346	1,197
Depreciation and amortization	310	518	636
Manufacturing supplies	257	222	181
Utilities and services	196	166	221

(Forward)



	2024	2023	2022
Taxes and licenses	₱69	₱61	₱47
Stockyard operational cost	54	50	45
Miscellaneous	473	151	116
	43,144	40,008	36,068
Decrease (increase) in finished goods and work-in-process inventories	(618)	(231)	221
Effect of intragroup eliminations	222	(116)	78
	₱42,748	₱39,661	₱36,367

26. General and Administrative Expenses

This account consists of:

	2024	2023	2022
Advertising and promotions	₱5,332	₱4,958	₱3,296
Salaries, wages, and employee benefits (Notes 27 and 28)	4,206	3,621	3,441
Delivery and handling	4,048	3,336	2,403
Taxes and licenses	2,519	2,128	1,993
Commissions	1,655	1,616	1,489
Repairs and maintenance	783	614	346
Depreciation and amortization (Note 11)	726	665	692
Light, water and other utilities	616	502	430
Unrealized foreign exchange loss	560	202	761
Outside services	286	285	211
Professional fees	284	365	284
Warranty	207	234	312
Rent (Note 30)	189	135	65
Office supplies	185	194	227
Administrative and management fees	152	236	248
Transportation and travel	150	130	98
Communications	104	97	95
Insurance	77	71	64
Entertainment, amusement and recreation	44	39	27
Provision for (recoveries from) credit losses - net (Note 5)	49	(75)	164
Donation	40	41	4
Royalty and service fees	26	24	19
Provision for inventory write-down (Note 6)	45	16	51
Others	885	823	558
	₱23,168	₱20,257	₱17,278

Other expenses include membership and subscription fees, dealer development, corporate events, and contractual services.



27. Related Party Transactions

Parties are considered to be related if one party has the ability, directly, or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions and the parties are subject to common control or common significant influence. Related parties may be individuals or corporate entities. These related parties include subsidiaries, associates, joint venture, key management personnel, stockholders and other related parties which include affiliates.

An entity is considered an affiliate if such entity and the Parent Company have common shareholders. In effect, such entity is a sister company of the Parent Company by virtue of ownership and common control. It is neither a subsidiary nor associate of the Group.

The Group, in its regular conduct of its business, has entered into transactions with its associates, joint ventures and other related parties principally consisting of cash advances for reimbursement of expenses, merger and acquisitions and capital infusion, leasing agreements, management agreements and dividends received from associates.

Transactions with related parties are made at normal market prices. Except as otherwise indicated, outstanding balances at year end are unsecured and settlement occurs generally in cash. There have been no guarantees provided or received for any related party receivables or payables. The Group does not provide any allowance relating to receivable from related parties.

This assessment is undertaken each financial year through examining the financial position of the related parties and the markets in which the related parties operate.

The following tables show the significant related party transactions included in the consolidated financial statements. Transactions with subsidiaries have been eliminated in the consolidated financial statements.

Category	December 31, 2024		
	Amount/ Volume	Outstanding Balances	Terms and Conditions/Nature
Subsidiaries			
Accounts receivable	₱-	₱321	Promo subsidy, warranty claims, parts and service receivables
Trade receivables	35,907	930	Unsecured; Due and demandable
Rent receivable	-	2	Unsecured; Due and demandable
Due from related parties	84	990	Non-interest bearing; due and demandable
Real estate inventories	(316)	-	Cost of lots sold to a related party
Investment Properties	(126)	-	Cost of condominium units sold to a related party
Prepayments	1	1	Amortization of CUSA prepayment
Security deposit	53	24	Rental deposits
Transportation equipment	3	4	Purchase of vehicles
Right-of-use asset	25	102	Office space rent
Land and improvements	1,065	-	Lots acquired from a related party
Building and improvements	132	-	Condominium units acquired from a related party
Land	2	2	Down payment for acquisition of parking lot
Nontrade receivables	-	1	Unsecured; Due and demandable
Investment in shares of stock	-	60,469	Investments in common shares
Accounts payable	105	1,205	Property management fees; payable for purchase of vehicles
Trade payables	957	71	Unpaid car rental fees
Accrued other expense payable	1,065	905	Amount payable for the lots and condominium purchased from a related party
Unearned warranty revenue	-	4	Unamortized portion of the warranty revenue
Lease payable	72	165	Lease of office space
Due to related parties	1	1	Unsecured; Non-interest bearing; due and demandable

(Forward)



December 31, 2024

Category	Amount/ Volume	Outstanding Balances	Terms and Conditions/Nature
Real estate sales	₱1,065		Sale of lots to a related party
Dividend income	7,285		Dividend income from subsidiaries
Rent income	65		Non-interest bearing; due and demandable
Gain on sale of fixed assets	5		Gain on sale of condominium units to a related party
Cost of real estate sales	316		Cost of lots sold to a related party
Advertising and promotions	1		Marketing and promotional events
Amortization expense – ROU	29		Amortization of office and parking space leases
Cost of rental	3		Janitorial and security services
Dealer operation assistance fees	81		Assistance to dealers
Earned warranty revenue	1		Amortized portion of the warranty expense
Interest expense	4		Interest expense on loans receivable
Outside services	11		Security services and assigned staff for properties in Cavite
Rent expense	5		Office space rent and maintenance; Subject to 5% escalation annually
Repairs and maintenance	6		Repairs and maintenance of properties
TDIMS fees	2		
Utilities expense	1		Electricity & water charges in offices
Associates			
Cash and cash equivalents	1,039,910	15,862	Unsecured; Interest bearing at prevailing market rate; due and demandable
Accounts receivable	–	115	Service, vehicle and financing receivables
Trade receivables	77	77	Unsecured; Non-interest bearing; due and demandable
Commission receivable	–	8	Unsecured; Non-interest bearing; due and demandable
Dividend receivable	(253)	–	Collection of dividend during the year
Rent receivable	–	(21)	Unsecured; Due and demandable
Accrued interest receivables	–	1	Interest on savings deposits
Interest receivable	–	74	Interest on loans to associates
Receivable from sharing of expenses	13	66	Non-interest bearing; due and demandable
Retirement asset	14	–	Retirement fund
Nontrade receivables	112	5	Non-interest bearing; due and demandable
FVTPL investments	6	910	Investment in UITF
Due from related parties	(57)	–	Unsecured; Non-interest bearing; due and demandable
Investment in shares of stock	–	118,227	
Accounts payable	6	–	
Trade payables	12	12	Non-interest bearing; due and demandable
Short-term loan	3,672	5,923	Unsecured; With interest ranging from 3% to 6%; Payable in 2023
Due to related parties	–	213	Unsecured; Non-interest bearing; due and demandable
Loans payable	–	6,650	Unsecured; With interest ranging from 2.75% to 4.25%; Payable on 2024-2029
Insurance payable	–	61	
Nontrade payables	51	20	Non-interest bearing; due and demandable
Commission income	29		Non-interest bearing; due and demandable
Dividend income	1,184		Dividend income from associates
Rent income	322		Rent income from associates
Interest income	474		Prevailing interest rate on regular peso savings deposit account and time deposit placements
Gain on FVTPL investments	1		Prevailing interest rate on regular peso savings deposit account and time deposit placements
Agency fee	9		Gain on investment in UITF
Insurance expense	17		Safekeeping and trust agreement
Interest expense	143		Group life, car insurance, fire, Directors and Officers Liability insurance
Bank charges	2		Miscellaneous bank charges

(Forward)



December 31, 2024			
Category	Amount/ Volume	Outstanding Balances	Terms and Conditions/Nature
Joint ventures			
Accounts receivable	P-	P535	Unsecured; Non-interest bearing; due and demandable
Trade receivables	424	428	Promo subsidy and vehicle, service & financing
Rent receivables	-	26	Unsecured; Non-interest bearing rate; due and demandable
Interest receivables	-	14	Interest from loans paid during the year
Loans receivables	(4,011)	-	Unsecured; Interest bearing at prevailing market rate; due and demandable
Commission receivable	-	269	Non-interest bearing; due and demandable
Due from related parties	(257)	-	Unsecured; Non-interest bearing; due and demandable
Management fee receivables	-	260	Unsecured; Non-interest bearing; due and demandable
Nontrade receivables	40	6	Unsecured; Non-interest bearing; due and demandable
Receivable from sharing of expenses	4	60	Unsecured; Non-interest bearing; due and demandable
Other non-current assets	96	111	
Investments in shares of stocks	-	5,561	
Security deposit	(1)	-	
Trade payables	58	-	
Management fee income	444		Management service income
Rent income	391		Rent income of components under joint ventures
Service income	11		Management service income
Commission income	285		Management commission income
Interest income	129		Interest on loans receivables
Dividend income	22		Dividend income from joint ventures
Others			
Cash and cash equivalents	199,916	1,279	Unsecured; Interest bearing at prevailing market rate; due and demandable
Accounts receivable	-	309	Service and vehicle receivables
FVTPL investments	(849)	-	
Trade receivables	10,878	1,101	Unsecured; Non-interest bearing; due and demandable
Management fee receivables	-	48	Unsecured; Non-interest bearing; due and demandable
Commission receivable	-	11	Unsecured; Non-interest bearing; due and demandable
Rent receivables	-	1	
Interest receivable	-	1	Interest on time deposit placements
Loan receivable	-	1,866	Unsecured; With interest of 4.5%; Payable in 2032
Receivable from sharing of expenses	94	484	Unsecured; Non-interest bearing; due and demandable
Nontrade receivables	152	85	Various reimbursable expenses
Other receivables	-	48	Unsecured; Non-interest bearing; due and demandable
Due from related parties	-	176	Unsecured; Non-interest bearing; due and demandable
Trade payables	193,604	19,602	Unsecured; Non-interest bearing; due and demandable
Short-term loans	(36)	64	Unsecured; Interest bearing
Due to related parties	-	264	Unsecured; Non-interest bearing; due and demandable
Loans payable	(22)	1,001	Unsecured; With 3% interest; payable annually until 2025
Long-term debt	-	79	Unsecured; Interest bearing
Commission income	40		Management commission income
Dividend income	13		
Interest income	268		Interest on time deposit placements
Rent income	1		Rent income from affiliates
Service income	5		Management service income
Other income	1		
Royalty and technical assistance fees	1,014		25th day of the second month after the end of the quarter, non-interest bearing, unsecured
Interest expense	25		Interest on loans



December 31, 2023			
Category	Amount/ Volume	Outstanding Balances	Terms and Conditions/Nature
Subsidiaries			
Accounts receivable	(P111)	P181	Receivable from sale of lots; Vehicle swapping; Current - accordingly, no provision for losses is required.
Rent receivable	-	3	Unsecured; Due and demandable
Prepayments	1	1	Advance rental payments
Security deposit	-	21	Rental deposits
Right-of-use asset	43	101	Lease of office and parking spaces
Investment in shares of stock	16,308	57,652	Additional subscription to common shares; share swap
Accounts payable	14,742	1,834	Represent payables arising from sales adjustments, warranty, sales promotions, and reimbursable expenses
Lease payable	32	82	Lease of office and parking spaces
Dividend income	3,406		Dividend income from subsidiaries
Rent income	25		Rent income from lease of office space
Amortization expense - ROU	32		Amortization of office and parking space leases
Cost of rental	3		Janitorial and security services
Dealer operation assistance fees	86		
Interest expense	5		
Service fees	56		Property management fees for properties in Cavite
Outside services	12		Security services for properties in Cavite
Rent expense	36		Office space rent and maintenance; Subject to 5% escalation annually
Repairs and maintenance	5		Repairs and maintenance of properties
Subscription fees	2		
Utilities expense	1		
Associates			
Cash and cash equivalents	1,018,420	8,661	Unsecured; Interest bearing at prevailing market rate; due and demandable
Accounts receivable	-	109	Unsecured; Non-interest bearing; due and demandable
Commission receivable	-	13	Unsecured; Non-interest bearing; due and demandable
Dividend receivable	-	253	Unsecured; Due and demandable
Rent receivable	-	52	Unsecured; Due and demandable
Interest receivable	-	6	
Receivable from sharing of expenses	6	4	Unsecured; Non-interest bearing; due and demandable
Due from related parties	-	57	Unsecured; Non-interest bearing; due and demandable
Prepaid insurance	14	3	
Other receivables	-	15	Unsecured; Non-interest bearing; due and demandable
FVTPL investments	(5)	22	Investment in UITF
Investment in shares of stock	4,391	118,227	
Short-term debt	46,750	8,540	Interest bearing; Payable within 90 days from the date of the availment
Due to related parties	-	139	Unsecured; Non-interest bearing; due and demandable
Loans payable	-	7,325	Unsecured; With interest ranging from 2.75% to 4.25%; Payable on 2024-2029
Insurance payable	-	20	
Other payables	30	-	Unsecured; Non-interest bearing; due and demandable
Commission income	1		
Dividend income	5,883		Dividend income from associates
Rent income	374		Rent income from associates
Interest income	442		Prevailing interest rate on regular peso savings deposit account and time deposit placements
Gain on FVTPL investments	1		
Insurance expense	2		
Interest expense	259		Interest expense on loans payable
Bank charges	3		

(Forward)



December 31, 2023			
Category	Amount/ Volume	Outstanding Balances	Terms and Conditions/Nature
Joint ventures			
Accounts receivable	P-	P477	Unsecured; Non-interest bearing; due and demandable
Rent receivables	-	99	Unsecured; Non-interest bearing; due and demandable
Interest receivables	-	686	Unsecured; Interest bearing at prevailing market rate; due and demandable
Loans receivables	-	4,011	Unsecured; Interest bearing at prevailing market rate; due and demandable
Commission receivable	-	905	Unsecured; Non-interest bearing; due and demandable
Due from related parties	-	257	Unsecured; Non-interest bearing; due and demandable
Management fee receivables	-	164	Unsecured; Non-interest bearing; due and demandable
Nontrade receivables	7	2	Unsecured; Non-interest bearing; due and demandable
Receivable from sharing of expenses	-	1	Unsecured; Non-interest bearing; due and demandable
Investments in shares of stocks	-	5,561	
Security deposit	-	1	
Real estate sales	9,283		Sale of lots in various locations
Management fee income	333		Management service income
Rent income	109		Rent income of components under joint ventures
Commission income	958		
Interest income	262		
Dividend income	38		Dividend income of components under joint ventures
Others			
Cash and cash equivalents	226,315	2,519	Unsecured; Interest bearing at prevailing market rate; due and demandable
Accounts receivable	-	221	Unsecured; Non-interest bearing; due and demandable
FVTPL investments	(10,285)	849	
Trade receivables	-		Unsecured; Non-interest bearing; due and demandable
Management fee receivables	-	90	Unsecured; Non-interest bearing; due and demandable
Commission receivable	-	7	Unsecured; Non-interest bearing; due and demandable
Interest receivable	-	1	Interest on time deposit placements
Loan receivable	-	1,978	Unsecured; With interest of 4.5%; Payable in 2032
Receivable from sharing of expenses	5	4	Unsecured; Non-interest bearing; due and demandable
Other receivables	-	48	Unsecured; Non-interest bearing; due and demandable
Due from related parties	-	67	Unsecured; Non-interest bearing; due and demandable
Retirement asset	5	-	
Accounts payable	17	2	Unsecured; Non-interest bearing; due and demandable
Due to related parties	-	277	Unsecured; Non-interest bearing; due and demandable
Loans payable	(22)	1,147	With 3% interest; payable annually until 2025
Commission income	7		
Interest income	47		Interest on time deposit placements
Rent income	2		Rent income from affiliates
Advisory fees	6		Retainer's fee
Agency fees	5		Safekeeping and trust agreement
Interest expense	22		
Management fees	65		Management service fees for the year 2023
Administration expense	2		



December 31, 2022			
Category	Amount/ Volume	Outstanding Balances	Terms and Conditions/Nature
Subsidiaries			
Accounts receivable - trade	₱16,381	₱67	Receivable from sale of lots; Vehicle swapping; Current - accordingly, no provision for losses is required.
Rent receivable	-	17	Unsecured; Non-interest bearing; due and demandable
Dividends receivable	653	-	Dividends declared in 2022
Prepayments	4	2	Advance rental payments
Security deposit	5	25	Rental deposits
Right-of-use asset	5	265	Lease of office and parking spaces
Transportation equipment	2	-	Car assigned to employee
Accounts payable	384	43	Represent payables arising from sales adjustments, warranty, sales promotions, and reimbursable expenses
Lease payable	17	245	Lease of office and parking spaces
Real estate sales	68		Sale of lots in Cavite
Dividend income	3,016		
Rent income	42		Office space rent and maintenance for the year 2022; subject to 5% escalation annually
Amortization expense - ROU	37		Amortization of office and parking space leases
Cost of rental	2		Janitorial and security services
Service fees	80		Property management fees for properties in Cavite
Outside services	14		Security services for properties in Cavite
Rent expense	3		Office space rent and maintenance; Subject to 5% escalation annually
Repairs and maintenance	5		Repairs and maintenance of properties
Associates			
Cash and cash equivalents	940,735	17,315	Unsecured; Interest bearing at prevailing market rate; due and demandable
Rent receivables	-	16	Unsecured; Non-interest bearing; due and demandable
Commission receivable	-	1	Unsecured; Non-interest bearing; due and demandable
Receivable from sharing of expenses	6	4	Unsecured; Non-interest bearing; due and demandable
Due from related parties	-	53	Unsecured; Non-interest bearing; due and demandable
Nontrade receivables	26	3	Unsecured; Non-interest bearing; due and demandable
Other receivables	-	15	Unsecured; Non-interest bearing; due and demandable
FVTPL investments	10	25	Investment in UITF
Other current assets	51	51	Unsecured; Non-interest bearing; due and demandable
Accounts payable	1	-	Insurance payable
Short-term debt	8,300	2,380	Interest bearing; Payable within 90 days from the date of the availment
Due to related parties	-	21	Unsecured; Non-interest bearing; due and demandable
Loans payable	-	10,418	Unsecured; With interest ranging from 2.75% to 4.25%; Payable from 2024-2029
Other payables	9	-	Unsecured; Non-interest bearing; due and demandable
Commission income	3	-	Unsecured; Non-interest bearing; due and demandable
Rent income	104		Rent income from associates
Interest income	15		Prevailing interest rate on regular peso savings deposit account and time deposit placements
Interest expense	416		Interest expense on loans payable
Joint ventures			
Rent receivables	-	32	Unsecured; Non-interest bearing; due and demandable
Interest receivables	-	285	Unsecured; Interest bearing at prevailing market rate; due and demandable
Loans receivables	-	4,011	Unsecured; Interest bearing at prevailing market rate; due and demandable
Commission receivable	-	377	Unsecured; Non-interest bearing; due and demandable

(Forward)



December 31, 2022			
Category	Amount/ Volume	Outstanding Balances	Terms and Conditions/Nature
Due from related parties	P-	P70	Unsecured; Non-interest bearing; due and demandable
Management fee receivables	-	139	Unsecured; Non-interest bearing; due and demandable
Nontrade receivables	12	3	Unsecured; Non-interest bearing; due and demandable
Receivable from sharing of expenses	-	1	Unsecured; Non-interest bearing; due and demandable
Inventories	(6,297)	-	Cost of real estate inventories contributed in a joint venture
Investments in joint venture	10,736	10,736	Investments in a joint venture (Note 8)
Accounts payable	1	-	Unsecured; Non-interest bearing; due and demandable
Real estate sales	328		Sale of lots in Cavite
Management fee income	196		Management service income
Rent income	108		Unsecured; Non-interest bearing; due and demandable
Commission income	661		Unsecured; Non-interest bearing; due and demandable
Interest income	402		Unsecured; Interest bearing at prevailing market rate; due and demandable
Other income	3,862		Gain on transfer of properties to a joint venture
Cost of real estate sales	121		Sale of lots in Cavite
Travel and transportation expense	1		Employee shuttle cost
Others			
Cash and cash equivalents	117,702	1,701	Unsecured; Interest bearing at prevailing market rate; due and demandable
FVTPL investments	137	11,135	Interest bearing
Trade receivables	-	13	Unsecured; Non-interest bearing; due and demandable
Management fee receivables	-	143	Unsecured; Non-interest bearing; due and demandable
Commission receivable	-	1	Unsecured; Non-interest bearing; due and demandable
Interest receivable	2	-	Interest on time deposit placements
Rent receivables	1	-	Square 2 rent
Loan receivable	-	905	Unsecured; With interest of 4.5%; Payable in 2032
Nontrade receivables	215	20	Within one (1) year, non-interest bearing, unsecured, no impairment
Receivable from sharing of expenses	5	4	Unsecured; Non-interest bearing; due and demandable
Other receivables	-	48	Unsecured; Non-interest bearing; due and demandable
Due from related parties	-	232	Unsecured; Non-interest bearing; due and demandable
Trade payables	304,624	13,706	Unsecured; Non-interest bearing; due and demandable
Due to related parties	-	145	Unsecured; Non-interest bearing; due and demandable
Loans payable	-	1,291	Unsecured; With 3% interest; payable annually until 2025
Insurance payable	98	98	Unsecured; Non-interest bearing; due and demandable
Other payables	42	-	Unsecured; Non-interest bearing; due and demandable
Commission income	3		Unsecured; Non-interest bearing; due and demandable
Interest income	75		Interest on time deposit placements
Rent income	166		Rent income from affiliates
Advisory fees	9		Retainer's fee
Agency fees	2		Safekeeping and trust agreement
Insurance expense	3		General comprehensive liability insurance; car insurance; D&O liability insurance
Management fees	213		Management service fees fly 2022
Royalty and technical assistance fees	652		Unsecured; Non-interest bearing; payable on the 25 th day of the second month after quarter-end



Details of the transactions with affiliates are as follows:

Cash and cash equivalents and short-term investments

The Group maintains cash and short-term deposits accounts with MBTC, an associate. The Group also has cash and short-term deposits with other related party such as PSBank, which is a subsidiary of MBTC. Cash and cash equivalents earn interest at the prevailing investment rates (Note 4).

Financial assets at FVTPL

As of December 31, 2024 and 2023, the Group's investment in UITF of related parties amounted to ₱0.91 billion and ₱0.87 billion, respectively (Note 10).

Operating advances

Due from and to related parties consist mostly of operating advances which are non-interest bearing and due and demandable.

Loans receivable

In 2012, 2021 and 2022, Federal Land entered into loan agreements with CIRC. Federal Land agreed to lend to CIRC a total amount of ₱855.00 million with a nominal and effective interest rates ranging from 3.15% to 6.00%. The outstanding balance of loans receivable as of December 31, 2024 and 2023 amounted to ₱855.00 million (Note 5).

Affiliated bank loans

The Group's loans payable to an affiliated commercial bank bears interest rates ranging from 5.25% to 6.80%, 4.50% to 6.50 % and 4.50% to 5.80% per annum in 2024, 2023 and 2022, respectively (Note 16).

