[Note: for the website only. NOT to be included in the printed version of the Prospectus:]

This draft of the Preliminary Prospectus is being displayed on the website to make the Preliminary Prospectus accessible to more investors. The Philippine Stock Exchange, Inc. ("PSE") assumes no responsibility for the correctness of any statements made or opinions or reports expressed in this draft Preliminary Prospectus. Furthermore, the PSE makes no representation as to the completeness of the draft Preliminary Prospectus and disclaims any liability whatsoever for any loss arising from or in reliance in whole or in part on the contents of the draft Preliminary Prospectus.

ARTHALAND CORPORATION

(A corporation organized and existing under Philippine laws)
7th Floor Arthaland Century Pacific Tower
5th Avenue Corner 30th Street
Bonifacio Global City, Taguig City
Telephone Number (632) 403-6910

Offer in the Philippines of 4,000,000 cumulative, non-voting, non-participating, non-convertible, and redeemable Peso-denominated Preferred Shares with an Oversubscription Option of up to 2,000,000 Preferred Shares consisting of two (2) Series, namely:

Series G Preferred Shares with a Dividend Rate of [•]% *p.a.*
Series H Preferred Shares with a Dividend Rate of [•]% *p.a.*

at an Offer Price of Php500.00 per Series G or Series H Preferred Share

to be listed and traded on the Main Board of The Philippine Stock Exchange, Inc.

Sole Issue Manager, Lead Underwriter and Bookrunner

Selling Agents

The Trading Participants of The Philippine Stock Exchange

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

This Preliminary Prospectus is dated [•] June 2026.

ARTHALAND CORPORATION
7th Floor Arthaland Century Pacific Tower
5th Avenue Corner 30th Street
Bonifacio Global City, Taguig City, Philippines
Telephone: (+632) 403 6910

http://www.arthaland.com

This Prospectus relates to the offer (the "**Offer**") in the Philippines of cumulative, non-voting, non-participating, non-convertible, and redeemable Peso-denominated Preferred Shares of Arthaland Corporation ("**ALCO**", the "**Company**", or the "**Issuer**"), a corporation duly organized and existing under Philippine law, subject to the registration requirements of the Securities and Exchange Commission of the Philippines (the "**SEC**").

The Offer shall consist of 4,000,000 Preferred Shares ("**Base Offer Shares**") or Php2,000,000,000.00 (the "**Base Offer**"), and in the event of an oversubscription, BDO Capital & Investment Corporation in its capacity as Lead Underwriter for the Offer, with the consent of the Company, may increase the size of the Offer by up to an additional 2,000,000 Preferred Shares or up to Php1,000,000,000.00 (the "**Oversubscription Option**", and the Preferred Shares pertaining to such option the "**Oversubscription Option Shares**") resulting in an aggregate issue size of up to 6,000,000 Preferred Shares or up to Php3,000,000,000.00 (the "**Offer**", and the preferred shares subject of the Offer, collectively, the "**Offer Shares**" or the "**Preferred Shares**"). The Offer Shares are offered in up to two series, namely Series G Preferred Shares with a dividend yield of [•] (the "**Series G Preferred Shares**") and Series H Preferred Shares with a dividend yield of [•] (the "**Series H Preferred Shares**"). In the event that the Oversubscription Option is not exercised, the Oversubscription Option Shares will not be offered and remain unissued.

Pursuant to its Amended Articles of Incorporation approved by the Securities and Exchange Commission on March 18, 2026, ALCO has an authorized capital stock of Php3,016,257,135.82 consisting of 16,368,095,199 common shares with a par value of Php0.18 per Common Share and 70,000,000 preferred shares with a par value of Php1.00 per preferred share. Out of such authorized capital stock, (i) a total of 5,318,095,199 common shares have been subscribed and fully paid-up, (ii) a total of 12,500,000 preferred shares have been subscribed and fully paid-up (the "**Series A Preferred Shares**"), (iii) a total of 6,000,000 cumulative, non-voting, non-participating, non-convertible, redeemable, Peso-denominated Preferred Shares (the "**Series D Preferred Shares**") have been subscribed and fully paid-up, (iv) a total 14,000,000 preferred shares have been subscribed and fully paid-up (the "**Series E Preferred Shares**") and a total 4,964,680 preferred shares have been subscribed and fully paid-up (the "**Series F Preferred Shares**"). The Preferred Shares will be issued from the unissued authorized capital stock.

Following the Offer, the Company will have 5,318,095,199 outstanding Common Shares and 41,464,680 Preferred Shares. Assuming the Oversubscription Option is exercised in full, the Company will have 5,318,095,199 outstanding Common Shares and 43,464,680 Preferred Shares.

The Company estimates that, assuming the Oversubscription Option is not exercised, the net proceeds from the Offer shall amount to approximately Php2,964,093,112, after deducting fees, commissions and expenses. The Company estimates that, assuming full exercise of the Oversubscription Option, the net proceeds from the Offer shall amount to approximately Php1,971,481,553, after deducting fees, commissions and expenses. Assuming the Oversubscription Option is not exercised, the net proceeds of the Offer shall be used to partially fund the redemption of Series D Preferred Shares in December 2026. Assuming the Oversubscription Option is fully exercised, Php300,000,000 of the additional net proceeds shall be used to fund equity infusion into Cazneau which it will use to finance

the cost to complete the development of Una Apartments Tower 2, Php200,000,000 shall be allotted for general corporate purposes while the remaining additional net proceeds will be used to supplement funds required to redeem Series D Preferred Shares in December 2026. For a more detailed discussion on the use of proceeds, see "Use of Proceeds" of this Prospectus.

Neither ALCO nor any of its subsidiaries has adopted a specific dividend payout policy. Dividends may be declared at the discretion of the Board of Directors ("**BOD**") of the Company and its respective subsidiaries and will depend upon the future results of its operations and general financial condition, capital requirements, its ability to receive dividends and other distributions and payments from its subsidiaries, foreign exchange rates, legal, regulatory and contractual restrictions, loan obligations and other factors the BOD may deem relevant. Similarly, the subsidiaries of ALCO may declare dividends at the discretion of their respective boards of directors and such dividend declaration will depend upon the future results of operations and general financial condition, capital requirements, their ability to receive dividends and other distributions and payments from their respective subsidiaries (as applicable), foreign exchange rates, legal, regulatory and contractual restrictions, loan obligations and other factors their respective boards of directors may deem relevant. For a more detailed discussion on dividends and the dividend policy of the Company, see "Dividends and Dividend Policy" in the Prospectus.

The underwriting fees and any selling fees to be paid by the Company in relation to the Offer shall be equivalent to 55 basis points of the gross proceeds of the Offer grossed up for applicable gross receipts tax or effectively 57.9 basis points of the gross proceeds of the Offer. This shall be inclusive of underwriting fees to be paid to BDO Capital & Investment Corporation in its capacity as the lead underwriter (the "**Lead Underwriter**"). This shall also be inclusive of any commissions to be paid to the PSE Trading Participants (the "**Selling Agents**"), which commissions shall be equivalent to 12.5 basis points of the final allocated amount of Offer Shares to each participating trading participant. For a more detailed discussion on the fees to be received by the Lead Underwriter and the Selling Agents, see "Plan of Distribution" of this Prospectus.

Upon listing, the Preferred Shares will be traded under the symbol "ALCPG" for the Series G Preferred Shares and "ALCPH" for the Series H Preferred Shares.

The Company reserves the right to withdraw the offer and sale of the Preferred Shares at any time before the commencement of the Offer Period, and the right to reject any application to purchase the Preferred Shares in whole or in part and to allot to any prospective purchaser less than the full amount of the Preferred Shares sought by such purchaser. If the Offer is withdrawn or discontinued, the Company shall subsequently notify the SEC and the PSE. The Lead Underwriter and the Selling Agents may acquire for their own account a portion of the Preferred Shares.

Before the execution of the underwriting agreement, the Offer may be withdrawn at any time. The Offer may also be withdrawn at any time (i) after the execution of the underwriting agreement and before the commencement of the Offer Period, and (ii) on or after the commencement of the Offer Period and prior to the Listing Date, due to the occurrence of any of the events due to conditions beyond the Company's and/or Lead Underwriter's control referred to in the section "Withdrawal of the Offer".

It is expected that the Preferred Shares will be delivered in book-entry form against payment thereof to the Philippine Depository & Trust Corp. All disclosures, reports, and filings of the Company made after the date of this Prospectus (the "**Company Disclosures**") and submitted to the SEC and/or the PSE pursuant to the Revised Corporation Code, the Securities Regulation Code and its implementing regulations, and the Consolidated Listing and Disclosure Rules of the PSE are incorporated or deemed

incorporated by reference in this Prospectus. Copies of the Company Disclosures may be viewed at the website of the Company at www.arthaland.com.ph. The Company Disclosures contain material and meaningful information relating to the Company and investors should review all information contained in this Prospectus, and the Company Disclosures incorporated or deemed incorporated herein by reference.

The Company owns land as identified in the section on "Description of Property". In connection with the ownership of private land, the Philippine Constitution states that no private land shall be transferred or conveyed except to citizens of the Philippines or to corporations or associations organized under the laws of the Philippines at least 60% of whose capital is owned by such citizens. Accordingly, ownership by foreign nationals of shares in the Company shall be subject to the applicable foreign equity ownership limitation.

No dealer, salesman or any other person has been authorized to give any information or to make any representation not contained in this Prospectus. If given or made, any such information or representation must not be relied upon as having been authorized by the Company or the Lead Underwriter, as well as any Selling Agents that may be engaged by the Company for the Offer.

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

Unless otherwise stated, the information contained in this Prospectus has been supplied by the Company. The Company (which has taken all reasonable care to ensure that such is the case) confirms that the information contained in this Prospectus is correct, and that there is no material misstatement or omission of fact which would make any statement in this Prospectus misleading in any material respect. The directors and officers of the Company accept full and sole responsibility for the accuracy of the information contained in this Prospectus. This does not remove and limit the duty of the Lead Underwriter in accordance with SRC Rule 56.1 and Sec. 5 of the Omnibus Rules and Regulations for Investment Houses and Universal Banks Registered as Underwriters of Securities.

The Company and the Lead Underwriter have exercised due diligence in ascertaining that all material representations contained in this Prospectus are true and correct and that no material information was omitted which was necessary in order to make the statements contained in said documents not misleading.

Unless otherwise indicated, all information in the Prospectus is as of the date hereof. Neither the delivery of this Prospectus nor any sale made pursuant to this Prospectus shall, under any circumstances, create any implication that the information contained herein is correct as of any date subsequent to the date hereof or that there has been no change in the affairs of the Company and its subsidiaries since such date. Market data and certain industry forecasts used throughout this Prospectus were obtained from internal surveys, market research, publicly available information and industry publications. Industry publications generally state that the information contained therein has been obtained from sources believed to be reliable, but that the accuracy and completeness of such information is not guaranteed. Similarly, internal surveys, industry forecasts and market research, while believed to be reliable, have not been independently verified, neither the Company nor the Lead

Underwriter makes any representation, undertaking or other assurance as to the accuracy or completeness of such information or that any projections will be achieved, or in relation to any other matter, information, opinion or statements in relation to the Offer. Any reliance placed on any projections or forecasts is a matter of commercial judgment. Certain agreements are referred to in this Prospectus in summary form. Any such summary does not purport to be a complete or accurate description of the agreement and prospective investors are expected to independently review such agreements in full.

This Prospectus is not intended to provide the basis of any credit or other evaluation nor should it be considered as a recommendation by either the Issuer, the Lead Underwriter or their respective affiliates or legal advisers that any recipient of this Prospectus should purchase the Preferred Shares. Each person contemplating an investment in the Preferred Shares should make his own investigation and analysis of the creditworthiness of ALCO and his own determination of the suitability of any such investment. The risk disclosure herein does not purport to disclose all the risks and other significant aspects of investing in the Preferred Shares. A person contemplating an investment in the Preferred Shares should seek professional advice if he or she is uncertain of or has not understood any aspect of the securities or the nature of risks involved in trading of securities, especially those high-risk securities. Investing in the Preferred Shares involves a higher degree of risk compared to debt instruments. For a discussion of certain factors to be considered in respect of an investment in the Preferred Shares, see the section on “Risk Factors”.

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

[*Signature page follows*.]

ARTHALAND CORPORATION

By:

JAIME C. GONZÁLEZ
President

REPUBLIC OF THE PHILIPPINES)
CITY OF TAGUIG) s.s.

SUBSCRIBED AND SWORN to before me this [•], 2026 in [•] City, affiant exhibiting to me his [•] issued on [•] by the [•] as competent evidence of identity.

Doc No. : _____.
Page No. : _____.
Book No. : _____.
Series of 2026.

Table of Contents

TABLE OF CONTENTS 8
FORWARD-LOOKING STATEMENTS 9
DEFINITION OF TERMS 11
EXECUTIVE SUMMARY 19
SUMMARY OF FINANCIAL INFORMATION 30
TERMS OF THE OFFER 33
DESCRIPTION OF THE SECURITIES 58
RISK FACTORS 76
CAPITALIZATION 102
USE OF PROCEEDS 103
DILUTION 108
PLAN OF DISTRIBUTION 109
DETERMINATION OF THE OFFER PRICE 115
THE COMPANY 116
DESCRIPTION OF PROPERTY 213
LEGAL PROCEEDINGS 218
OWNERSHIP AND CAPITALIZATION 223
MARKET PRICE OF AND DIVIDENDS ON THE EQUITY OF ALCO AND RELATED SHAREHOLDER MATTERS 228
DIRECTORS AND EXECUTIVE OFFICERS & KEY PERSONS 232
CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS 251
MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL CONDITION 258
EXTERNAL AUDIT FEES AND SERVICES 272
CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE 273
INTEREST OF NAMED EXPERTS 274
TAXATION 276
REGULATORY FRAMEWORK 287
INTELLECTUAL PROPERTY 303
THE PHILIPPINE STOCK MARKET 310
APPENDIX 319

Forward-looking Statements

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

- known and unknown risks;
- uncertainties and other factors which may cause actual results, performance or achievements of ALCO to be materially different from any future results;
- performance or achievements expressed or implied by forward looking statements;
- the Company's goals for or estimates of its future operational performance and results;
- the Company's dividend policy; and
- changes in the Company's regulatory environment including, but not limited to, policies, decisions and determinations of governmental or regulatory authorities.

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

- the ability of ALCO to successfully implement its strategies;
- the ability of ALCO to anticipate and respond to consumer trends;
- changes in the availability of targeted real estate;
- the Company's and its contractors' ability to complete projects on time and within budget;
- the ability of ALCO to successfully manage its growth;
- the condition and changes in the Philippines, Asian or global economies;
- any future political instability in the Philippines, Asia or other regions;
- changes in interest rates, inflation rates and the value of the Peso against the U.S. Dollar and other currencies;
- changes in government regulations, including tax laws, or licensing requirements in the Philippines, Asia or other regions; and
- changes in the Philippine real estate market and the demand for the Company's residential, commercial and office developments.

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

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

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

Definition of Terms

In this Prospectus, unless the context otherwise requires, the following terms shall have the meanings set forth below. Additional defined terms are set out in the section "Terms of the Offer" in this Prospectus.

ACPT	:	Arthaland Century Pacific Tower
Affiliate	:	With respect to any Person, any other Person directly or indirectly Controlling, Controlled by or under common Control with, such Person
AFS	:	Audited Financial Statements
ALCO, Arthaland the Company, or the Issuer	:	Arthaland Corporation
AOCH1	:	AO Capital Holdings 1, Inc.
Applicable Law	:	(i) Any statute, decree, constitution, regulation, rule, order or any directive of any Governmental Authority; (ii) any treaty, pact, compact or other agreement to which any Governmental Authority is a signatory or party; (iii) any judicial or administrative interpretation or application of any law described in clause (i) or (ii) above; and (iv) any amendment or revision of any law described in clause (i), (ii) or (iii) above
Application to Purchase	:	The agreement by which the applicant agreed to purchase the Preferred Shares
APPS	:	Arthaland Prestige Property Solutions, Inc. (APPS) (formerly Emera Property Management, Inc.)
Arch Capital	:	Arch Capital Management Company, Ltd.
Arch SPV	:	Rock & Salt B.V.
Arch SPV 2	:	Narra Properties Investment Pte. Ltd., a corporation managed by Arch Capital
Arcosouth	:	Arcosouth Development Inc.
Arya	:	Arya Residences
AUB	:	Asia United Bank
Banking Day	:	A day, other than Saturday, Sunday and public holidays on which commercial banks, the PhilPass and the Philippine Clearing House Corporation are generally open for the

		transaction of business in Metro Manila; provided that all other days unless otherwise specified herein shall mean calendar days which shall be construed as successive periods of 24 hours each
BDO Capital	:	BDO Capital & Investment Corporation
BERDE	:	Building for Ecologically Responsive Design Excellence
BGC	:	Bonifacio Global City
Bhavana	:	Bhavana Properties, Inc.
Bhavya	:	Bhavya Properties, Inc.
BIR	:	Philippine Bureau of Internal Revenue
BOD	:	Board of Directors of ALCO
BPO	:	Business Process Outsourcing
BSP	:	Bangko Sentral ng Pilipinas
BVAL	:	The reference rates of Republic of the Philippines Peso-denominated domestic government bonds, as published on the relevant page of Bloomberg (or its successor entity) at approximately 5:00 p.m. (Philippine Standard Time).
Cazneau	:	Cazneau, Inc.
CBD	:	Central Business District
CCT	:	Condominium Certificate of Title
CebEx	:	Cebu Exchange
CIAC	:	Construction Industry Arbitration Commission
CLLC	:	Cebu Lavana Land Corp.
Company Disclosures	:	All disclosures, reports, and filings of the Company and submitted to the SEC, the PSE, and the PDEx pursuant to the Revised Corporation Code, the Securities Regulation Code, the Revised Disclosure Rules of the PSE, and the Disclosure Rules of the PDEx
Consolidated Equity	:	The total stockholders' equity of the Issuer as of the relevant date for calculation (for the avoidance of doubt, including non-controlling interests) as recognized and measured in its fiscal year-end audited consolidated financial statements and quarter-end unaudited consolidated financial statements, as

may be applicable and available in accordance with Applicable Law, both in conformity with PFRS

Control : The possession, directly or indirectly, by a Person of the power to direct or cause the direction of the management and policies of another Person whether through the ownership of voting securities or otherwise; provided, however, that the direct or indirect ownership of over fifty percent (50%) of the voting capital stock, registered capital or other equity interest of a Person is deemed to constitute control of that Person, and "**Controlling**" and "**Controlled**" have corresponding meanings

CPG : CPG Holdings, Inc.