Management fee

Management fee amounting to ₱444.39 million and ₱332.59 million in 2024 and 2023, respectively, pertains to the income received from a joint venture of Federal Land with FNG, SFNBRDC, NBLRDI, BLC and STRC (Note 23).

Lease agreements

Federal Land entered into operating lease agreements for the use of office spaces in GT Tower International Building. The terms of lease range from five (5) to ten (10) years and are generally renewable for five (5) years. The rent is payable monthly with annual rent escalation rates ranging from 5.00% to 8.00%. The rental income on these leases amounted to ₱779.71 million, ₱518.40 million and ₱420.49 million in 2024, 2023 and 2022, respectively (Note 30).

Compensation of key management personnel for the years ended December 31, 2024, 2023 and 2022 follow:

	2024	2023	2022
Short-term employee benefits	₱1,227	₱1,035	₱918
Post-employment benefits	137	173	275
	₱1,364	₱1,208	₱1,193

Transactions with the Group Retirement Funds

The retirement funds of the Group's employees are being managed and maintained by MBTC as trustee bank. The total carrying amount and fair value of the retirement funds as of December 31, 2024 and 2023 amounted to ₱1.87 billion and ₱1.93 billion, respectively. The assets and investments of the fund include cash and cash equivalents, investments in government securities and equity securities, among others.



The following tables show the amounts of related party transactions of the Group with the retirement funds of the subsidiaries' employees as of December 31, 2024, 2023 and 2022 (in absolute amounts):

December 31, 2024			
Category	Amount/ Volume	Outstanding Balances	Terms and Conditions/Nature
Parent Company			
Investment in equity securities	P-	P7,889,420	No impairment
Dividend income	99,620	-	Cash dividends
Loss on sale of investments	(146,225)	-	Loss from sale of equity securities
Associate			
Savings deposit	-	583,025	Savings account earning regular annual interest; unsecured and no impairment;
Time deposit	-	11,300,000	Interest-bearing; unsecured and no impairment
Investment in equity securities	-	14,879,520	No impairment
Investment in UITF	-	41,414,032	No impairment
Investment in other security and debt instruments	-	-	No impairment
Interest income	173,097		Income earned from savings and time deposit
Dividend income	940,675		Cash dividends
Trust fees	-		
Unrealized/realized gain on investment	2,579,349		Income from sale of UITF
December 31, 2023			
Category	Amount/ Volume	Outstanding Balances	Terms and Conditions/Nature
Parent Company			
Investment in equity securities	P3,191,560	P7,859,980	No impairment
Dividend income	23,226	-	Cash dividends
Loss on sale of investments	(1,441,289)	-	Loss from sale of equity securities
Associate			
Savings deposit	(410,563)	34,655,198	Savings account earning regular annual interest; unsecured and no impairment;
Time deposit	(31,600,000)	4,500,000	Interest-bearing; unsecured and no impairment
Investment in equity securities	(498,798)	9,733,662	No impairment
Investment in UITF	164,180,380	184,286,617	No impairment
Investment in other security and debt instruments	154,201,883	-	No impairment
Interest income	826,532		Income earned from savings and time deposit
Dividend income	606,126		Cash dividends
Trust fees	976,769		
Unrealized/realized gain on investment	732,119		Income from sale of UITF
December 31, 2022			
Category	Amount/ Volume	Outstanding Balances	Terms and Conditions/Nature
Parent Company			
Investment in equity securities	(P1,110,660)	P4,668,420	No impairment
Dividend income	32,106	-	Cash dividends
Loss on sale of investments	(832,955)	-	Loss from sale of equity securities
Associate			
Savings deposit	33,986,421	35,065,761	Savings account earning regular annual interest; unsecured and no impairment;
Time deposit	40,600,000	40,600,000	With annual interest of 3.88%, 1 - 3 months maturity; unsecured and no impairment
Investment in equity securities	(12,652,999)	10,232,460	No impairment
Investment in UITF	(31,195,532)	20,106,237	No impairment
Investment in other security and debt instruments	113,866,128	154,201,883	No impairment
Interest income	197,778		Income earned from savings and time deposit
Dividend income	955,432		Cash dividends
Loss on sale of investments	(2,331,316)		Income from sale of UITF

Transactions relating to the retirement plans are approved by the subsidiaries' respective Retirement Committees. The voting rights over the investments in the shares of entities within the Group are exercised by the Retirement Committee, who are either officers or directors of the subsidiaries.



28. Pension Plan

The Group provides defined benefit pension plans for substantially all of its employees. Provisions for pension obligations are established for benefits payable in the form of retirement pensions. Benefits are dependent on years of service and the respective employee's final compensation. Actuarial valuations are made annually.

Principal actuarial assumptions used to determine pension obligations follow:

		2024		
		Actuarial Assumptions		
	Date of Actuarial Valuation	Expected Return on Plan Assets	Salary Rate Increase	Discount Rate
Real estate	December 31, 2024	3.69% to 5.34%	3.00% to 8.00%	6.07% to 6.18%
Automotive	-do-	5.50% to 6.38%	2.00% to 8.00%	5.50% to 6.12%
Financial	-do-	5.04%	8.00%	6.11%
		2023		
		Actuarial Assumptions		
	Date of Actuarial Valuation	Expected Return on Plan Assets	Salary Rate Increase	Discount Rate
Real estate	December 31, 2023	3.69% to 5.34%	3.00% to 8.00%	6.07% to 6.18%
Automotive	-do-	6.35% to 6.50%	2.00% to 8.00%	5.51% to 6.12%
Financial	-do-	5.04%	8.00%	6.09%

The overall expected rate of return on plan assets is determined based on the market prices prevailing on that date applicable to the period over which the obligation is to be settled.

Net retirement liability (asset) included in the consolidated statements of financial position follow:

	2024	2023
Retirement asset (Note 14)	(P36)	(P57)
Retirement liability	2,096	2,040
Net retirement liability	P2,060	P1,983



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

	January 1, 2024	Net benefit cost				Benefits paid	Remeasurements in other comprehensive income					Contributions paid	December 31, 2024
		Current service cost	Net Interest	Past service cost	Subtotal		Return on plan assets (excluding amount included in net interest)	Actuarial changes arising from experience adjustments	Actuarial changes arising from demographic assumptions	Actuarial changes arising from financial assumptions	Subtotal		
Present value of defined benefit obligation	₱3,910	₱297	₱200	₱-	₱497	(₱346)	₱-	(₱107)	₱-	₱2	(₱105)	₱-	₱3,956
Less: Fair value of plan assets	1,927	-	97	-	97	(330)	(29)	-	-	-	(29)	231	1,896
Net defined benefit liability	₱1,983	₱297	₱103	₱-	₱400	(₱16)	₱29	(₱107)	₱-	₱2	(₱76)	(₱231)	₱2,060

	January 1, 2023	Net benefit cost				Benefits paid	Remeasurements in other comprehensive income					Contributions paid	December 31, 2023
		Current service cost	Net Interest	Past service cost	Subtotal		Return on plan assets (excluding amount included in net interest)	Actuarial changes arising from experience adjustments	Actuarial changes arising from demographic assumptions	Actuarial changes arising from financial assumptions	Subtotal		
Present value of defined benefit obligation	₱3,631	₱270	₱240	₱-	₱510	(₱473)	₱-	₱213	(₱1)	₱30	₱242	₱-	₱3,910
Less: Fair value of plan assets	2,003	-	143	-	143	(385)	(40)	-	-	-	(40)	206	1,927
Net defined benefit liability	₱1,628	₱270	₱97	₱-	₱367	(₱88)	₱40	₱213	(₱1)	₱30	₱282	(₱206)	₱1,983

The maximum economic benefit available is a combination of expected refunds from the plan and reductions in future contributions.



The fair values of plan assets by each class as at the end of the reporting periods are as follows:

	2024	2023
Cash and cash equivalents	₱12	₱39
Investment in government securities	1,455	1,326
Investment in equity securities	276	228
Investment in debt and other securities	84	149
Investment in mutual funds	41	187
Receivables	31	4
Liabilities	(3)	(6)
	₱1,896	₱1,927

The sensitivity analysis below has been determined based on reasonably possible changes of each significant assumption on the defined benefit obligation as of the end of the reporting period, assuming all other assumptions were held constant:

	Possible	2024	2023
	Fluctuations	Increase (Decrease)	Increase (Decrease)
Discount rates	+1%	(₱325)	(₱347)
	-1%	249	232
Future salary increase rate	+1%	262	216
	-1%	(342)	(320)

The Group expects to contribute ₱243.24 million to its defined benefit pension plan in 2025.

The average duration of the defined benefit retirement liability at the end of the reporting period is 13.92 years for the Group.

Shown below is the maturity analysis of the undiscounted benefit payments as of December 31, 2024:

	2024	2023
Less than 1 year	₱509	₱440
More than 1 year to 5 years	1,903	1,910
More than 5 years to 10 years	1,736	1,859
More than 10 years to 15 years	2,074	1,823
More than 15 years to 20 years	2,866	2,824
More than 20 years	7,475	7,496

The Group does not currently have any asset-liability matching study.

29. Income Taxes

On March 26, 2021, RA No. 11534, otherwise known as Corporate Recovery and Tax Incentives for Enterprises (CREATE) Act was signed into law. CREATE reduced the RCIT rate from 30.00% to 25.00% depending on the criteria set by the law effective July 1, 2020. With the implementation of this Act, interest expense allowed as a deductible expense shall be reduced by 20.00% of the interest income subjected to final tax, compared to the 33.00% reduction prior to the Act.



The regulations also provide for MCIT of 2.00% (prior to CREATE) and 1.00% from (July 1, 2020 to June 30, 2023 before reverting to 2.00%) on modified gross income and allow a NOLCO. The MCIT and NOLCO may be applied against the Group's income tax liability and taxable income, respectively, over a three-year period from the year of inception. For the taxable years 2020 and 2021, the NOLCO incurred can be carried over as a deduction for the next five (5) consecutive taxable years, pursuant to Revenue Regulation (RR) No. 25-2020.

Provision for income tax account consists of:

	2024	2023	2022
Current	₱6,369	₱6,584	₱2,416
Deferred	(602)	61	(637)
Final	243	292	41
	₱6,010	₱6,937	₱1,820

The components of the Group's deferred taxes as of December 31, 2024 and 2023 are as follows:

Net deferred tax assets:

	2024	2023
Deferred tax assets on:		
Retirement benefit obligation	₱503	₱539
Deferred gross profit	431	191
Deferred intercompany gain	319	36
Allowance for impairment losses	208	231
Warranties payable and other provisions	148	141
Unrealized foreign exchange gain	88	88
Accrued expenses	68	90
Allowance for inventory obsolescence	38	48
Unamortized past service cost from pension obligation	13	13
Others	19	52
	1,835	1,429
Deferred tax liabilities on:		
Unearned gross profit in ending inventories	367	211
Unrealized foreign exchange loss	104	2
Capitalized customs duties	49	104
Others	27	27
	547	344
Net deferred tax assets	₱1,288	₱1,085



Net deferred tax liabilities:

	2024	2023
Deferred tax assets on:		
NOLCO	₱89	₱344
Unrealized gain on sale of land	332	350
Excess of cost over fair value of investment property	63	69
Unearned gross profit in ending inventories	58	55
Unearned income	35	38
Prepaid commission	32	34
Retirement benefit obligation	29	31
Provision for impairment losses on receivables	18	20
Others	17	18
	673	959
Deferred tax liabilities on:		
Mark-to-market gain on FVOCI investments	2,450	1,777
Fair value adjustment on acquisition by Parent Company	1,971	1,895
Capitalized borrowing cost and guarantee fees	693	755
Excess of book basis over tax basis of deferred gross profit	278	303
Fair value adjustment on acquisition by subsidiaries	106	109
Unrealized gross profit on sale of land	89	344
Unamortized discount on long-term payable	37	40
Lease differential	24	24
Retirement asset	17	17
Others	23	104
	5,688	5,368
Net deferred tax liabilities	₱5,015	₱4,409

NOLCO

As of December 31, 2024, the Group has incurred NOLCO before taxable year 2024 which can be claimed as deduction from the regular taxable income for the next three (3) consecutive taxable years.

On September 30, 2020, the BIR issued Revenue Regulations No. 25-2020 implementing Section 4(bbbb) of “Bayanihan to Recover As One Act” which states that the NOLCO incurred for taxable years 2020 and 2021 can be carried over and claimed as a deduction from gross income for the next five (5) consecutive taxable years immediately following the year of such loss. The Group has incurred NOLCO in taxable years 2020 and 2021 which can be claimed as deduction from the regular taxable income for the next five (5) consecutive taxable years pursuant to the Bayanihan to Recover As One Act.



Summary of the Group's NOLCO as follows:

Year Incurred	Availment Period	Amount	NOLCO Applied Previous Years	NOLCO Expired	NOLCO Applied Current Year	NOLCO Unapplied
2024	2025-2027	₱3,507	₱-	₱-	₱-	₱3,507
2023	2024-2026	36	-	-	-	36
2022	2023-2025	3,168	-	-	-	3,168
2021	2022-2026	4,030	-	-	-	4,030
2020	2021-2025	4,256	-	-	2,983	1,273
		₱14,997	₱-	₱-	₱2,983	₱12,014

MCIT

Details of the Group's MCIT follow:

Year Incurred	Amount	Expired/Applied	Balance	Expiry Date
2024	₱24	₱-	₱24	2027
2023	115	-	115	2026
2022	22	-	22	2025
2021	10	10	-	2024
	₱	₱10	₱161	

The Group has NOLCO and excess MCIT over RCIT for which deferred tax assets have not been recognized since management believes that it is not probable that sufficient taxable income will be available against which the carryforward benefit of NOLCO and excess MCIT over RCIT can be utilized prior to their expiration. These NOLCO and excess MCIT over RCIT are as follows:

	2024	2023
NOLCO	₱11,770	₱7,131
Excess MCIT over RCIT	162	147

The reconciliation of the provision for income tax computed at the statutory income tax rate to the provision for income tax shown in the consolidated statements of income follows:

	2024	2023	2022
Provision for income tax computed at statutory rates	25.00%	25.00%	25.00%
Tax effects of:			
Nontaxable income	(15.63)	(9.72)	(19.97)
Changes in unrecognized deferred tax assets	2.57	(1.39)	2.18
Nondeductible interest and other expenses	1.69	1.43	0.53
Income subjected to final tax	(0.18)	(0.19)	(0.06)
Income subjected to lower tax rate	(0.01)	0.26	0.08
Others	0.38	0.44	(0.04)
Effective income tax rates	13.81%	15.83%	7.72%



TMPC is registered with the BOI as a:

- Participant in the Car Development Program and Commercial Vehicle Development Program.
- Non-pioneer status for the production of Innova. Under its terms and conditions, TMPC shall be entitled to ITH from April 2016 to March 2020 for portion (as determined by its Logistic Efficiency Index) of revenues generated from this vehicle model.
- Participant in Comprehensive Automotive Resurgence Strategy (CARS) Program. BOI approved TMPC's enrollment of its locally-produced vehicle model to the CARS Program on June 27, 2016 to June 27, 2024. Under the terms of registration, TMPC shall be entitled to Fixed Investment Support and Production Volume Incentives (as determined by its Logistic Efficiency Index) subject to achievement of production volume and localization of body shells and large plastic parts (see Note 23).

30. Lease Commitments

Group as a lessee

The Group is a party under various lease agreements including the lease of premises occupied by the Parent Company, office space leased for the Group's branches, land leased for Federal Land Group's mall and gasoline station and lease of parking spaces with terms ranging from one (1) to 10 years.

As of December 31, 2024 and 2023, the Group recognized interest expense on lease liabilities (included in 'Interest expense' in the consolidated statements of income) amounting to ₱11.91 million and ₱22.09 million in 2024 and 2023, respectively. Rent expense from short-term leases and leases of low-value assets amounting to ₱188.71 million and ₱135.38 million in 2024 and 2023, respectively.

As of December 31, 2024 and 2023, the carrying amounts of lease liabilities are as follows (Notes 19 and 20):

	2024	2023
Beginning balance	₱168	₱21
Additions	96	144
Accretion of interest	21	22
Payments	(210)	(79)
Adjustments	21	60
	₱96	₱168

As of December 31, 2024 and 2023, the future minimum rental payments are as follows:

	2024	2023
Within one year	₱32	₱77
After one year but not more than five years	86	170
	₱118	₱247

Group as a lessor

The Group has entered into commercial property leases on its investment properties consisting of office spaces, land, mall and parking spaces with lease terms ranging from five (5) to ten (10) years. The Group's rental income on these leases amounted to ₱1.67 billion, ₱1.51 billion and ₱1.40 billion in 2024, 2023 and 2022, respectively (Note 9). The cost of rental services amounting to ₱923.16 million, ₱905.15 million and ₱829.91 million in 2024, 2023 and 2022, respectively, includes maintenance fee, depreciation, repairs and maintenance, and taxes and licenses (Note 11).



As of December 31, 2024 and 2023, the future minimum rental receipts from these lease commitments are as follows:

	2024	2023
Within one year	₱2,861	₱2,168
After one year but not more than five years	3,158	3,040
More than five years	25,427	11,285
	₱31,446	₱16,493

31. Transfer of TMBC ownership from the Parent Company to GTCAM

On October 11, 2023, the Parent Company and its wholly-owned subsidiary, GTCAM, signed a Deed of Assignment of Shares of Stock (DOAS), wherein, the Parent Company offered to subscribe to 1,715,408,377 common voting shares of GTCAM with a par value of ₱1.00 per share, and to transfer to GTCAM, in payment of such subscription, its investments in the common shares of TMBC totaling 386,353,238 common shares, with a total book value of ₱1,715,408,377. The effective date of the DOAS was upon SEC's approval of GTCAM's increase in authorized capital stock, which occurred in December 2023. As a result, GTCAM took control of TMBC in December 2023, and accordingly, all assets and liabilities of TMBC were consolidated under GTCAM effective December 2023.

The transfer of TMBC shares from the Parent Company to GTCAM has no impact on the consolidated financial statements of the Group.

32. Fair Value Measurement

The methods and assumptions used by the Group in estimating the fair value of the financial instruments are as follows:

Cash and cash equivalents

The fair value of cash and cash equivalents approximate the carrying amounts at initial recognition due to the short-term maturities of these instruments.

Receivables

The fair value of receivables due within one year approximates its carrying amounts. The fair values of installment contracts receivable are based on the discounted value of future cash flows using the applicable rates for similar types of instruments. The discount rates used were 8.00% as of December 31, 2024 and 2023. For the long-term loan receivable, the Group used discounted cash flow analyses to measure the fair value of the loan. The interest rate used was the average bank lending rate for December 31, 2024 and 2023.

Due from and to related parties

The carrying amounts approximate fair values due to short-term in nature. Related party receivables and payables are due and demandable.



Financial assets at FVTPL

These pertain to the Group's investment in UITFs. UITFs are ready-made investments that allow pooling of funds from different investors with similar investments objectives. These UITFs are managed by professional fund managers and may be invested in various financial instruments such as money market securities, bonds and equities, which are normally available to large investors only. A UITF uses the mark-to-market method in valuing the fund's securities.

Financial assets at FVOCI - quoted

The fair value of quoted equity securities is based on the quoted market prices or binding dealer price quotations, without any deduction for transaction cost.

Financial assets at FVOCI - unquoted

The fair value of unquoted equity securities is estimated based on the market data approach that makes use of market multiples derived from a set of comparables. Multiples were determined that is most relevant to assessing the value of unquoted securities (e.g., earnings, book value). The selection of the appropriate multiple within the range is based on qualitative and quantitative factors specific to the measurement.

Derivative financial instruments

The fair values of interest rate swap transactions are derived using acceptable valuation method. The valuation assumptions are based on market conditions existing at the reporting dates.

Accounts and other payables

The fair values of accounts and other payables approximate the carrying amounts due to the short-term nature of these transactions.

Loans payable and bonds payable

Current portion of loans payable approximates its fair value due to its short-term maturity. Long-term portion of loans payable subjected to quarterly repricing is not discounted. Estimated fair value of long-term portion of loans payable with fixed interest and not subjected to quarterly repricing is based on the discounted value of future cash flows using applicable interest rates for similar types of loans as of reporting date. The interest rates used ranged from 2.22% to 6.03% for the years ended December 31, 2024 and 2023.

Liabilities on purchased properties

Estimated fair value was based on the discounted value of future cash flows using the applicable interest rates for similar types of loans as of reporting date. Long-term payables were incurred in 2019 and 2012 with interest rates ranging from 3.00% to 3.25% per annum. As of December 31, 2024, the liabilities on purchased properties are payable in the next 12 months and thus the fair value approximates the carrying amounts.

The following tables summarize the carrying amount and fair values of financial assets and liabilities, as well as nonfinancial assets, analyzed based on the fair value hierarchy (see accounting policy on Fair Value Measurement), except for assets and liabilities where the carrying values as reflected in the consolidated statements of financial position and related notes approximate their respective fair values.



2024					
	Carrying Value	Level 1	Level 2	Level 3	Total Fair Value
Assets measured at fair value:					
Financial Assets					
Financial assets at FVTPL	P910	P-	P910	P-	P910
Financial assets at FVOCI					
Quoted equity securities	19,950	19,950	-	-	19,950
Unquoted equity securities	147	-	147	-	147
Other noncurrent assets					
Derivative assets	31	-	31	-	31
	P21,038	P19,950	P1,088	P-	P21,038
Assets for which fair values are disclosed:					
Financial Assets					
Loans and receivables					
Loans receivables	P1,433	P-	P-	P1,433	P1,433
Non-financial Assets					
Investment in listed associate	149,799	120,284	-	-	120,284
Investment properties	22,459	-	-	76,734	76,734
	P173,691	P120,284	P-	P78,167	P198,451
Liabilities for which fair values are disclosed:					
Financial Liabilities					
Loans payable	P76,869	P-	P-	P78,332	P78,332

2023					
	Carrying Value	Level 1	Level 2	Level 3	Total Fair Value
Assets measured at fair value:					
Financial Assets					
Financial assets at FVTPL	P871	P-	P871	P-	P871
Financial assets at FVOCI					
Quoted equity securities	17,420	17,420	-	-	17,420
Unquoted equity securities	276	-	276	-	276
	P18,567	P17,420	P1,147	P-	P18,567
Assets for which fair values are disclosed:					
Financial Assets					
Loans and receivables					
Loans receivables	5,804	-	-	5,437	5,437
Non-financial Assets					
Investment in listed associate	139,115	85,702	-	-	85,702
Investment properties	22,326	-	-	66,052	66,052
	P167,240	P85,702	P-	P71,489	P157,191
Liabilities measured at fair value:					
Financial Liabilities					
Other noncurrent liabilities					
Derivative liabilities	P14	P-	P14	P-	P14
Liabilities for which fair values are disclosed:					
Financial Liabilities					
Liabilities on purchased properties	P981	P-	P-	P1,329	P1,329
Loans payable	95,528	-	-	104,363	104,363
	P96,509	P-	P-	P105,692	P105,692

As of December 31, 2024 and 2023, no transfers were made among the three levels in the fair value hierarchy.

Inputs used in estimating fair values of financial instruments carried at cost and categorized under Level 3 include risk-free rates and applicable risk premium.



The fair value of the Group’s investment properties has been determined based on valuations performed by third-party valuers.

The table below summarizes the valuation techniques used and the significant unobservable inputs valuation for each type of investment properties held by the Group:

	Valuation Techniques	Significant Unobservable Inputs
Land	Market Data Approach	Price per square meter, size, location, shape, time element and corner influence.
Building and Land Improvements	Income Approach or Cost Approach	Lineal and square meter, current cost of materials, labor and equipment, contractor’s profits, overhead, taxes and fees

Description of the valuation techniques and significant unobservable inputs used in the valuation of the Group’s investment properties are as follows:

Valuation Techniques

Market Data Approach	A process of comparing the subject property being appraised to similar comparable properties recently sold or being offered for sale.
Income Approach	A process where all expected cash flows from the assets were projected and discounted using the appropriate discount rate reflective of the market expectations.
Cost Approach	A process of determining the cost to reproduce or replace in new condition the assets appraised in accordance with current market prices for similar assets, with allowance for accrued depreciation on physical wear and tear, and obsolescence.

Significant Unobservable Inputs

Reproduction Cost New	The cost to create a virtual replica of the existing structure, employing the same design and similar building materials.
Size	Size of lot in terms of area. Evaluate if the lot size of property or comparable conforms to the average cut of the lots in the area and estimate the impact of lot size differences on land value.
Shape	Particular form or configuration of the lot. A highly irregular shape limits the usable area whereas an ideal lot configuration maximizes the usable area of the lot which is associated in designing an improvement which conforms with the highest and best use of the property.
Location	Location of comparative properties whether on a Main Road, or secondary road. Road width could also be a consideration if data is available. As a rule, properties located along a Main Road are superior to properties located along a secondary road.
Time Element	“An adjustment for market conditions is made if general property values have appreciated or depreciated since the transaction dates due to inflation or deflation or a change in investors’ perceptions of the market over time”. In which case, the current data is superior to historic data.



Significant Unobservable Inputs

Discount	Generally, asking prices in ads posted for sale are negotiable. Discount is the amount the seller or developer is willing to deduct from the posted selling price if the transaction will be in cash or equivalent.
Corner influence	Bounded by two (2) roads.

33. Financial Risk Management and Objectives

The Group's principal financial instruments are composed of cash and cash equivalents, financial assets at FVTPL and FVOCI, receivables, due from related parties, accounts and other payables, dividends payable, due to related parties, loans payable, bonds payable, liabilities on purchased properties and derivative financial instruments.

Exposures to credit, liquidity, foreign currency, interest rate, and equity price risks arise in the normal course of the Group's business activities. The main objectives of the Group's financial risk management are as follows:

- to identify and monitor such risks on an ongoing basis;
- to minimize and mitigate such risks; and
- to provide a degree of certainty about costs.

The use of financial derivative instruments (if any) is solely for the management of the Group's financial risk exposures. It is the Group's policy not to enter into derivative transactions for speculative purposes.

The Group's respective financing and treasury functions focus on managing financial risks and activities as well as providing optimum investment yield and cost-efficient funding for the Group.

Credit Risk

The Group's credit risks are primarily attributable to its financial assets. To manage credit risks, the Group maintains defined credit policies and monitors on a continuous basis its exposure to credit risks. Given the Group's diverse base of counterparties, it is not exposed to large concentrations of credit risk.

Financial assets comprise cash and cash equivalents, receivables, due from related parties and investment securities. The Group adheres to fixed limits and guidelines in its dealings with counterparty banks and its investment in financial instruments. Bank limits are established on the basis of an internal rating system that principally covers the areas of liquidity, capital adequacy and financial stability. The rating system likewise makes use of available international credit ratings. Given the high credit standing of its accredited counterparty banks, management does not expect any of these financial institutions to fail in meeting their obligations.

In respect of installment receivables from the sale of properties, credit risk is managed primarily through credit reviews and an analysis of receivables on a continuous basis. The Group also undertakes supplemental credit review procedures for certain installment payment structures. Customer payments are facilitated through various collection modes including the use of postdated checks and auto-debit arrangements. Exposure to bad debts is not significant and the requirement for remedial procedures is minimal given the profile of buyers.



Maximum exposure to credit risk after taking into account collateral held or other credit enhancements

As of December 31, 2024 and 2023, the maximum exposure to credit risk of the Group's financial assets is equal to its carrying value except for installment contracts receivable with nil exposure to credit risk since the fair value of the related condominium and residential units collateral is greater than the carrying value of the installment contracts receivable.

a. Credit quality per class of financial assets

The credit quality of the financial assets was determined as follows:

Cash and cash equivalents - based on the nature of the counterparty and the Group's internal rating system.

Receivables - high grade pertains to receivables that had no default in payment; medium grade pertains to receivables with a history of being 30 to 90 days past due; and low grade pertains to receivables with a history of being over 90 days past due.



The table below shows the credit quality per class of financial assets based on the Group's rating system:

	December 31, 2024						
	Neither Past Due Nor Individually Impaired				Past Due but not Individually Impaired		
	High Grade	Medium Grade	Low Grade	Total	Individually Impaired	Individually Impaired	Total
Cash and cash equivalents* (Note 4)	₱25,251	₱-	₱-	₱25,251	₱-	₱-	₱25,251
Receivables (Note 5)							
Trade receivables	17,001	290	-	17,291	5,145	33	22,469
Loans receivable	1,866	-	-	1,866	-	-	1,866
Accrued rent and commission income	1,213	-	-	1,213	12	619	1,844
Nontrade receivables	1,537	39	76	1,652	153	4	1,809
Accrued interest receivable	787	-	-	787	-	99	886
Management fee receivables	394	-	-	394	-	-	394
Installment contracts receivable	235	-	-	235	125	-	360
Due from related parties (Note 27)	264	-	-	264	-	-	264
Others	633	-	143	776	1	-	777
	₱49,181	₱329	₱219	₱49,729	₱5,436	₱755	₱55,920

*Excludes cash on hand amounting to ₱90.12 million



	December 31, 2023						
	Neither Past Due Nor Individually Impaired				Past Due but not Individually Impaired		
	High Grade	Medium Grade	Low Grade	Total	Individually Impaired	Individually Impaired	Total
Cash and cash equivalents* (Note 4)	₱16,710	₱–	₱–	₱16,710	₱–	₱–	₱16,710
Receivables (Note 5)							
Trade receivables	20,177	384	–	20,561	3,872	26	24,459
Loans receivable	5,989	–	–	5,989	–	–	5,989
Accrued rent and commission income	1,633	–	–	1,633	4	405	2,042
Nontrade receivables	1,328	42	73	1,443	153	4	1,600
Accrued interest receivable	1,231	–	–	1,231	–	99	1,330
Management fee receivables	329	–	–	329	–	–	329
Installment contracts receivable	61	–	–	61	134	–	195
Others	23	–	45	68	3	192	263
Due from related parties (Note 27)	134	–	–	134	–	–	134
	₱47,615	₱426	₱118	₱48,159	₱4,166	₱726	₱53,051

*Excludes cash on hand amounting to ₱21.15 million



As of December 31, 2024 and 2023, the aging analysis of past due but not individually impaired financial assets presented per class, is as follows:

	December 31, 2024								
	Neither Past Due nor Individually Impaired	Past Due but not Individually Impaired					Total	Individually Impaired	Total
		<30 days	30-60 days	61-90 days	91-120 days	>120 days			
Cash and cash equivalents* (Note 4)	₱25,251	₱-	₱-	₱-	₱-	₱-	₱-	₱-	₱25,251
Receivables (Note 5)									
Trade receivable	17,291	1,456	1,966	766	400	557	5,145	33	22,469
Loans receivable	1,866	-	-	-	-	-	-	-	1,866
Accrued rent and commission income	1,213	2	2	1	2	5	12	619	1,844
Non-trade receivable	1,652	67	40	5	3	38	153	4	1,809
Accrued interest receivable	787	-	-	-	-	-	-	99	886
Installment contracts receivable	235	40	24	42	-	19	125	-	360
Management fee receivables	394	-	-	-	-	-	-	-	394
Others	776	1	-	-	-	-	1	-	777
Due from related parties (Note 27)	264	-	-	-	-	-	-	-	264
	₱49,729	₱1,566	₱2,032	₱814	₱405	₱619	₱5,436	₱755	₱55,920

*Excludes cash on hand amounting to ₱90.12 million



December 31, 2023									
	Neither Past Due nor Individually Impaired	Past Due but not Individually Impaired					Total	Individually Impaired	Total
		<30 days	30-60 days	61-90 days	91-120 days	>120 days			
Cash and cash equivalents* (Note 4)	₱16,710	₱-	₱-	₱-	₱-	₱-	₱-	₱-	₱16,710
Receivables (Note 5)									
Trade receivable	20,561	1,240	1,061	716	324	531	3,872	26	24,459
Loans receivable	5,989	-	-	-	-	-	-	-	5,989
Accrued rent and commission income	1,633	1	1	1	1	-	4	405	2,042
Non-trade receivable	1,443	86	18	17	7	25	153	4	1,600
Accrued interest receivable	1,231	-	-	-	-	-	-	99	1,330
Installment contracts receivable	61	43	26	45	-	20	134	-	195
Management fee receivables	329	-	-	-	-	-	-	-	329
Others	68	1	-	-	-	2	3	192	263
Due from related parties (Note 27)	134	-	-	-	-	-	-	-	134
	₱48,159	₱1,371	₱1,106	₱779	₱332	₱578	₱4,166	₱726	₱53,051

*Excludes cash on hand amounting to ₱21.15 million



Liquidity risk

The Group monitors its cash flow position, debt maturity profile and overall liquidity position in assessing its exposure to liquidity risk. The Group maintains a level of cash and cash equivalents deemed sufficient to finance operations and to mitigate the effects of fluctuation in cash flows. Accordingly, its loan maturity profile is regularly reviewed to ensure availability of funding through an adequate amount of credit facilities with financial institutions. Overall, the Group's funding arrangements are designed to keep an appropriate balance between equity and debt, to give financing flexibility while continuously enhancing the Group's businesses. To serve as back-up liquidity, management develops variable funding alternatives either by issuing debt or raising capital.

The tables below summarize the maturity profile of the Group's financial assets and liabilities based on undiscounted contractual payments:

	December 31, 2024			
	Up to 1 year	> 1 to 5 years	> 5 years	Total
Financial assets				
Cash and cash equivalents* (Note 4)	P25,267	P-	P-	P25,267
Receivables (Note 5)				
Trade receivables	22,551	-	-	22,551
Loans receivable	433	1,849	-	2,282
Accrued rent and commission income	1,844	-	-	1,844
Nontrade receivable	1,809	-	-	1,809
Installment contracts receivables	360	-	-	360
Accrued interest receivable	886	-	-	886
Dividend receivable	-	-	-	-
Management fee receivable	394	-	-	394
Others	807	-	-	807
Due from related parties (Note 27)	264	-	-	264
Financial assets at FVTPL (Note 10)				
Investments in UITF	910	-	-	910
Financial assets at FVOCI (Note 10)				
Equity securities				
Quoted	-	-	19,949	19,949
Unquoted	-	-	147	147
Other noncurrent assets				
Derivative assets (Note 14)	-	31	-	31
Total undiscounted financial assets	P55,525	P1,880	P20,096	P77,501
Other financial liabilities				
Accounts and other payables (Note 15)				
Trade payables	P24,682	P-	P-	P24,682
Accrued expenses	11,231	-	-	11,231
Telegraphic transfers and drafts and acceptances payable	5,136	-	-	5,136
Retentions payable	95	1,215	-	1,310
Accrued commissions	1,136	-	-	1,136
Accrued interest payable	1,288	-	-	1,288
Royalty payable	331	-	-	331
Nontrade payables	446	-	-	446
Others	4,698	-	-	4,698
Dividends payable	365	-	-	365
Loans payable (Note 16)	49,591	58,215	34,647	142,453
Due to related parties (Note 27)	439	-	-	439
Liabilities on purchased properties (Note 20)	1,271	-	-	1,271
Other noncurrent liabilities				
Derivative liabilities (Note 20)	-	-	-	-
Total undiscounted financial liabilities	P100,709	P59,430	P34,647	P194,786
Liquidity Gap	(P45,184)	(P57,550)	(P14,551)	(P117,285)

*Excludes cash on hand amounting to P90.12 million.



	December 31, 2023			Total
	Up to 1 year	> 1 to 5 years	> 5 years	
Financial assets				
Cash and cash equivalents* (Note 4)	₱16,717	₱–	₱–	₱16,717
Receivables (Note 5)				
Trade receivables	23,934	586	–	24,520
Loans receivable	990	7,487	–	8,477
Accrued rent and commission income	2,042	–	–	2,042
Nontrade receivable	1,600	–	–	1,600
Installment contracts receivables	195	–	–	195
Accrued interest receivable	1,330	–	–	1,330
Dividend receivable	253	–	–	253
Management fee receivable	329	–	–	329
Others	281	–	–	281
Due from related parties (Note 27)	134	–	–	134
Financial assets at FVTPL (Note 10)				
Investments in UITF	871	–	–	871
Financial assets at FVOCI (Note 10)				
Equity securities				
Quoted	–	–	17,420	17,420
Unquoted	–	–	276	276
Total undiscounted financial assets	₱48,678	₱8,073	₱17,696	₱74,445
Other financial liabilities				
Accounts and other payables (Note 15)				
Trade payables	₱21,903	₱–	₱–	₱21,903
Accrued expenses	8,857	–	–	8,857
Telegraphic transfers and drafts and acceptances payable	4,546	–	–	4,546
Retentions payable	95	1,213	–	1,308
Accrued commissions	1,227	–	–	1,227
Accrued interest payable	977	–	–	977
Royalty payable	326	–	–	326
Nontrade payables	391	–	–	391
Others	3,118	–	–	3,118
Dividends payable	365	–	–	365
Loans payable (Note 16)	40,940	73,629	42,758	157,327
Bonds payable (Note 17)	4,136	–	–	4,136
Due to related parties (Note 27)	416	–	–	416
Liabilities on purchased properties (Note 20)	348	770	528	1,646
Other noncurrent liabilities				
Derivative liabilities (Note 20)	14	–	–	14
Total undiscounted financial liabilities	₱87,659	₱75,612	₱43,286	₱206,557
Liquidity Gap	(₱38,981)	(₱67,539)	(₱25,590)	(₱132,112)

*Excludes cash on hand amounting to ₱21.15 million.

Foreign currency risk

Foreign currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rate. The Group's primary risk management objective is to reduce the Group's exposure to changes in foreign exchange rates. To manage the currency risk, the Group enters into hedging activities.

The Group's foreign currency-denominated financial instruments are included in cash and cash equivalents, receivables, accounts and other payables and loans payable. Cash and cash equivalents denominated in foreign currency amounted to US\$80.38 million and JP¥1.42 billion as of December 31, 2024, US\$73.52 million and JP¥1.82 billion as of December 31, 2023 and US\$63.13 million and JP¥1.17 billion as of December 31, 2022.

Receivables denominated in foreign currency amounted to US\$19.34 million as of December 31, 2024, US\$15.97 million as of December 31, 2023 and US\$1.16 million and JP¥0.62 million as of December 31, 2022, respectively. Accounts and other payables denominated in



foreign currency amounted to US\$256.95 million and JP¥3.90 million as of December 31, 2024, US\$238.26 million and JP¥1.18 billion as of December 31, 2023 and US\$213.84 million as of December 31, 2022.

Loans payables denominated in foreign currency amounted to US\$6.50 million and JP¥22.01 billion as of December 31, 2024, US\$16.45 million and JP¥23.31 billion as of December 31, 2023 and JP¥23.31 billion as of December 31, 2022.

In translating the foreign currency-denominated monetary assets and liabilities into peso amounts, the exchange rates used were ₱58.01 to US\$1.00 and ₱0.37 to JP¥1.00 as at December 31, 2024, ₱55.57 to US\$1.00 and ₱0.39 to JP¥1.00 as at December 31, 2023 and ₱56.12 to US\$1.00 and ₱0.42 to JP¥1.00 as at December 31, 2022.

The following table demonstrates the sensitivity to a reasonably possible change in the Philippine peso-US dollar and Philippine peso-JP¥ exchange rates, with all variables held constant, of the Group's profit before tax (due to changes in the fair value of monetary assets and liabilities) on December 31, 2024, 2023 and 2022. There is no other impact on the Group's equity other than those already affecting the consolidated statements of comprehensive income.

	Currency	Increase (Decrease) in foreign exchange rate	Increase (Decrease) in Income Before Tax
2024	US\$	(2.41) 2.41	₱296 (296)
	JP¥	(0.0247) 0.0247	382 (382)
2023	US\$	(2.51) 2.51	311 (311)
	JP¥	(0.0233) 0.0233	396 (396)
2022	US\$	(1.79) 1.79	201 (201)
	JP¥	(0.0152) 0.0152	252 (252)

The Group determined the reasonably possible change in foreign exchange rate by using the absolute average change in Philippine peso-US dollar and Philippine peso-JP¥ exchange rates for the past three (3) years.

Fair Value Hedge

The Parent Company's primary risk management strategy is to reduce the Parent Company's exposure to changes in foreign exchange rates. In this regard, the Parent Company designated a layer of its JPY-denominated long-term loan (the "Hedging Instrument") to hedge the variability in the fair value arising from the translation of its investment in Toyota Motor Corporation (TMC) (the "Hedged Item") amounting to ¥22.01 billion due to fluctuations in JPY/PHP foreign exchange (FX) rates. The hedged risk is the variability in the fair value arising from the translation of the investments (the Hedged Items) due to fluctuations in JPY/PHP FX rates (foreign currency risk). The hedged item is the variability in the fair value arising from the translation of the investments (the Hedged Items) due to foreign currency risk. The hedging instrument is the of ¥22.01 billion layer of the principal amount of its long-term loan with various lenders. The terms of the hedging relationships will end in March 2027. The effectiveness of hedging relationship is tested prospectively. All designated hedging relationships were sufficiently effective as of December 31, 2024 and 2023.



Economic relation between the hedged item and the hedging instrument was qualitatively tested by matching their critical terms. The hedged items create a foreign currency risk on the translation of investments amounting to ¥22.01 billion while the hedging instruments create the exact offset of this risk. Since the critical terms of the hedged item and hedging instrument matched, a clear economic relationship was established. The Parent Company's and the counterparty's credit risk were monitored for adverse changes. The Parent Company assessed that the risk associated with them and the counterparty is considered minimal, at inception, and during the year and did not dominate the value changes that result from the economic relationship. The hedge ratio for hedge accounting purposes is 1:1 or 100% since only a layer of the long-term loan which exactly matches the notional amount of the hedged item was designated as hedging instrument.

Cash Flow Hedge

Non-deliverable forward

In 2022, Toyota entered into non-deliverable forward (NDF) contracts with various banks to purchase U.S. Dollars at a specified rate in return for a specified amount of Philippine Peso. Delivery is on a specified future date. NDF contracts are designated as hedging instruments in cash flow hedges of forecast purchases in U.S. Dollars. These forecast transactions are highly probable, and they comprise about 50% of its total expected purchases in U.S. Dollars. The NDF contract balances vary with the level of expected foreign currency purchases and changes in foreign exchange forward rates. These contracts have various maturity dates from January to April 2023 and were all settled in 2023.

The objective of the use of derivative financial instruments is to reduce the risk to earnings and cash flows associated with changes in foreign currency exchange rates. Toyota does not use these instruments for speculative or trading purposes. Derivative instruments are recognized as either assets or liabilities in the accompanying consolidated financial statements and are measured at fair value. Gains and losses resulting from changes in the fair values of those derivative instruments are recorded to earnings or other comprehensive income (loss).

The Group is holding the following hedging instruments designated as cash flow hedges as of December 31, 2022:

	Maturity		Total
	Up to 3 months	> 3 to 6 months	
Non-deliverable forward contracts			
Notional amount (in millions)	US\$300	US\$129	US\$429
Average forward rate	56.10	55.58	55.94

The tables set out the outcome of the Group's hedging strategy, the carrying amounts of the derivatives and the changes in fair values used for measuring hedge ineffectiveness separately showing the effective and ineffective portions as of December 31, 2022:

	Carrying value	Change in fair value of hedged item used for measuring ineffectiveness	Effective portion recognized in OCI	Hedge ineffectiveness recognized in the consolidated statement of income
Non-deliverable forward contracts				
Derivative liability	₱46	(₱26)	₱45	₱-



The Group follows a prudent policy in managing its assets and liabilities so as to ensure that exposure to fluctuation in foreign exchange rates are kept within acceptable limits. There is no ineffectiveness recognized in the profit or loss as the changes in the fair value of the hedged items used as basis for recognizing hedge ineffectiveness equals to the carrying amount of the hedging instruments.

Set out below is the reconciliation of each component of equity and the analysis of other comprehensive income in 2023 and 2022:

	2023		
	Cash Flow Hedge Reserve	Cost of Hedging Reserve	Total
Balance at beginning of year	₱-	₱1	₱1
Amount reclassified to profit or loss	-	(1)	(1)
Balance at end of year (net of tax)	₱-	₱-	₱-

	2022		
	Cash Flow Hedge Reserve	Cost of Hedging Reserve	Total
Balance at beginning of year	₱-	₱-	₱-
Effective portion of changes in fair value	(46)	-	(46)
Amount transferred to inventories	20	1	21
Amount reclassified to profit or loss	26	-	26
Balance at end of year (net of tax)	₱-	₱1	₱1

Interest rate risk

The Group's interest rate exposure management policy centers on reducing the Group's overall interest expense and exposure to changes in interest rates. Changes in market interest rates relate primarily to the Group's interest-bearing debt obligations with floating interest rate as it can cause a change in the amount of interest payments.

The Group manages its interest rate risk by leveraging on its premier credit rating and maintaining a debt portfolio mix of both fixed and floating interest rates. The portfolio mix is a function of historical, current trend and outlook of interest rates, volatility of short-term interest rates, the steepness of the yield curve and degree of variability of cash flows.

As of December 31, 2024 and 2023, except for the Parent Company's JPY loans, the Group has no financial instruments subject to floating interest rates. There is no sensitivity to the changes in interest rates on the Group's income before tax through the impact of floating rate borrowings because the risk is effectively hedged by an interest rate swap.