CREATE Law : Republic Act No. 11534 or the Corporate Recovery and Tax Incentives for Enterprises Act

CTS : Contract to Sell

Current Assets : The total of (as of the relevant date for calculation) cash and cash equivalents, financial assets at fair value through profit and loss, receivables, inventories (including real estate for sale), and other current assets that are classified as current assets in the Issuer's consolidated financial statements prepared in accordance with PFRS

Current Liabilities : The total of (as of the relevant date for calculation) debt, accounts payables, and other obligations, that are classified as current liabilities in the Issuer's consolidated financial statements prepared in accordance with PFRS

Current Ratio : The ratio of Current Assets to Current Liabilities

DAR : Department of Agrarian Reform

Debt-to-Equity Ratio : The result obtained by dividing (i) the amount of interest-bearing (current and non-current) debt of the Issuer by (ii) the Consolidated Equity of the Issuer, in each case as appearing in the Issuer's latest consolidated audited balance sheet; provided:

(a) that if the Issuer or any of its subsidiaries issues preferred shares which are (1) either mandatorily redeemable at a fixed date, or redeemable at the option of the holder of the preferred shares, and (2) the Issuer or any of its subsidiaries is obliged to make payments in the form of either interest or dividends, or the terms and conditions of the issuance of the preferred shares oblige the Issuer to distribute a specific percentage of profits, then such preferred

shares shall be categorized as liabilities falling under (i) hereof; otherwise, where such preferred shares do not have any of the features described in (a)(1) and (a)(2), such preferred shares shall be classified as part of Consolidated Equity when computing Debt-to-Equity Ratio; and

(b) interest-bearing shareholder advances or loans covered by a subordination instrument subordinating such advances or loans to senior Indebtedness shall not be categorized as liabilities falling under (i) and shall be classified as part of Consolidated Equity when computing Debt-to-Equity Ratio

DENR	:	Department of Environment and Natural Resources
DHSUD	:	Department of Human Settlements and Urban Development
DOJ	:	Department of Justice
ECC	:	Environmental Compliance Certificate
EDGE	:	International Finance Corporation's Excellence in Design for Greater Efficiencies
EIB	:	Export and Industry Bank
FLC	:	Furusato Land Corporation
Furusato	:	Furusato Land Corporation
GDP	:	Gross Domestic Product
GFA	:	Gross Floor Area, which is the total floor space within the perimeter of the permanent external building walls (inclusive of main and auxiliary buildings) such as office areas, residential areas, corridors, lobbies and mezzanine level/s. The GFA shall also include building projections which may serve as floors or platforms that are directly connected to/integrated with areas within the building/structure, e.g., balconies and the GFA excludes the following: (a) Covered areas used for parking and driveways, services and utilities; (b) Vertical penetrations in parking floors where no residential or office units are present; and (c) Uncovered areas for helipads, air-conditioning cooling towers or air-conditioning condensing unit

		balconies, overhead water tanks, roof decks, laundry areas and cages, wading or swimming pools, whirlpool or jacuzzies, terraces, gardens, courts or plazas, balconies exceeding ten square meters, fire escape structures and the like
Grade A	:	Also referred to as premium buildings, which are buildings that have the highest standard in terms of (i) design, (ii) location, (iii) property management, and (iv) amenities
ICC	:	Interfield Construction Corporation
IFC	:	International Finance Corporation
ITAD	:	International Tax Affairs Division of the Bureau of Internal Revenue
ITH	:	Income Tax Holiday
IWBI	:	International Well Building Institute
KHI	:	Kashtha Holdings, Inc.
LC	:	Letter of Credit
LEED	:	US Green Building Council's Leadership in Energy and Environmental Design Program, a world standard for green buildings and sustainable developments
LEED ND	:	LEED for Neighborhood Development
MCIT	:	Minimum Corporate Income Tax
Monocrete	:	Monocrete Construction Philippines, Inc.
MOA	:	Memorandum of Agreement
MPI	:	Manchesterland Properties, Inc.
NAPOCOR	:	National Power Corporation
NHMFC	:	National Home Mortgage Finance Corporation
NLA	:	Net Leasable Area, which is the total leasable area that includes but not limited to all internal walls, mezzanines, bathrooms, pipe chases, columns and balconies depending on a specific project's terms of reference
NSA	:	Net Saleable Area, which is the total saleable area that includes but is not limited to all internal walls, mezzanines,

		bathrooms, pipe chases, columns and balconies depending on a specific project's terms of reference
OFW	:	Overseas Filipino Workers
Offer Price	:	Php500.00 per share
OLSA	:	Omnibus Loan and Security Agreement
PAS	:	Philippine Accounting Standards
Paying Agent	:	The party engaged by the Company to serve as paying agent for the Preferred Shares
PBCom	:	Philippine Bank of Communications
PD 957	:	Presidential Decree No. 957, as amended
PDEx	:	Philippine Dealing & Exchange Corp.
PDIC	:	Philippine Deposit Insurance Corporation
PDTC	:	Philippine Depository and Trust Corporation
Pesos, Php, Php and Philippine Currency	:	The legal currency of the Republic of the Philippines
PEZA	:	Philippine Economic Zone Authority
PFRS	:	Philippine Financial Reporting Standards
PGBC	:	Philippine Green Building Council
Philippines	:	The Republic of the Philippines
PhilPass	:	Philippine Payments and Settlements System
PIFITA	:	Passive Income and Financial Intermediary Taxation Act
PNB	:	Philippine National Bank
Pradhana	:	Pradhana Land, Inc.
PSE	:	The Philippine Stock Exchange
PSE EDGE	:	Electronic Disclosure Generation Technology, the disclosure system of the PSE
Q1	:	First quarter
Q2	:	Second quarter

Q3	:	Third quarter
Q4	:	Fourth quarter
Receiving Agent	:	The party engaged by the Company to serve as receiving agent for the Preferred Shares
Record Date	:	As used with respect to any Payment Date shall mean the day which is 2 Banking Days prior to the relevant Interest Payment Date; provided that if such day falls on a non-Banking Day, the Record Date shall be the next Banking Day immediately preceding said date. The terms "Payment Date", "Banking Days" and "Interest Payment Date" shall have the meanings given to them under the "Terms of the Offer"
RFO	:	Ready-for-occupancy
RTC	:	Reyes Tacandong & Co.
SLC	:	Sotern Land Corporation
SLDC	:	Savya Land Development Corporation
SEAIMMO	:	SEAI Metro Manila One, Inc., a wholly owned subsidiary of Mitsui Fudosan (Asia) Pte. Ltd
SEC	:	Philippine Securities and Exchange Commission
SEC Permit to Sell	:	The Permit to Sell issued by the SEC in connection with the Offer
SIPP	:	Strategic Investment Priority Plan
SLL	:	Sustainability-Linked Loan
SOM	:	Skidmore, Owings & Merrill
Sondris	:	Formerly Makati CBD Residential Project 1
SOPI	:	Signature Office Property, Inc.
SPT	:	Sustainability Performance Targets
Sqm	:	Square meters
SRC	:	The Securities Regulation Code of the Philippines (Republic Act No. 8799), as the same maybe amended or supplemented from time to time

Subsidiary	:	In respect of any Person, any entity: (i) over fifty percent (50%) of whose capital is owned directly by that Person; (ii) for which that Person may nominate or appoint a majority of the members of the BOD or such other body performing similar functions; or (iii) over which that Person is in possession, directly or indirectly, of the power to direct or cause the direction of its management and policies
Stock Transfer Agent	:	The party engaged by the Company to serve as the stock transfer agent for the Preferred Shares
Tax Code	:	Republic Act No. 8424, otherwise known as the National Internal Revenue Code of 1997, and its implementing rules and regulations, as amended from time to time
TTRA	:	Tax Treaty Relief Application
Trading Day	:	A day when the PSE is open for business
UBP	:	Union Bank of the Philippines
UPHI	:	Urban Property Holdings, Inc.
USGBC	:	US Green Building Council
WELL	:	WELL Building Standards, the certification program of the International Well Building Institute
ZLDC	:	Zileya Land Development Corporation

Executive Summary

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

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

BRIEF BACKGROUND OF THE COMPANY

ARTHALAND CORPORATION is a world-class boutique real estate developer of enduring and sustainable properties recognized internationally as the best residential and green developments[1]. ALCO is building its mark in the Philippine real estate market by its unwavering commitment to sustainability and innovation, and by developing and managing properties that adhere to the global and national standards in green buildings.

ALCO has been featured as a leader in sustainable development in the Philippines by renowned organizations globally. ALCO was the only organization from the Philippines, which was selected by the World Green Building Council, in partnership with BBC StoryWorks, to share its vision, story, and values to the world, in a series entitled Building a Better Future. In 2023, It was also featured by the Business Reporter of the United Kingdom in a story entitled Green Buildings That Don't Cost the Earth. In 2023, ALCO was also recognized as an EDGE Champion by the IFC in the EDGE Champions Summit Asia in Singapore to recognize ALCO's efforts in accelerating the adoption of green building options in the Philippines.

Arthaland's first tranche offering of the ASEAN Green Bonds in 2020 was awarded Best Local Currency Green Bond under the category Deal of the Year – Real Estate in The Asset Triple A Sustainable Capital Markets Regional Awards 2020, while the second offering issued in 2022 was awarded Green Project Deal of the Year under the category Best Deals – ASEAN in The Asset Triple A Sustainable Infrastructure Awards 2023. The Company also received awards for Best Sustainable Preferred Share Issuance for its Series F Preferred Shares and Best Sustainability-Linked Loan for Real Estate for its Sustainability-Linked Loan program at The Asset Triple A Sustainable Finance Awards in March 2025 and March 2026, respectively.

ALCO's projects likewise received international recognition for exceptional quality and innovative design. Una Apartments won the Sustainable Residential Development award for the Philippines category during the Asia Pacific Property Awards 2026-2027. Cebu Exchange was awarded Best Office High Rise Development by the Japan International Property Awards (2019). ACPT was awarded Best Commercial Green Development in Asia by the Asia Property Awards (2019) and Best Green Feature Development by the Japan International Property Awards (2019). ACPT was also recognized as the first Net Zero Carbon Project in the world certified under the EDGE Green Building Program of the IFC. Finally, Arya Residences was awarded Best Green Feature Development by the Japan International Property Awards (2018).

[1] This statement is supported by the several local and international awards received by Arthaland as a developer as well as its residential and commercial projects which are detailed in the second paragraph of this section.

ALCO was incorporated on August 10, 1994[2] for the primary purpose of engaging in the realty development business, including home building and development, and to deal, engage, invest and transact, directly or indirectly, in all forms of business and mercantile acts and transactions concerning all kinds of real property, including but not limited to the acquisition, construction, utilization and disposition, sale, lease, exchange or any mode of transfer of residential, industrial or commercial property.

In 2007, a group of investors led by AO Capital Holdings 1, Inc. ("**AOCH1**"), an investment company specializing in investing in business opportunities in the Philippines, acquired 73.27% of ALCO's then outstanding capital stock, marking the beginning of its renewed focus in real estate development.

The year 2011 marked the entry into ALCO of CPG, an affiliate of leading food manufacturer Century Pacific Food, Inc., which is listed with the PSE under the stock symbol "CNPF", through its acquisition of 1,800,000,000 ALCO common shares. In 2014, CPG further solidified its commitment by purchasing an additional 342,619,910 ALCO common shares.

As of December 31, 2026, CPG and AOCH1 are the largest shareholders of ALCO with 40.29%[3] and 26.02%, respectively of ALCO's total issued and outstanding common shares.

The Company's common shares, Series D Preferred Shares and Series F Preferred Shares are traded on the PSE with the trading symbol ALCO, ALCPD and ALCPF respectively, while the Company's Series A Preferred Shares and Series E Preferred Shares which are held by a single shareholder remain unlisted. All Series B Preferred Shares were redeemed as of December 6, 2021 while all Series C Preferred Shares were redeemed as of June 27, 2024. All were subsequently cancelled.

ALCO's developments are registered or are set to be registered under the U.S. Green Building Council's Leadership in Energy and Environmental Design Program ("**LEED**"), a globally recognized green building rating system that warrants comprehensive, inclusive and calibrated measures in ensuring sustainability and environmentally sound practices, Philippine Green Building Council's ("**PGBC**") Building for Ecologically Responsive Design Excellence ("**BERDE**") program, IFC's EDGE program and International Well Building Institute's ("**IWBI**") Well program. In September 2019, ACPT, ALCO's flagship office development, was recognized as the first Net Zero Carbon Project in the world certified under the EDGE Green Building Program of the IFC. ALCO's adherence to these ratings for all its projects demonstrates its strong commitment to environmentally responsible building practices.

ALCO'S BUSINESS AND SUMMARY OF KEY PROJECTS

ALCO's main business activity is the development of premium, enduring and sustainable properties by bringing together a brain trust of experts in property development and management. It is focused on pursuing its unique developments independently and with its joint venture partners, as exemplified by its key projects and developments in the pipeline. Summarized below are ALCO's Key Projects as well as their year of completion or expected year of completion:

[2] ALCO was originally registered as Urbancorp Realty Developers, Inc. but was renamed in 2003 as EIB Realty Developers, Inc. On January 26, 2009, the SEC approved anew the change of the corporate name to ALCO.
[3] Including 125,000,000 indirectly owned shares.

Project Name	GFA[4] (in square meters [sqm])	NLA[5]/ NSA[6] (in sqm)	Location	Development Type	Year or Expected Year of Completion
Arya Residences	76,284	67,876	BGC, Taguig City	Residential	Tower I - 2013 Tower II - 2016
Arthaland Century Pacific Tower	34,295	32,016	BGC, Taguig City	Office	2019
Cebu Exchange	108,564	89,018	Salinas Drive, Cebu City	Office	Q2 2022
Savya Financial Center	59,763	49,078	Arca South, Taguig City	Office	North Tower – Q2 2022 South Tower - Q4 2022
Sevina Park	132,260	101,566	Biñan, Laguna	Mixed use	In phases from 2022 onward
Lucima	28,063	21,927	Cebu Business Park, Brgy. Hipodromo, Cebu City	Residential	Q1 2027
Sondris (formerly Makati CBD Residential 1)	31,747	24,385	Makati City	Residential	Q1 2030
Eluria	14,656	11,729	Makati City	Residential	Q2 2026
Liv (formerly Project Teal)	52,212	41,611	Quezon City	Residential	Liv North (T1) – Q4 2030 Liv South (T2) – Q3 2032
Project Vanilla[7]	200,158	154,122	Cebu City	Residential	In phases from 2030 onward

[4] GFA or Gross Floor Area, which is the total floor space within the perimeter of the permanent external building walls (inclusive of main and auxiliary buildings) such as office areas, residential areas, corridors, lobbies and mezzanine level/s. The GFA also includes building projections which may serve as floors or platforms that are directly connected to/integrated with areas within the building/structure, e.g., balconies, and the GFA excludes the following: (a) Covered areas used for parking and driveways, services and utilities; (b) Vertical penetrations in parking floors where no residential or office units are present; and (c) Uncovered areas for helipads, air-conditioning cooling towers or air-conditioning condensing unit balconies, overhead water tanks, roof decks, laundry areas and cages, wading or swimming pools, whirlpool or jacuzzis, terraces, gardens, courts or plazas, balconies exceeding ten square meters, fire escape structures and the like.

[5] NLA or Net Leasable Area, which is the total leasable area that includes, but is not limited to, all internal walls, mezzanines, bathrooms, pipe chases, columns and balconies depending on a specific project's terms of reference.

[6] NSA or Net Saleable Area, which is the total saleable area that includes, but is not limited to, all internal walls, mezzanines, bathrooms, pipe chases, columns and balconies depending on a specific project's terms of reference.

[7] Formerly known as Project Midtown.

Project Name	GFA[4] (in square meters [sqm])	NLA[5]/ NSA[6] (in sqm)	Location	Development Type	Year or Expected Year of Completion
Project Olive	254,979	187,279	Metro Manila	Residential	In phases from 2033 onward

Arya

Arya is a two-tower, high-end residential condominium development located at the corners of Rizal Drive, 8th Avenue, and McKinley Parkway, BGC, Taguig City. Construction of Arya Tower 1 commenced in 2010 and was completed in 2013, with unit handover to buyers beginning in 2014. Construction of Arya Tower 2 commenced in 2012, with handover to buyers completed in 2016. All residential units in Arya Tower 1 and Tower 2 have been sold. The ground floor of Arya Residences features Arya Plaza, a canopied al fresco retail area with a curated mix of restaurants, cafés, and other establishments. ALCO retains ownership of Arya Plaza and recognizes recurring lease income from its operations.

Arya achieved LEED Gold certification from USGBC in 2016 and BERDE 4-Star certification from PHILGBC in 2018, making it the first residential development in the Philippines certified under these rating systems. In 2020, it achieved a 3-Star certification under PHILGBC's Advancing Net Zero/PH (ANZ/PH) program. As of 2024, Arya Residences Tower 1 and 2 had officially shifted to 100% offsite renewable energy. In 2025, Arya also earned the Health-Safety Rating from IWBI, reinforcing its commitment to occupant health, safety, and sustainability.

Arya has also received multiple industry recognitions. It was awarded Best Residential Development in the Philippines at the Southeast Asian Property Awards in 2012 and 2013, and Best Residential High-Rise Development in the Philippines at the Asia Pacific Property Awards for 2014-2015. It was likewise recognized at the Philippines Property Awards as Best Residential Development in Manila and Best Residential Architectural Design in 2013 and 2014, while Arya Tower 1 received the award for Best Residential Interior Design in 2014.

ACPT

Designed by Skidmore Owings & Merrill LLP, the same group behind One World Trade Center in New York City and Burj Khalifa in Dubai, ACPT is one of the first premium grade offices in BGC. It is located along the prime 5th Avenue within BGC's E-Square, along the street where The Shangri La at the Fort and the Philippine Stock Exchange are located. ACPT started operations in 2018 and continues to address the strong demand for office space in BGC with its 34,295 sqm of Gross Floor Area ("**GFA**") and 32,016 sqm of Net Leasable Area ("**NLA**"). The Company retains ownership over 21,089 sqm which represents approximately 66% of the 32,016 sqm of net leasable area of ACPT.

ACPT achieved LEED Platinum and BERDE 5-Star certifications, the highest ratings under their respective green building standards. It has been running under renewable energy since 2019. In the same year, it achieved EDGE Zero Carbon certification from the IFC, making ACPT the first building in the world to receive such certification. Further, in 2020, ACPT achieved a 5-Star certification under PHILGBC's Advancing Net Zero/PH (ANZ/PH) program. ACPT also achieved the WELL Health-Safety Rating from IWBI, recognizing the building's operational standards for health and safety since 2021.

Other industry recognitions received by ACPT included Best Green Feature Development at the Japan International Property Awards in 2019, and the 5-Star Winner for Best Office Architectural Design in

Asia at the Asia Pacific Property Awards in 2017. It also received awards for Best Green Development, Best Office Architectural Design, and Special Recognition for Sustainable Design at the 2016 Southeast Asian Property Awards. In addition, ACPT was recognized as Best Office Development in 2019 and Best Green Development in 2016, 2017, and 2019 at the Philippines Property Awards.

*Cebu Exchange ("**CebEx**")*

CebEx is a 38-storey office development with retail components located along Salinas Drive, Cebu City, developed on an 8,440-sqm property with a total NSA of approximately 90,000 sqm. The building is designed to serve a broad office market through a three-tier zoning configuration, consisting of large floorplates of approximately 5,900 sqm for BPO locators, mid-sized floorplates of approximately 3,400 sqm for conventional offices and BPOs, and smaller floorplates of approximately 2,200 sqm for start-up enterprises.

CebEx was launched in 2016 and completed in 2023, with a GFA of 108,564 sqm, including four levels of retail. Handover of units was completed in phases, with areas from the basement to the 15th floor delivered beginning September 2020 and areas from the 16th floor to the roof deck delivered beginning April 2022.

CebEx achieved LEED Gold in 2022, and BERDE 5-Star in 2023. It also received WELL precertification in 2020 and has achieved the WELL Health-Safety Rating since 2022. Cebex has officially transitioned to 100% renewable energy beginning 2024. Further, CebEx achieved EDGE Zero Carbon certification in 2025, making it the world's largest single-tower project to receive such certification.

Sevina Park

Sevina Park is an 8.1-hectare integrated, master-planned community located at the corner of Cecilia Araneta Parkway and University Road in Biñan, Laguna. Masterplanned by Sasaki Associates, Sevina Park comprises residential villas (Sevina Park Villas), mid-rise residential buildings (Una Apartments), commercial developments (Sevina Park Arcades), retail spaces, and supporting amenities. Sevina Park is being developed in phases in line with market demand and infrastructure growth in the area and benefits from improved accessibility through the Cavite-Laguna Expressway (CALAX), which connects to the Manila-Cavite Expressway (CAVITEX) and South Luzon Expressway (SLEX).

Sevina Park achieved LEED Platinum certification under the LEED for Neighborhood Development (LEED ND) rating system in 2020 and BERDE 5-Star certification under the BERDE for Districts rating system in 2022. Sevina Park's 4-bedroom villa model unit achieved LEED Platinum certification while all other 4-bedroom villas are on-track to achieve LEED Gold certification. Sevina Park Villas achieved preliminary EDGE Advanced certification under the EDGE green building program.

Sevina Park includes several components, namely:

- Courtyard Hall, a 348-bed dormitory located on an approximately 4,000 sqm lot within Sevina Park, commenced operations in 2019 and primarily serves students, faculty, and staff of De La Salle University Laguna.

- Sevina Park Villas, launched in June 2019, is a low-density residential development occupying approximately 3 hectares and comprising 108 villas designed by Leandro V. Locsin and Partners. Development of Sevina Park Villas is being undertaken in phases from 2021 to 2026; the four-bedroom villa model unit achieved LEED Platinum certification in 2020, all four-bedroom villas are undergoing LEED certification, and all villa types achieved EDGE Advanced preliminary

certification in 2025.

- Una Apartments was launched in September 2022. Tower 1 is designed for resource efficiency, enhanced indoor air quality, and wellness-focused living, and targets LEED, BERDE, EDGE, and WELL certifications, with completion expected by Q4 of 2026. Tower 2 was launched in 2023, while Tower 3 was launched in 2025. Additional residential developments are planned within Sevina Park.

- Sevina Park Arcades will serve as the commercial and retail component within the Sevina Park estate occupying approximately 2.6 hectares. A portion of Sevina Park Arcades is envisioned to be developed into a retail space that includes establishments that will complement the everyday needs of the residents. It is in this area that Arthaland introduces Project BEAM (Bamboo for Ecological Architecture and Materials), the Philippines' first commercial-scale bamboo structure reinforcing its commitment to delivering sustainability-led innovation.

Savya Financial Center

Savya Financial Center (SFC) is a two-tower commercial development located within Arca South, Taguig City, on an approximately 6,000-sqm lot acquired in 2017 by ALCO together with its Filipino joint venture partner. It is strategically positioned at the corner of Pulse Street, Anchor Street, and Tandem Road and is expected to benefit from improved accessibility driven by major infrastructure developments, including direct access to C-5 and Skyway, the Taguig Integrated Transport Exchange, and the Metro Manila Subway, with a station located within Arca South.

SFC has a GFA of 59,763 sqm, with the North Tower handed over in January 2022, consistent with pre-pandemic delivery timelines, while the South Tower was inaugurated in October 2022.

Savya has achieved multiple certifications, including BERDE 5-Star certification, WiredScore Gold certification, LEED Gold precertification, and EDGE Advanced certification. It has also achieved and renewed its WELL Health-Safety Rating since 2024. Savya also officially shifted into 100% renewable energy in 2024.

Lucima

Lucima is a high-rise residential development located at the corner of Samar Loop Road and Cardinal Rosales Avenue in Cebu Business Park, developed on a 2,245-sqm lot that ALCO acquired in August 2019 through its special purpose company, Bhavana.

Designed by Saraiva & Associados, an architectural firm based in Lisbon, Portugal, Lucima comprises 265 residential units with a GFA of approximately 28,000 sqm. Units are designed with a floor-to-ceiling height of approximately 2.9 meters and offer views of the ocean, mountains, or city. Lucima was launched in July 2021 and has received strong market reception since then.

Lucima received LEED Gold precertification in 2020 and is targeting BERDE, EDGE, and WELL certifications, as it is envisioned as a multi-certified sustainable high-rise residential development.

Eluria

Eluria is a low-density, ultra-luxury residential development located on a 916-sqm lot at the corner of Rada and Rodriguez Streets in Legazpi Village, Makati City, which ALCO acquired in 2020 through its special purpose company, Bhavya.

Designed by FMB Architects, a Sydney-based architectural firm, Eluria was launched in 2022 and comprises 37 residential units with a GFA of approximately 14,600 sqm. Eluria is designed to offer premium residential features and amenities, which include white-glove butler services.

Eluria received LEED Gold precertification in 2020 and is targeting EDGE, WELL, and BERDE certifications.