Cash Flow Hedge

Interest rate swap

The Parent Company entered into an interest rate swap ("IRS") agreement to hedge the variability in the interest cash flows arising from its floating rate loan with various lenders (the "Loan"), attributable to changes in the three-month JPY TONA ("3m JPY TONA") (Note 16). The hedged risk is variability in interest cash flows of the Loan attributable to changes in the 3m JPY TONA (interest rate risk). The hedged item is the interest cash flows on the Loan which is based on 3m JPY TONA + margin, floored at 0%. The hedging instrument is an IRS under which the Parent Company will pay fixed interest at a rate of 0.852% to 1.255% per annum and receive variable interest based on 3m JPY TONA. The terms of the hedging relationships will end in March 2027. The effectiveness of hedging relationship is tested prospectively. The designated hedging relationship was sufficiently effective as of December 31, 2024 and 2023.



An economic relation between the hedged item and the hedging instrument was qualitatively tested by matching their critical terms. The hedged item creates an exposure to pay 3m JPY TONA (floored at 0%) + 0.65% to 0.80%, settled quarterly. The hedging instrument creates an exact offset of this exposure with a consequence of paying a fixed interest payment of 0.852% to 1.255% per annum. Since most of the critical terms of the hedged item and hedging instrument matched, a clear economic relationship was established. The Parent Company's and the counterparty's credit risk was monitored for adverse changes. The Parent Company assessed that the risk associated with them and the counterparty is considered minimal, at inception, and during the year and did not dominate the value changes that result from the economic relationship. The hedge ratio for hedge accounting purposes is 1:1 or 100% since the notional amount of the IRS exactly matches the notional amount of the Loan. The hedge ineffectiveness can arise from the counterparties' credit risk differently impacting the fair value movements of the hedging instrument and the hedged item.

The Group is holding the following hedging instruments designated as cash flow hedges as of December 31, 2024 and 2023:

	Maturity				
	Up to 3 months	> 3 to 6 months	> 6 to 12 months	> 1 to 2 years	More than 2 years
2024					
Interest rate swap					
Fixed interest rate (%)					
¥22.01 billion until March 2027	1.255%	1.255%	1.255%	1.255%	1.255%
2023					
Interest rate swap					
Fixed interest rate (%)					
¥11.655 billion up to July 2024	0.852%	0.852%	0.852%	—	—
¥11.655 billion up to July 2024	0.865%	0.865%	0.865%	—	—
¥23.31 billion from July 2024 to March 2027	—	—	1.255%	1.255%	1.255%

In accordance with the terms of the loan, the Parent Company may prepay on the last day of an interest period applicable thereto, the whole or any part of the loan. On July 13, 2024, the Parent Company prepaid ¥1.30 billion and redesignated its ¥22.01 billion loan.

The tables set out the outcome of the Group's hedging strategy, the carrying amounts of the derivatives the Group uses as hedging instruments and the changes in fair values used for measuring hedge ineffectiveness separately showing the effective and ineffective portions as of December 31, 2024 and 2023:

	December 31, 2024			
	Carrying value	Change in fair value of hedged item used for measuring ineffectiveness	Effective portion recognized in OCI	Hedge ineffectiveness recognized in the consolidated statement of income
Floating rate loans				
Interest rate swap				
Derivative asset	¥31	¥31	¥31	¥-



December 31, 2023				
	Carrying value	Change in fair value of hedged item used for measuring ineffectiveness	Effective portion recognized in OCI	Hedge ineffectiveness recognized in the consolidated statement of income
Floating rate loans				
Interest rate swap				
Derivative liability	₱14	₱14	₱14	₱-

The Group follows a prudent policy in managing its assets and liabilities so as to ensure that exposure to fluctuation in interest rates are kept within acceptable limits. There is no ineffectiveness recognized in the profit or loss as the changes in the fair value of the hedged items used as basis for recognizing hedge ineffectiveness equals to the carrying amount of the hedging instruments.

The movement in cash flow hedge reserve follows:

	2024	2023
Balance at beginning of year	(₱14)	₱88
Net unrealized gain (loss) on cash flow hedge	45	(102)
Balance at end of year (net of tax)	₱31	(₱14)

Equity price risk

Equity price risk is the risk that the fair values of investments in quoted equity securities could decrease as a result of changes in the levels of equity indices and the value of individual stocks. The Group is exposed to equity securities price risk because of financial assets at FVOCI held by the Group.

The table below shows the sensitivity to a reasonably possible change in the Philippine Stock Exchange index (PSEi), with all other variables held constant, of the Group's equity (through other comprehensive income) due to changes in the carrying value of the Group's financial assets at FVOCI. The analysis links PSEi changes, which proxies for general market movements, to individual stock prices through their betas. Betas are coefficients depicting the sensitivity of individual prices to market movements.

The sensitivity range is based on the historical volatility of the PSEi for the past year. The analysis is based on the assumption that last year's PSEi volatility will be more or less the same in the following year.

	Percentage change in PSEi	Increase (decrease) in total comprehensive income
2024	Increase by 23.48%	₱385
	Decrease by 23.48%	(385)
2023	Increase by 20.56%	₱267
	Decrease by 20.56%	(267)

The table below shows the sensitivity to a reasonably possible change in the Tokyo Stock Exchange index (TSEi), with all other variables held constant, of the Group's equity (through other comprehensive income) due to changes in the carrying value of the Group's financial assets at FVOCI. The analysis links TSEi changes, which proxies for general market movements, to individual stock prices through their betas. Betas are coefficients depicting the sensitivity of individual prices to market movements.



The sensitivity range is based on the historical volatility of the TSEi for the past year. The analysis is based on the assumption that last year's TSEi volatility will be more or less the same in the following year.

	Percentage change in TSEi	Increase (decrease) in total comprehensive income
2024	Increase by 17.69%	₱3,165
	Decrease by 17.69%	(3,165)
2023	Increase by 25.09%	₱3,958
	Decrease by 25.09%	(3,958)

34. Basic/Diluted Earnings Per Share

The basic/diluted earnings per share attributable to equity holders of the Parent Company for the years ended December 31, 2024, 2023 and 2022 were computed as follows (amounts in millions, except earnings per share):

	2024	2023 (As restated)	2022
a. Net income attributable to equity holders of the Parent Company	₱28,783	₱29,313	₱18,360
b. Effect of dividends declared to voting and perpetual preferred shareholders of the Parent Company	(365)	(365)	(589)
c. Net income attributable to common shareholders of the Parent Company	28,418	28,948	17,771
d. Weighted average number of outstanding common shares of the Parent Company (Note 22)	215	215	215
e. Basic/diluted earnings per share (c / d)	₱132.00	₱134.46	₱82.55

Basic and diluted earnings per share are the same due to the absence of dilutive potential common shares.

35. Operating Segments

Segment Information

For management purposes, the Group is organized into business units based on their products and activities and has the following reportable segments:

- Real estate is engaged in real estate and leasing, development and selling of properties of every kind and description, as well as ancillary trading of goods such as petroleum, non-fuel products on wholesale or retail basis, maintenance of a petroleum service station, engaging in food and restaurant service and acting as a marketing agent for and in behalf of any real estate development company or companies;
- Financial institutions are engaged in the banking and insurance industry and financing institution;
- Automotive operations are engaged in the assembly, manufacture, importation, sale and distribution of all kinds of automobiles including automobile parts, accessories, and instruments;
- Infrastructure is engaged in the water distribution, toll operation, power sector, hospitals and rail; and
- Others pertain to other corporate activities of the Group (i.e., capital-raising activities, acquisitions and investments).



The Chief Operating Decision Maker (CODM), which is the Executive Committee, monitors the operating results of the Group for making decisions about resource allocation and performance assessment. Segment performance is evaluated based on revenue, earnings before interest, taxes and depreciation/amortization (EBITDA) and pretax income which are measured similarly under PFRS Accounting Standards, except for EBITDA. EBITDA is computed by reconciling net interest income (expense) and provision for income taxes to the net income and adding back depreciation and amortization expenses for the period.

For the years ended December 31, 2024, 2023 and 2022, there were no revenue transactions with a single external customer which accounted for 10% or more of the consolidated revenue from external customers. Intragroup transactions were eliminated during consolidation.

Segment Assets

Segment assets are resources owned by each of the operating segments that are employed in its operating activities.

Segment Liabilities

Segment liabilities are obligations incurred by each of the operating segments from its operating activities.



The following tables present the financial information of the operating segments of the Group as of and for the years ended December 31, 2024, 2023 and 2022:

	December 31, 2024					
	Real Estate	Financial Institution	Automotive Operations	Infrastructure	Others	Total
Revenue	₱6,797	₱-	₱282,631	₱-	₱1	₱289,429
Other income	2,640	-	2,001	-	586	5,227
Equity in net income of associates and joint venture	1,071	19,284	-	4,955	-	25,310
	10,508	19,284	284,632	4,955	587	319,966
Cost of goods and services sold	945	-	201,027	-	-	201,972
Cost of goods manufactured and sold	-	-	42,748	-	-	42,748
Cost of rental	933	-	-	-	1	934
Cost of real estate sales	1,871	-	-	-	-	1,871
General and administrative expenses	4,398	-	18,012	-	758	23,168
	8,147	-	261,787	-	759	270,693
Earnings before interest and taxes	2,361	19,284	22,845	4,955	(172)	49,273
Depreciation and amortization	655	-	1,055	-	25	1,735
EBITDA	3,016	19,284	23,900	4,955	(147)	51,008
Interest income	272	-	844	-	445	1,561
Interest expense	(2,736)	-	(442)	-	(4,128)	(7,306)
Depreciation and amortization	(655)	-	(1,055)	-	(25)	(1,735)
Pretax income (loss)	(103)	19,284	23,247	4,955	(3,855)	43,528
Provision for income tax	(27)	-	(5,878)	-	(105)	(6,010)
Net income (loss)	(₱)	₱19,284	₱17,369	₱4,955	(₱3,855)	₱37,518
Segment assets	₱117,107	₱163,250	₱95,246	₱50,654	₱47,831	₱474,088
Segment liabilities	₱66,733	₱-	₱55,005	₱-	₱72,500	₱194,238



	December 31, 2023 (As restated – Note 8)					
	Real Estate	Financial Institution	Automotive Operations	Infrastructure	Others	Total
Revenue	₱14,181	₱–	₱261,544	₱–	₱1	₱275,726
Other income	3,656	–	2,118	–	798	6,572
Equity in net income of associates and joint venture	2,269	17,207	–	4,022	–	23,498
	20,106	17,207	263,662	4,022	799	305,796
Cost of goods and services sold	1,063	–	188,285	–	–	189,348
Cost of goods manufactured and sold	–	–	39,661	–	–	39,661
Cost of rental	904	–	–	–	1	905
Cost of real estate sales	5,400	–	–	–	–	5,400
General and administrative expenses	3,965	–	15,641	–	651	20,257
	11,332	–	243,587	–	652	255,571
Earnings before interest and taxes	8,774	17,207	20,075	4,022	147	50,225
Depreciation and amortization	653	–	1,532	–	11	2,196
EBITDA	9,427	17,207	21,607	4,022	158	52,421
Interest income	524	–	428	–	523	1,475
Interest expense	(3,062)	–	(570)	–	(4,256)	(7,888)
Depreciation and amortization	(653)	–	(1,532)	–	(11)	(2,196)
Pretax income	6,236	17,207	19,933	4,022	(3,586)	43,812
Provision for income tax	(1,752)	–	(4,933)	–	(252)	(6,937)
Net income	₱4,484	₱17,207	₱15,000	₱4,022	(₱3,838)	₱36,875
Segment assets	₱116,961	₱151,328	₱92,339	₱47,364	₱39,194	₱447,186
Segment liabilities	₱66,435	₱–	₱55,489	₱–	₱77,438	₱199,362



	December 31, 2022					
	Real Estate	Financial Institution	Automotive Operations	Infrastructure	Others	Total
Revenue	₱5,193	₱-	₱211,945	₱-	₱169	₱217,307
Other income	8,188	-	1,914	-	468	10,570
Equity in net income of associates and joint venture	1,238	13,587	-	1,630	-	16,455
	14,619	13,587	213,859	1,630	637	244,332
Cost of goods and services sold	859	-	156,220	-	-	157,079
Cost of goods manufactured and sold	-	-	36,366	-	-	36,366
Cost of rental	817	-	-	-	13	830
Cost of real estate sales	2,996	-	-	-	63	3,059
General and administrative expenses	4,033	-	12,576	-	669	17,278
	8,705	-	205,162	-	745	214,612
Earnings before interest and taxes	5,914	13,587	8,697	1,630	(108)	29,720
Depreciation and amortization	673	-	1,431	-	13	2,117
EBITDA	6,587	13,587	10,128	1,630	(95)	31,837
Interest income	689	-	147	-	139	975
Interest expense	(2,401)	-	(228)	-	(4,515)	(7,144)
Depreciation and amortization	(673)	-	(1,431)	-	(13)	(2,117)
Pretax income	4,202	13,587	8,616	1,630	(4,484)	23,551
Provision for income tax	224	-	(2,008)	-	(36)	(1,820)
Net income	₱4,426	₱13,587	₱6,608	₱1,630	(₱4,520)	₱21,731
Segment assets	₱120,648	₱135,668	₱66,586	₱40,055	₱54,199	₱417,156
Segment liabilities	₱82,282	₱-	₱38,497	₱-	₱83,363	₱204,142



Geographical Information

The following table shows the distribution of the Group's consolidated revenues to external customers by geographical market, regardless of where the goods were produced:

	2024	2023 (As restated – Note 8)	2022
Domestic	₱310,327	₱296,435	₱235,574
Foreign	11,200	10,836	9,733
	₱321,527	₱307,271	₱245,307

36. Contingencies

In the normal course of the Group's operations, certain entities within the Group have pending tax assessments/claims which are in various stages of protest/appeal with the tax authorities, the amounts of which cannot be reasonably estimated. The information usually required by PAS 37 is not disclosed on the ground that it can be expected to prejudice the outcome of pending litigations.

In order to partially guarantee the completion of Federal Land's ongoing projects and in the ordinary course of the Group's business, the Parent Company issued Letters of Guarantee (LG) in favor of the Department of Human Settlements and Urban Development (formerly Housing and Land Use Regulatory Board) for a total guarantee amount of ₱0.51 billion, ₱1.53 billion and ₱2.40 billion as of December 31, 2024, 2023 and 2022, respectively.

37. Events After the Reporting Date

On January 27, 2025, the Parent Company paid the quarterly cash dividends amounting to ₱91.21 million, or ₱12.74 per share in favor of GT Capital's perpetual preferred series B stockholders of record date January 6, 2025.

On March 18, 2025, the BOD of the Parent Company approved the declaration of regular cash dividends amounting to ₱1.29 billion, or ₱6.00 per common share payable on a semi-annual basis. The first tranche in favor of GT Capital's common stockholders of record as of April 2, 2025 is payable on April 16, 2025. The exact dates of the second payout will be determined during the regular meeting of the Board of Directors in August 2025.

On March 18, 2025, the BOD of the Parent Company approved the declaration of special cash dividends amounting to ₱430.57 million, or ₱2.00 per share in favor of GT Capital's common stockholders of record as of April 2, 2025, payable on April 16, 2025.

As of March 18, 2025, the Parent Company acquired an additional 4.0 million common shares of Metrobank for a total consideration of ₱282.09 million. This increased the Parent Company's ownership interest in Metrobank from 37.15% to 37.23%.



38. Notes to Consolidated Statements of Cash Flows

Below are the noncash operating, investing and financing transactions of the Group:

	2024	2023	2022
Investments in associates and joint ventures (Note 8)	3,220	–	–
Transfers between investment property and inventories (Note 6)	₱407	₱608	₱5,904
Borrowing costs capitalized to inventories (Note 6)	364	517	400
Right-of-use assets (Note 11)	70	274	–

The following are the changes in liabilities in 2024 and 2023 arising from financing activities including both cash and non-cash changes:

	January 1, 2024	Availment*	Payment	Forex movement	Amortization of day 1 loss	Amortization of deferred financing cost	Others*	December 31, 2024
Short-term debt (Note 16)	₱21,116	₱51,025	(₱42,259)	₱29	₱–	₱–	₱–	₱29,911
Current portion of long-term debt (Note 16)	16,110	–	(12,404)	–	–	–	13,748	17,454
Long-term debt - net of current portion (Note 16)	95,528	–	(4,412)	(598)	–	99	(13,748)	76,869
Current portion of bonds payable (Note 17)	3,997	–	(4,000)	–	–	3	–	–
Current portion of liabilities on purchased properties (Notes 20 and 27)	348	–	(348)	–	20	–	981	1,001
Liabilities on purchased properties - net of current portion (Notes 20 and 27)	981	–	–	–	–	–	(981)	–
	₱138,080	₱51,025	(₱63,423)	(₱569)	₱20	₱102	₱–	₱125,235

* Others include reclassification from noncurrent to current portion.



	January 1, 2023	Availment*	Payment	Forex movement	Amortization of day 1 loss	Amortization of deferred financing cost	Others**	December 31, 2023
Short-term debt (Note 16)	₱14,582	₱77,086	(₱70,538)	(₱14)	₱-	₱-	₱-	₱21,116
Current portion of long-term debt (Note 16)	7,758	-	(3,604)	-	-	-	11,956	16,110
Long-term debt - net of current portion (Note 16)	118,033	538	(10,641)	(569)	-	123	(11,956)	95,528
Current portion of bonds payable	6,099	-	(6,099)	-	-	(3)	4,000	3,997
Bonds payable (Note 17)	3,992	-	-	-	-	8	(4,000)	-
Current portion of liabilities on purchased properties (Notes 20 and 27)	348	-	(348)	-	29	-	319	348
Liabilities on purchased properties - net of current portion (Notes 20 and 27)	1,300	-	-	-	-	-	(319)	981
	₱152,112	₱77,624	(₱91,230)	(₱583)	₱29	₱128	₱-	₱138,080

*Availments net of documentary stamp taxes amounting to ₱5.0 million.

**Others include reclassification from noncurrent to current portion.



39. Approval for the Issuance of the Consolidated Financial Statements

The accompanying consolidated financial statements of the Group were approved and authorized for issue by the Parent Company's BOD on March 18, 2025.

INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY SCHEDULES

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

We have audited in accordance with Philippine Standards on Auditing the consolidated financial statements of GT Capital Holdings, Inc. and its subsidiaries (the Group) as at December 31, 2024 and 2023 and for each of the three years in the period ended December 31, 2024 and have issued our report thereon dated March 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 purposes of complying with the Revised Securities Regulation Code Rule 68, and are not part of the basic consolidated financial statements. These schedules have been subjected to the auditing procedures applied in the audit of the basic consolidated financial statements and, in our opinion, fairly state, in all material respects, the financial information required to be set forth therein in relation to the basic consolidated financial statements taken as a whole.

SYCIP GORRES VELAYO & CO.

Miguel U. Ballelos Jr.

Miguel U. Ballelos, Jr.

Partner

CPA Certificate No. 109950

Tax Identification No. 241-031-088

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

BIR Accreditation No. 08-001998-114-2025, January 8, 2025, valid until January 7, 2028

PTR No. 10465266, January 2, 2025, Makati City

March 18, 2025



INDEPENDENT AUDITOR'S REPORT COMPONENTS OF FINANCIAL SOUNDNESS INDICATORS

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

We have audited in accordance with Philippine Standards on Auditing the consolidated financial statements of GT Capital Holdings, Inc. and its subsidiaries (the Group) as at December 31, 2024 and 2023 and for each of the three years in the period ended December 31, 2024, and have issued our report thereon dated March 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 Components of 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 (SRC) Rule 68 issued by the Securities and Exchange Commission, and is not a required part of the basic consolidated financial statements prepared in accordance with PFRS Accounting Standards. The components of these financial soundness indicators have been traced to the Group's consolidated financial statements as at December 31, 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.

Miguel U. Ballelos Jr.

Miguel U. Ballelos, Jr.

Partner

CPA Certificate No. 109950

Tax Identification No. 241-031-088

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PTR No. 10465266, January 2, 2025, Makati City

March 18, 2025



GT CAPITAL HOLDINGS, INC.

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AND SUPPLEMENTARY SCHEDULES
DECEMBER 31, 2024**

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GT CAPITAL HOLDINGS, INC. AND SUBSIDIARIES

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

FOR THE YEAR ENDED DECEMBER 31, 2024

(In Millions)

Unappropriated Retained Earnings, beginning		₱35,831
Add: Net income actually earned during the period		
Net income during the period, closed to Retained Earnings	13,309	
Less: Non-actual/unrealized income		
Unrealized market valuation gain on financial assets at FVPTL	(40)	
PFRS interest accretion	<u>(34)</u>	
Net income actually earned during the period		13,235
Less: Dividend declarations during the period	(2,088)	
Treasury shares	<u>(484)</u>	
		<u>(2,572)</u>
TOTAL RETAINED EARNINGS, END OF THE YEAR AVAILABLE FOR DIVIDEND		₱46,494

GT CAPITAL HOLDINGS, INC. AND SUBSIDIARIES

SUPPLEMENTARY SCHEDULES REQUIRED BY ANNEX 68-J

FOR THE YEAR ENDED DECEMBER 31, 2024

(In Millions)

Schedule A. Financial Assets

Name of issuing entity and association of each issue (i)	Number of shares or principal amount of bonds and notes	Amount shown in the balance sheet (ii)	Valued based on market quotation at end of reporting period (iii)	Income received and accrued
Investment securities				
Financial assets at FVTPL	Various	₱910	₱910	₱–
Financial assets at FVOCI				
Quoted	Various	19,950	19,950	546
Unquoted	Various	147	147	13

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

Name of debtor	Designation of debtor	Balance of beginning of period	Additions	Amounts collected (ii)	Amounts written off (iii)	Current	Not Current	Balance at end of period
E. O. Garcia	Rank & File / Supervisor	₱1	₱–	(₱1)	₱–	₱–	₱–	₱–
M. G. Canlobo	Rank & File / Supervisor	1	–	(1)	–	–	–	–
R. C. Delos Santos Jr.	Rank & File / Supervisor	1	–	(1)	–	–	–	–
B. S. Lanuza	Rank & File / Supervisor	1	–	(1)	–	–	–	–
E. R. Balanag	Rank & File / Supervisor	1	–	(1)	–	–	–	–
D. M. Cabantog	Rank & File / Supervisor	1	–	(1)	–	–	–	–
A. A. Agtay	Rank & File / Supervisor	1	–	(1)	–	–	–	–
V. B. Delos Santos	Officer	1	–	(1)	–	–	–	–
C. J. Completo	Officer	1	–	(1)	–	–	–	–
C. B. Benitez	Officer	1	–	(1)	–	–	–	–
A. G. Lopez	Officer	1	–	(1)	–	–	–	–
E. D. Salazar	Rank & File / Supervisor	1	–	(1)	–	–	–	–
F. B. Cosino	Rank & File / Supervisor	–	1	(1)	–	–	–	–
L. B. Aguilera	Rank & File / Supervisor	1	–	(1)	–	–	–	–
F. C. Escrimadora	Rank & File / Supervisor	1	–	(1)	–	–	–	–
R. S. Bautista	Rank & File / Supervisor	1	–	(1)	–	–	–	–
B. E. Dionela	Officer	1	–	(1)	–	–	–	–
M. E. Arvesu	Rank & File / Supervisor	1	–	(1)	–	–	–	–

Name of debtor	Designation of debtor	Balance of beginning of period	Additions	Amounts collected (ii)	Amounts written off (iii)	Current	Not Current	Balance at end of period
G. A. Infante	Rank & File / Supervisor	₱1	₱-	(₱1)	₱-	₱-	₱-	₱-
N. C. Laserna	Rank & File / Supervisor	1	-	(1)	-	-	-	-
F. C. Hermosa	Rank & File / Supervisor	1	-	(1)	-	-	-	-
M. T. Obligado	Officer	1	-	(1)	-	-	-	-
M. M. Legaspi	Rank & File / Supervisor	1	-	(1)	-	-	-	-
H. P. Hernandez	Rank & File / Supervisor	1	-	(1)	-	-	-	-
M. O. Medina	Rank & File / Supervisor	1	-	(1)	-	-	-	-
L. A. Sy	Officer	1	-	(1)	-	-	-	-
L. M. Garcia	Officer	1	-	(1)	-	-	-	-
G. T. Lural	Rank & File / Supervisor	1	-	(1)	-	-	-	-
R. M. Lanip	Rank & File / Supervisor	1	-	(1)	-	-	-	-
J. L. Orteza	Officer	1	-	(1)	-	-	-	-
L. N. Sombilon	Rank & File / Supervisor	1	-	(1)	-	-	-	-
M. B. Antonio	Officer	1	-	(1)	-	-	-	-
D. C. Dy	Rank & File / Supervisor	1	-	(1)	-	-	-	-
A. P. Peralta	Rank & File / Supervisor	1	-	(1)	-	-	-	-
R. B. De Grano	Officer	1	-	(1)	-	-	-	-
R. A. Santos	Rank & File / Supervisor	1	-	-	-	1	-	1
R. C. Chavez	Rank & File / Supervisor	1	-	(1)	-	-	-	-
R. B. Cube	Rank & File / Supervisor	1	-	(1)	-	-	-	-
R. G. Malate	Rank & File / Supervisor	1	-	(1)	-	-	-	-
J. C. Villanueva	Officer	1	-	(1)	-	-	-	-
A. L. Peñaojas	Rank & File / Supervisor	1	-	(1)	-	-	-	-
A. M. Abante	Officer	1	-	(1)	-	-	-	-
W. F. Guerrero	Rank & File / Supervisor	1	-	(1)	-	-	-	-
N. D. Galon Jr.	Rank & File / Supervisor	1	-	(1)	-	-	-	-
J. A. Padojinog	Rank & File / Supervisor	1	-	(1)	-	-	-	-
R. L. Veluz	Rank & File / Supervisor	1	-	(1)	-	-	-	-
R. B. Magdaong	Rank & File / Supervisor	1	-	(1)	-	-	-	-
A. M. Sabido	Rank & File / Supervisor	1	-	(1)	-	-	-	-

Name of debtor	Designation of debtor	Balance of beginning of period	Additions	Amounts collected (ii)	Amounts written off (iii)	Current	Not Current	Balance at end of period
C. T. Pastrana	Rank & File / Supervisor	₱1	₱-	(₱1)	₱-	₱-	₱-	₱-
J. G. Jimenez	Rank & File / Supervisor	1	-	(1)	-	-	-	-
R. S. Macasieb	Rank & File / Supervisor	1	-	(1)	-	-	-	-
C. A. Negro	Rank & File / Supervisor	1	-	(1)	-	-	-	-
G. F. Delos Reyes	Rank & File / Supervisor	1	-	(1)	-	-	-	-
M. J. Vicente	Officer	1	-	(1)	-	-	-	-
F. B. De Guzman Jr.	Rank & File / Supervisor	1	-	(1)	-	-	-	-
R. R. De Guzman	Rank & File / Supervisor	1	-	(1)	-	-	-	-
L. M. Abuzo	Rank & File / Supervisor	1	-	-	-	-	1	1
D. T. Roma	Rank & File / Supervisor	1	-	-	-	-	1	1
R. T. Bascon	Rank & File / Supervisor	1	-	-	-	-	1	1
A. V. Pesigan	Rank & File / Supervisor	1	-	-	-	-	1	1
S. T. Chua-Lim	Officer	1	-	(1)	-	-	-	-
J. D. Manaig	Rank & File / Supervisor	1	-	-	-	-	1	1
R. L. O Coner	Officer	1	-	(1)	-	-	-	-
J. M. Roqueza	Officer	1	-	(1)	-	-	-	-
A. V. Peralta	Rank & File / Supervisor	1	-	-	-	1	-	1
D. A. Lagman	Rank & File / Supervisor	1	-	(1)	-	-	-	-
R. G. Waje	Rank & File / Supervisor	1	-	(1)	-	-	-	-
V. Q. Oclarino	Officer	1	-	-	-	-	1	1
R. R. Gutierrez	Officer	1	-	(1)	-	-	-	-
A. C. Llarena	Officer	1	-	-	-	-	1	1
S. L. Yap	Rank & File / Supervisor	1	-	(1)	-	-	-	-
D. F. Mendiola	Officer	1	-	(1)	-	-	-	-
E. I. Alvarez	Officer	1	-	(1)	-	-	-	-
I. C. Sincioco	Officer	1	-	-	-	-	1	1
B. O. Añonuevo	Rank & File / Supervisor	1	-	-	-	-	1	1
N. S. Molar	Rank & File / Supervisor	1	-	(1)	-	-	-	-
C. S. Ablaza	Officer	1	-	(1)	-	-	-	-
E. O. Natividad	Rank & File / Supervisor	1	-	-	-	-	1	1
M. B. Lanto	Rank & File / Supervisor	1	-	(1)	-	-	-	-

Name of debtor	Designation of debtor	Balance of beginning of period	Additions	Amounts collected (ii)	Amounts written off (iii)	Current	Not Current	Balance at end of period
A. A. Palomares	Rank & File / Supervisor	₱1	₱-	₱-	₱-	₱1	₱-	₱1
A. C. Dacoco	Rank & File / Supervisor	1	-	-	-	-	1	1
J. V. Maghirang	Rank & File / Supervisor	1	-	-	-	-	1	1
K. A. Portus	Rank & File / Supervisor	1	-	-	-	-	1	1
J. S. Matsuo	Officer	1	-	(1)	-	-	-	-
D. T. Calma	Rank & File / Supervisor	1	-	-	-	-	1	1
M. B. Bicongco	Rank & File / Supervisor	1	-	-	-	-	1	1
R. B. Villanueva	Rank & File / Supervisor	1	-	(1)	-	-	-	-
A. G. Tepora	Officer	1	-	(1)	-	-	-	-
R. M. Gayorgor	Rank & File / Supervisor	1	-	(1)	-	-	-	-
J. M. Mañalac	Rank & File / Supervisor	1	-	-	-	-	1	1
R. M. Maunahan	Rank & File / Supervisor	1	-	-	-	-	1	1
R. V. Cortez	Rank & File / Supervisor	1	-	-	-	-	1	1
M. P. Garcia	Rank & File / Supervisor	1	-	-	-	-	1	1
E. C. Anido	Rank & File / Supervisor	1	-	-	-	-	1	1
J. V. Morada	Rank & File / Supervisor	1	-	(1)	-	-	-	-
G. E. Vicencio	Rank & File / Supervisor	1	-	-	-	-	1	1
J. D. Francisco	Rank & File / Supervisor	1	-	-	-	-	1	1
E. P. Ramos	Rank & File / Supervisor	1	-	(1)	-	-	-	-
R. A. Ymson	Rank & File / Supervisor	1	-	-	-	-	1	1
E. M. Claro	Officer	1	-	-	-	-	1	1
M. B. Rarela	Rank & File / Supervisor	1	-	-	-	-	1	1
A. S. Paguio Jr.	Rank & File / Supervisor	1	-	-	-	-	1	1
B. L. Abraham	Rank & File / Supervisor	1	-	-	-	-	1	1
R. M. Mercado	Rank & File / Supervisor	1	-	-	-	-	1	1
C. R. Belen	Rank & File / Supervisor	1	-	-	-	-	1	1
M. E. Rios	Rank & File / Supervisor	1	-	-	-	-	1	1
I. D. Ducay	Rank & File / Supervisor	1	-	-	-	-	1	1
E. P. Magpantay	Rank & File / Supervisor	1	-	-	-	-	1	1

Name of debtor	Designation of debtor	Balance of beginning of period	Additions	Amounts collected (ii)	Amounts written off (iii)	Current	Not Current	Balance at end of period
		₱1	₱-	₱-	₱-	₱-	₱1	₱1
R. T. Namó	Rank & File / Supervisor							
J. A. Mamonong	Officer	1	-	-	-	-	1	1
A. S. Dayrit	Officer	1	-	-	-	-	1	1
H. L. Buendia	Officer	1	-	-	-	-	1	1
M. J. Nagera	Officer	1	-	-	-	-	1	1
B. Z. Villaroman Iii	Officer	1	-	-	-	-	1	1
A. C. Hayag	Rank & File / Supervisor	1	-	-	-	-	1	1
J. M. Atienza	Officer	1	-	(1)	-	-	-	-
R. B. Dugang	Officer	1	-	-	-	-	1	1
J. A. Marañá	Rank & File / Supervisor	1	-	-	-	-	1	1
S. D. Dela Rosa	Rank & File / Supervisor	1	-	-	-	-	1	1
J. C. Cayman	Rank & File / Supervisor	1	-	-	-	-	1	1
R. B. Fabula	Rank & File / Supervisor	1	-	-	-	-	1	1
R. S. Aquino	Rank & File / Supervisor	1	-	-	-	-	1	1
A. E. Cayabyab	Rank & File / Supervisor	1	-	-	-	-	1	1
A. A. Nazareth	Rank & File / Supervisor	1	-	-	-	-	1	1
M. C. Buena	Officer	1	-	-	-	-	1	1
V. D. Arceo	Rank & File / Supervisor	1	-	-	-	-	1	1
E. T. Ochoa Jr.	Officer	1	-	-	-	-	1	1
L. C. Capidos	Rank & File / Supervisor	1	-	-	-	-	1	1
M. P. De Leon	Rank & File / Supervisor	1	-	-	-	-	1	1
A. F. Furio	Rank & File / Supervisor	1	-	-	-	-	1	1
M. D. Nuque	Rank & File / Supervisor	1	-	-	-	-	1	1
M. N. Arevalo	Officer	1	-	-	-	-	1	1
A. D. Bargo	Officer	1	-	-	-	-	1	1
J. I. Leonardo	Rank & File / Supervisor	1	-	-	-	-	1	1
J. P. Mazo	Rank & File / Supervisor	1	-	-	-	-	1	1
R. C. Castillo	Rank & File / Supervisor	1	-	-	-	-	1	1
A. L. Garces	Rank & File / Supervisor	1	-	-	-	-	1	1
R. N. Metica	Rank & File / Supervisor	1	-	-	-	1	-	1
M. L. Gardiner	Officer	1	-	-	-	-	1	1

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

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

Name of debtor	Designation of debtor	Balance of beginning of period	Additions	Amounts collected (ii)	Amounts written off (iii)	Current	Not Current	Balance at end of period
		₱-	₱1	₱-	₱-	₱-	₱1	₱1
J. H. Vito	Rank & File / Supervisor							
A. B. Godoy	Rank & File / Supervisor	-	1	-	-	-	1	1
N. T. Espejon	Rank & File / Supervisor	-	1	-	-	-	1	1
E. N. Alcantara Jr.	Rank & File / Supervisor	-	1	-	-	-	1	1
A. E. Rizaldo	Rank & File / Supervisor	-	1	-	-	-	1	1
L. L. Cabauatan	Rank & File / Supervisor	-	1	-	-	-	1	1
A. C. Prado	Rank & File / Supervisor	-	1	-	-	-	1	1
M. M. Peria	Rank & File / Supervisor	-	1	-	-	-	1	1
M. H. Espeso	Rank & File / Supervisor	-	1	-	-	-	1	1
L. F. Brecia	Rank & File / Supervisor	-	1	-	-	-	1	1
A. A. Marcellana	Rank & File / Supervisor	-	1	-	-	-	1	1
R. G. Guevarra	Officer	-	1	-	-	-	1	1
P. D. Dean	Rank & File / Supervisor	-	1	(1)	-	-	-	-
M. A. Alcaraz	Rank & File / Supervisor	-	1	-	-	-	1	1
E. D. Palma Jr.	Rank & File / Supervisor	-	1	-	-	-	1	1
J. A. Dela Cruz	Rank & File / Supervisor	-	1	-	-	-	1	1
R. M. Torrechilla	Rank & File / Supervisor	-	1	-	-	-	1	1
M. C. Sangel	Rank & File / Supervisor	-	1	-	-	-	1	1
V. S. Leonen	Rank & File / Supervisor	-	1	-	-	-	1	1
J. G. Mercado	Rank & File / Supervisor	1	1	(1)	-	-	1	1
G. V. Rodriguez	Rank & File / Supervisor	-	2	(1)	-	-	1	1
R. N. Ongchangeo	Rank & File / Supervisor	-	1	-	-	-	1	1
R. M. Simon	Rank & File / Supervisor	-	1	-	-	-	1	1
E. G. Luciano	Officer	-	1	-	-	-	1	1
N. O. Manglo	Officer	-	2	(1)	-	-	1	1
A. L. Cansicio	Rank & File / Supervisor	-	1	-	-	-	1	1
C. G. Alcancia	Officer	-	1	-	-	-	1	1
D. T. Tagubase	Officer	-	1	-	-	-	1	1
C. T. Dionela	Officer	-	1	-	-	-	1	1
J. S. Abes	Officer	-	1	-	-	-	1	1

Name of debtor	Designation of debtor	Balance of beginning of period	Additions	Amounts collected (ii)	Amounts written off (iii)	Current	Not Current	Balance at end of period
N. A. Recto	Rank & File / Supervisor	₱-	₱2	(₱1)	₱-	₱-	₱1	₱1
M. S. Santos	Rank & File / Supervisor	-	2	(1)	-	-	1	1
V. D. Carvajal	Rank & File / Supervisor	-	1	(1)	-	-	-	-
R. F. Ison	Officer	-	1	-	-	-	1	1
M. V. Ulanday	Officer	-	2	(1)	-	-	1	1
D. Z. Robosa	Officer	-	1	-	-	-	1	1
D. R. Escuro	Officer	1	2	(1)	-	1	1	2
W. V. Gonzales	Officer	-	2	(1)	-	-	1	1
J. D. Sison	Officer	-	2	(1)	-	-	1	1
R. A. Evangelista	Rank & File / Supervisor	-	2	(1)	-	-	1	1
K. S. Manalo	Rank & File / Supervisor	-	2	(1)	-	-	1	1
C. E. Hacuman Jr.	Rank & File / Supervisor	-	2	(2)	-	-	-	-
	Total	₱169	₱91	(₱96)	₱-	₱5	₱159	₱164

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

Name of debtor	Relationship	Balance at beginning of period	Net Transaction	Current	Not Current	Balance at end of period
Toyota San Fernando Pampanga, Inc.	Subsidiary of Toyota Motor Philippines Corp.	₱735	(₱315)	₱420	₱-	₱420
Toyota Makati, Inc.	-do-	850	(311)	540	-	540
Lexus Manila, Inc.	-do-	349	(169)	180	-	180
TMP Logistics, Inc.	-do-	14	(6)	8	-	8
Toyota Mobility Solutions Philippines, Inc.	-do-	4	4	8	-	8
Toyota Sta. Rosa Laguna Inc.	Affiliate of Toyota Motor Philippines Corp.	1	-	1	-	1
Topsphere Realty Development Co. Inc.	Subsidiary of Federal Land, Inc.	1,038	80	1,118	-	1,118
Federal Property Management Corp.*	-do-	4	-	4	-	4
Central Realty & Dev't Corp.	-do-	228	-	228	-	228
Horizon Land Property Development Corp.	-do-	820	1,573	2,392	-	2,392
Toyota Motor Philippines Corporation	Affiliate of Federal Land, Inc.	-	905	905	-	905
TMBC Insurance Agency Corporation	Affiliate of GT Capital Auto and Mobility Holdings, Inc.	1	1	2	-	2
Oxfordshire Holdings, Inc.	-do-	12	1	13	-	13
Toyota Santa Rosa Laguna, Insurance Agency, Inc.	-do-	5	(4)	1	-	1
Toyota Sta. Rosa Laguna Inc.	Subsidiary of GT Capital Auto and Mobility Holdings, Inc.	-	87	87	-	87
		₱4,061	₱1,846	₱5,907	₱-	₱5,907

* Formerly Omni Orient Management Corp.

Schedule D. Long Term Debt

Title of issue and type of obligation (i)	Amount authorized by indenture	Amount shown under caption "Current portion of long-term debt" in related balance sheet (ii)	Amount shown under caption "Long-Term Debt" in related balance sheet (iii)	Other details
Loans payable	₱ 7,000	₱6,965	₱-	Interest rate of 5.7895% and will mature on March 26, 2025
Loans payable	6,000	5,970	-	Interest rate of 5.5400% and will mature on March 26, 2025
Loans payable	2,000	2	1,986	Interest rate of 6.0526% and will mature on December 4, 2027
Loans payable	4,000	4	3,970	Interest rate of 6.0375% and will mature on December 3, 2027
Loans payable	2,000	2	1,984	Interest rate of 6.1842% and will mature on December 22, 2028
Loans payable	4,000	4	3,971	Interest rate of 5.7895% and will mature on December 22, 2026
Loans payable	10,000	100	9,660	Interest rate of 7.3232% and will mature on March 27, 2030
Loans payable	15,000	150	14,506	Interest rate of 6.8453% and will mature on March 27, 2028
Loans payable	3,000	30	2,928	Interest rate of 5.6640% and will mature on November 4, 2029
Loans payable	4,000	40	3,940	Interest rate of 5.5843% and will mature on February 24, 2032
Loans payable	5,000	-	4,972	Interest rate of 4.9002% and will mature on July 13, 2032
Loans payable	8,082	-	8,043	Interest rate of 3-month JPY TONA plus 0.80% and will mature on July 13, 2027
Loans payable	79	-	79	Interest rate of 4.2% and will mature on February 26, 2026, subject to automatic renewal for another 5 years upon maturity
Loans payable	91	-	91	Interest rate of 2.7% and will mature on September 28, 2025, subject to automatic renewal for another 10 years upon maturity
Loans payable	76	-	76	Interest rate of 2.7% and will mature on October 23, 2026, subject to automatic renewal for another 10 years upon maturity
Loans payable	1,100	157	78	Interest rates ranging from 4.85% to 5.94% and will mature on May 29, 2026
Loans payable	1,320	1,320	-	Fixed interest rate of 5.05%. Principal payment of the loan will start on December 31, 2020 to 2024 at the amount of 176 million per year and the remaining balance will be paid on maturity date
Loans payable	796	796	-	Interest rate of 6.07% with a term of 10 years and will be paid in full on maturity date
Loans payable	199	-	199	Interest rate of 5.8633% subject to equal annual principal amortization of ₱0.2 million starting on May 29, 2021 and fully payable on May 29, 2026
Loans payable	350	350	-	Interest rate of 7.75% and fully payable on December 29, 2025
Loans payable	1,565	1,564	-	Interest rate of 5.00% and will be payable on July 2, 2025
Loans payable	725	-	725	Interest rate of 7.98% per annum and payable in 2026
Loans payable	363	-	361	Interest rate of 7.59% per annum and payable in 2026
Loans payable	750	-	750	Interest rate of 8.31% per annum and payable in 2026
Loans payable	4,200	-	4,182	Interest rate of 5.00% per annum and payable in 2026
Loans payable	2,713	-	2,699	Interest rate of 6.10% per annum and payable in 2028
Loans payable	2,100	-	2,092	₱2,000 million with interest rate of 5.00% per annum will mature on September 6, 2026; ₱1,000 million with interest rate of 5.00% will mature on September 8, 2026
Loans payable	1,400	-	1,395	Interest rate of 8.42% per annum and payable on September 8, 2026
Loans payable	457	-	454	Interest rate of 6.15% per annum and payable in 2029
Loans payable	913	-	908	Interest rate of 6.73% per annum and payable in 2029
Loans payable	1,440	-	1,434	Interest rate of 8.16% per annum and payable in 2027
Loans payable	810	-	807	Interest rate of 8.16% per annum and payable in 2027
Loans payable	900	-	896	Interest rate of 8.16% per annum and payable in 2027
Loans payable	1,500	-	1,493	Interest rate of 6.87% per annum and payable in 2027
Loans payable	1,500	-	1,493	Interest rate of 6.87% per annum and payable in 2027
Loans payable	700	-	697	Interest rate of 6.43% per annum and payable in 2028
	₱96,129	₱17,454	₱76,869	

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

Name of related party	Balance at beginning of period	Balance at end of period	Remarks
Metropolitan Bank & Trust Co.	₱7,261	₱6,586	Due to payments during the year
Toyota Aisin Philippines, Inc.	79	79	