Liv (formerly Project Teal)

Liv is a planned two-tower high-rise residential condominium development located on a 3,742-sqm lot along Katipunan Avenue, Barangay Loyola Heights, Quezon City, acquired by ALCO through its special purpose company, Sotern Land Corporation. Liv is expected to expand ALCO's residential portfolio by offering sustainably designed products to a broader market segment. The first tower, Liv North was launched in August 2025 and is expected to be completed by Q4 2030.

Liv is designed as a sustainable residential community and is targeting LEED, EDGE, WELL, and BERDE certifications.

Sondris (formerly Makati CBD Residential Project 1)

Sondris is a planned high-rise luxury residential development by Zileya Land Development Corporation, located on a 2,018-sqm lot along Antonio Arnaiz Avenue in Makati City. ALCO initially acquired a 47.4% interest in the property in 2019, with the objective of developing a sustainable, multi-certified residential development, and completed the acquisition of the remaining interest in June 2025. Sondris was subsequently launched in December 2025.

Sondris is designed as a sustainable residential development and is targeting LEED, BERDE, EDGE, and WELL certifications.

Project Vanilla (previously Project Midtown)

Project Vanilla is a master-planned development by ALCO through its wholly owned subsidiary, Furusato Land Corporation, comprising 50% of approximately 5 hectares of land along Banilad Road, Cebu City.

Project Vanilla is expected to comprise six residential condominium towers which are planned to be launched in phases from 2026 to 2037, with corresponding phased completions beginning in 2030. Project Vanilla is intended to provide a steady pipeline of developments that are expected to contribute to ALCO's revenues over the long term.

Project Vanilla is envisioned as a sustainable community and is targeting LEED, BERDE, EDGE and WELL certifications.

Project Olive

Project Olive is a planned master-planned, residential development by ALCO through Pradhana Land Inc., involving the phased acquisition of approximately 3.6 hectares of land located at the entry of a prime CBD in Metro Manila, with an estimated net developable area of 2.6 hectares after road allocations. Project Olive is expected to benefit from major upcoming infrastructure developments. Project Olive is intended to be developed as a sustainable community targeting LEED, BERDE, EDGE

and WELL certifications and is expected to feature approximately twelve residential towers catering to both upscale and midscale markets, supported by retail and commercial components.

Given the longer timeline to complete the acquisition of Project Olive, ALCO continuously explores opportunities for alternative acquisitions and is actively evaluating acquisition targets in the business districts of Makati and BGC, and other emerging areas in Batangas, Iloilo, Davao and Cebu.

COMPETITIVE STRENGTHS

ALCO believes that its competitive strengths include:

- Strong brand equity resulting from a clear differentiation in sustainability and proven track record from recently completed projects
- Strong, hands-on and committed shareholders
- Highly professional and entrepreneurial management team with extensive experience
- Carefully assembled development portfolio
- Prudent financial management
- Strong fundamentals resulting in resilient pandemic and global conflict response

(For a more detailed discussion, see "Competitive Strengths" on page [126].)

BUSINESS STRATEGIES

The Company's business strategies include the following:

- Growth and diversification strategy
- Stage-gated mid-term land acquisition strategy
- Providing a superior value proposition by maintaining high quality of projects
- Increasing recurring lease income to cover fixed costs
- Establishing strategic partnerships

(For a more detailed discussion, see "ALCO's Business Strategy" starting on page [132].)

RISKS OF INVESTING

Prospective investors should consider the following risks of investing in the Preferred Shares:

- Risks relating to ALCO and its subsidiaries (including specific risks related to land and real estate development businesses)
    - No assurance of successful implementation of business plans and strategies

- The Company may be unable to complete the acquisition of properties necessary for the projects that form part of the use of proceeds for this Offer
- The Company's business is inherently volatile
- The Company operates in a highly regulated environment, and it is affected by the development and application of regulations in the Philippines
- Ability to obtain financing at favorable terms and interest rates
- Possibility of a rapid increase of interest rate and fluctuation in foreign exchange rates
- Availability of land for use in the Company's future projects
- Significant competition in the real estate industry
- Titles over land owned by the Company may be contested by third parties
- Environmental laws may adversely affect the Company's business
- Delays in the completion of projects and failure to meet customers' expectation and standards could adversely affect the Company's reputation and its business and financial performance
- Cyclicality of property development
- Possible change in accounting principle for real estate may change the Company's revenue recognition for sale of its real estate developments, which in turn may adversely affect recognition of unrestricted retained earnings
- The Company's and its subsidiaries' loan agreements are subject to certain debt covenants
- No assurance that insurance rates and coverage will remain the same and the available coverage may not be adequate in the future
- The Company or its contractors may be subject to labor unrest, slowdowns and increased costs
- The Company is dependent on key suppliers and service providers to successfully implement its plans
- The Company is dependent on its management team and key employees to successfully implement its strategies
- The Company may be unable to attract and retain skilled professionals
- ALCO may be exposed to cybersecurity incidents and information security risks

- ALCO enters into transactions with its related parties and needs to be fully compliant with regulations on related party transaction disclosures
- ALCO is subject to foreign ownership limitations and needs to be fully compliant with these limitations when arranging the required funding sources
- ALCO is reliant on technology in certain business operations and uses technology to differentiate its developments from those of its competitors
- ALCO is subject to risk on substantial sale cancellations
- Changes in tax policies affecting tax exemptions and tax incentives could adversely affect the Company's results of operations
- The Company may be involved in legal and other proceedings arising out of its operations from time to time
- The Company is indirectly controlled by the Po Family and as such some of their other business interests may conflict with the business of the Company
- The Company is subject to risks relating to possible oversupply of mid-market and affordable residential condominium units in Metro Manila
- The Company's projects are subject to potential material disruptions in supply chain for key components in its projects as a result of the Middle East conflict.

- Risks relating to the Philippines
  - Company is exposed to risks related to the slowdown in the Philippine economy
  - Political instability may have a negative effect on the business, financial position or results of operations of the Company
  - Occurrence of natural catastrophes may adversely affect the business of the Company
  - Occurrence of a Philippine credit rating downgrade may adversely affect the business of the Company
  - The prospects of the Company may be influenced by major political and economic developments both locally and abroad

- Risks relating to the Preferred Shares
  - Preferred Shares may not be suitable investment for all investors
  - Payment of dividends is subject to funds being available for distribution
  - Volatility of market price of the Offer Shares
  - Subordination to other indebtedness

- Risks of insufficient distributions upon liquidation
- Inability to reinvest at a similar return on investment upon redemption
- The Preferred Shares have no voting rights
- Redemption at the option of the Issuer
- There is no guarantee that the Preferred Shares will be listed
- Absence of a liquid secondary market

(For a more detailed discussion, see "Risk Factors" starting on page [75].)

CORPORATE INFORMATION

ALCO currently holds office at the 7th Floor Arthaland Century Pacific Tower, 5th Avenue Corner 30th Street, Bonifacio Global City, Taguig City**.** The Company's telephone number is (+632) 8403-6910.

The Company's website is http://www.arthaland.com.

Summary of Financial Information

*Prospective purchasers of the Preferred Shares should read the summary financial data below together with the consolidated financial statements, including the notes thereto, included in this Prospectus, such as in the section "Management's Discussion and Analysis of Results of Operations and Financial Condition". The summary financial data for the three years ended December 31, 2023, 2024 and 2025 are derived from the audited consolidated financial statements of ALCO, audited by Reyes Tacandong & Co. and prepared in compliance with the Philippine Financial Reporting Standards ("**PFRS**"), including the notes thereto, which are found as Appendix "A" of this Prospectus. The summary financial data as of and for the six months ended March 31, 2025 and 2026, are derived from the unaudited interim condensed financial statements of ALCO, in compliance with Philippine Accounting Standards ("**PAS**") 34, "Interim Financial Reporting", which are set out in Appendix "B" of this Prospectus. The historical financial condition, results of operations and cash flows of ALCO are not a guarantee of its future operating and financial performance.*

Consolidated Statements of Comprehensive Income
in Phpmillions except where otherwise indicated

	Audited, as of December 31			Unaudited, as of March 31	
	2025	**2024**	**2023**	**2026**	**2025**
Revenues	**5,144**	**6,224**	**6,639**	**1,120**	**1,147**
Cost and expenses	3,326	4,529	3,925	682	665
Gross income	**1,818**	**1,695**	**2,714**	**438**	**481**
Operating expenses	(1,706)	(1,464)	(1,350)	(465)	(432)
Net gain on change in fair value of investment properties	1,941	1,934	974	742	485
Finance costs	(1,575)	(1,487)	(1,020)	(423)	(323)
Other income – Net	398	425	521	47	60
Income before income tax	**876**	**1,103**	**1,839**	**339**	**271**
Provision for income tax	468	345	450	103	71
Net income	**408**	**758**	**1,389**	**236**	**200**
Other comprehensive income (loss)					
Remeasurement gains (losses) on net retirement asset or liability	5	(10)	(7)	-	-
Income tax benefit (expense) on remeasurement gains or losses	(1)	3	2	-	-
Total comprehensive income	**412**	**751**	**1,384**	**236**	**200**

Consolidated Statements of Financial Position
in Phpmillions except where otherwise indicated

	Audited, as of December 31			Unaudited, as of March 31	
	2025	**2024**	**2023**	**2026**	**2025**
Cash and cash equivalents	1,381	4,046	5,605	1,153	2,062
Financial assets at fair value through profit or loss (FVPL)	271	1,896	878	325	943
Receivables	3,415	1,772	2,211	2,215	2,244
Creditable withholding taxes	1,125	862	695	1,186	954
Input value-added tax (VAT)	913	464	326	1,009	536
Contract Assets	8,891	7,625	5,609	9,528	7,507
Real estate for sale	13,107	7,271	7,549	12,838	7,992
Investment properties	16,569	14,590	13,176	17,637	15,078
Property and equipment	313	301	316	331	298
Net retirement asset	-	-	14	-	-
Other Assets	1,722	1,714	885	1,873	1,688
Total Assets	**47,707**	**40,541**	**37,264**	**48,095**	**39,302**
Accounts payable and other liabilities	7,010	4,262	3,621	6,521	4,519
Loans payable	18,700	12,476	11,187	19,241	13,732
Bonds payable	2,966	5,956	5,942	2,967	2,961
Contract liabilities	596	428	198	616	561
Advances from non-controlling interests	1,059	1,010	1,102	1,059	963
Net retirement liability	54	27	5	63	36
Net deferred tax liabilities	2,674	2,130	2,093	2,803	2,168
Total Liabilities	**33,059**	**26,289**	**24,148**	**33,270**	**24,940**
Capital stock	1,005	1,005	1,006	1,005	1,005
Additional paid-in capital	6,464	6,464	5,973	6,464	6,464
Treasury stock – at cost	(1,000)	(1,000)	(2,000)	(1,000)	(1,000)
Parent Company's preferred shares held by a subsidiary – at cost	(27)	(27)	(13)	(27)	(27)
Retained earnings	5,298	5,263	5,548	5,468	5,321
Other equity reserves	213	209	217	213	209
Total equity attributable to Equity Holders of the Parent Company	11,953	11,914	10,731	12,123	11,972
Non-controlling interests	2,695	2,338	2,385	2,702	2,390
Total Equity	**14,648**	**14,252**	**13,116**	**14,825**	**14,362**
Total Liabilities and Equity	**47,707**	**40,541**	**37,264**	**48,095**	**39,302**

Consolidated Statements of Cash Flows
in Phpmillions except where otherwise indicated

	Audited, as of December 31			Unaudited, as of March 31	
Cash flows from (used in):	**2025**	**2024**	**2023**	**2026**	**2025**
Operating activities	(5,241)	(1,509)	2,090	(197)	(710)
Investing activities	1,606	(938)	1,409	(85)	942
Financing activities	971	885	(2,694)	53	(2,216)
Net effect of exchange rate changes to cash and cash equivalents	(1)	2	4	1	-
Net increases (decreases) in cash and cash equivalents	(2,665)	(1,559)	809	(228)	(1,984)
Cash and cash equivalents at beginning of period	4,046	5,605	4,796	1,381	4,046
Cash and cash equivalents at end of period	**1,381**	**4,046**	**5,605**	**1,153**	**2,062**

Terms of the Offer

The following information does not purport to be a complete listing of all the rights, obligations, and privileges attaching to or arising from the Preferred Shares. It is taken from, and is qualified in its entirety by, the remainder of this Prospectus. Some rights, obligations, or privileges may be further limited or restricted by other documents and subject to final documentation. Prospective investors are enjoined to perform their own independent investigation and analysis of the Company and the Preferred Shares. Each prospective investor must rely on its own appraisal of the Company and the Preferred Shares and its own independent verification of the information contained herein and any other investigation it may deem appropriate for the purpose of determining whether to invest in the Preferred Shares, and must not rely solely on any statement or the significance, adequacy, or accuracy of any information contained herein. The information and data contained herein are not a substitute for the prospective investor's independent evaluation and analysis.

The final terms and conditions of this Offer are as follows:

1	Issuer……..	Arthaland Corporation ("**ALCO**", the "**Company**" or the "**Issuer**")
2	Offer Size…….	Php2,000,000,000.00 (the "**Firm Offer**") with an Oversubscription Offer of up to Php1,000,000,000.00
3	Instrument……..	Cumulative, non-voting, non-participating, non-convertible, redeemable Peso-denominated preferred shares
4	Offer and Offer Price……..	ALCO, through the Lead Underwriter and the Selling Agents, is offering 4,000,000 Preferred Shares, and in case the Oversubscription Option is exercised, up to an additional 2,000,000 Preferred Shares, at an offer price of Php500.00 per share (the "**Offer Price**")
5	Registration and Listing….	The Offer Shares are to be registered with the SEC and intended to be listed on the Main Board of The Philippine Stock Exchange, Inc. ("**PSE**"), subject to compliance with applicable SEC regulations and PSE listing rules. Upon listing, the Preferred Shares will be traded under the symbols "**ALCPG**" for the Series G Preferred Shares and "**ALCPH**" for the Series H Preferred Shares.
6	Issue Date / Listing Date…	[•]
7	Use of Proceeds……..	The net proceeds of the Offer (*i.e.*, after deducting expenses in relation to the Offer) will be used to partially fund the redemption of the Series D Preferred Shares. In case the Oversubscription Option is fully exercised, the additional proceeds will be used to fund equity infusion into Cazneau which it will use to finance the cost to complete the development of Una Apartments Tower 2 and for general corporate purposes while the remaining proceeds will be used to supplement funds required to redeem Series D Preferred Shares.

		Please refer to the section "Use of Proceeds" of this Prospectus for further discussion of the use of proceeds of the Offer.
8	Par Value……	The Preferred Shares have a par value of Php1.00 per share.
9	Offer Price……..	The Preferred Shares will be offered at a price of Php500.00 per share.
10	Dividend Rate……	The Preferred Shares will, subject to certain dividend payment conditions (see "*Conditions for the Declaration and Payment of Cash Dividends"* in this Prospectus), bear cumulative, non-participating cash dividends (the "**Dividends**") based on the Offer Price, payable quarterly in arrears every Dividend Payment Date (as defined below) at the Dividend Rate *per annum* reckoned from Issue Date. Dividends will be calculated on a 30/360-day basis. The term "**Dividend Rate**" means (a) from the Issue Date up to the Dividend Rate Step-Up Date, the Original Dividend Rate, and (b) from the Dividend Rate Step-Up Date, the higher of the Original Dividend Rate and the Step-Up Rate. (Please see below for the relevant definitions.)
11	Original Dividend Rate and Original Spread……..	<u>For the Series G Preferred Shares:</u> The original dividend rate (the "**Original Dividend Rate**") shall be at the fixed rate of **[•]%** *per annum* on the Offer Price. The Original Dividend Rate was equivalent to the sum of the 3-day average of the 3-year BVAL (or such successor rate) for the 3 consecutive Banking Days immediately preceding and ending on the Dividend Rate Setting Date, and a spread of [•] bps (the "**Original Spread**") *per annum*. <u>For the Series H Preferred Shares:</u> The original dividend rate (the "**Original Dividend Rate**") shall be at the fixed rate of **[•]%** *per annum* on the Offer Price. The Original Dividend Rate was equivalent to the sum of the 3-day average of the 5-year BVAL (or such successor rate) for the 3 consecutive Banking Days immediately preceding and ending on the Dividend Rate Setting Date, and a spread of [•] bps (the "**Original Spread**") *per annum*. The final initial dividend rate was rounded off to 4 decimal places. "**BVAL**" refers to the reference rates of Republic of the Philippines Peso-denominated domestic government bonds, as published on the relevant page of Bloomberg (or its successor entity) at approximately 5:00 p.m. (Philippine Standard Time).

12	Dividend Rate Step-Up…..	<u>For the Series G Preferred Shares:</u> Unless the Series G Preferred Shares are redeemed by ALCO on the third (3rd) anniversary of the Listing Date (the "**Series G Dividend Rate Step-Up Date**"), the Dividend Rate shall be adjusted thereafter to the higher of: a. Original Dividend Rate, or b. the sum of: i. the 3-day average of the 10-year BVAL (or if the 10-year BVAL is not available or cannot be determined, any such successor rate as determined by the BAP or the BSP), as published on the website of the PDS or, if unavailable, the PDEx page of Bloomberg (or such successor website or page of the publication agent or electronic service provider) preceding and including the Series G Dividend Rate Step-Up Date, and ii. the Original Spread x 250% <u>For the Series H Preferred Shares:</u> Unless the Series H Preferred Shares are redeemed by ALCO on the fifth (5th) anniversary of the Listing Date (the "**Series H Dividend Rate Step-Up Date**") (collectively with the Series G Dividend Step-Up Date, the "**Dividend Step-Up Date**"), the Dividend Rate shall be adjusted thereafter to the higher of: c. Original Dividend Rate, or d. the sum of: i. the 3-day average of the 10-year BVAL (or if the 10-year BVAL is not available or cannot be determined, any such successor rate as determined by the BAP or the BSP), as published on the website of the PDS or, if unavailable, the PDEx page of Bloomberg (or such successor website or page of the publication agent or electronic service provider) preceding and including the Series H Dividend Rate Step-Up Date, and ii. the Original Spread x 250% (this item b, the "**Step Up Rate**"). For the avoidance of doubt, (a) if the Original Dividend Rate is higher than the Step Up Rate, there shall be no adjustment on

		the Dividend Rate, and the Original Dividend Rate shall continue to be the Dividend Rate, and (b) there will be no additional increase in the Dividend Rate after the Step Up Rate is applied.
13	Dividend Payment Dates…	As and if declared by ALCO, and in accordance with the terms and conditions of the Preferred Shares, dividends will be payable starting on [•] and every [•],[•],[•] and [•] of each year (each, a "**Dividend Payment Date**"), being the last day of each 3-month dividend period (a "**Dividend Period**"). If the Dividend Payment Date is not a Banking Day, dividends will be paid on the next succeeding Banking Day, without adjustment as to the amount of dividends to be paid. A "**Banking Day**" means a day, except Saturday or Sunday or legal holidays, when banks are open for business in Metro Manila, Philippines during which facilities of the Philippine banking system are open and available for clearing; provided that all other days unless otherwise specified herein shall mean calendar days which shall be construed as successive periods of 24 hours each.
14	Conditions for the Declaration and Payment of Cash Dividends……	ALCO's BOD has full discretion over the declaration and payment of cash dividends on the Preferred Shares, to the extent permitted by law. ALCO's BOD will not declare and pay cash dividends on any Dividend Payment Date where, in its opinion: a. payment of the cash dividend would cause ALCO to breach any of its financial covenants; or b. the unrestricted retained earnings available to ALCO for distribution as dividends are not sufficient to enable ALCO to pay cash dividends in full on all other classes of ALCO's outstanding shares that are scheduled to be paid on or before any Dividend Payment Date and that have an equal right and priority to dividends as the Preferred Shares. If the unrestricted retained earnings available to distribute as dividends are, in the opinion of ALCO's BOD, not sufficient to enable ALCO to pay both dividends on the Preferred Shares and the dividends on other shares that have an equal right and priority to dividends as the Preferred Shares, in full and on the relevant dates, then ALCO is required to: i. first, pay in full, or to set aside an amount equal to, all dividends scheduled to be paid on or before that Dividend Payment Date on any shares with a right to dividends ranking higher in priority to that of the Preferred Shares; and ii. second, to pay dividends on the Preferred Shares and any

		other shares ranking equally with the Preferred Shares as to participation in such retained earnings *pro rata* to the amount of the cash dividends scheduled to be paid to them. The amount scheduled to be paid will include the amount of any dividend payable on that date and any arrears on any past cumulative dividends on any shares ranking equal in priority with the Preferred Shares to receive dividends. Any such cash dividends deferred or not declared in accordance with the above provisions shall constitute "**Arrears of Dividends**". The unrestricted retained earnings available for distribution are, in general and with some adjustments, equal to ALCO's accumulated profits, less accumulated realized losses, subject to relevant regulations. In general, under Philippine law, a corporation can only declare dividends to the extent that it has unrestricted retained earnings. Unrestricted retained earnings represent the undistributed earnings of the corporation which have not been allocated for any managerial, contractual or legal purposes and which are free for distribution to the shareholders as dividends pursuant to relevant regulations. Cash dividends on the Preferred Shares will be cumulative. If for any reason the BOD of ALCO does not declare cash dividends on the Preferred Shares for a Dividend Period, ALCO will not pay cash dividends on the Dividend Payment Date for that Dividend Period. However, on any future Dividend Payment Date on which cash dividends are declared, holders of the Preferred Shares must receive the accrued and unpaid cash dividends due them on such Dividend Payment Date as well as all Arrears of Dividends to the holders of the Preferred Shares prior to such Dividend Payment Date. Holders of the Preferred Shares shall not be entitled to participate in any other or further dividends, cash, property or stock beyond the dividends specifically payable on the Preferred Shares. ALCO covenants that, in the event: (a) any cash dividends due with respect to any Preferred Shares then outstanding for any period are not declared and paid in full when due; (b) where there remains outstanding Arrears of Dividends; or (c) any other amounts payable under the terms and conditions of the Preferred Shares are not paid in full when due for any reason,

		then it will not declare or pay any dividends or other distributions in respect of, or repurchase or redeem, securities ranking *pari passu* with, or junior to, the Preferred Shares (or contribute any money to a sinking fund for the redemption of any securities ranking *pari passu* with, or junior to, the Preferred Shares) until any and all Arrears of Dividends and accrued but unpaid cash dividends have been paid to the holders of the Preferred Shares (unless such declaration or payment of dividends or distributions in respect of *pari passu* securities shall be in accordance with the paragraph numbered (2) of this section in respect of *pro rata* payment between the Preferred Shares and any other shares ranking equally with the Preferred Shares as to participation in the retained earnings).
15	Payments of Dividends and Other Amounts…….	All payments of dividends and any other amounts under the Preferred Shares shall be paid by ALCO in Philippine Pesos. On the relevant payment dates, the Paying Agent shall make available to the holders of the Preferred Shares as of the relevant record date, checks drawn against the relevant payment settlement account in the amount due to each of such holders of record, either (i) for pick-up by the relevant holder of record of the Preferred Shares or its duly authorized representative at the office of the Paying Agent, or (ii) delivery via courier or, if courier service is unavailable for delivery to the address of the relevant holder of record of the Preferred Shares via mail, at such holder's risk, to the address of such holder appearing in the Registry of Shareholders.
16	Optional Redemption…….	As and if approved by the BOD of ALCO and subject to the requirements of applicable laws and regulations, and ALCO's financial covenants, ALCO has the sole option, but not the obligation, to redeem all (but not part) of the outstanding Preferred Shares, having given to the Stock Transfer Agent, the SEC and the PSE not less than 30 calendar days' written notice prior to the intended date of redemption, on: For the Series G Preferred Shares (a) the third-year anniversary date of the Series G Preferred Shares Listing Date; or (b) any Dividend Payment Date after the third-year anniversary date of the Series G Preferred Shares Listing Date For the Series H Preferred Shares (c) the fifth-year anniversary date of the Series H Preferred Shares Listing Date; or