Schedule F. Guarantees of Securities of Other Issuers

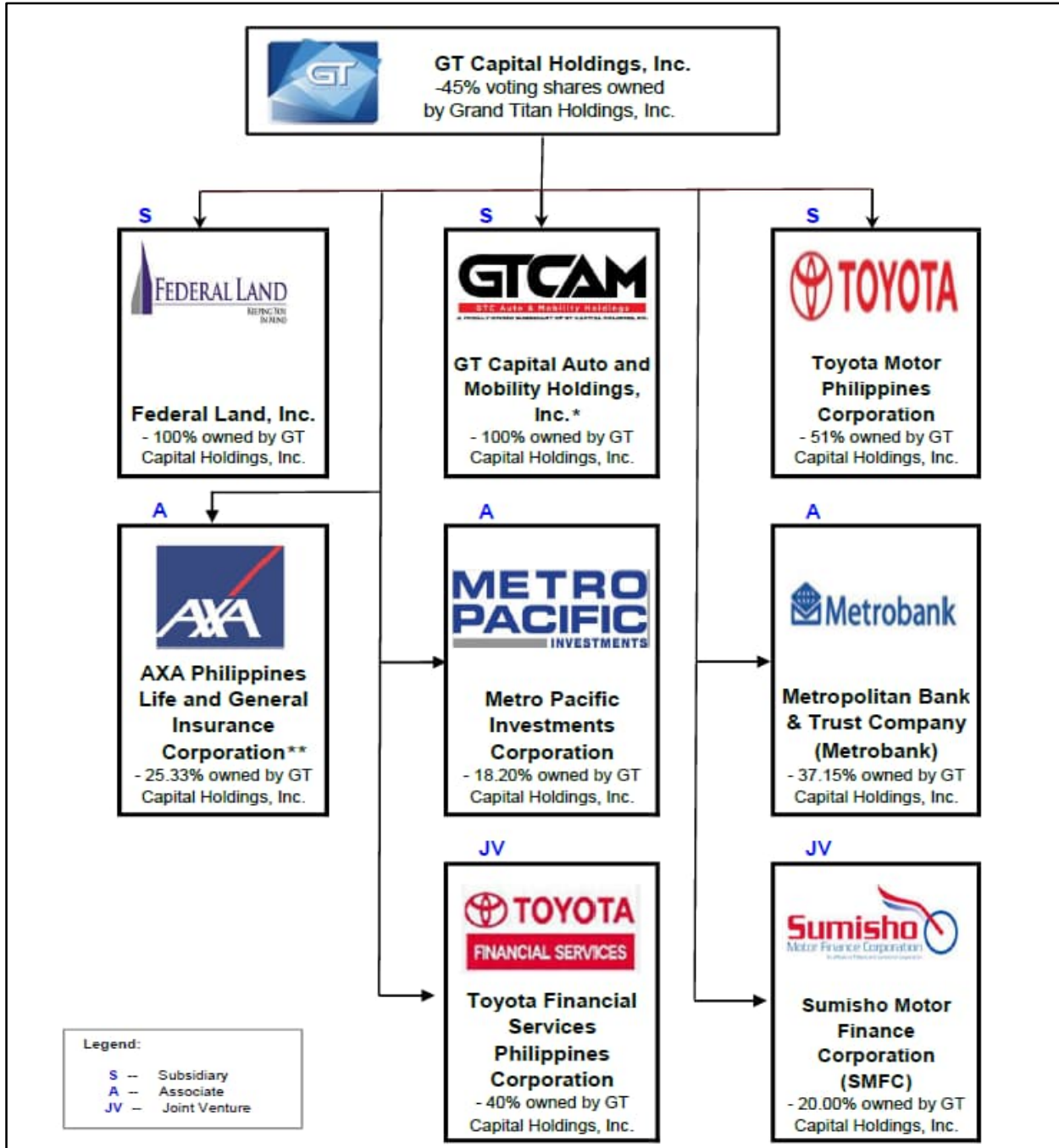
Name of issuing entity of securities guaranteed by the company for which this statement is filed	Title of issue of each class of securities guaranteed	Total amount guaranteed and outstanding	Amount owned by person for which statement is filed	Nature of guarantee
NONE				

Schedule G. Capital Stock (in absolute amounts)

Title of issue	Number of Shares authorized	Number of Shares issued and outstanding and shown under related balance sheet caption	Number of shares reserved for options, warrants, conversion and other rights	Number of shares held by related parties	Directors, officers and employees	Others
Common stock	298,257,000	215,284,587	—	120,413,658	694,960	94,175,969
Voting preferred stock	174,300,000	174,300,000	—	55,847,403	2,676,619	115,775,978
Perpetual preferred stock	20,000,000	7,160,760	—	—	1,200	7,159,560

GT CAPITAL HOLDINGS, INC. AND SUBSIDIARIES

MAP OF RELATIONSHIP BETWEEN AND AMONG THE PARENT COMPANY AND ITS SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES AS OF DECEMBER 31, 2024



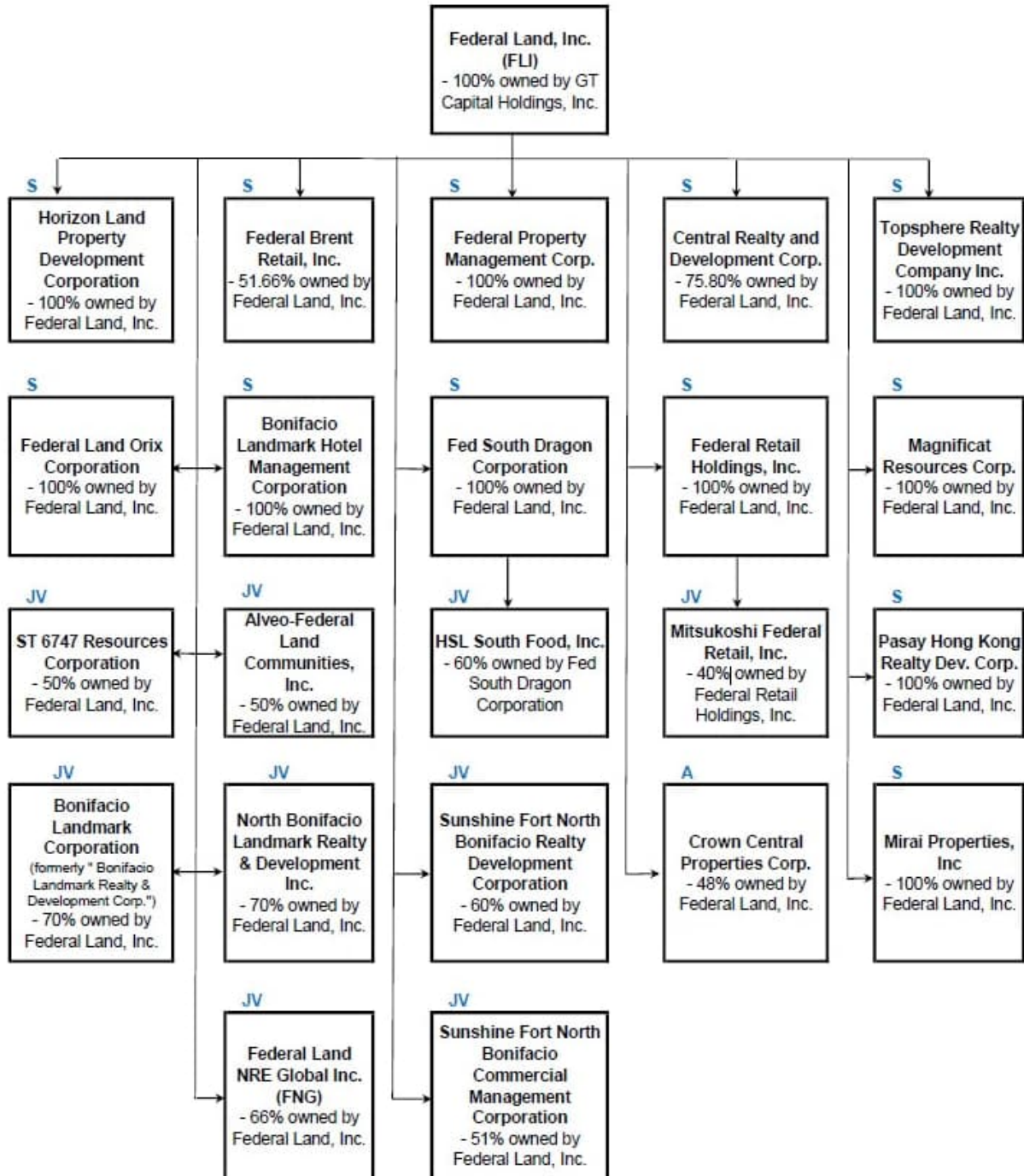
* Formerly GT Capital Auto Dealership Holdings, Inc.

** Formerly Philippine AXA Life Insurance Corporation

FEDERAL LAND, INC.

SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

AS OF DECEMBER 31, 2024

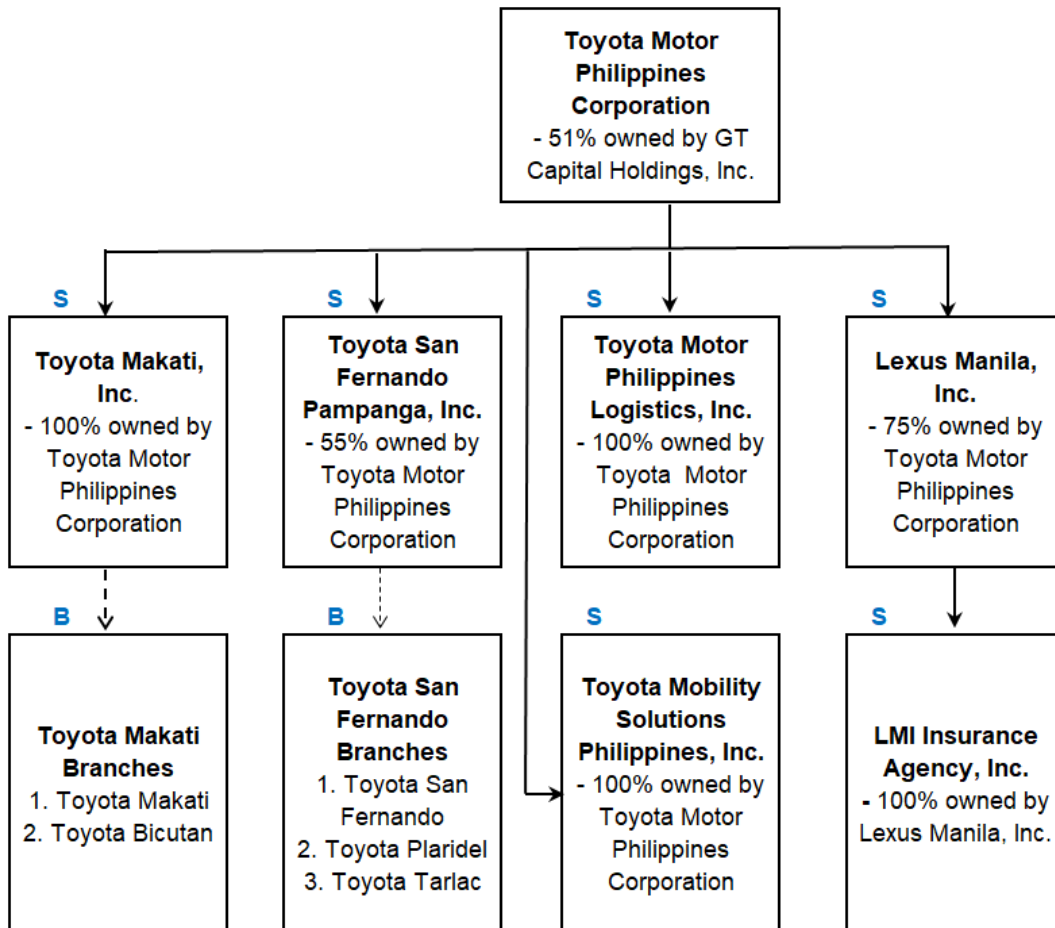


LEGEND:
Subsidiary (S)
Associate (A)
Joint Venture (JV)

TOYOTA MOTOR PHILIPPINES CORPORATION

SUBSIDIARIES

AS OF DECEMBER 31, 2024



LEGEND:

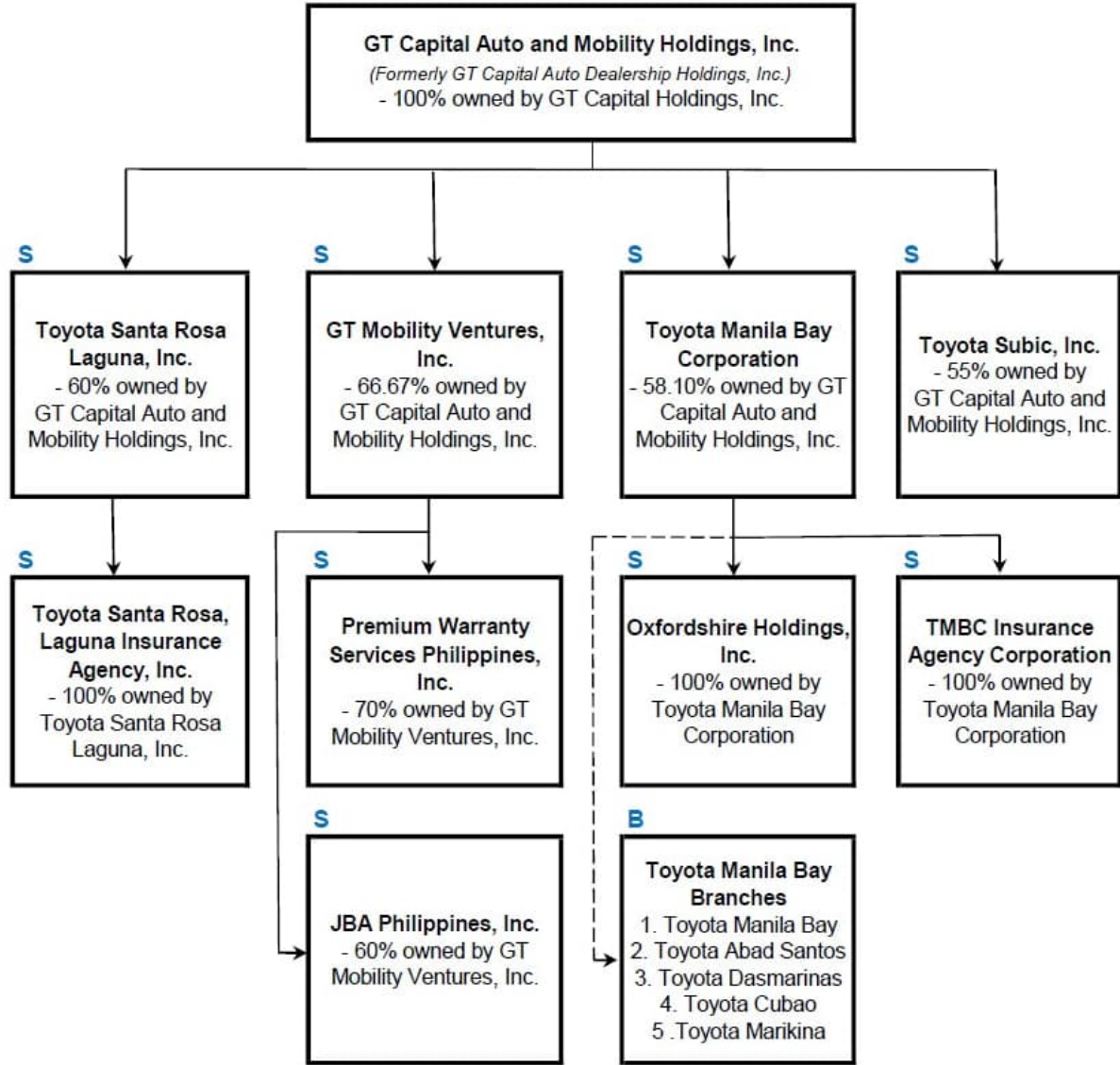
Subsidiary (S)

Branch (B)

GT CAPITAL AUTO AND MOBILITY HOLDINGS, INC.

SUBSIDIARIES

AS OF DECEMBER 31, 2024

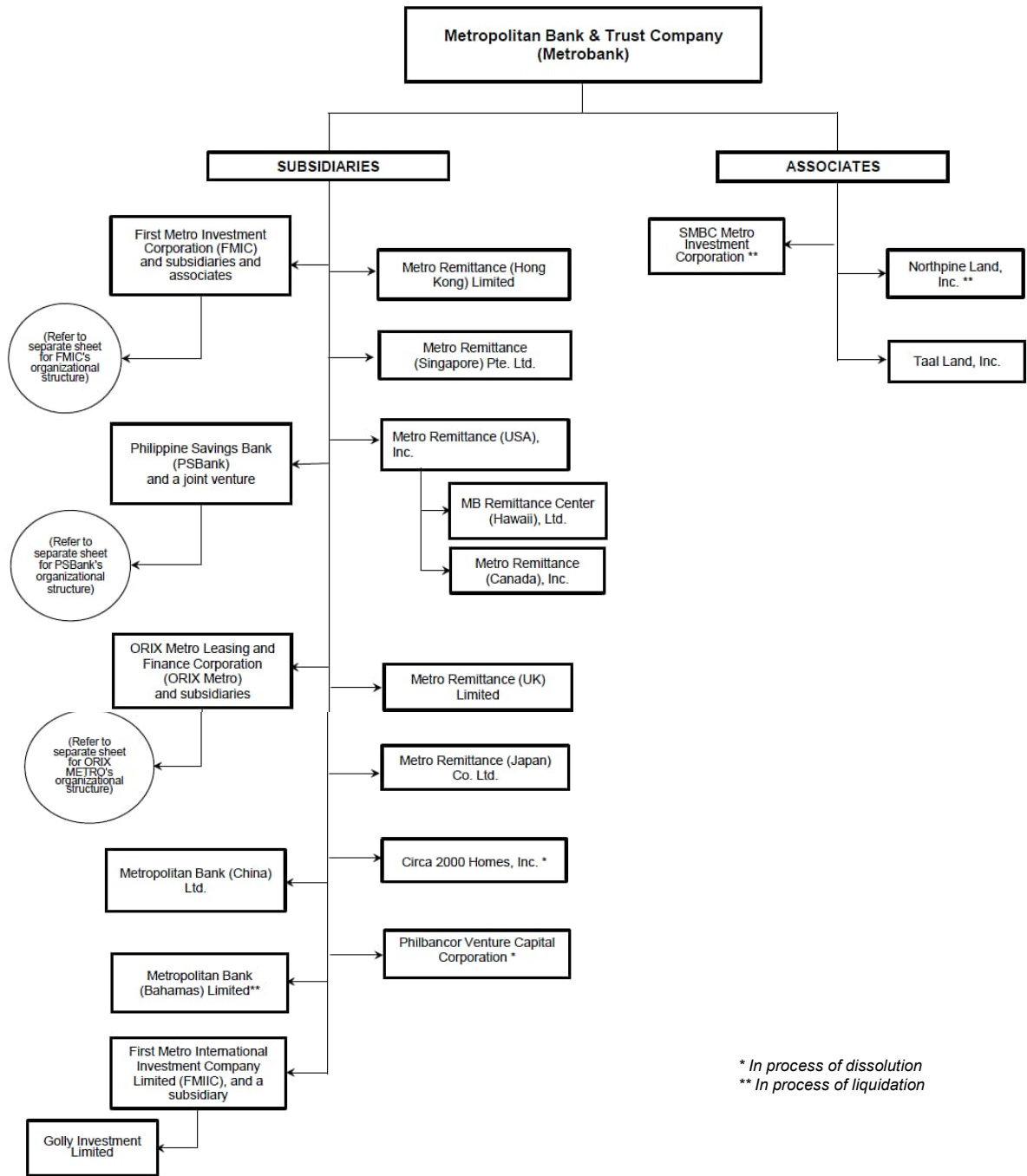


LEGEND:

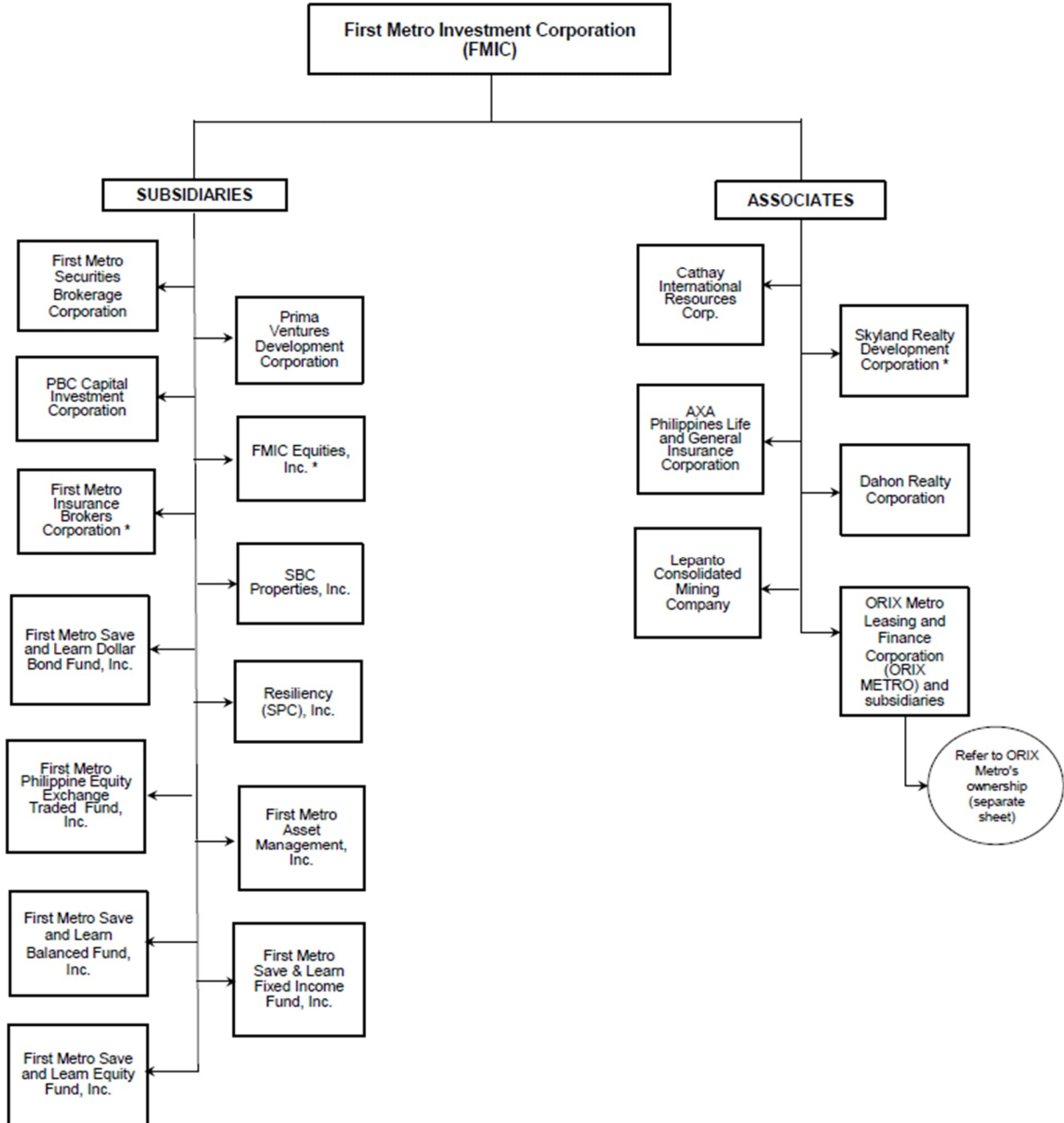
Subsidiary (S)

Branches (B)

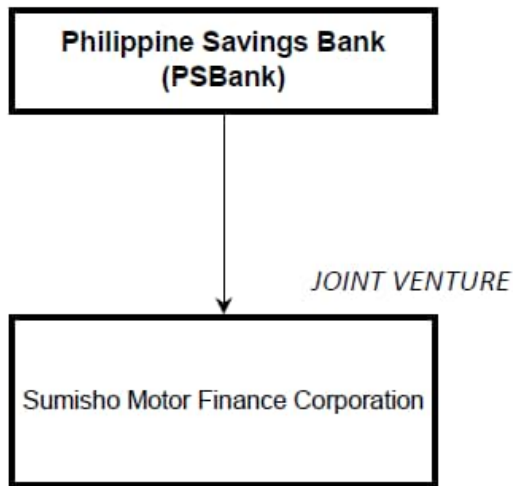
METROPOLITAN BANK & TRUST COMPANY
SUBSIDIARIES AND ASSOCIATES
AS OF DECEMBER 31, 2024



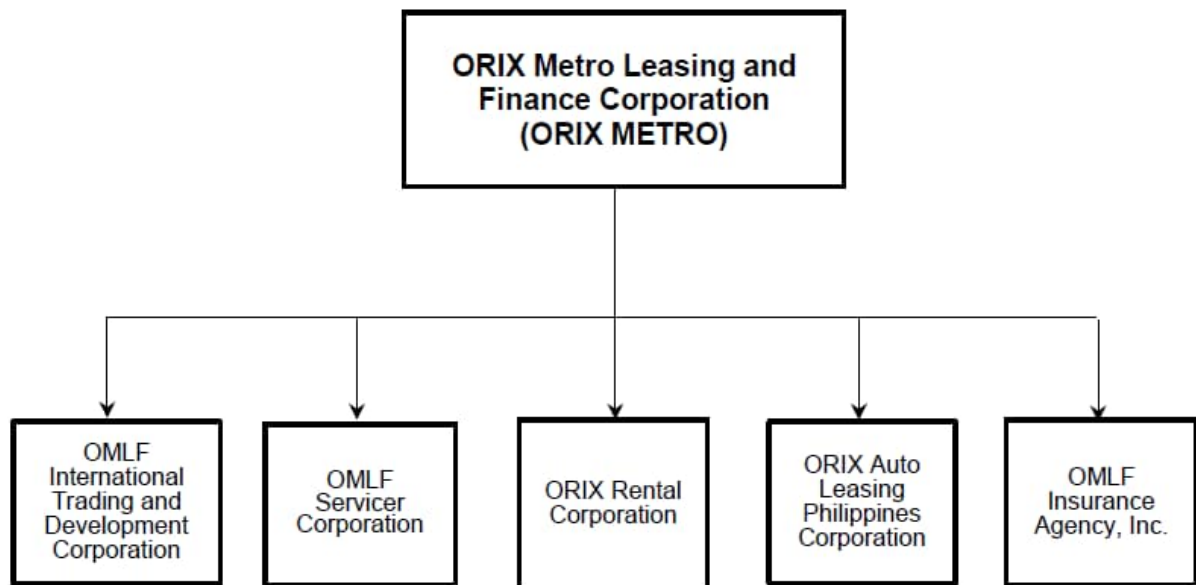
First Metro Investment Corporation
 Subsidiaries, Joint Venture and Associates
 As of December 31, 2024



Philippine Savings Bank
Joint Venture
As of December 31, 2024



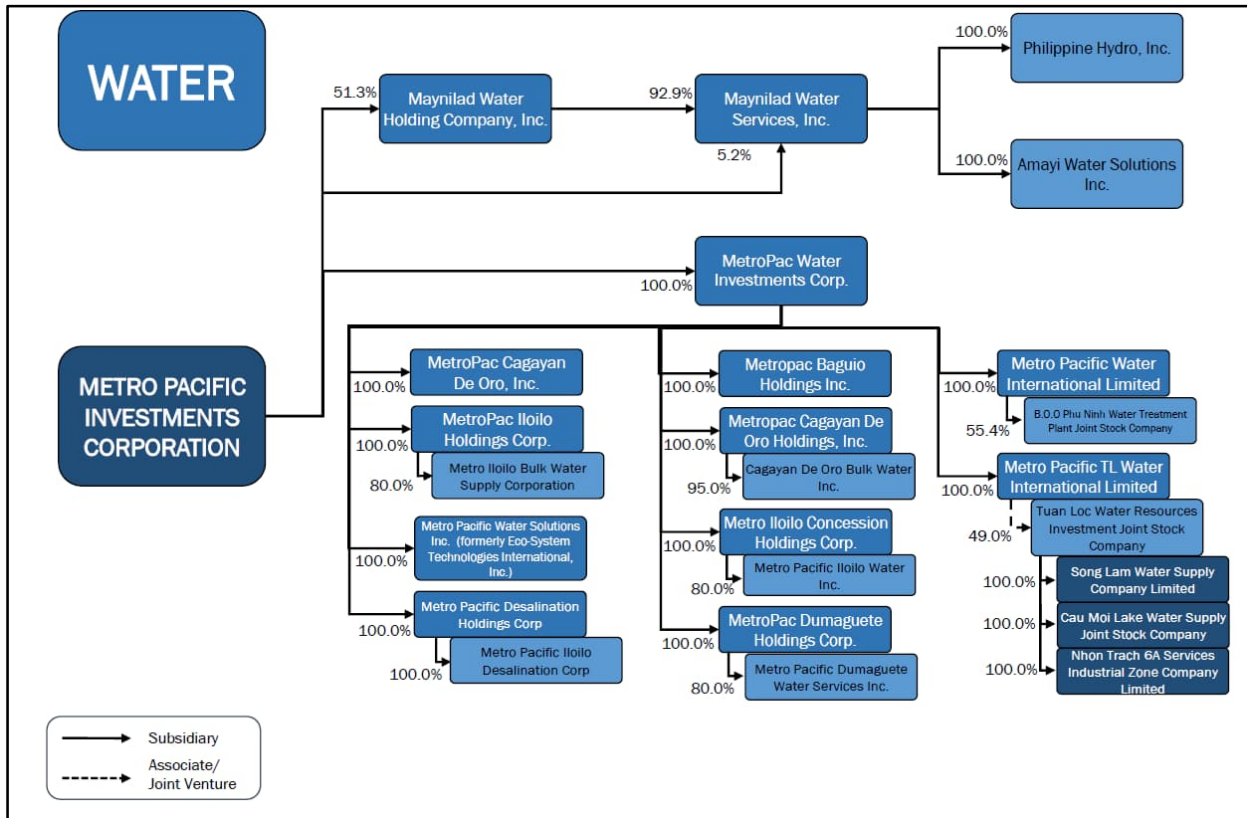
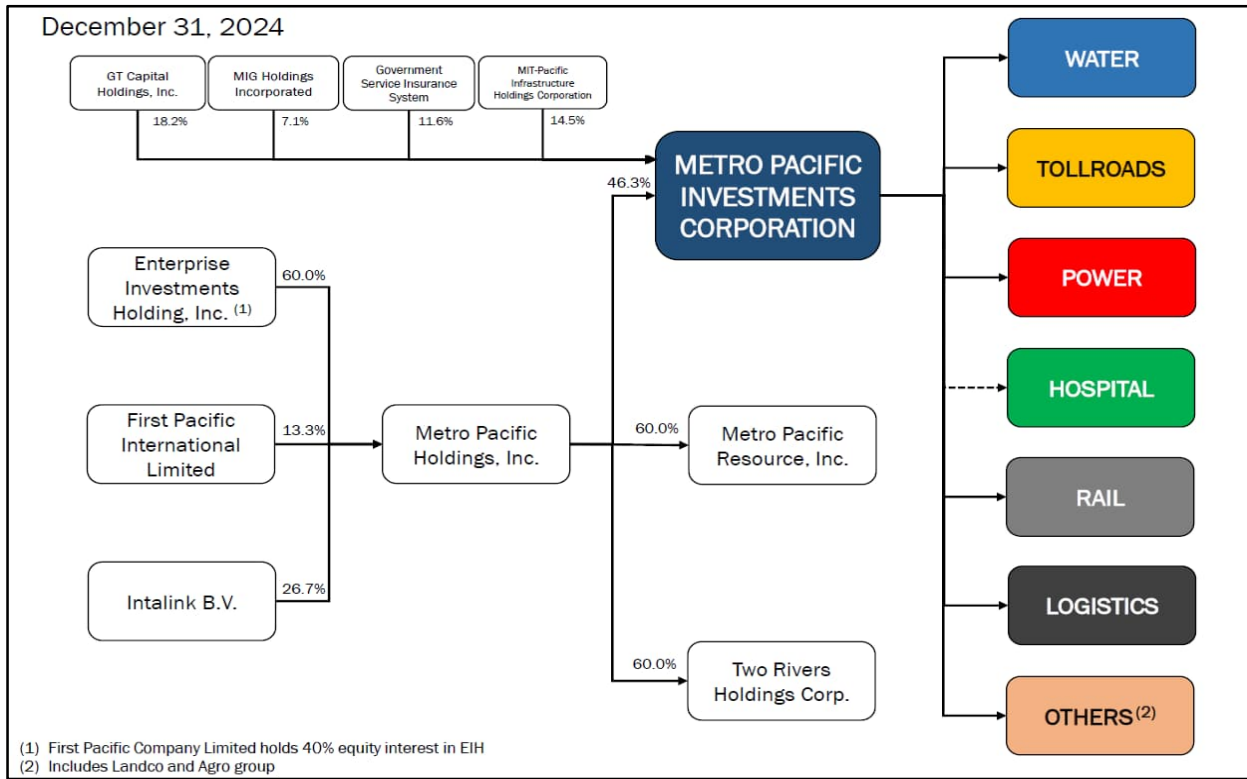
ORIX Metro Leasing and Finance Corporation (ORIX METRO)
Subsidiaries
As of December 31, 2024

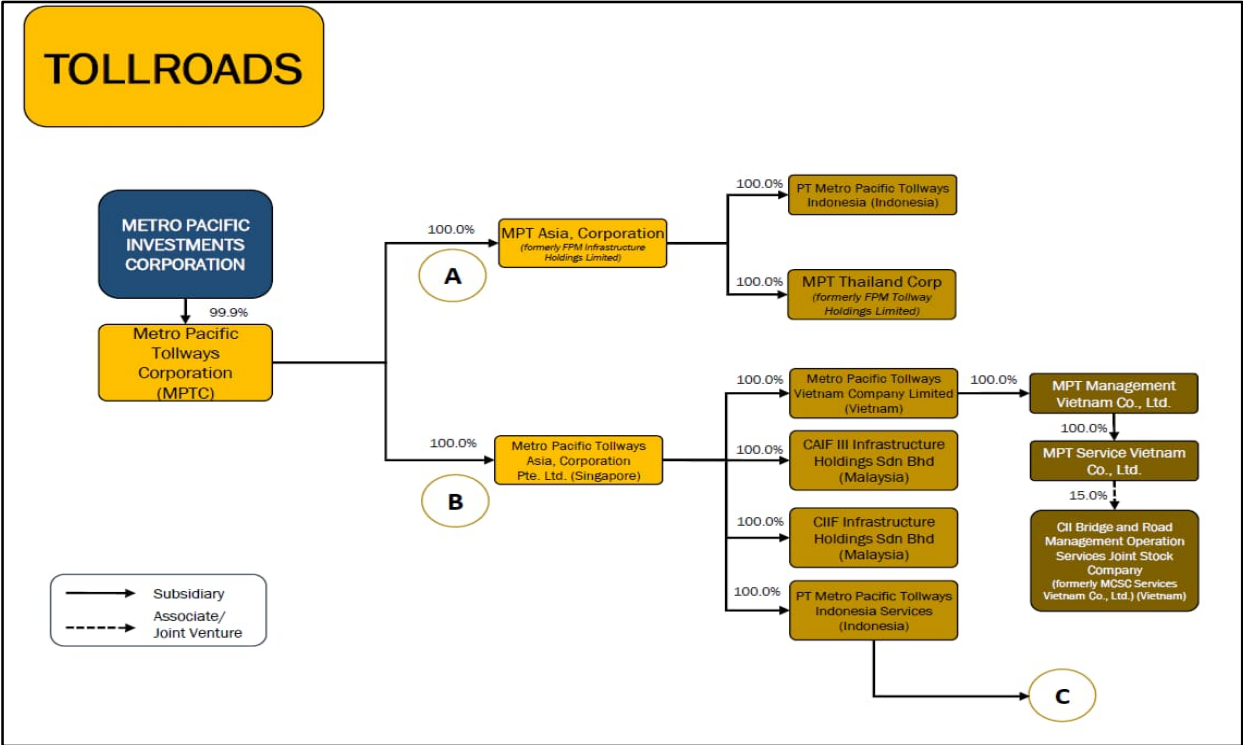
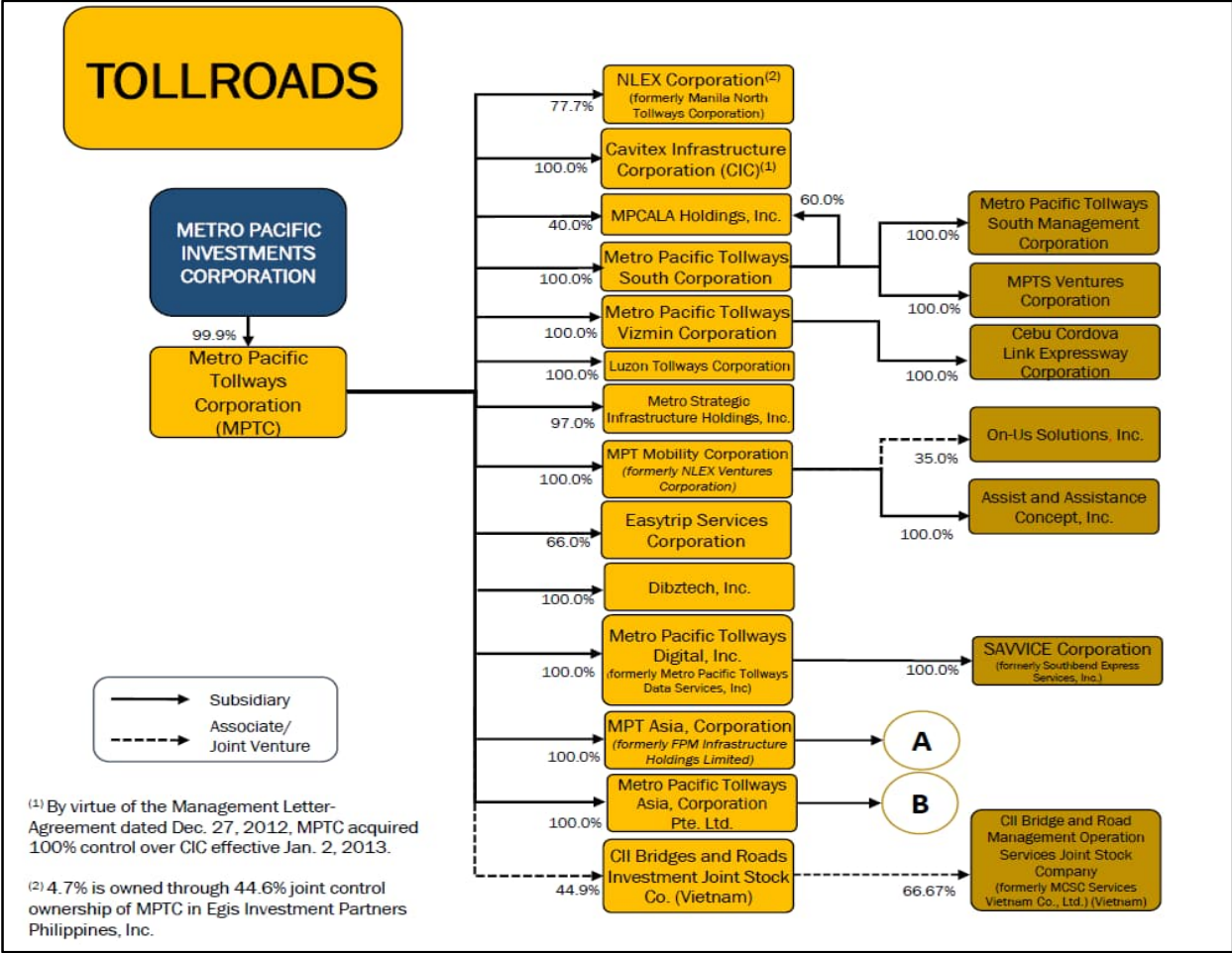