		(d) any Dividend Payment Date after the fifth-year anniversary date of the Series H Preferred Shares Listing Date (each, an "**Optional Redemption Date**"), at a redemption price equal to the Offer Price of the Preferred Shares, plus any accrued and unpaid cash dividends due them on such Dividend Payment Date as well as all Arrears of Dividends outstanding, after deduction of transfer costs customarily chargeable to stockholders, as applicable, to effect the redemption (the "**Redemption Price**"). The Redemption Price shall be paid to holders of the Preferred Shares as of the relevant record date set by ALCO for such redemption. ALCO may, at its sole option, subject to the requirements of applicable laws and regulations and ALCO's financial covenants, also redeem the Preferred Shares, in whole but not in part, at any time if an Accounting Event, a Tax Event or a Change in Control Event (each as defined below) has occurred, having given not less than 30 calendar days' written notice to the Stock Transfer Agent, the PSE and the SEC prior to the intended date of redemption. The redemption due to an Accounting Event or a Tax Event shall be made by ALCO at the Redemption Price, which shall be paid on the date of redemption set out in the notice. Upon the occurrence of a Change in Control Event, ALCO may elect to redeem the Preferred Shares upon giving not less than 30 calendar days' written notice to the Stock Transfer Agent, the PSE, and the SEC prior to the intended date of redemption. If ALCO redeems the Preferred Shares within a period not exceeding 30 days from the occurrence of a Change in Control Event, the redemption shall be made by ALCO at the Redemption Price prevailing immediately prior to the Change in Control Event. If ALCO does not redeem the Preferred Shares within 30 days from the occurrence of a Change in Control Event: (a) the Dividend Rate will be increased by 400 basis points per annum, commencing on and including the day on which a Change in Control Event has occurred; and (b) ALCO may still redeem at any time the Preferred Shares at the Redemption Price. For the avoidance of doubt, the Redemption Price shall include the additional 400 basis points per annum constituting the increase in Dividend Rate, commencing on and including the day on which a Change in Control Event has occurred until the date of redemption, as provided under item a above. The Company's decision to redeem the Preferred Shares on the

		Optional Redemption Date or on other applicable dates will depend on a number of factors including the availability of cash from dividends from the Company's subsidiaries which undertake its various projects and the availability of alternative refinancing options on the Optional Redemption Date or on such other applicable dates. However, while the Preferred Shares may be redeemed regardless of the existence of unrestricted retained earnings, this is subject to the condition that the corporation has, after such redemption, assets in its books to cover debts and liabilities inclusive of capital stock. Redemption, therefore, may not be made where the corporation is insolvent or if such redemption will cause insolvency or inability of the corporation to meet its debts as they mature. The Company may also repurchase the Preferred Shares anytime at the market, as set out below in "*Purchase of the Preferred Shares*."
17	Accounting Event……..	An accounting event ("**Accounting Event**") shall occur if, in the opinion of ALCO, with due consultation with its independent auditors at the relevant time, there is more than an insubstantial risk that the Preferred Shares or the funds raised through the issuance of the Preferred Shares may no longer be recorded as "equity" to the full extent as at the Issue Date pursuant to the PFRS , or such other accounting standards which succeed PFRS, as adopted by the Republic of the Philippines and applied by ALCO for drawing up its consolidated financial statements for the relevant financial year.
18	Tax Event……..	A tax event ("**Tax Event**") shall occur if dividend payments or other amounts payable on the Preferred Shares become subject to higher withholding tax or any new tax (including a higher rate of an existing tax) as a result of certain changes in law, rule or regulation, or in the interpretation thereof.
19	Change in Control Event…	A change in control event ("**Change in Control Event**") shall be deemed to have occurred when: (a) CPG Holdings, Inc. ("**CPG**") and AOCH1 (or together with any of their respective affiliates) collectively cease to own at least 51% of the voting capital stock of ALCO and to retain the power to elect a majority of the BOD; or (b) CPG (alone or together with any affiliate) ceases to own at least 31% of the voting capital stock of ALCO; or (c) AOCH1 (alone or together with any affiliate) ceases to own at least 20% of the voting capital stock of ALCO.

		The term "affiliate" for purposes of the definition of the Change in Control Event, means a corporation (i) at least 67% of the total issued and outstanding voting capital stock is directly or indirectly (computed in the same manner as the grandfather rule) owned by, and (ii) which is controlled by, directly or indirectly, the individuals who, as of Issue Date, are the ultimate owners of CPG or AOCH1, as applicable. For purposes of this definition, "control" means the possession, directly or indirectly, by a person of the power to elect and remove at least a majority of the total number of the BOD or other governing body of the corporation, or otherwise direct or cause the direction of management and policies of the corporation, whether through ownership of voting securities, contract or otherwise; provided, that a person's direct ownership of voting securities of over 50% of the issued and outstanding voting capital stock of the corporation is deemed to constitute control of that corporation. "Controlled by" shall have the corresponding meaning. If a Change in Control Event has occurred, ALCO may at any time redeem the Preferred Shares, subject to the conditions stated under "*Optional Redemption*". Unless the Preferred Shares are redeemed within 30 days from the occurrence of a Change in Control Event, the Dividend Rate will be increased as provided under "*Optional Redemption*". At any time before the occurrence of Change in Control Event, or on the date of such occurrence, or within 7 Banking Days from the occurrence of a Change in Control Event, ALCO, acting through its Corporate Secretary or through such other officer as may be authorized by its BOD, shall give written notice to the Stock Transfer Agent, the SEC and the PSE, of the Change in Control Event. As applicable, the said notice may likewise indicate that ALCO will redeem the Preferred Shares pursuant to the provisions and subject to the conditions stated under "*Optional Redemption*".
20	No Sinking Fund……	ALCO is not legally required and has not established, and currently has no plans to establish, a sinking fund for the redemption of the Preferred Shares.
21	Purchase of the Preferred Shares…….	Subsequent to the listing of the Preferred Shares on the PSE, and subject to compliance with applicable law and rules of the PSE, ALCO may purchase the Preferred Shares at any time at market prices through the facilities of the PSE, or by tender offer or negotiated sale, subject, however, to the relevant PSE approval for a regular or special block sale (as applicable), without the obligation to purchase or redeem the other Preferred Shares.

22	Reissuability.....	The Preferred Shares are reissuable such that in case of redemption, they shall not be considered retired and may be re-issued by ALCO on such terms and conditions as may be determined and approved by the Board of Directors. Nonetheless, ALCO may subsequently amend this term to provide that all the Preferred Shares shall, upon redemption, be cancellable and retired, in case ALCO determines that it is more beneficial to it and/or the holders thereof.
23	Taxation.....	Subject to the provisions set forth below, all payments in respect of the Preferred Shares are to be made free and clear of any deductions or withholding for or on account of any future taxes or duties imposed by or on behalf of the Philippines, including but not limited to, documentary stamp, issue, registration, value added or any similar tax or other taxes and duties, including interest and penalties. If such taxes or duties are imposed, ALCO will pay additional amounts so that holders of the Preferred Shares will receive the full amount of the relevant payment which otherwise would have been due and payable. Notwithstanding the foregoing, ALCO shall not be liable for, and the foregoing payment undertaking of ALCO shall not apply to: (a) any withholding tax applicable to dividends earned by or any amounts payable to the holders of the Preferred Shares prescribed under the National Internal Revenue Code of the Philippines, as amended, including any additional tax on such dividends or any such payables imposed by changes in law, rule or regulation; (b) any income tax including capital gains tax (whether or not subject to withholding), percentage tax (such as stock transaction tax), documentary stamp tax or other applicable taxes on the redemption (or receipt of the Redemption Price) or buy back of the Preferred Shares, or on the liquidating distributions as may be received by a holder of Preferred Shares; (c) any expanded value added tax which may be payable by any holder of the Preferred Shares on any amount to be received from ALCO; (d) any withholding tax, including any additional tax imposed by change in law, rule or regulation, on dividend or on any amount payable to any holder of Preferred Shares which is a non-resident holder; and (e) applicable taxes on any subsequent sale or transfer of the Preferred Shares by any holder of the Preferred Shares which shall be for the account of the said holder (or the

		buyer in case such buyer shall have agreed to be responsible for the payment of such taxes). Documentary stamp tax for the primary issue of the Preferred Shares and the documentation, if any, shall be for the account of ALCO. All sums payable by ALCO to tax-exempt entities shall be paid in full without deductions for taxes, duties, assessments or governmental charges, or to entities claiming preferential rate shall be paid after deducting such preferential rate, provided in each case that said entities present proof of such tax-exempt status from the tax authorities, provide an undertaking to indemnify and hold ALCO, the Stock Transfer Agent and the Paying Agent free and harmless against any claims, actions, suits, and liabilities resulting from the non-withholding or incorrect withholding of the required tax, and other documents as may be required by ALCO in its sole discretion. ALCO shall have the exclusive discretion to decide whether the documents submitted are sufficient for purposes of applying the exemption or the preferential rate being claimed by applicant or the holder of Preferred Shares on the interest and other payments to be made to such applicant or holder. Whether or not the investor or holder or transferee of Preferred Shares is entitled to the exemption or preferential tax rate under the applicable tax treaty, and consequently, whether a request for confirmation shall be filed shall be at the sole discretion of ALCO. Please see "*Taxation*" in the Prospectus for the Philippine tax consequences of the acquisition, ownership and disposition of Preferred Shares.
24	Tax-Exempt Status or Entitlement to Preferential Tax Rate ……	An investor or holder of Preferred Shares who is availing of a preferential withholding tax rate on dividends or of exemption from income tax on dividends shall be required to submit the following requirements to the Stock Transfer Agent, subject to acceptance by ALCO, as being sufficient in form and substance: a. For those claiming exemption from income tax: a current and valid Bureau of Internal Revenue ("**BIR**") certified true copy of the tax exemption certificate, ruling or opinion addressed to the relevant applicant or holder of Preferred Shares, confirming its exemption, as required under BIR Revenue Memorandum Circular No. 8-2014 including any clarification, supplement or amendment thereto; b. For those claiming preferential tax treatment on income tax on dividends based on a tax treaty:

		(a) Applicant investors A non-resident holder of Preferred Shares that opts to avail himself or itself of preferential tax treatment with respect to income tax on dividends based on an applicable tax treaty must provide the Issuer 2 originals of the following documents: (a) an application form for treaty purposes (BIR Form 0901-D for dividends), (b) an authenticated/apostilled tax residency certificate duly issued by the relevant foreign tax authority in favor of the shareholder, (c) a notarized and authenticated/apostilled special power of attorney issued by the non-resident holder to the Issuer (indicating the latter's authorized individual representatives), which must expressly state the authority to sign the request for confirmation, and (d) an authenticated/apostilled copy of the constitutive documents, such as articles/memorandum of incorporation of incorporation/association, of the non-resident holder, if applicable, with an English translation if in foreign language. The non-resident holder must also furnish the Issuer the relevant provision of the applicable tax treaty which prescribes the preferential tax treatment on dividend income. (b) Transferee holders A non-resident holder who is a transferee of Preferred Shares that opts to avail of preferential tax treatment with respect to income tax on dividends based on an applicable tax treaty must provide the Issuer through the Paying Agent with 2 originals of the following documents: (i) the duly accomplished and signed BIR Form 0901-D, (ii) the authenticated/apostilled tax residency certificate, (iii) the notarized and authenticated/apostilled special power of attorney issued by the non-resident holder to the Issuer (indicating the latter's authorized individual representatives), which must expressly state the authority to sign the request for confirmation, (iv) an authenticated/apostilled copy of the constitutive documents, such as articles/memorandum of incorporation of incorporation/association, of the non-resident holder, if applicable, with an English translation if in foreign language, and (v) and a copy of the relevant provision of the applicable tax treaty which prescribes the preferential tax treatment on dividend income.

		Whether or not the investor or holder or transferee of Preferred Shares is entitled to the exemption or preferential tax rate under the applicable tax treaty, and consequently, whether a request for confirmation shall be filed shall be at the sole discretion of ALCO. c. For those claiming exemption from income tax as a BIR-qualified employees' retirement fund (in addition to the requirements under item a above): a duly notarized undertaking (in form and substance prescribed by ALCO) executed by (1) the corporate secretary or any authorized representative of such applicant or holder of Preferred Shares, who has personal knowledge of the exemption based on his official functions, if the applicant purchases, or the holder of Preferred Shares holds, the Preferred Shares for its account, or (2) the trust officer, if the applicant is a universal bank authorized under Philippine law to perform trust and fiduciary functions and purchase the Preferred Shares pursuant to its management of tax-exempt entities (*i.e.*, Employee Retirement Fund, etc.), declaring and warranting such entities' tax-exempt status or preferential rate entitlement, undertaking to immediately notify ALCO, the Stock Transfer Agent and the Paying Agent of any suspension or revocation of the tax exemption certificate, certificate, ruling or opinion issued by the BIR, executed using the prescribed form, with a declaration and warranty of its tax exempt status or entitlement to a preferential tax rate, and agreeing to indemnify and hold ALCO, the Stock Transfer Agent and the Paying Agent free and harmless against any claims, actions, suits, and liabilities resulting from the non-withholding or incorrect withholding of the required tax; and d. such other documentary requirements as may be required under the applicable (including updated or amended) regulations of the relevant taxing or other authorities and/or other documents as may be required by ALCO, which, for purposes of claiming exemption from withholding tax, preferential tax treaty rates or the special 15% tax sparing rate on dividends, shall include evidence of exemption from withholding tax, or of the applicability of a tax treaty or of the tax sparing rate, with consularized proof of the applicant's or holder's legal domicile in the relevant treaty state, and confirmation acceptable to ALCO that such applicant or holder of Preferred Shares is not doing business in the Philippines; provided that ALCO, the Stock Transfer Agent and the Paying Agent shall have the exclusive discretion to decide whether the documents submitted are sufficient for purposes of applying the

		exemption or the reduced rate being claimed by applicant or the holder of Preferred Shares on the interest payments to be made to such applicant or holder. The foregoing requirements shall be submitted, (i) in respect of an initial issuance of the Preferred Shares, to the Lead Underwriter or Selling Agents who shall then forward the same with the Application to Purchase to the Stock Transfer Agent; or (ii) in respect of a transfer from a holder of Preferred Shares to a purchaser, to the Stock Transfer Agent within 3 days from settlement date. Unless timely and properly provided with satisfactory proof of the tax-exempt status or entitlement to preferential tax treatment of an applicant or a holder of the Preferred Shares and the other documents as may be required by ALCO, the Stock Transfer Agent and Paying Agent may assume that said applicant or holder is taxable at the regular rate and proceed to apply the tax due on the Preferred Shares. Notwithstanding the submission by the applicant or holder, or the receipt by ALCO or any of its agents, of documentary proof of the tax-exempt status or entitlement to preferential tax treatment of an applicant or holder or other documents, ALCO may, in its sole and reasonable discretion, determine that such shareholder is taxable and require the Stock Transfer Agent and Paying Agent to proceed to apply the tax at the regular rate due on the Preferred Shares. Any question on such determination shall be referred to ALCO.
25	Liquidation Rights……	In the event of a return of capital in respect of ALCO's winding up or otherwise (whether voluntarily or involuntarily) (but not on a redemption or purchase by ALCO of any of its share capital), the holders of the Preferred Shares at the time outstanding will be entitled to receive, in Philippine Pesos out of the assets of ALCO available for distribution to shareholders, together with the holders of any other shares of ALCO ranking, as regards repayment of capital, *pari passu* with the Preferred Shares and before any distribution of assets is made to holders of any class of ALCO shares ranking junior to the Preferred Shares as regards repayment of capital, liquidating distributions in an amount equal to the Offer Price per share plus an amount equal to the Arrears in Dividends, any dividends declared unpaid in respect of the previous dividend period, and any accrued and unpaid dividends for the then current dividend period to (and including) the date of commencement of ALCO's winding up or the date of any such other return of capital, as the case may be. If, upon any return of capital in the winding up of ALCO, the amount payable with respect to the Preferred Shares and any other shares of ALCO ranking as to any such distribution *pari passu* with the Preferred Shares are not paid in full, the holders of the Preferred Shares and of such other shares will share proportionately in any such distribution of the assets of ALCO in proportion to the full

		respective preferential amounts to which they are entitled. After payment of the full amount of the liquidating distribution to which they are entitled, the holders of the Preferred Shares will have no right or claim to any of the remaining assets of ALCO and will not be entitled to any further participation or return of capital in a winding up.
26	Form, Title and Registration of the Preferred Shares……	The Preferred Shares will be issued in scripless form through the electronic book-entry system of the Stock Transfer Agent and lodged with the Philippine Depository Trust Corporation ("**PDTC**") as depository agent on Listing Date through PSE trading participants nominated by the applicants. For this purpose, applicants shall indicate in the proper space provided for in the Application to Purchase (as defined below) the name of a PSE trading participant under whose name their Preferred Shares will be registered. After Listing Date, shareholders may request their nominated PSE trading participant, to uplift their shares and issue stock certificates evidencing their investment in the Preferred Shares. Any expense that will be incurred in relation to such registration or issuance shall be for the account of the requesting shareholder. Legal title to the Preferred Shares will be shown in the Registry of Shareholders which shall be maintained by the Stock Transfer Agent. The Stock Transfer Agent shall send a transaction confirmation advice confirming every receipt or transfer of the Preferred Shares. Any request by shareholders for certifications, reports or other documents from the Stock Transfer Agent, except as provided herein, shall be for the account of the requesting shareholder. For scripless shares, the maintenance and custody fee payable to the PDTC shall be for the account of the shareholder. Initial placement of the Preferred Shares and subsequent transfers of interests in the Preferred Shares shall be subject to normal Philippine selling restrictions for listed securities as may prevail from time to time. Philippine law does not require transfers of the Preferred Shares to be effected on the PSE, but any off-exchange transfers will subject the transferor to a capital gains tax that may be significantly greater than the stock transfer tax applicable to transfers effected on an exchange, to (as applicable) donor's tax, and to documentary stamp tax. Please see "*Taxation*" in this Prospectus and the Prospectus. All transfers of shares on the PSE must be effected through a licensed stock broker in the Philippines.

27	Title and Transfer……..	Legal title to the Preferred Shares shall pass by endorsement and delivery to the transferee and registration in the Registry of Shareholders to be maintained by the Stock Transfer Agent. Settlement in respect of such transfer or change of title to the Preferred Shares, including the settlement of documentary stamp taxes, if any, arising from subsequent transfers, shall be similar to the transfer of title and settlement procedures for listed securities in the PSE.
28	Status of the Preferred Shares in the Distribution of Assets in the Event of Dissolution……..	The Preferred Shares will constitute the direct and unsecured subordinated obligations of ALCO ranking at least *pari passu* in all respects and ratably without preference or priority among themselves. The Preferred Shares rank junior in right of payment to all indebtedness of the Company and claims against the Company which rank or are expressed to rank senior to the Preferred Shares. Accordingly, the obligations of the Company under the Preferred Shares will not be satisfied unless the Company can satisfy in full all of its other obligations ranking senior to the Preferred Shares. There is no agreement or instrument that limits or prohibits the ability of ALCO to issue Preferred Shares or other securities, and ALCO may at any time issue such other securities, that rank *pari passu* with the Preferred Shares or with terms and conditions different from the Preferred Shares. For the avoidance of doubt, the Series A and Series E Preferred Shares rank junior in right of payment and claims against the Company to the Series D Preferred Shares, Series F Preferred Shares and the Preferred Shares (collectively, the "**Public Preferred Shares**").
29	Selling and Transfer Restrictions……	After listing, the subsequent transfers of interests in the Preferred Shares shall be subject to normal selling restrictions for listed securities as may prevail in the Philippines from time to time.
30	Governing Law……..	The Preferred Shares will be issued pursuant to the laws of the Republic of the Philippines.
Other Terms of the Offer		
31	Offer Period……	The offer period of this Offer shall commence on [•] and end at 12:00 p.m., Manila Time on [•] (the "**Offer Period**"). Applications shall be accepted on each Banking Day of the Offer Period commencing from 9:00 a.m. to 5:00 p.m., except on the last Banking Day of the Offer Period where applications shall be accepted from 9:00 a.m. to 12:00 p.m. only. Applications shall be considered irrevocable upon submission to

		the Lead Underwriter or Selling Agents, and shall be subject to the terms and conditions of the Offer as stated in the Prospectus and in the application form to subscribe to the Preferred Shares (the "**Application to Purchase**"). Applications to Purchase the Preferred Shares, together with the required documents (each, an "**Application**"), must be received by the Lead Underwriter or Selling Agents not later than 12:00 p.m. Manila time on [•]. Applications received thereafter or without the required documents and/or full payments will be rejected. ALCO reserves the right to waive any requirement for the acceptance of the Applications.
32	Minimum Subscription to the Preferred Shares…….	Each Application shall be for a minimum of 100 Preferred Shares, and thereafter, in multiples of 10 Preferred Shares. No Application for multiples of any other number of Preferred Shares will be considered.
33	Eligible Investors……	The Preferred Shares may be owned or subscribed to by any person, partnership, association or corporation regardless of nationality, subject to limits under Philippine law. However, under certain circumstances (including if the subscription will cause the Issuer to be in breach of the Philippine ownership requirement under relevant Philippine laws), an Application may be rejected or the number of the Preferred Shares applied for subscription may be reduced. Subscription to the Preferred Shares may be restricted in certain jurisdictions. Foreign investors interested in subscribing or purchasing the Preferred Shares should inform themselves of the applicable legal requirements under the laws and regulations of the countries of their nationality, residence or domicile, and as to any relevant tax or foreign exchange control laws and regulations affecting them personally. Foreign investors, both corporate and individual, warrant that their purchase of the Preferred Shares will not violate the laws of their jurisdiction and that they are allowed to acquire, purchase and hold the Preferred Shares.
34	Procedure for Application.	Applications to Purchase the Preferred Shares may be obtained from any of the Lead Underwriter or Selling Agents. The Application to Purchase may also be obtained from the website of ALCO at www.arthaland.com. All Applications shall be evidenced by the Application to Purchase, duly executed in each case by the applicant or an authorized signatory of the applicant and accompanied by: (a) two (2) duly accomplished signature cards containing (i) if applicant is a natural person, the specimen signature of the applicant, and (ii) if applicant is a corporation, partnership or trust account, the specimen signatures of the applicant's authorized signatories, validated by its Corporate Secretary or by an equivalent officer or officers who is or are

		authorized signatory or signatories, and in respect of each of item (i) and (ii), validated/signed by the Lead Underwriter's authorized signatory or signatories whose authority and specimen signatures have been submitted to the Stock Transfer Agent; and (b) the corresponding payment for the Preferred Shares covered by the Application and all other required documents including documents required for registry with the Stock Transfer Agent and Depository Agent. The duly executed Application to Purchase and required documents should be submitted to the Lead Underwriter or Selling Agents within the deadline as set out in this Prospectus. If the applicant is a corporation, partnership, or trust account, the Application must be accompanied by the following documents: (a) a certified true copy of the applicant's latest articles of incorporation and by-laws and other constitutive documents, each as amended to date, duly certified by the corporate secretary; (b) a certified true copy of the applicant's SEC certificate of registration, duly certified by the corporate secretary; and (c) a duly notarized corporate secretary's certificate setting forth the resolution of the applicant's BOD or equivalent body authorizing (i) the purchase of the Preferred Shares indicated in the Application and (ii) the designated signatories for the purpose, including their respective specimen signatures. Individual applicants and authorized signatories of other applicants must also submit a photocopy of any one (1) of the following identification cards ("**ID**") bearing a signature and recent photo, and which is not expired: passport/driver's license, company ID issued by private entities or institutions registered with or supervised or regulated either by the *Bangko Sentral ng Pilipinas* ("**BSP**"), SEC or Insurance Commission, Social Security System card, Government Service and Insurance System e-card and/or Senior Citizen's ID or such other IDs enumerated in the Application to Purchase. Applicants must also submit such other documents as may be reasonably required by any of the Lead Underwriter or Selling Agents in implementation of its internal policies regarding "know your customer" and anti-money laundering, combating the financing of terrorism, and countering proliferation financing. An applicant who is exempt from or is not subject to withholding tax or who claims reduced tax treaty rates must indicate such

		exemption or entitlement in the Application to Purchase and also submit additional documents as may be required by the Issuer, including but not limited to, the documents described under "*Tax-Exempt Status or Entitlement to Preferential Tax Rate*" in the Prospectus. For Local Small Investors, the allocation will be through the PSE Electronic Allocation system ("**PSE EASy**"). The procedure in subscribing via the PSE EASy is indicated in the Company's Implementing Guidelines for Local Small Investors to be announced through PSE EDGE website.
35	Payment for the Preferred Shares……	The Offer Price of the Preferred Shares subscribed for must be paid in full in Philippine Pesos upon submission of the Application. Payment for applicants directly submitting their Application to Purchase to any of the Lead Underwriter or Selling Agents: (i) a Metro Manila clearing cashier's/manager's or corporate check or personal check drawn against a bank account with a BSP-authorized agent bank located in Metro Manila and dated as of the date of submission of the Application to Purchase covering the entire number of the Preferred Shares covered by the same Application. Checks should be made payable to "BDO Capital & Investment Corporation" and crossed "For Payee's Account only". Applications and the related payments shall be received by the Receiving Agent at its offices or other designated places during the Offer Period; or (ii) via direct debit from their deposit account maintained with the Lead Underwriter or Selling Agents.
36	Acceptance/Rejection of Applications……..	The actual number of Preferred Shares that an Applicant will be allowed to subscribe for is subject to the confirmation of the Lead Underwriter. ALCO reserves the right to accept or reject, in whole or in part, or to reduce any Application due to any grounds specified in the Underwriting Agreement entered into by ALCO and the Sole Issue Manager and Lead Underwriter. Applications which were unpaid or where payments were insufficient and those that do not comply with the terms of the Offer shall be rejected. Moreover, any payment received pursuant to the Application does not ensure or indicate approval or acceptance by ALCO of the Application. An Application, when accepted, shall constitute a binding and effective agreement between the Applicant and ALCO for the subscription to the Preferred Shares at the time, in the manner and subject to terms and conditions set forth in the Application to Purchase and those described in the Prospectus.

		Notwithstanding the acceptance of any Application by ALCO, the actual subscription by the Applicant for the Preferred Shares will become effective only upon listing of the Preferred Shares on the PSE and upon the obligations of the Lead Underwriter under the Underwriting Agreement becoming unconditional and not being suspended, terminated or cancelled, on or before the Listing Date, in accordance with the provision of the said agreement. If such conditions have not been fulfilled on or before the periods provided above, all Application payments will be returned to the Applicants without interest. Subject to the right of the Company to withdraw or cancel the offer and sale of the Offer Shares prior to Listing Date pursuant to the Withdrawal of the Offer section of the Prospectus, the Company and any of its agents involved in the Offer undertake to comply with all conditions that are within the control of the Company and any of its agents involved in the Offer, to ensure the listing of the Offer Shares on Listing Date.
37	Refunds of Application Payments……	In the event that the number of Preferred Shares to be allotted to an Applicant, as confirmed by the Lead Underwriter, is less than the number covered by its Application, or if an Application is wholly or partially rejected by ALCO, then ALCO shall refund, without interest, within 5 Banking Days from the end of the Offer Period, all or a portion of the payment corresponding to the number of Preferred Shares wholly or partially rejected. All refunds shall be made through the Lead Underwriter or Selling Agents with whom the Applicant has filed the Application at the risk of the applicant.
38	Withdrawal of the Offer….	The Company reserves the right to withdraw the offer and sale of the Offer Shares at any time before the commencement of the Offer Period, in which event the Company shall make the necessary disclosures to the SEC and PSE. The Company may also withdraw the offer and sale of the Offer Shares at any time on or after the commencement of the Offer Period and prior to the Listing Date, if there is a supervening force majeure or fortuitous event, such as: a. An outbreak or escalation of hostilities or acts of terrorism involving the Philippines or a declaration by the Philippines of a state of war; or occurrence of any event or change (whether or not forming part of a series of events occurring before, on and/or after the date hereof) of a political, military, economic or other nature; or occurrence of any change in local, national or international financial, political, economic or stock market conditions which renders it impracticable or inadvisable to continue with the Offer and/or listing of the Offer Shares in the manner contemplated by the

		Prospectus, or would have a material adverse effect on the Philippine economy, on the securities or other financial or currency markets of the Philippines, or on the distribution, offer and sale of the Offer Shares in the Philippines, rendering it impracticable or inadvisable to proceed with the Offer in the manner contemplated by the Prospectus, provided that for the avoidance of doubt, the Offer shall not be withdrawn, cancelled, suspended or terminated solely by reason of the Issuer's or the Sole Issue Manager, Lead Underwriter and Bookrunner's inability to sell or market the Offer Shares or refusal or failure to comply with any undertaking or commitment by the Issuer, the Sole Issue Manager, Lead Underwriter and Bookrunner, or any other entity/ person to take up any Offer Shares remaining after the Offer Period; b. Issuance of an order revoking, cancelling, suspending, preventing or terminating the offer, sale, distribution or listing of the Offer Shares by any court or governmental agency or authority with jurisdiction on the matter, including the SEC or the PSE; c. Cancellation, revocation or termination of the PSE Notice of Approval, the SEC pre-effective clearance, the SEC Order of Registration and the SEC Permit to Sell; d. Cancellation or suspension of trading in the PSE for at least 3 consecutive trading days, or in such manner or for such period as will render impracticable the listing and trading of the Offer Shares on the Listing Date or such other date as may be approved by PSE; e. A change or impending change in the law, rule, regulation, policy or administrative practice, or a ruling, interpretation, decree or order which (i) materially and adversely affects: (a) the ability of the Issuer to engage in the business it is presently engaged in; or (b) the capacity and due authorization of the Issuer to offer and issue the Offer Shares and enter into the transaction documents in connection with the Offer, or (ii) would render illegal the performance by the Sole Issue Manager, Lead Underwriter and Bookrunner of its underwriting obligations hereunder; f. Any significant, adverse, and unforeseeable change or development in the Issuer's long-term financial condition, assets, liabilities, results of operations, business, properties, or profitability, which renders the Offer Shares unsuitable for offering to the public; g. The Issuer decides to or is compelled to stop its

		operations which is not remedied within 5 Banking Days; h. The Issuer shall be adjudicated bankrupt or insolvent, or shall admit in writing its inability to pay its debts as they mature, or shall make or threaten to make an assignment for the benefit of, or a composition or assignment with, its creditors or any class thereof, or shall declare or threaten to declare a moratorium on its indebtedness or any class thereof; or (ii) the Issuer shall apply for or consent to the appointment of any receiver, trustee or similar officer for it or for all or any substantial part of its property; or (iii) such receiver, trustee or similar officer shall be appointed; or (iv) the Issuer shall initiate or institute (by petition, application or otherwise howsoever), or consent to the institution of any bankruptcy, insolvency, reorganization, rehabilitation, arrangement, readjustment of debt, suspension of payment, dissolution, liquidation or similar proceeding relating to it under the laws of any jurisdiction; or (v) any such proceeding shall be instituted against the Issuer; or any judgment, writ, warrant of attachment or execution or similar process shall be issued or levied against any material asset, or material part thereof, of the Issuer; or (vi) any event occurs which under the laws of the Philippines or to other jurisdictions, or any applicable political subdivision thereof, has an effect equivalent to any of the foregoing; i. A general banking moratorium is declared in the Philippines or a material disruption in commercial banking or securities settlement or clearance services occurs in the Philippines; j. Any court proceeding, litigation, arbitration or other similar proceeding is commenced or threatened against the Sole Issue Manager, Lead Underwriter and Bookrunner in connection with or with respect to the issuance or sale by the Issuer of the Offer Shares or the Offer in general which renders the performance of its underwriting commitment impossible or impracticable; k. Any event occurs which makes it impossible for the Sole Issue Manager, Lead Underwriter and Bookrunner to perform its underwriting obligations due to conditions beyond its control, such as issuance by any court, arbitral tribunal, or government agency which has jurisdiction on the matter of an order restraining or prohibiting the Sole Issue Manager, Lead Underwriter and Joint Bookrunner, or directing the Sole Issue Manager, Lead Underwriter and Bookrunner to cease, from performing its underwriting obligations;

		l. Unavailability of PDTC and PSE facilities used for the Offer and/or listing and such unavailability impacts the ability of the Issuer and the Sole Issue Manager, Lead Underwriter and Bookrunner to fully comply with the listing requirements of PSE; and m. Any force majeure event, other than the ones enumerated above, that has material and adverse effect on the Issuer's long-term financial condition, assets, liabilities, results of operations, business, properties, or profitability. The Offer shall not be withdrawn, cancelled, suspended, or terminated solely by reason of the Issuer's or the Sole Issue Manager, Lead Underwriter and Bookrunner's inability to sell or market the Offer Shares or refusal or failure to comply with any undertaking or commitment by the Issuer, the Sole Issue Manager, Lead Underwriter and Bookrunner, or any other entity/ person to take up any shares remaining after the Offer Period. Notwithstanding the acceptance of any Application, the actual issuance of the Offer Shares to an Applicant shall take place only upon the listing of the Offer Shares on the PSE. Subject to the right of the Company to withdraw or cancel the offer and sale of the Offer Shares prior to Listing Date pursuant to this section and the "*Plan of Distribution - Withdrawal of the Offer*" of the Prospectus, the Company and any of its agents involved in the Offer undertake to comply with all conditions that are within the control of the Company and any of its agents involved in the Offer, to ensure the listing of the Offer Shares on Listing Date. Notwithstanding the foregoing, the Company and the Sole Issue Manager, Lead Underwriter and Bookrunner recognize and acknowledge that the PSE, in the exercise of its authority as a self-regulatory organization and further to its mandate to maintain a fair and orderly market, may impose appropriate sanctions and penalties on the Company and/or the Sole Issue Manager, Lead Underwriter and Bookrunner for the cancellation of the Offer if subsequently, the PSE makes a determination that the cancellation or suspension of the offer and/or the underwriting commitment was not warranted based on the facts gathered by PSE after proper evaluation. The Underwriting Agreement also provides for grounds for termination of the Offer by the Sole Issue Manager, Lead Underwriter and Bookrunner such as if there is a supervening force majeure or fortuitous event as described therein.

<table>
<tr><td>39</td><td>Underwriter's Firm Commitment to Purchase……</td><td>The Sole Issue Manager, Lead Underwriter and Bookrunner will fully underwrite, on a firm commitment basis, the Offer Shares forming part of the Firm Offer.

After the commencement of the Offer Period, the Offer shall not be withdrawn, cancelled, suspended or terminated solely by reason of the (i) inability of the Company or the Sole Issue Manager, Lead Underwriter and Bookrunner to sell or market the Offer Shares or (ii) the refusal or failure by the Company, the Sole Issue Manager, Lead Underwriter and Bookrunner, or any other entity or person to comply with any undertaking or commitment to take up any shares remaining after the Offer Period.

In undertaking the Sole Issue Manager, Lead Underwriter and Bookrunner's Firm Commitment to Purchase, the Sole Issue Manager, Lead Underwriter and Bookrunner hereby manifests its conformity to comply with and be bound by all duly promulgated and applicable listing and disclosure rules, requirements, and policies of the PSE.</td></tr>
<tr><td>40</td><td>Timetable……</td><td>The timetable of this Offer is as follows:

<table><tr><td>Receipt of SEC Pre-effective clearance</td><td>[•]</td></tr><tr><td>Receipt of PSE Notice of Approval</td><td>[•]</td></tr><tr><td>Dividend Rate Setting Date</td><td>[•]</td></tr><tr><td>Issuance of Permit to Sell and Order of Registration</td><td>[•]</td></tr><tr><td>Offer Period</td><td>[•]</td></tr><tr><td>PSE Trading Participants' Commitment Deadline</td><td>[•]</td></tr><tr><td>Listing Date, Issue Date, and Commencement of Trading on the PSE</td><td>[•]</td></tr></table>
The dates indicated above are subject to the approval of the PSE and the SEC, market and other conditions, and may be changed.</td></tr>
<tr><td>41</td><td>Sole Issue Manager, Lead Underwriter and Lead Bookrunner (or the Lead Underwriter)……..</td><td>BDO Capital & Investment Corporation</td></tr>
<tr><td>42</td><td>Selling Agents ……..</td><td>Trading Participants of The Philippine Stock Exchange, Inc.</td></tr>
<tr><td>43</td><td>Depository Agent ……..</td><td>Philippine Depository & Trust Corp.</td></tr>
<tr><td>44</td><td>Receiving Agent, Stock Transfer Agent, and Paying Agent……..</td><td>Stock Transfer Service, Inc.</td></tr>
</table>

45	Counsel to ALCO…….	SyCip Salazar Hernandez & Gatmaitan
46	Counsel to the Sole Issue Manager, Lead Underwriter and Bookrunner…….	Romulo Mabanta Buenaventura Sayoc & De Los Angeles

Description of the Securities

Set forth below is information relating to the Preferred Shares. This description does not purport to be a complete listing of all the features, rights, obligations, or privileges of the Preferred Shares and is qualified in its entirety by reference to the Stock Transfer, Receiving and Paying Agency Agreement. Some rights, obligations, or privileges may be further limited or restricted by other documents. Prospective investors are enjoined to carefully review the Articles of Incorporation, By-Laws and resolutions of the BOD and Shareholders of the Company, the information contained in this Prospectus, and the Stock Transfer, Receiving and Paying Agency Agreement.

SHARE CAPITAL

On August 30, 2016 and September 7, 2016, the BOD and stockholders representing at least 2/3 of the outstanding capital stock of the Company approved, respectively, the increase of its authorized capital stock by Php50,000,000.00 or from Php2,946,257,135.82 to Php2,996,257,135.82 with the creation of 50,000,000 preferred shares with a par value of Php1.00 per share.

On September 13, 2016, the Company filed an application with the SEC for the approval of the foregoing amendment, which was approved by the SEC on September 22, 2016.

Pursuant to the Company's amended Articles of Incorporation and By-Laws, the Company has an authorized capital stock of Php2,996,257,135.82 consisting of 16,368,095,199 Common Shares with a par value of Php0.18 per Common Share and 50,000,000 preferred shares with a par value of Php1.00 per preferred share.

On May 4, 2022 and June 24, 2022, the BOD and stockholders representing at least 2/3 of the date outstanding capital stock of this Prospectus, the Company has approved, respectively, the decrease of its authorized capital stock of by Php20,000,000.00 or from Php2,996,257,135.82 to Php2,976,257,135.82 with the cancellation of 20,000,000 preferred shares with a par value of Php1.00 per preferred share. The decrease of authorized capital stock to cancel these preferred shares was due to the redemption of Series B Preferred Shares on December 6, 2021 from the holders thereof pursuant to the Offer Supplement to the Prospectus dated November 21, 2016 which stated the Company's option to redeem said shares on the fifth anniversary of its listing date, or on December 6, 2016, at the redemption price equal to the offer price plus any accrued and unpaid cash dividends due. Upon such redemption, the 20,000,000 Series B Preferred Shares were recorded as treasury shares of the Company.

Subsequently, on December 13, 2023 and January 31, 2024, the BOD and stockholders representing at least 2/3 of the outstanding capital stock of the Company approved, respectively, the increase of its authorized capital stock by Php50,000,000.00 or from Php2,976,257,135.82 to Php3,026,257,135.82 through the creation of 50,000,000 preferred shares with a par value of Php1.00 per share.

On February 12, 2024, the Company filed an application with the SEC for the approval of the foregoing AOI Amendment.

After approval of the AOI Amendment on August 14, 2024, the Company had an authorized capital stock of Php3,026,257,135.82 consisting of 16,368,095,199 Common Shares with a par value of Php0.18 per Common Share and 80,000,000 preferred shares with a par value of Php1.00 per preferred share.

On November 14, 2024, the Company issued to the public 4,964,860 Series F Preferred shares.

On January 22, 2025 and June 27, 2025, the BOD and stockholders representing at least 2/3 of the outstanding capital stock of the Company approved, respectively, the decrease of its authorized capital stock by Php10,000,000.00 or from Php3,026,257,135.82 to Php3,016,257,135.82 with the cancellation of 10,000,000 preferred shares with par value of Php1.00 per preferred share. The decrease in authorized capital stock to cancel these preferred shares was due to the redemption of Series C Preferred Shares on June 27, 2024 from the holders thereof pursuant to the Offer Supplement to the Prospectus dated April 24, 2019 which stated the Company's option to redeem said shares on the fifth anniversary of its listing date, or on June 27, 2024, at the redemption price equal to the offer price plus any accrued and unpaid cash dividends due. Upon such redemption, the 10,000,000 Series C Preferred Shares were recorded as treasury shares of the Company. On March 18 2026, the SEC approved the amendments to ALCO's AOI reflecting this decrease.

As of the date of this Prospectus, the Company's issued and outstanding capital stock is as follows:

(a) common shares of 5,318,095,199 Common Shares with par value of Php0.18 share or aggregate par value of Php957,257,135.82;

(b) 12,500,000 Series A Preferred Shares with par value of Php1.00 per share or aggregate par value of Php12,500,000.00;

(c) 6,000,000 Series D Preferred Shares with par value of Php1.00 per share or aggregate par value of Php6,000,000.00;

(d) 14,000,000 Series E Preferred Shares with par value of Php1.00 per share or aggregate par value of Php14,000,000.00; and

(e) 4,964,860 Series F Preferred Shares with par value of Php1.00 per share or aggregate par value of Php4,964,860.00.