METRO PACIFIC INVESTMENTS CORPORATION

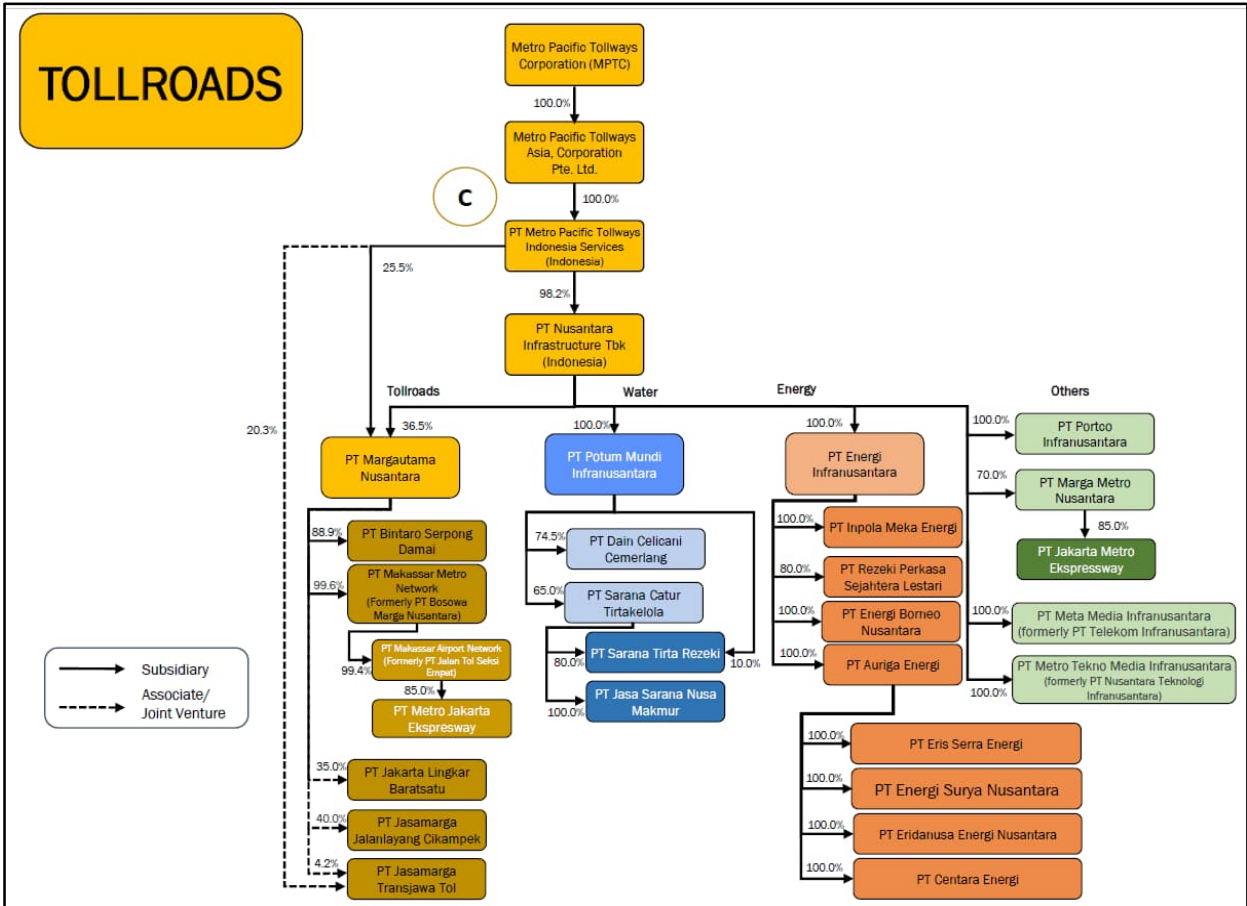
SUBSIDIARIES

AS OF DECEMBER 31, 2024

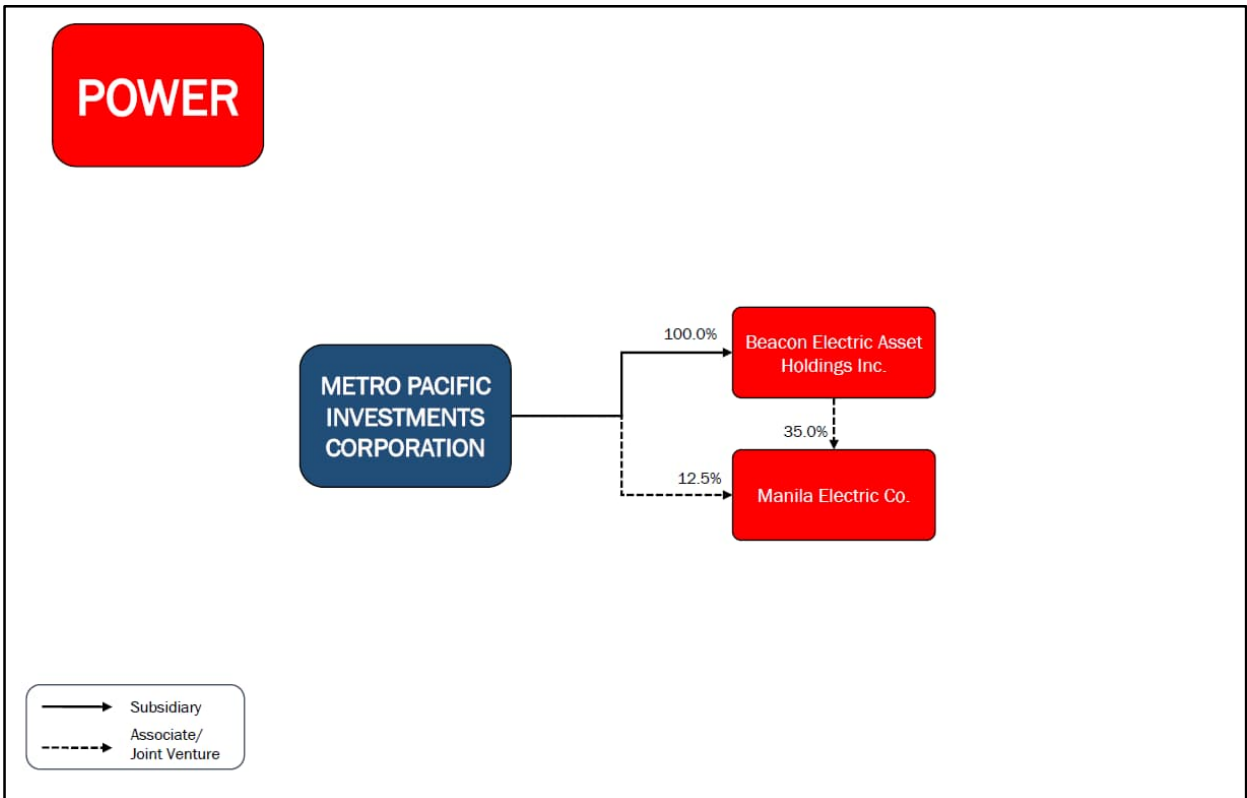


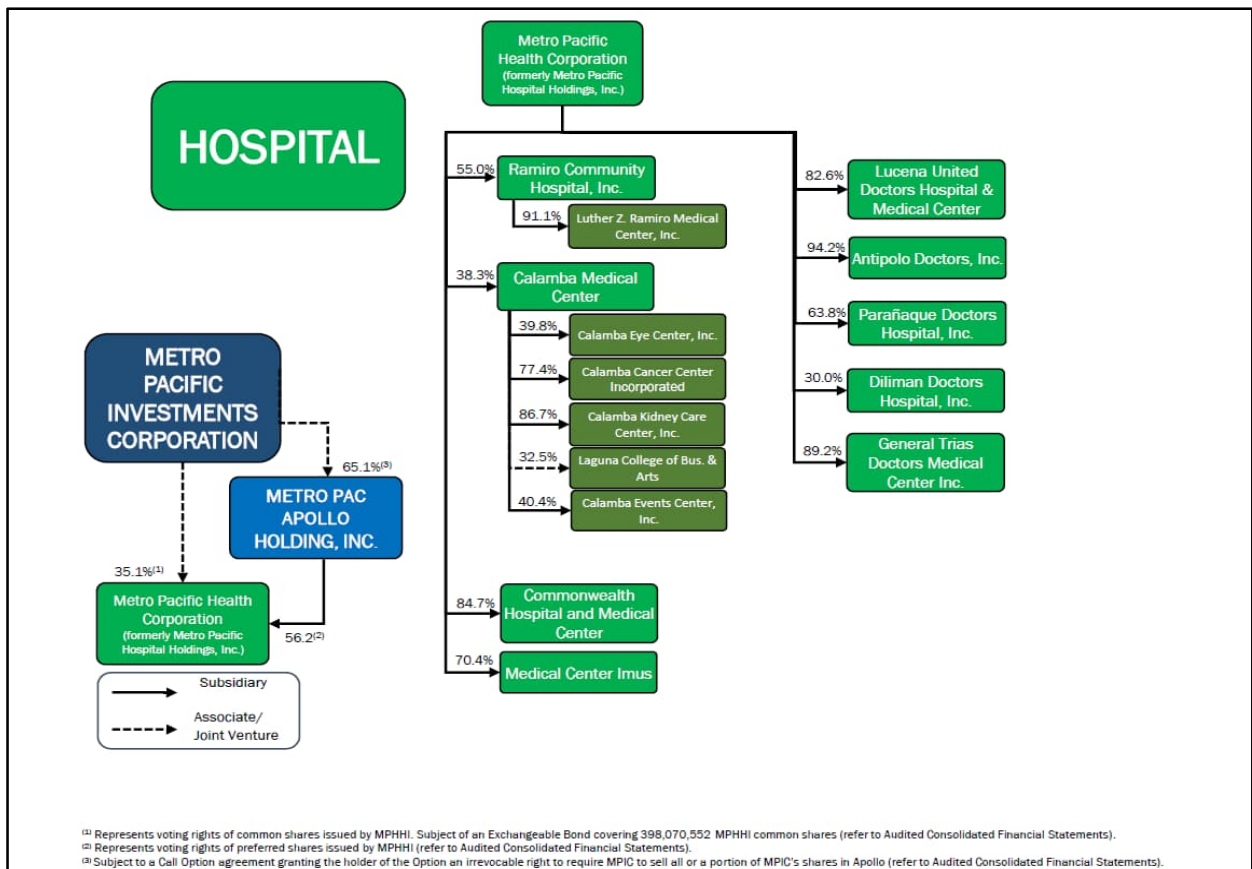
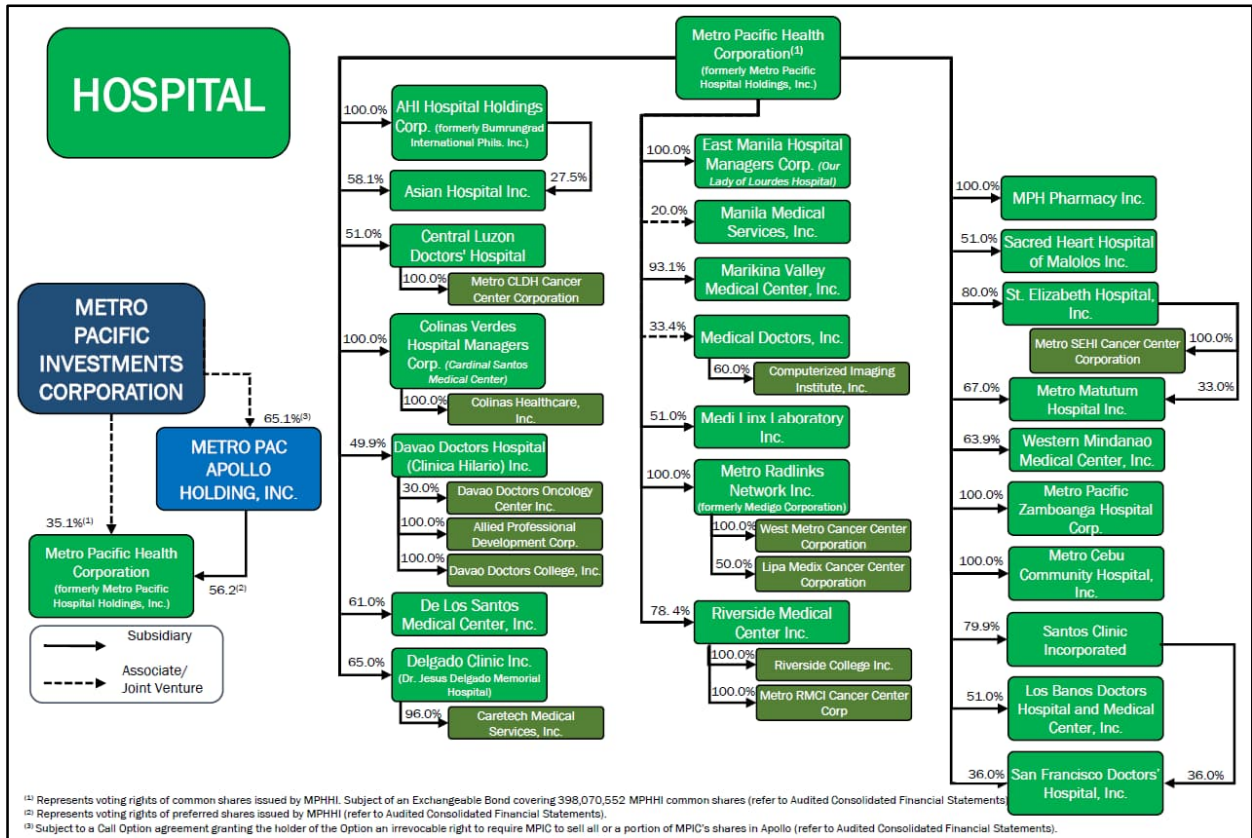


TOLLROADS

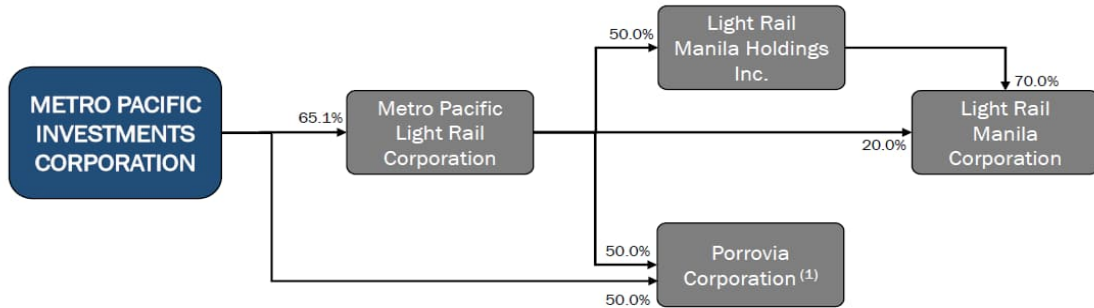


POWER



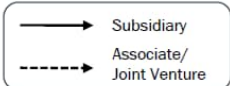
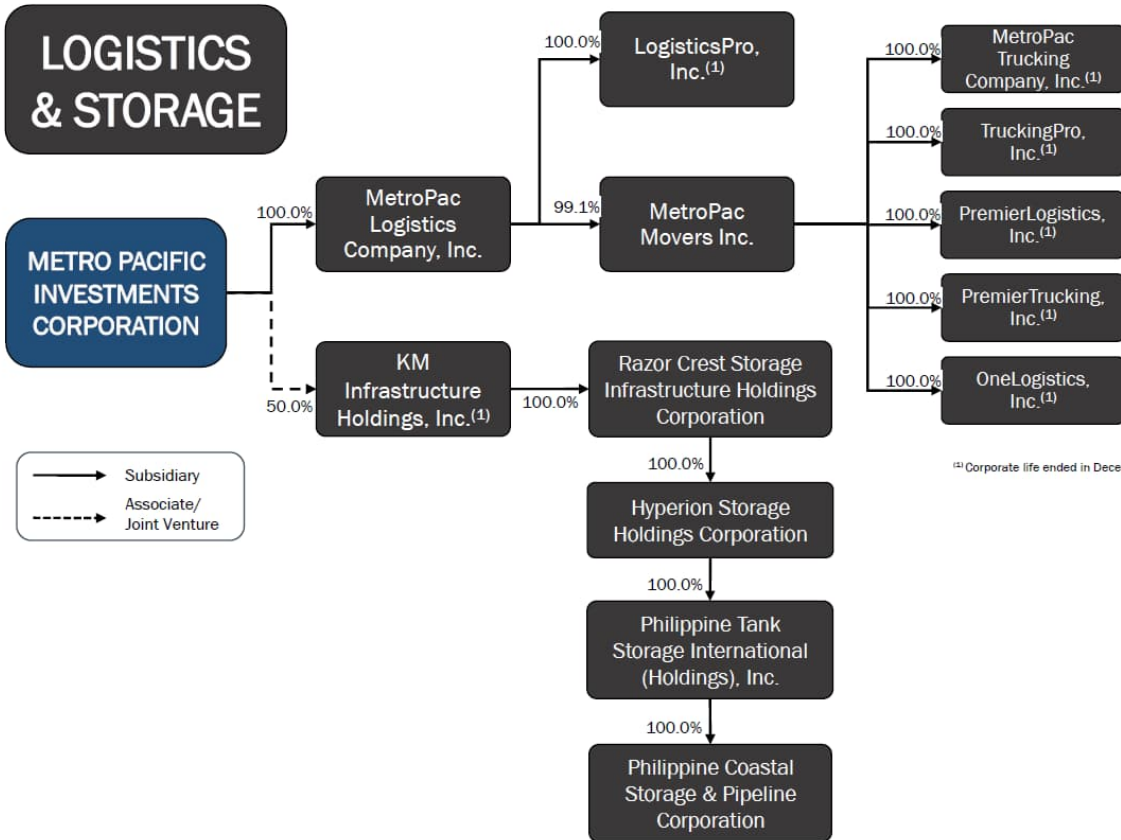


RAIL

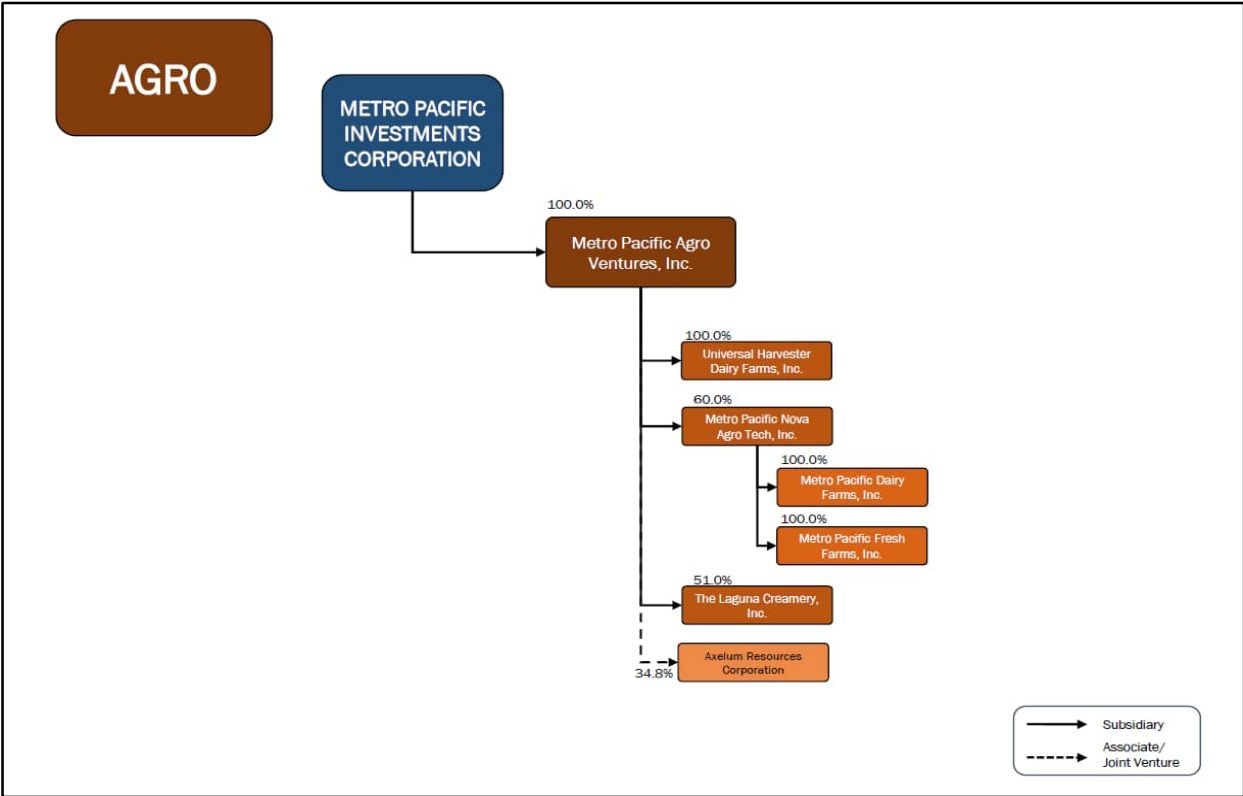
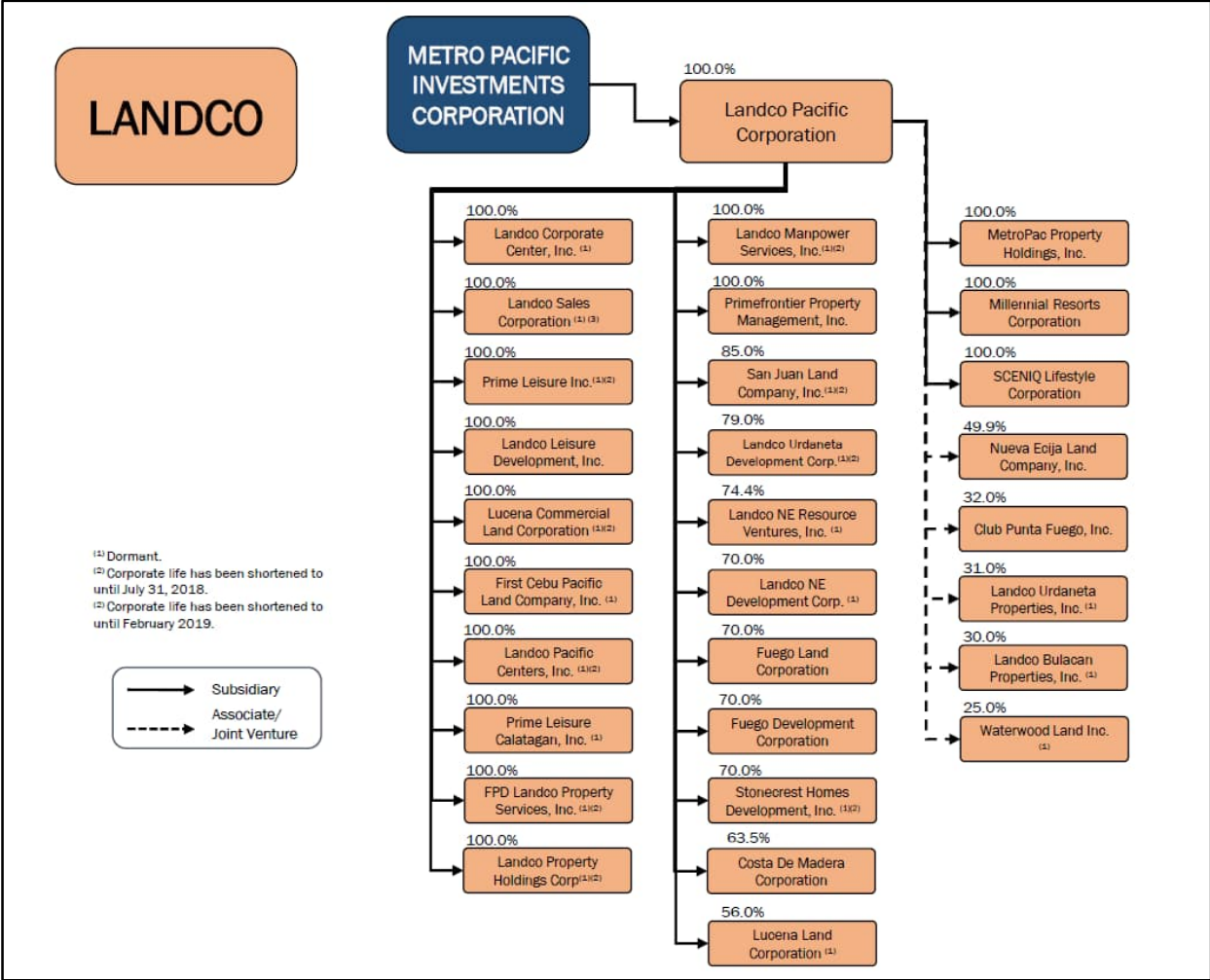


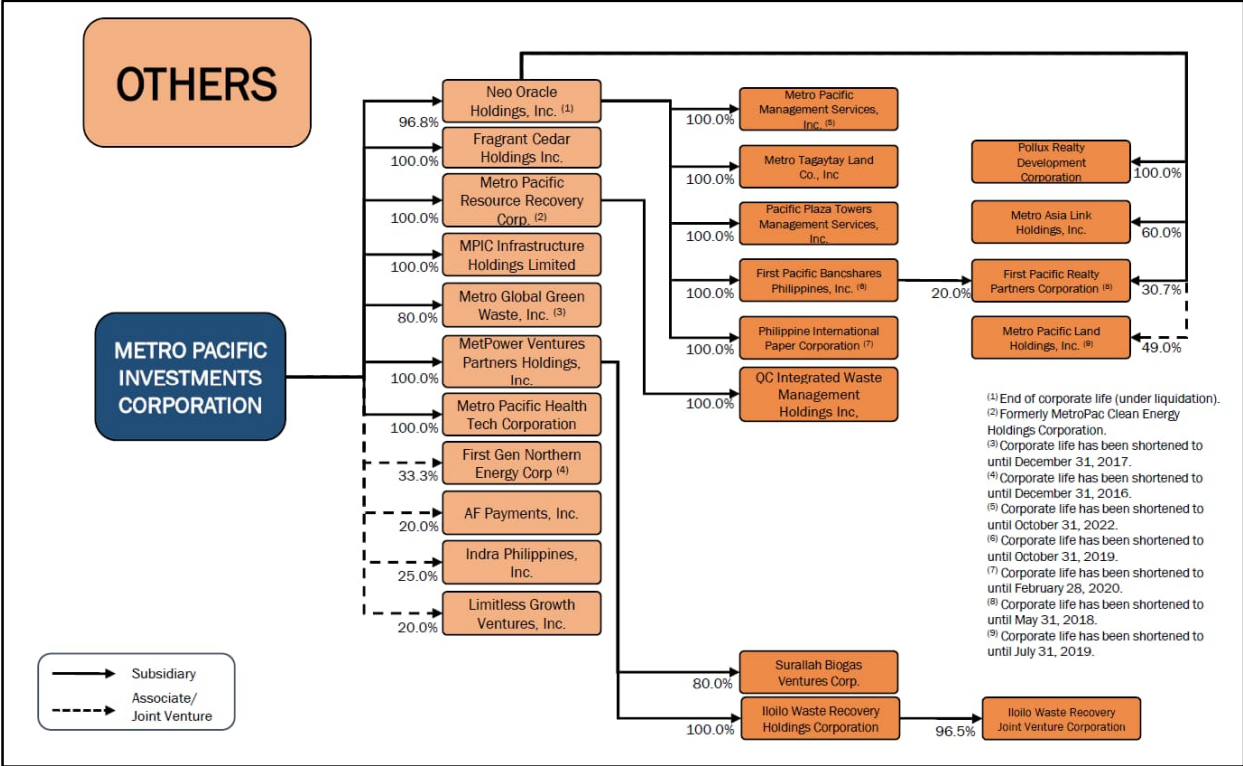
⁽¹⁾ Corporate life has been shortened to until March 31, 2019.

LOGISTICS & STORAGE



⁽¹⁾ Corporate life ended in December 2022





GT CAPITAL HOLDINGS, INC. AND SUBSIDIARIES**SCHEDULE OF FINANCIAL SOUNDNESS INDICATORS****AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2024, 2023 AND 2022**

	2024	2023 (As restated)	2022
Liquidity Ratio			
Current ratio	1.39	1.51	1.94
Current assets	₱148,381	₱140,485	₱140,871
Current liabilities	107,127	93,214	72,440
Solvency Ratio			
Total liabilities to total equity ratio	0.69	0.80	0.96
Total liabilities	₱194,238	₱199,362	₱204,142
Total equity	279,850	247,824	213,014
Debt to equity ratio	0.45	0.56	0.71
Total debt	₱125,235	₱138,080	₱152,112
Total equity	279,850	247,824	213,014
Asset to Equity Ratio			
Asset to equity ratio	1.69	1.80	1.96
Total assets	₱474,088	₱447,186	₱417,156
Total equity	279,850	247,824	213,014
Interest Rate Coverage Ratio*			
Interest rate coverage ratio	6.74	6.37	4.16
Earnings before interest and taxes (EBIT)	₱49,273	₱50,225	₱29,720
Interest expense	7,306	7,888	7,144
Profitability Ratio			
Return on average assets	6.25%	6.78%	4.51%
Net income attributable to Parent Company	₱28,783	₱29,313	₱18,360
Average assets	460,637	432,171	407,475
Return on Average Equity	11.64%	13.52%	9.28%
Net income attributable to Parent Company	₱28,783	₱29,313	₱18,360
Average equity attributable to Parent Company	247,264	216,877	197,893
Income before income tax	₱43,528	₱43,812	₱23,551
Interest expense	7,306	7,888	7,144
Interest income	1,561	1,475	975
EBIT	49,273	50,225	29,720

* computed as EBIT/Interest Expense

GT CAPITAL HOLDINGS, INC. AND SUBSIDIARIES

**SUPPLEMENTARY SCHEDULE OF EXTERNAL AUDITOR FEE-RELATED INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2024 AND 2023**

(In millions)

	2024	2023
Total Audit Fees	₱21	₱19
Non-audit service fees:		
Other assurance services	–	–
Tax services	7	–
All other services	3	6
Total Non-audit Fees	10	6
Total Audit and Non-audit Fees	₱31	₱25