Aggregate par value of the outstanding shares is Php994,721,996.00 in total subscribed capital stock.

The Preferred Shares will be issued from the unissued authorized capital stock. Once the Offer is completed, it is expected that the Company will have 4,000,000 outstanding Preferred Shares from the Offer in case the Oversubscription Option is not exercised at all, or up to 6,000,000 outstanding Preferred Shares from the Offer in case the Oversubscription Option is fully exercised.

A. COMMON SHARES

Voting Rights

Each Common Share is entitled to one vote at all stockholders' meetings for each Common Share standing in the stockholder's name in the books of the Company at the time of closing thereof for the purpose of the meeting.

At every election of directors, each stockholder entitled to vote during the meeting may vote each Common Share for as many persons as there are directors to be elected, or to cumulate said shares and give one candidate as many votes as the number of directors multiplied by the number of his shares shall equal, or distribute such votes on the same principle among as many candidates as the stockholder thinks fit.

Fundamental Matters Requiring Stockholder Approval

Corporate power and competence are lodged primarily with the BOD. However, the Revised Corporation Code considers certain matters as significant corporate acts that may be implemented only with the approval of stockholders, including those holding shares denominated as non-voting in the articles of incorporation. These acts, which require BOD approval and the approval of stockholders representing at least 2/3 of the issued and outstanding capital stock of the company in a meeting duly called for the purpose include:

- Amendment of the Articles of Incorporation;
- Extension or shortening of corporate term;
- Increase or decrease of capital stock and incurring, creating or increasing bonded indebtedness;
- Delegation to the BOD the power to amend or repeal or to adopt new By-Laws;
- Sale of all or substantially all of the Company's properties and assets, including its goodwill;
- Merger or consolidation of the Company with another corporation or corporations;
- Investment of corporate funds in any other corporation, business or for any purpose other than the primary purpose for which the Company was organized;
- Voluntarily dissolving the Company where creditors are affected;
- Issuance of stock dividends;
- Ratifying a contract between the Company and a director, officer or their spouses and relatives within the fourth civil degree of consanguinity or affinity, where any of the following conditions is absent: (i) the presence of such director in the board meeting in which the contract was approved was not necessary to constitute a quorum; (ii) the vote of such director was not necessary for the approval of the contract; or (iii) the contract is fair and reasonable under the circumstances;
- Entering into a management contract with another corporation where (a) a stockholder or stockholders representing the same interest of both the managing corporation and the Company in case it is the managed corporation own or control more than 1/3 of the total outstanding capital stock entitled to vote of the managing corporation; or (b) where a majority of the members of the board of directors of the managing corporation also constitute a majority of the members of the BOD of the Company in case it is the managed corporation;
- Removal of directors;
- Ratification of an act of disloyalty by a director as described under Section 33 of the Revised Corporation Code; and
- Ratification of contracts with corporations in which a director is also a member of the board, where the interest of the directors is substantial in one corporation and nominal in the other.

No Pre-emptive Rights

The Articles of Incorporation of the Company currently deny pre-emptive rights to holders of shares of stock of the Company over all issuances of the Company's shares. However, stockholders representing at least 2/3 of the Company's issued and outstanding capital stock voting at a stockholders' meeting duly called for the purpose may amend the Articles of Incorporation to grant pre-emptive rights to subscribe to a particular issue or other disposition of shares from the Company's capital. Pre-emptive rights may not extend to shares to be issued in compliance with laws requiring stock offerings or minimum stock ownership by the public; or to shares to be issued in good faith with the approval of the stockholders representing two-thirds of the outstanding capital stock in exchange for property needed for corporate purposes or in payment of a previously contracted debt.

Derivative Suits

Philippine law recognizes the right of a stockholder to institute, under certain circumstances, proceedings on behalf of the corporation in a derivative action in circumstances where the corporation itself is unable or unwilling to institute the necessary proceedings to redress wrongs committed against the corporation or to vindicate corporate rights, as for example, where the directors themselves are the malefactors.

Appraisal Rights

The Revised Corporation Code grants a stockholder a right of appraisal in certain circumstances where such stockholder has dissented and voted against a proposed corporate action,

- An amendment to the Articles of Incorporation which has the effect of changing or restricting the rights of any stockholder or class of shares, or of authorizing preferences in any respect superior to those of outstanding shares of any class, or of extending or shortening the term of corporate existence of the corporation;

- The sale, lease, exchange, transfer, mortgage, pledge or other disposition of all or substantially all the corporate property and assets as provided under the Revised Corporation Code;

- A merger or consolidation; and

- The investment of corporate funds for any purpose other than the primary purpose of the corporation.

In these circumstances, the dissenting stockholder may, by making a written demand, require the corporation to pay the fair value of shares held within 30 days from the date the vote was taken. If within 60 days from approval of the corporate action by the stockholders, the withdrawing stockholder and the corporation cannot agree on the fair value of the shares, it shall be determined and appraised by three disinterested persons, one of whom shall be named by the stockholder, one by the corporation, and the third by the two thus chosen. The findings of the majority appraisers shall be final, and their award shall be paid by the corporation within 30 days after such award is made. No payment shall be made to any dissenting stockholder unless the corporation has unrestricted retained earnings in its books to cover the payment.

Within 10 days after demanding payment for shares held, a dissenting stockholder shall submit the certificates of stock representing the shares to the corporation for notation that such shares are

dissenting shares. Failure to do so shall, at the option of the corporation, terminate the appraisal rights. If shares represented by the certificates bearing such notation are transferred, and the certificates consequently cancelled, the rights of the transferor as a dissenting stockholder (pursuant to the provisions on appraisal rights) shall cease and the transferee shall have all the rights of a regular stockholder; and all dividend distributions which would have accrued on such shares shall be paid to the transferee.

Right to Dividends of Common Shares

Dividends shall be declared from the unrestricted retained earnings of the Company, at such time and in such amounts as the BOD may determine. Declarations of stock dividends shall be submitted to a stockholders' meeting for approval within 40 business days from such approval by the BOD. The record date for stock dividends shall not be earlier than the date of approval by the stockholders. Meanwhile, declaration of cash dividends shall have a record date, which shall not be less than 15 business days but not more than 20 business days from the date of the declaration of the BOD. Meanwhile, declaration of cash dividends shall have a record date, which shall not be less than 10 business days but not more than 30 business days from the date of the declaration of the BOD, or such other period mandated by applicable laws and regulations of any administrative body the Corporation is subject of.[8] The disclosure of the record date must not be less than 10 trading days from the said date, while the payment date shall not be more than 18 trading days from the record date.[9]

Right of Inspection and Disclosure Requirements

Philippine stock corporations are required to file an annual General Information Sheet ("**GIS**"), which sets forth data on their management and capital structure, with the SEC and copies of their annual financial statements with the SEC and the BIR. Corporations whose shares are listed on the PSE are also required to file current, quarterly and annual reports with the SEC and the PSE. Stockholders are entitled to copies of the most recent financial statements of the corporation in the form and substance of financial reporting required by the SEC, within 10 days from receipt of a written request. Stockholders are also entitled to inspect and examine the books and records which the corporation is required by law to maintain.

Change in Control

The Company's Articles of Incorporation provides that no transfer of stock or interest, which will reduce the ownership of Filipino citizens to less than the required percentage of the outstanding capital stock, shall be allowed or permitted to be recorded in the stock and transfer book.

The Philippine Constitution and related statutes set forth restrictions on foreign ownership of companies engaged in certain activities. Foreign equity participation in entities such as the Company, which owns land in the Philippines, is limited to a maximum of 40% of the Company's total issued and outstanding capital stock entitled to vote in the election of directors and total issued and outstanding capital stock, whether or not entitled to vote. Accordingly, the Company cannot allow the issuance or the transfer of Preferred Shares and cannot record transfers in the books of the Company if such issuance or transfer would cause the Company to be in breach of the restrictions on foreign land ownership discussed above. For more information relating to restrictions on the ownership of the Preferred Shares, see the discussion on Regulatory Regulations covering restrictions on foreign ownership in page [287] of this Prospectus.

[8] Section 2, Article VII of the By-laws.
[9] PSE Memorandum No. 2008-0315 dated June 30, 2008.

Mandatory Tender Offers

Under the implementing rules and regulations of the SRC, subject to certain exceptions:

- Any person or group of persons acting in concert, who intends to acquire 15% of equity securities in a public company in one or more transactions within a period of 12 months, shall file a declaration to that effect with the SEC.

- Any person or group of persons acting in concert, who intends to acquire 35% of the outstanding voting shares or such outstanding voting shares that are sufficient to gain control of the board in a public company in one or more transactions within a period of 12 months, shall disclose such intention and contemporaneously make a tender offer for the percentage sought to all holders of such securities within the said period.

- Any person or group of persons acting in concert, who intends to acquire 35% of the outstanding voting shares or such outstanding voting shares that are sufficient to gain control of the board in a public company directly from one or more stockholders shall be required to make a tender offer for all the outstanding voting shares. The sale of shares pursuant to the private transaction or block sale shall not be completed prior to the closing and completion of the tender offer.

- If any acquisition that would result in ownership of over 50% of the total outstanding equity securities of a public company, the acquirer shall be required to make a tender offer for all the outstanding equity securities to all remaining stockholders of said company at a price supported by a fairness opinion provided by an independent financial advisor or equivalent third party. The acquirer in such a tender offer shall be required to accept all securities tendered.

MEETINGS OF THE SHAREHOLDERS

Annual Meeting of Stockholders

Annual Meeting of the stockholders of the Company is held every last Friday of June each year. In this meeting, the stockholders elect, by a plurality of vote through ballot, a board composed of nine directors, including two independent directors, to serve for one year or until their successors are elected and qualified. Before the date of the Annual Meeting, written notice stating the date, time, and place of the meeting shall be sent to each registered stockholder through personal service, fax or ordinary mail at least 15 business days prior to the date of the meeting or published in a newspaper of general circulation at least once and at least 15 business days prior to the date of the meeting.

Moreover, under the implementing regulations of the SRC, the information statement required to be prepared in connection with a stockholders' meeting, together with the proxy form and management report required under the said regulations (if applicable), shall be distributed to the security holders at least 15 business days prior to the date of the stockholders' meeting. Also, pursuant to SEC Memorandum Circular No. 3, series of 2020, written notice of regular meetings shall be sent to all stockholders of record at least 21 calendar days prior to the date of the meeting.

Special Meetings of Stockholders

Special meetings of the stockholders may be called by the BOD, the Chairman, the President or upon written demand to the Corporate Secretary by stockholders owning a majority of the outstanding voting stock. In case of the latter, the BOD shall set the date, time and place for the meetings, which date shall be within 40 business days from receipt by the Corporate Secretary of such written demand by the stockholders. In all other cases, written notice stating the date, time, place and purpose of the meeting shall be sent to each registered stockholder through personal service, fax or ordinary mail at least 15 business days prior to the date of the special meeting, or published in a newspaper of general circulation at least once and at least 15 business days prior to the date of the meeting.

Under SEC Memorandum Circular No. 7, series of 2021, any number of shareholders of a corporation ("**Qualifying Shareholders**") who hold at least 10% or more of the outstanding capital stock ("**Qualifying Shares**") of a publicly listed company shall have the right to call for a special stockholders' meeting, subject to the guidelines provided under Section 49 of the Revised Corporation Code and other relevant regulations. The Qualifying Shareholders should have continuously held the Qualifying Shares for a period of at least one year prior to the receipt by the Corporate Secretary of a written call for a special stockholders' meeting. The said circular provides for the procedures and requirements in relation to the exercise of the foregoing right.

Place of Meetings

All meetings of the stockholders shall be held at the principal office of the Company or at such places within Metro Manila as the BOD may determine.

Proxy

Stockholders entitled to vote may vote in all meetings either in person or by proxy given in writing and signed by the stockholders concerned and presented to the Corporate Secretary at least 5 business days prior to the date of the meeting for verification and record purposes. Such proxies may be revoked either in an instrument in writing duly presented and recorded with the Corporate Secretary prior to the scheduled meeting, or by their personal presence at the meeting.

Quorum and Voting

Stockholders present or represented in the meeting and owning a majority of the outstanding voting stock shall constitute a quorum for the transaction of business at the meeting. When there is a quorum, the vote of the stockholders owning a majority of the outstanding stock present or represented at such meeting shall decide on any matter brought before such meeting, unless the affirmative vote of stockholders owning a greater capital stock is required by law.

B. PREFERRED SHARES

Pursuant to the amended Articles of Incorporation of the Company which was approved by the SEC on March 18, 2026, the preferred shares shall be redeemable and have such features as the BOD may prescribe, but in no case shall such preferred shares be voting or participating.

As of the date of this Prospectus, the Company's issued and outstanding preferred capital stock is as follows:

Series	Par Value	No. of Issued and Outstanding Preferred Shares	Aggregate Par Value

Series A Preferred Shares	Php1.00 per share	12,500,000	Php12,500,000.00
Series D Preferred Shares	Php1.00 per share	6,000,000	Php6,000,000.00
Series E Preferred Shares	Php1.00 per share	14,000,000	Php14,000,000.00
Series F Preferred Shares	Php1.00 per share	4,964,860	Php4,964,860.00

All 20,000,000 Series B Preferred Shares, which had been fully redeemed by the Company in December 2021 and thereafter recorded as treasury shares, have been cancelled following the approval of the AOI Amendment on August 14, 2024.

All 10,000,000 Series C Preferred Shares, which had been fully redeemed by the Company in June 2024 and thereafter recorded as treasury shares, have been cancelled following the approval of the AOI Amendment on March 18, 2026.

Series A Preferred Shares Outstanding

By virtue of the Certificate of Filing of Enabling Resolution issued by the SEC on November 22, 2016, the Series A Preferred Shares shall have features, rights and privileges as set out below:

Instrument	Cumulative, non-voting, non-participating, non-convertible Peso-denominated Series A Preferred Shares (the "**Series A Preferred Shares**").
Subscriber	MPI
Size and Offer Price	12,500,000 Series A Preferred Shares, at an offer price of Php1.00 per share (the "**Series A Offer Price**").
Par Value	The Series A Preferred Shares have a par value of Php1.00 per share.
Dividend Rate	The Series A Preferred Shares will, subject to certain dividend payment conditions, bear cumulative, non-participating cash dividends based on the Series A Offer Price, commencing on the issue date of the Series B Preferred Shares and payable annually on every anniversary of such issue date. The dividend rate shall be 6.0458%.
Optional Redemption	Applicable only if all other preferred shares ranking *pari passu* with the Public Preferred Shares have been fully redeemed.
No Sinking Fund	ALCO has not established, and currently has no plans to establish, a sinking fund for the redemption of the Series A Preferred Shares.
Liquidation Rights	Rank junior to the Public Preferred Shares

Status of the Series A Preferred Shares in relation to the declarationand payment of dividends, redemption and liquidation	The Series A Preferred Shares, together with Series E Preferred Shares will be subordinated to the Public Preferred Shares. Accordingly, the obligations of the Company under the Series A Preferred Shares will not be satisfied unless the Company can satisfy in full all of its other obligations ranking senior to the Series A Preferred Shares, including the Public Preferred Shares.
Governing Law	The Series A Preferred Shares were issued pursuant to the laws of the Republic of the Philippines.

The Series D Preferred Shares Outstanding

Further to the Certificate of Permit to Offer Securities For Sale issued on November 18, 2021, the Series D Preferred Shares have features, rights and privileges as summarized below:

Instrument	Cumulative, non-voting, non-participating, non-convertible, redeemable Peso- denominated Series D Preferred Shares. The Series D Preferred Shares once redeemed are non-reissuable.
Size and Offer Price	6,000,000 Series D Preferred Shares, at an offer price of Php500.00 per share (the "**Series D Offer Price**").
Par Value	The Series D Preferred Shares have a par value of Php1.00 per share.
Dividend Rate	The Series D Preferred Shares will, subject to certain dividend payment conditions, bear cumulative, non-participating cash dividends (the "**Dividends**") based on the Offer Price, payable quarterly in arrears every Dividend Payment Date at the Dividend Rate per annum reckoned from Issue Date. Dividends will be calculated on a 30/360-day basis. The term "dividend Rate" means (a) from the Issue Date up to the Initial Optional Redemption Date, the Original Dividend Rate, and (b) from the Initial Optional Redemption Date, the higher of the Original Dividend Rate and the Step Up Rate
Original Dividend Rateand Original Spread	The original dividend rate (the "Original Dividend Rate") shall be at the fixed rate of 6.0000% per annum.
Dividend Rate Step-Up	Unless the Series D Preferred Shares are redeemed by ALCO on the fifth anniversary of the Series D Preferred Shares Listing Date, the Dividend Rate shall be adjusted thereafter to the higher of:

	(a) Original Dividend Rate, or (b) the sum of: i. the 3-day average of the 10-year BVAL preceding and including the Initial Optional Redemption Date, and ii. the Original Spread x 250% (this item b, the "Step Up Rate"). For the avoidance of doubt, (a) if the Original Dividend Rate is higher than the Step Up Rate, there shall be no adjustment on the Dividend Rate, and the Original Dividend Rate shall continue to be the Dividend Rate and (b) there will be no additional increase in the Dividend Rate after the Step Up Rate is applied.
Optional Redemption	As and if approved by the BOD of ALCO and subject to the requirements of applicable laws and regulations, and ALCO's financial covenants, ALCO has the sole option, but not the obligation, to redeem all (but not part) of the outstanding Series D Preferred Shares, having given to the Stock Transfer Agent, the SEC and the PSE not less than 30 days' written notice prior to the intended date of redemption, on: (a) the Initial Optional Redemption Date; or (b) any Dividend Payment Date after the Initial Optional Redemption Date at a redemption price equal to the Offer Price of the Series D Preferred Shares, plus any accrued and unpaid cash dividends due them on such Dividend Payment Date as well as all Arrears of Dividends outstanding, after deduction of transfer costs customarily chargeable to stockholders, as applicable, to effect the redemption (the "**Redemption Price**"). The Redemption Price shall be paid to holders of the Series D Preferred Shares as of the relevant record date set by ALCO for such redemption. ALCO may, at its sole option, subject to the requirements of applicable laws and regulations and ALCO's financial covenants, also redeem the Series D Preferred Shares, in whole but not in part, at any time if an Accounting Event, a Tax Event or a Change in Control Event has occurred, having given not less than 30 days' written notice to the Stock Transfer Agent, the PSE and the SEC prior to the intended date of redemption.

	The redemption due to an Accounting Event or a Tax Event shall be made by ALCO at the Redemption Price, which shall be paid on the date of redemption set out in the notice. Upon the occurrence of a Change in Control Event, ALCO may elect to redeem the Series D Preferred Shares. If ALCO redeems the Series D Preferred Shares within a period not exceeding 30 days from the occurrence of a Change in Control Event, the redemption shall be made by ALCO at the Redemption Price prevailing immediately prior to the Change in Control Event. If ALCO does not redeem the Series D Preferred Shares within 30 days from the occurrence of a Change in Control Event: (a) the Dividend Rate will be increased by 400 basis points per annum, commencing on and including the day on which a Change in Control Event has occurred; and (b) ALCO may still redeem at any time the Series D Preferred Shares at the Redemption Price. For the avoidance of doubt, the Redemption Price shall include the additional 400 basis points per annum constituting the increase in Dividend Rate, commencing on and including the day on which a Change in Control Event has occurred until the date of redemption, as provided under item (a) above. The Company's decision to redeem the Series D Preferred Shares on the Optional Redemption Date or on other applicable dates will depend on a number of factors including the availability of cash from dividends from the Company's subsidiaries which undertake its various projects and the availability of alternative refinancing options on the Optional Redemption Date or on such other applicable dates. If the Company chooses to redeem on the Optional Redemption Date or on such other applicable dates, the Series D Preferred Shares will be recorded as treasury shares and will be cancelled. However, while the Series D Preferred Shares may be redeemed regardless of the existence of unrestricted retained earnings, this is subject to the condition that the corporation has, after such redemption, assets in its books to cover debts and liabilities inclusive of capital stock. Redemption, therefore, may not be made where the corporation is insolvent or if such redemption will cause insolvency or inability of the corporation to meet its debts as they mature.

	The Company may also repurchase the Series D Preferred Shares anytime at the market.
No Sinking Fund	ALCO has not established, and currently has no plans to establish, a sinking fund for the redemption of the Series D Preferred Shares.
Liquidation Rights	In the event of a return of capital in respect of ALCO's winding up or otherwise (whether voluntarily or involuntarily) (but not on a redemption or purchase by ALCO of any of its share capital), the holders of the Series D Preferred Shares at the time outstanding will be entitled to receive, in Philippine Pesos out of the assets of ALCO available for distribution to shareholders, together with the holders of any other shares of ALCO ranking, as regards repayment of capital, *pari passu* with the Public Preferred Shares and before any distribution of assets is made to holders of any class of ALCO shares ranking junior to the Series D Preferred Shares as regards repayment of capital, liquidating distributions in an amount equal to the Offer Price per share plus an amount equal to the Arrears in Dividends, any dividends declared unpaid in respect of the previous dividend period, and any accrued and unpaid dividends for the then current dividend period to (and including) the date of commencement of ALCO's winding up or the date of any such other return of capital, as the case may be. If, upon any return of capital in the winding up of ALCO, the amount payable with respect to the Series D Preferred Shares and any other shares of ALCO ranking as to any such distribution *pari passu* with the Public Preferred Shares are not paid in full, the holders of the Series D Preferred Shares and of such other shares will share proportionately in any such distribution of the assets of ALCO in proportion to the full respective preferential amounts to which they are entitled. After payment of the full amount of the liquidating distribution to which they are entitled, the holders of the Series D Preferred Shares will have no right or claim to any of the remaining assets of ALCO and will not be entitled to any further participation or return of capital in a winding up.
Status of the Series D Preferred Shares in relation to the declaration and payment of dividends, redemption and liquidation	*Pari passu* with the Public Preferred Shares The Series D Preferred Shares will constitute the direct and unsecured subordinated obligations of ALCO ranking at least *pari passu* in all respects and ratably without preference or priority among themselves. The Series D Preferred Shares rank junior in right of payment to all indebtedness of the Company and claims against the Company which rank or are expressed to rank senior to the Series D Preferred Shares. Accordingly, the obligations of the Company under the Series D Preferred Shares will not be

	satisfied unless the Company can satisfy in full all of its other obligations ranking senior to the Series D Preferred Shares. There is no agreement or instrument that limits or prohibits the ability of ALCO to issue Series D Preferred Shares or other securities, and ALCO may at any time issue such other securities that rank *pari passu* with the Series D Preferred Shares or with terms and conditions different from the Series D Preferred Shares. For the avoidance of doubt, the Series A Preferred Shares and Series E Preferred Shares rank junior in right of payment and claims against the Company to the Public Preferred Shares.
Governing Law	The Series D Preferred Shares were issued pursuant to the laws of the Republic of the Philippines.

Series E Preferred Shares Outstanding as of the Date of this Prospectus

Pursuant to the Certificate of Filing of Enabling Resolution dated June 18, 2024, the Series E Preferred Shares shall have features, rights and privileges as set out below:

Instrument	Cumulative, non-voting, non-participating, non-convertible Peso-denominated Series E Preferred Shares (the "**Series E Preferred Shares**").
Subscriber	MPI
Size and Offer Price	14,000,000 Series E Preferred Shares, at an offer price of Php1.00 per share (the "**Series E Offer Price**").
Par Value	The Series E Preferred Shares have a par value of Php1.00 per share.
Dividend Rate	The Series E Preferred Shares will, subject to certain dividend payment conditions, bear cumulative, non-participating cash dividends based on the Series E Offer Price, commencing on the issue date of the Preferred Shares and payable annually on every anniversary of such issue date. The dividend rate shall be 100 basis points below the dividend rate of the other preferred shares to be issued by the Company subsequently to the public.
Optional Redemption	Applicable only if all other preferred shares ranking *pari passu* with the Public Preferred Shares have been fully redeemed.

No Sinking Fund	The Company has not established, and currently has no plans to establish, a sinking fund for the redemption of the Series E Preferred Shares.
Liquidation Rights	Rank junior to the Public Preferred Shares
Status of Series E Preferred Shares in relation to the declaration and payment of dividends, redemption and liquidation	The Series E Preferred Shares, together with Series A Preferred Shares will be subordinated to the Public Preferred Shares. The dividend rate shall be 100 basis points below the dividend rate of the Series F Preferred Shares or 6.326%.
Governing Law	The Series E Preferred Shares were issued pursuant to the laws of the Republic of the Philippines.

The Series F Preferred Shares Outstanding

Further to the Certificate of Permit to Offer Securities For Sale issued October 25, 2024, the Series F Preferred Shares have features, rights and privileges as summarized below:

Instrument	Cumulative, non-voting, non-participating, non-convertible, redeemable Peso- denominated Series F Preferred Shares..
Size and Offer Price	4,950,680 Series F Preferred Shares, at an offer price of Php500.00 per share (the "**Series F Offer Price**").
Par Value	The Series F Preferred Shares have a par value of Php1.00 per share.
Dividend Rate	The Series F Preferred Shares will, subject to certain dividend payment conditions, bear cumulative, non-participating cash dividends (the "Dividends") based on the Series F Offer Price, payable quarterly in arrears every Dividend Payment Date at the Dividend Rate per annum reckoned from Issue Date. Dividends will be calculated on a 30/360-day basis. The term "dividend Rate" means (a) from the Issue Date up to the Initial Optional Redemption Date, the Original Dividend Rate, and (b) from the Initial Optional Redemption Date, the higher of the Original Dividend Rate and the Step Up Rate
Original Dividend Rateand Original Spread	The original dividend rate (the "Original Dividend Rate") shall be at the fixed rate of 7.3260% per annum.
Dividend Rate Step-Up	Unless the Series F Preferred Shares are redeemed by ALCO on the fifth anniversary of the Series F Preferred Shares Listing Date, the Dividend Rate shall be adjusted thereafter to the higher of: (c) Original Dividend Rate, or

	(d) the sum of: iii. the 3-day average of the 10-year BVAL preceding and including the Initial Optional Redemption Date, and iv. the Original Spread x 250% (this item b, the "Step Up Rate"). For the avoidance of doubt, (a) if the Original Dividend Rate is higher than the Step Up Rate, there shall be no adjustment on the Dividend Rate, and the Original Dividend Rate shall continue to be the Dividend Rate and (b) there will be no additional increase in the Dividend Rate after the Step Up Rate is applied.
Optional Redemption	As and if approved by the BOD of ALCO and subject to the requirements of applicable laws and regulations, and ALCO's financial covenants, ALCO has the sole option, but not the obligation, to redeem all (but not part) of the outstanding Series F Preferred Shares, having given to the Stock Transfer Agent, the SEC and the PSE not less than 30 days' written notice prior to the intended date of redemption, on: (c) the Initial Optional Redemption Date; or (d) any Dividend Payment Date after the Initial Optional Redemption Date at a redemption price equal to the Offer Price of the Series F Preferred Shares, plus any accrued and unpaid cash dividends due them on such Dividend Payment Date as well as all Arrears of Dividends outstanding, after deduction of transfer costs customarily chargeable to stockholders, as applicable, to effect the redemption (the "**Redemption Price**"). The Redemption Price shall be paid to holders of the Series F Preferred Shares as of the relevant record date set by ALCO for such redemption. ALCO may, at its sole option, subject to the requirements of applicable laws and regulations and ALCO's financial covenants, also redeem the Series F Preferred Shares, in whole but not in part, at any time if an Accounting Event, a Tax Event or a Change in Control Event has occurred, having given not less than 30 days' written notice to the Stock Transfer Agent, the PSE and the SEC prior to the intended date of redemption.

	The redemption due to an Accounting Event or a Tax Event shall be made by ALCO at the Redemption Price, which shall be paid on the date of redemption set out in the notice. Upon the occurrence of a Change in Control Event, ALCO may elect to redeem the Series F Preferred Shares. If ALCO redeems the Series F Preferred Shares within a period not exceeding 30 days from the occurrence of a Change in Control Event, the redemption shall be made by ALCO at the Redemption Price prevailing immediately prior to the Change in Control Event. If ALCO does not redeem the Series F Preferred Shares within 30 days from the occurrence of a Change in Control Event: (c) the Dividend Rate will be increased by 400 basis points per annum, commencing on and including the day on which a Change in Control Event has occurred; and (d) ALCO may still redeem at any time the Series F Preferred Shares at the Redemption Price. For the avoidance of doubt, the Redemption Price shall include the additional 400 basis points per annum constituting the increase in Dividend Rate, commencing on and including the day on which a Change in Control Event has occurred until the date of redemption, as provided under item (a) above. The Company's decision to redeem the Series F Preferred Shares on the Optional Redemption Date or on other applicable dates will depend on a number of factors including the availability of cash from dividends from the Company's subsidiaries which undertake its various projects and the availability of alternative refinancing options on the Optional Redemption Date or on such other applicable dates. If the Company chooses to redeem on the Optional Redemption Date or on such other applicable dates, the Series F Preferred Shares will be recorded as treasury shares and will be cancelled. However, while the Series F Preferred Shares may be redeemed regardless of the existence of unrestricted retained earnings, this is subject to the condition that the corporation has, after such redemption, assets in its books to cover debts and liabilities inclusive of capital stock. Redemption, therefore, may not be made where the corporation is insolvent or if such redemption will cause insolvency or inability of the corporation to meet its debts as they mature.

	The Company may also repurchase the Series F Preferred Shares anytime at the market.
No Sinking Fund	ALCO has not established, and currently has no plans to establish, a sinking fund for the redemption of the Series F Preferred Shares.
Liquidation Rights	In the event of a return of capital in respect of ALCO's winding up or otherwise (whether voluntarily or involuntarily) (but not on a redemption or purchase by ALCO of any of its share capital), the holders of the Series F Preferred Shares at the time outstanding will be entitled to receive, in Philippine Pesos out of the assets of ALCO available for distribution to shareholders, together with the holders of any other shares of ALCO ranking, as regards repayment of capital, *pari passu* with the Public Preferred Shares and before any distribution of assets is made to holders of any class of ALCO shares ranking junior to the Series F Preferred Shares as regards repayment of capital, liquidating distributions in an amount equal to the Offer Price per share plus an amount equal to the Arrears in Dividends, any dividends declared unpaid in respect of the previous dividend period, and any accrued and unpaid dividends for the then current dividend period to (and including) the date of commencement of ALCO's winding up or the date of any such other return of capital, as the case may be. If, upon any return of capital in the winding up of ALCO, the amount payable with respect to the Series F Preferred Shares and any other shares of ALCO ranking as to any such distribution *pari passu* with the Public Preferred Shares are not paid in full, the holders of the Series F Preferred Shares and of such other shares will share proportionately in any such distribution of the assets of ALCO in proportion to the full respective preferential amounts to which they are entitled. After payment of the full amount of the liquidating distribution to which they are entitled, the holders of the Series F Preferred Shares will have no right or claim to any of the remaining assets of ALCO and will not be entitled to any further participation or return of capital in a winding up.
Status of the Series F Preferred Shares in relation to the declaration and payment of dividends, redemption and liquidation	*Pari passu* with the Public Preferred Shares The Series F Preferred Shares will constitute the direct and unsecured subordinated obligations of ALCO ranking at least *pari passu* in all respects and ratably without preference or priority among themselves. The Series F Preferred Shares rank junior in right of payment to all indebtedness of the Company and claims against the Company which rank or are expressed to rank senior to the Series E Preferred Shares. Accordingly, the obligations of the Company under the Series F Preferred Shares will not be

	satisfied unless the Company can satisfy in full all of its other obligations ranking senior to the Series F Preferred Shares. There is no agreement or instrument that limits or prohibits the ability of ALCO to issue Series F Preferred Shares or other securities, and ALCO may at any time issue such other securities that rank *pari passu* with the Series F Preferred Shares or with terms and conditions different from the Series F Preferred Shares. For the avoidance of doubt, the Series A Preferred Shares and Series E Preferred Shares rank junior in right of payment and claims against the Company to the Public Preferred Shares.
Governing Law	The Series F Preferred Shares were issued pursuant to the laws of the Republic of the Philippines.

Series G Preferred Shares and Series H Preferred Shares

Please refer to the discussion under "Terms of the Offer" in page [•] of this Prospectus for the terms and conditions covering the Preferred Shares.

Risk Factors

General Risk Warning

An investment in the Preferred Shares involves a number of risks. The price of securities can and does fluctuate, and any individual security may experience upward or downward movements, and may even become valueless. There is an inherent risk that losses may be incurred rather than profit made as a result of buying and selling securities. Past performance is not a guide to future performance and there may be a large difference between the buying price and the selling price of the Preferred Shares. The occurrence of any of the following events, or other events not currently anticipated, could have a material adverse effect on the business, financial condition, results of operations and cause the market price of the Preferred Shares to decline. All or part of an investment in the Preferred Shares could be lost. Investors deal in a range of investments each of which may carry a different level of risk.

Prudence Required

The risk disclosure does not purport to disclose all the risks and other significant aspects of investing in these securities. Investors should undertake independent research and study the trading of these securities before commencing any trading activity. Investors may request publicly-available information on the Preferred Shares and ALCO from the SEC or may check the Company's Disclosures at the PSE EDGE.

Professional Advice

An investor should seek professional advice if he or she is uncertain of, or has not understood, any aspect of the securities to invest in or the nature of risks involved in trading of securities, especially high-risk securities.

Risk Factors

This Prospectus contains forward-looking statements that involve risks and uncertainties. ALCO adopts what it considers conservative financial and operational controls and policies to manage its business risks. The actual results may differ significantly from the results discussed in the forward-looking statements. See section "Forward-Looking Statements" of this Prospectus. Factors that might cause such differences, thereby making the offering speculative or risky, may be summarized into those that pertain to the business and operations of ALCO, in particular, and those that pertain to the overall political, economic, and business environment, in general. These risk factors and the manner by which these risks shall be managed are presented below. The risk factors discussed in this section are of equal importance and are only separated into categories for easy reference.

The Company discussed how these risks have affected and may potentially affect its operations and listed mitigating factors to address these risks.

Investors should carefully consider all the information contained in this Prospectus including the risk factors described below, before deciding to invest in the Preferred Shares. The business, financial condition and results of operations of the Company could be materially and adversely affected by any of these risk factors.

RISKS RELATING TO ALCO AND ITS SUBSIDIARIES

No assurance of successful implementation of business plans and strategies

ALCO is susceptible to the possibility of not being able to implement its business plans and strategies, especially with respect to new projects and undertakings. While ALCO has successfully completed Arya, ACPT, Cebu Exchange and Savya Financial Center on time and within the budget, it has several ongoing projects such as Sevina Park Villas, Lucima, Eluria, Una Apartments, Liv and Sondris which still face uncertainty in terms of completion and revenue results. There is no assurance that the Company will be able to successfully launch projects in the pipeline, including Project Vanilla, despite the completion of land acquisition. Finally, there is no assurance that the Company can complete the necessary property acquisition for its planned projects which include Project Olive and other properties that the Company is currently exploring.

Real estate developments are subject to risks such as delays in obtaining financing, finalizing project plans, obtaining approvals, increases in construction costs, natural calamities, the inability of contractors and suppliers to complete their scope of work and market downturns. ALCO's future financial performance may be significantly affected by factors that limit its ability to finance and complete its current and future projects in a timely and cost-effective manner and to market them successfully. There is no guarantee that ALCO's future projects will be successfully completed and sold or leased as planned, replicating the outstanding outcome of Arya, ACPT, Cebu Exchange and Savya Financial Center. There is likewise no guarantee that the take-up for its new developments will remain robust.

However, the Company continues to capitalize on the extensive experience of its management team composed of highly experienced industry veterans carrying a wealth of cumulative management experience to execute its plans through a deep understanding of its market as well as the careful formation of its strategies. ALCO also banks on the success of Arya, ACPT, Cebu Exchange and Savya Financial Center as proof of its track record and capability to deliver quality projects on schedule and within budget.

Moreover, ALCO's ongoing developments which include Sevina Park Villas, Lucima, Eluria, Una Apartments, Liv and Sondris are grounded on sound business strategies that aim to develop projects which are very well-differentiated with a more resilient demand base. For instance, Una Apartments and Liv have demonstrated robust take-up despite heightened competition in the mid-market segment because they cater to a more defined demand in the residential academe niche market and the high quality and sustainability standards of Arthaland. Meanwhile, Eluria and Sondris benefit from the limited supply of upscale and luxury offerings in the Makati CBD.

The Company continually looks for growth opportunities in different market segments and geographic areas to diversify risk and to provide a steady revenue base.

The Company may be unable to complete the acquisition of properties necessary for the projects that form part of the use of proceeds for this Offer

The Company is currently negotiating for the acquisition of the property that will be developed into Project Olive. There is no assurance that the Company will be able to successfully acquire this property given the intense competition in the industry for prime properties in key urban areas and pending the completion of due diligence that will clearly establish legal ownership over the titles to the property.

To mitigate this risk, the Company maintains a continuous pipeline of potential acquisitions that will

match its developmental plans and has been approached by several landowners as the preferred developer for their properties given the Company's track record for outstanding developments that carry multiple certifications and the Company's ability to execute flexible acquisition structures that are mutually beneficial to the Company and to the landowner.

The Company's business is inherently volatile

The Company's primary focus has been the development and sale of real estate. While the Company has established recurring income resulting from leasing operations of ACPT, Arya Plaza, Courtyard Hall and selected units in Cebu Exchange, recurring income is expected to account for less than 10% of the Company's overall expected revenues in the medium-term as revenues from development sales progress following the launch of major residential projects. Further, the Company's revenues, and consequently, its profits vary year-on-year, depending on several factors, including the completion and demand for its projects, as well as its available real estate inventory for sale. Prior year's financial performance does not guarantee the future financial performance of the Company.

To mitigate this risk, the Company ensures that its fixed overhead costs are covered by revenues from its leasing operations and project management fees across all active projects. To further address volatility in revenues and earnings, ALCO takes specific measures to enable it to launch and complete its projects on a timely basis.

The Company operates in a highly regulated environment, and it is affected by the development and application of regulations in the Philippines. The Company's failure to maintain regulatory licenses and permits could materially and adversely affect its operating and financial performance.

The Philippine property development industry is highly regulated. The development of subdivision and other residential projects is subject to a wide range of government regulations, which, while varying from one locality to another, typically include zoning considerations as well as the requirement to procure a variety of environmental and construction-related permits. In addition, projects that are to be located on agricultural land must get clearance from the Philippine Department of Agrarian Reform ("**DAR**") so that the land can be re-classified as non-agricultural land and, in certain cases, tenants occupying agricultural land may have to be relocated at the Company's expense. Presidential Decree No. 957, as amended, and Batas Pambansa Blg. 220 ("**BP 220**") are the principal statutes, which regulate the development and sale of real property as part of a condominium project or subdivision. PD 957 and BP 220 cover subdivision projects for residential, commercial, industrial or recreational purposes and condominium projects for residential or commercial purposes. The Department of Human Settlements and Urban Development ("**DHSUD**") is the administrative agency of the Government, which enforces these statutes.

In 2024, the Securities and Exchange Commission released Memorandum Circular No. 12, Series of 2024 (SEC Rent Securities Circular) introducing a regulatory framework for real estate investment schemes involving rental pool or similar profit-sharing arrangements. The circular requires that rental pool agreements must be registered with the SEC. Prior to the issuance of the SEC Rent Securities Circular, the Company had in place a Consolidated Leasing Solutions Program ("CLS Program") with the objective of improving the accessibility and leasing viability of smaller office units in Cebu Exchange and Savya Financial Center. Under the CLS Program, the Company acts as the exclusive leasing agent of multiple unit owners by consolidating units located on designated floors in these projects and offering them as a single leasable space to meet a prospective tenant's size and configuration requirements. The SEC mandated the Company to register the program in compliance with the SEC Rent Securities Circular. In compliance with this directive, the Company filed a

Preliminary Prospectus with the SEC on May 14, 2026 and this is still undergoing evaluation at this time.

All subdivision development plans are required to be filed with and approved by the local government unit with jurisdiction over the area where the project is located. Approval of development plans is conditioned on, among other things, completion of the acquisition of the project site and the developer's financial, technical and administrative capabilities. Alterations of approved plans that affect significant areas of the project, such as infrastructure and public facilities, also require the prior approval of the relevant government unit. There can be no assurance that the Company, its subsidiaries or associates or partners will be able to obtain governmental approvals for its projects or that when given, such approvals will not be revoked.

In addition, owners of or dealers in real estate projects are required to obtain licenses to sell before making sales or other dispositions of subdivision lots and housing units. Project permits and any license to sell may be suspended, cancelled or revoked by the DHSUD based on its own findings or upon complaint from an interested party and there can be no assurance that the Company, its subsidiaries, associates or partners will in all circumstances, receive the requisite approvals, permits or licenses or that such permits, approvals or licenses will not be cancelled or suspended. Any of the foregoing circumstances or events could affect the Company's ability to complete projects on time, within budget or at all, and could have a material adverse effect on its financial condition and results of operations.

The Company's licenses and permits are subject to review, interpretation, modification or termination by the relevant authorities. These licenses and permits may not be renewed on terms commercially acceptable to the Company, or at all. The relevant government authorities have ultimate discretion over whether licenses or permits will be granted or revoked. Any loss or failure to renew, obtain and maintain the Company's licenses and permits or comply with the terms and conditions of such licenses and permits, may delay the Company's development and expansions plans, expose the Company to sanctions or require the Company to cease providing its services, any of which could materially and adversely affect its business, results of operations, financial condition and prospects.

The SEC recently adopted a stricter stance under Memorandum Circular No. 7, Series of 2026, imposing a hard cap of nine (9) years on the cumulative tenure of independent directors in the same listed company. Independent directors are elected annually but may serve only up to this 9-year aggregate limit (whether continuous or intermittent). Once the cap is reached, they are permanently barred from re-election as independent director in that company, with no more extensions or shareholder-approved exceptions, though they may still serve in a non-independent capacity.

To mitigate the risk of the development and application of regulations in the Philippines having an adverse effect on ALCO's projects, the Company's Legal Department and Engineering Department ensure that all projects are compliant with Government regulations and specifications. Furthermore, the Company closely monitors regulations, maintains open dialogue and communication with the appropriate regulatory authorities and endeavors to adequately and timely comply with all laws and regulations. Likewise, permits and approvals are regularly monitored by the Company to ensure that all are properly renewed and maintained.

To comply with SEC Memorandum Circular No. 7, the Company initiated necessary changes in the constitution of its Board of Directors. In 2024, the Company had three independent directors, namely Ms. Denise de Castro, Mr. Hans Sicat, and Atty. Andres Sta. Maria. During the 2025 annual meeting, Atty. Sta. Maria was elected as a regular director as he has already served 9 years as independent director. Mr. Sicat's 9-year term ends in June 2026. Thus, for the forthcoming annual meeting of the Company's shareholders on June 26, Mr. Hans Sicat is nominated as a regular director while Atty.

Andres Sta. Maria will no longer be a member of the Board. Also, there are two new independent directors nominated, namely Ms. Eleanor Hilado and Ms. Rowena Tan-Torres. Their respective backgrounds are reflected in the Information Statement filed with the SEC on June 2, 2026.

Ability to obtain financing at favorable terms and interest rates

The Company and its subsidiaries obtain or plan to obtain medium-term and long-term financing at favorable terms to cover a portion of the capital expenditures needed to develop their projects and general corporate purposes. There is no assurance that the Company or its subsidiaries can continue to raise the additional financing needed to execute its future plans, including refinancing debt, at favorable terms. Aside from this, higher inflation and interest rates can have a material adverse effect on the Company's, its subsidiaries' and its customers' ability to obtain financing.

Higher interest rates, factors that affect interest rates, such as the Government's fiscal policy, inflation, foreign exchange rates, as well as government policy on limiting the exposure of financial institutions to real estate, can have a material adverse effect on the Company and on demand for its products.

The occurrence of any of the foregoing events, or any combination of them, or of any similar events can have a material adverse effect on the Company's business, financial condition and results of operations.

While these risks are inherently uncontrollable, the Company practices prudent financial management and has included provisions for higher borrowing rates in its plans given the current high-interest rate environment. The Company continues to enforce financial discipline by adhering to the following: (1) matching financing tenors to the projects' cash flows to minimize refinancing risk in the middle of the project; (2) limiting borrowings to peso-denominated loans to eliminate foreign exchange risk from its financing activities; (3) structuring the capitalization for each project to ensure that the debt-to-equity ratio of each is maintained at conservative levels well below industry averages and at acceptable debt-to-equity ratios for bank financing; (4) ensuring that cash flows from each of the projects are not commingled with other projects and (5) ensuring the project cost is fully funded, keeping reliance on collections from pre-selling at a low percentage of total revenues for each project.

Possibility of a rapid increase of interest rates and fluctuation in foreign exchange rates

The Company currently operates in an increasing interest rate environment. The Bangko Sentral ng Pilipinas recently increased policy rates by 25 basis points to 4.5%, the highest in recent years. This follows high reported inflation in the first quarter of 2026 during which the government declared a national energy emergency resulting from the Middle East crisis. The markets likewise saw the depreciation of the Philippine Peso to more than Php61.00: USD1.00 following uncertainties in global markets.

There is no guarantee that interest rates, in general, will not increase further. Interest rates may continue to increase and foreign exchange rates may continue to fluctuate because of developments both in the global and the domestic stage. A significant number of ALCO's customers rely on bank financing. An increase in interest rates may adversely affect the take up of ALCO's future projects resulting from the lack of affordable financing. While ALCO's construction contracts are peso denominated and any dollar denominated elements of construction cost are priced in pesos by its contractors and sub-contractors upfront, ALCO noted that in recent years, contractors generally included a larger allowance for movements in component parts due to foreign exchange fluctuations and potential disruptions in the supply chain, among other factors.

To mitigate the effect of higher bank financing costs on demand for its products, the Company took

steps to establish itself in the market segment which has shown greater holding power, and which has generally demonstrated flexibility in accessing alternative funding sources for their real estate purchases. The Company's internal processes include a system for vetting the identities and credit standing of its potential buyers. As a result, ALCO's customers are less likely to default on their financial commitments notwithstanding an increase in interest rates.

The Company saw minimal default, cancellation rates and pre-termination rates across all its projects. As of April 30, 2026, the scheduled collections amounted to Php19.30 billion and the actual collections amounted to Php18.70 billion, resulting in a default rate of 3.2%, which, although slightly higher than the default rate of 2.3% as of December 31, 2024, remains very manageable for the Company.

To support the financing requirements of its buyers in the broader mid-market segment, ALCO executed an agreement with the National Home Mortgage Finance Corporation ("**NHMFC**") to allow ALCO's buyers to avail of the NHMFC's Balai Berde financing program under which buyers may finance up to Php6.00 million of the purchase price of their residential units with up to 30-year loans at fixed preferential rates that are as low as 3.0% per annum on the condition that the project for which the units are purchased has attained certification under the IFC's EDGE program. Given that our residential projects are all registered and on- track to achieve EDGE certification, the partnership with the NHMFC will potentially benefit qualified buyers of our residential projects and will mitigate risks associated with higher financing costs from standard housing loans from banks.

The Company's past decision to opt for fixed interest rates for its medium-term facilities helps mitigate the effect of rising interest rates. The financing costs on these facilities have been considered in developing the pricing strategy for existing projects. To mitigate the risk of increasing interest rates for new loans, the Company explores alternative structures that can give it flexibility to re-price in the near-term.

To mitigate risks due to foreign exchange fluctuations, the Company conducts periodic thorough reviews of prevailing costs of imported components and adjusts its procurement strategies to generate cost savings. The Company also decided to include additional contingencies for foreign exchange fluctuations especially for new projects. With the additional uncertainties brought about by the Middle East crisis, the Company conducts stress-testing analysis to simulate the effects of potential increases in costs of imported components due to foreign exchange fluctuations and interest rates on group-wide profitability and cashflows. By doing so, the Company can anticipate steps it needs to take to mitigate the effects on liquidity on the Company.

Availability of land for use in the Company's future projects

There is intense competition among real estate developers for prime properties in the Philippines. It is uncertain whether ALCO can secure properties to ensure that its development activities continue.

However, the Company's mid-term plan only includes new projects for which properties are already owned by the Company. This allows for better visibility for the schedule of project launches which will drive profitability in the mid-term. To further mitigate risk on land acquisition, the Company remains constantly on the lookout for opportunities to acquire properties that will match its developmental plans and for new opportunities to support growth beyond its mid-term plans.

Further, the Company also benefits from being regarded highly by existing customers and partners. As a result, landowners continue to approach the Company as the preferred developer for their properties.

Significant competition in the real estate industry

The Company's ability to sell or lease its projects may be adversely affected by the competition from other larger high-end real estate developers which already have established market bases and have been in the market for a longer amount of time, potentially allowing them to have greater flexibility in pricing and payment terms. This may adversely affect the Company's sales velocity.

ALCO considers two (2) direct competitors in the high-end residential market segment in terms of comparable quality of development and pricing of products – Ayala Land, Inc. and Rockwell Land Corporation. These companies have been in the business many years earlier than ALCO and they have strong brand equity, long track record, and big balance sheets. With the Company's entry into the broader mid- market segment, it recognizes key competitors such as Avida Land Corporation (a subsidiary of Ayala Land Inc.), DMCI Homes, Robinsons Land Corporation, and Megaworld Corporation. These established firms have a long-standing presence and strong brand recognition in the industry. ALCO aims to provide top-quality sustainable products within this market catering to the growing demand for eco-friendly products tailored to the needs of the mid-market consumers. In the office development front, ALCO competes with both large and medium-scale developers such as Ayala Land, Inc., The Net Group, Daiichi Properties, and other local developers, particularly in Cebu City. These companies are considered to have the greater share of the market now.

To mitigate this risk, the Company continues to focus on its identified market niches and highlights its strengths in sustainable and green developments to continue building a reputation of quality projects recognized internationally for superior architecture and interior design. ALCO benefits from the strategic placement of its properties and uses competitive pricing to continue serving its niche market.

Titles over land owned by the Company may be contested by third parties

While the Philippines has adopted a system of land registration which is intended to conclusively confirm land ownership, and which is binding on all persons (including the Government), it is not uncommon for third parties to claim ownership of land which has already been registered and over which a title has been issued. The Company's subsidiary, UPHI, is a party to cases involving quieting of title and expropriation involving a small portion of its property in Tagaytay City. Litigation may result in delays or suspension of development plans. (For a more detailed discussion, see "**Legal Proceedings**".)

The Company mitigates this risk by requiring comprehensive due diligence on potential properties for acquisition before consummating a binding offer to purchase the same.

Environmental laws may adversely affect the Company's business

Real estate developers are required to strictly follow the guidelines of the Department of Environment and Natural Resources ("**DENR**") and to secure various permits and licenses for each project. Any changes in the current environmental laws, and regulations applicable to the Company may increase the Company's operating expenses and may require significant compliance efforts from, and additional compliance costs for, the Company.

To mitigate this risk, ALCO faithfully complies with environmental laws and continues to keep abreast of any changes in such laws which may have an impact on its business.

(For a more detailed discussion, see "**Regulatory Framework**".)

Delays in the completion of projects and failure to meet customers' expectation and standards could adversely affect the Company's reputation and its business and financial performance

The Company's reputation may be negatively affected if any of its projects experiences construction or infrastructure failures, design flaws, significant project delays, and quality control issues. Any of these issues may consequently make it more difficult for the Company to attract new customers for its future projects. Any negative effect that may stain the Company's reputation may pose difficulties in selling or leasing its projects and may have an effect on its other current and future projects. The Company's subsidiary, Bhavana, is a party to arbitration proceedings before the Construction Industry Arbitration Commission ("**CIAC**") involving its former general contractor, Monocrete, after Bhavana took over the construction site for its project Lucima following delays in the completion of the Project. (For a more detailed discussion, see "**Legal Proceedings**".)

To mitigate this risk, the Company engages the services of reputable and experienced architects, designers, project managers and technical consultants, locally and internationally. The Company likewise engages the top general contractors in the Philippines to ensure that its projects are constructed in accordance with plans, specifications and agreed schedules. The Company actively takes the necessary legal and commercial steps to protect the best interest of stakeholders in its projects in the event of delays in construction timelines and potential quality issues. The selection of all third-party professionals, contractors, and suppliers passes through a prequalification process and competitive bidding. Contracts will include provisions for warranties, penalties, performance bonds and liquidated damages for delay and unsatisfactory workmanship. The Company likewise maintains its own technical team that monitors the progress and construction quality to ensure that the project is executed in accordance with set standards. Questions and/or requests from customers are addressed by the Company in a timely fashion.

To mitigate the effect on buyer's sentiment in the event of a change in handover schedules, the Company implements a clear communication strategy with its buyers to discuss changes in payment schedules and terms to align with handover schedules.

Cyclicality of Property Development

The property development sector is cyclical and is subject to the Philippine economic, political, and business performance. The industry is dependent primarily on consumer spending and investment for housing. In the past years, a significant portion of housing demand, particularly on the low end of the spectrum, was driven by purchases from the overseas workers' market. This exposes the industry to the economic performance of foreign countries where these overseas workers are concentrated, such as the United States, the Middle East and certain countries in Europe.

The office market has been largely driven by the Business Process Outsourcing ("**BPO**") sector which caters largely to US and European customers. It is important to note that while the US and Europe remain to be the largest client-base contributors to the country's information technology and business process management ("**IT-BPM**") sector, the industry is currently moving to high value and high potential markets in Australia, New Zealand and other neighboring countries in the region. Other than voice-based offshore services, the IT-BPM industry is also gearing towards high-value knowledge-based services including financial, legal, medical, architectural and animation sectors.

The BPO industry, organized under the IT-Business Process Association of the Philippines ("**IBPAP**"), comprises primarily of contact centers, back-office operations and medical transcription, among others. The BPO industry has experienced phenomenal growth since the mid-2000. In 2008-2009, however, demand for BPO office space dropped because of the global recession which led to a glut in

office space and a reduction in rental rates. The industry saw a recovery in 2010 as BPO offices resumed their expansion plans which brought an upward adjustment in rental rates. The continued growth of this industry as well as its prospects for the next five to ten years in Metro Manila, Cebu and other emerging cities across the Philippines have become the major drivers of growth in the office sector of the property industry. The absorption rate of newly built office buildings in major central business districts and key cities is benefited by the continued requirements of these BPO companies.

Overall, the industry and, necessarily, ALCO and its subsidiaries contend with risks relating to volatility in overseas remittances, interest rates, credit availability, foreign exchange, political developments, costs and supply of construction materials, wages, changes in national and local laws and regulations governing Philippine real estate and investments. ALCO and its subsidiaries are sensitive to (i) the political and security situations of the country since their sales come from both foreign and local investors, and (ii) the performance of overseas remittances and the BPO sectors as these inflows find their way into investments in housing and other real estates as well as the general economy.

To mitigate risks associated with the cyclicality of property development, ALCO employs the following broad strategies:

The Company's development portfolio was carefully assembled to achieve a diversified, well-balanced portfolio of projects that yield a target portfolio return on a risk-adjusted basis. Diversification is monitored to minimize risk concentration on any one product type, geographic location and target market segment. As a result, the Company is more resilient to changes in macroeconomic fundamentals because specific real estate sub-sectors will respond differently to these changes. For instance, the Company notes that the effect of work from home requirements issued by the Fiscal Incentives Review Board and/or Philippine Economic Zone Authority ("**PEZA**") did not have a significant impact on ALCO's business because of its diversified sources of revenues.

ALCO's commitment to sustainability provides a clear point of differentiation, resulting in a very strong brand equity which helps sustain demand for its products even in periods within an economic cycle where there may be a glut in supply. For instance, new lease contracts with major multinational BPO and finance companies were executed for its investment property in Cebu Exchange despite the recent elevated vacancy in Cebu because of Cebu Exchange's superior sustainability features and quality. As a result of strong demand for sustainable, high quality office space in Cebu, the Company decided to reclassify an additional 4,961 sqm of office units in Cebu Exchange from real estate for sale to investment property in the first quarter of 2026 to support its long-term goal of increasing recurring income from leasing operations.

The Company adheres to prudent financial management strategies even in periods of strong economic growth to survive downward economic turns. Even with the capital-intensive nature of real estate projects, the Company sets the capital structure for its projects to ensure that there is no over-reliance on debt to fund its growth. As a result, the Company's leverage ratios are well within its internal guidance cap and financial covenants.

The premium nature of the Company's development portfolio attracts high quality buyers as well as established multinationals as tenants. ALCO has a very rigid credit approval system to ensure that its buyers are financially capable of meeting their payment schedules.

The Company regularly monitors the economic performance of the country and global players through internal research and discussions with its property consultants to be able to timely adjust policies on pricing, payment schemes and timing of new project launches.

Possible change in accounting principle for real estate may change the Company's revenue recognition for sale of its real estate developments, which in turn may adversely affect recognition of unrestricted retained earnings

Future changes in the PFRS accounting standards, mainly those related to revenue recognition, may adversely affect the Company's net income and may impact the availability of unrestricted retained earnings.

PFRS 15, Revenue from Contracts with Customers, replaced PAS 11, Construction Contracts, PAS 18, Revenue, and related interpretations. It establishes a single comprehensive framework for revenue recognition to apply consistently across transactions, industries and capital markets, with a core principle (based on a five-step model to be applied to all contracts with customers), enhanced disclosures, and new or improved guidance. Further, the amendments provide clarifications on the following topics: (a) identifying performance obligations; (b) principal versus agent considerations; and (c) licensing. The amendments also provide some transition relief for modified contracts and completed contracts.

Effective January 1, 2024, the Company adopted the PFRS 15 Revenue from Contracts with Customers on reporting a significant financing component when the timing of payments agreed with a customer provides a material benefit of financing to either party. When a contract contains a significant financing component, the transaction price is adjusted to reflect the time value of money. The resulting interest income or expense is recognized separately in profit or loss.

Following this, the adoption of PFRS 15 as of the beginning of 2024 is not expected to have a material effect on the consolidated financial statements of the group for the year given that its budgets for current projects as well as business plans for new projects were already prepared assuming the application of the new accounting policies. Measures have been taken to ensure that the Company is able to comply with its obligations and meet its financial covenants with the implementation of the new accounting policies.

Further, the Company will continue to engage in discussions and consultations with relevant groups to monitor further potential changes to accounting standards to assess possible impact of these on its financial results. In the event of the release of new accounting standards, the Company will conduct a thorough review of its contracts with customers to determine proper application of such and reasonably plan to safeguard the interests of the prospective holders of the Preferred Shares.

The Company's and its subsidiaries' loan agreements are subject to certain debt covenants

The Company's loan agreements for certain debts contain covenants that limit its ability to, among other things:

- incur additional long-term debt to the extent that such additional indebtedness results in a breach of financial covenants;
- declare dividends without the consent of the lending institutions;
- materially change the nature of its business;
- merge, consolidate, or dispose of substantially all its assets; and
- encumber, mortgage or pledge some of its assets.

Complying with these covenants may cause the Company to take actions that it otherwise would not take or not take actions that it otherwise would take. ALCO's failure to comply with these covenants would cause a default, which, if not waived, could result in the debts becoming immediately due and

payable.

ALCO has historically taken a prudent stance in managing its debt obligations by ensuring that any corporate act, whether or not performed in the ordinary course of business, does not violate any existing debt covenant. If any significant corporate act or business transaction is seen to potentially affect its debt covenants that would lead to accelerating the payment of existing debt, ALCO shall endeavor to obtain the necessary waivers in accordance with relevant debt agreements.

The Company is required to maintain a debt-to-equity ratio of not more than 2.0x and current ratio of not less than 1.5x on a consolidated basis. For the periods ended December 31, 2023, December 31, 2024, December 31, 2025 and March 31, 2024, the Company was fully compliant with these debt covenants.

For the year ended December 31, 2025, in calculating its debt-to-equity ratio to test for compliance with its debt covenants, the Company included the following obligations to determine total debt: (1) bonds payable and loans payable from third party lenders and (2) amount payable for the purchase of land for its real estate developments. On the other hand, the Company included the following to determine total equity: (1) the consolidated equity and (2) advances from non-controlling interest who are shareholders in the Company's subsidiaries. Prior to this, advances from non-controlling interest who are shareholders in the Company's subsidiaries were included in determining total debt. Please see below the calculation for the years ended December 31, 2023, December 31, 2024 and December 31, 2025, and the three-month period ended March 31, 2026.

Amounts in million Pesos	**Three Months Ending March 2026**	**FY December 2025**	**FY December 2024**	**FY December 2023**
A. Debt to Equity Ratio				
Total Debt				
1. Bonds payable and loans from third party lenders	22,208	21,666	18,432	17,128
Bonds payable	*2,967*	*2,966*	*5,956*	*5,942*
Loans payable	*19,241*	*18,700*	*12,476*	*11,187*
2. Amount payable for purchase of land for real estate development	1,860	1,860	-	-
3. Advances from non-controlling interest	-	-	1,010	1,102
Total Equity				
1. Consolidated Equity	14,825	14,649	14,252	13,116
2. Advances from non-controlling interest	1,059	1,059	-	-
Total Debt	**24,068**	**23,526**	**19,442**	**18,230**
Total Equity	**15,884**	**15,707**	**14,252**	**13,116**
Debt to Equity Ratio for loan covenants	**1.52x**	**1.50x**	**1.36x**	**1.39x**
B. Current Ratio				
Current Assets	29,344	29,304	25,086	23,621

Amounts in million Pesos	**Three Months Ending March 2026**	**FY December 2025**	**FY December 2024**	**FY December 2023**
Current Liabilities	16,690	15,795	15,884	10,168
Current Ratio	**1.76x**	**1.86x**	**1.58x**	**2.32x**

For the periods ended December 31, 2023, December 31, 2024, December 31, 2025 and March 31, 2026, the Company was fully compliant with these debt covenants based on the above calculations.

In addition to monitoring for compliance with its financial covenants under its loan agreements, the Company strives to keep its debt-to-equity ratio to within its internal guidance cap of 1.50x at the consolidated level (refer to the section "**ALCO's Competitive Strengths**" under the heading "**Prudent Financial Management**"). In calculating its debt-to-equity ratio for internal guidance cap, the Company includes only bonds payable and loans payable from third party lenders in determining total debt and includes advances from non-controlling interests as part of equity. Please see below the calculation of the Company's debt-to- equity ratio for testing compliance with its internal guidance cap for the years ended December 31, 2023, December 31, 2024, and December 31, 2025 and the period ended March 31, 2026:

Amounts in million Pesos	**Three Months Ending March 2026**	**FY December 2025**	**FY December 2024**	**FY December 2023**
Debt (Bonds payable and loans from third party lenders)	**22,208**	**21,666**	**18,432**	**17,128**
Total Equity (Including advances from non-controlling interests)	**15,884**	**15,707**	**15,262**	**14,218**
Debt-to-Equity for internal guidance cap	**1.40x**	**1.38x**	**1.21x**	**1.20x**

Based on the above calculation, the Company's debt-to-equity ratio was within its internal guidance cap of 1.50x for the periods ended March 31, 2026, December 31, 2023, December 31, 2024, and December 31, 2025.

No assurance that insurance rates and coverage will remain the same, and the available coverage may not be adequate in the future

The Company maintains comprehensive property and liability insurance policies with coverage features and insured limits that it believes are consistent with market practices in the real estate development industry in the Philippines. Nonetheless, the scope of insurance coverage that the Company can obtain or the Company's ability to obtain such coverage at reasonable rates may be limited.

Insurance policies and terms of coverage will be subject to renewals and negotiations on a periodic basis and there is no assurance that adequate insurance coverage will be available on commercially reasonable terms in the future. Any material increase in insurance rates, decrease in available coverage or any failure to maintain adequate insurance in the future could adversely affect the business, financial condition and results of operations.

To mitigate this risk, the Company regularly monitors the sufficiency of insurance coverage from its various insurance contracts and cultivates a healthy business relationship with various insurance

companies.

The Company or its contractors may be subject to labor unrest, slowdowns, and increased costs

The Company has not experienced labor unrest in the past that resulted in the disruption of its operations. However, there can be no assurance that there will be no labor claims or that it or its contractors will not experience future disruptions in its operations due to labor disputes in the future. In addition, any changes in labor laws and regulations may result in the Company having to incur substantial additional costs.

To mitigate the risk, the Company strictly complies with labor laws, adopts policies to ensure a healthy working environment for its employees and engages contractors that practice the same. Further, substantially all its construction contracts are on fixed terms, thereby further reducing this risk.

The Company is dependent on key suppliers and service providers to successfully implement its plans

The Company is dependent on certain key suppliers and service providers for substantial components of the Company's real estate developments. The Company relies on certain architecture and design firms as well as contractors for the execution of its plans.

The Company mitigates this risk primarily through its stringent screening process in relation to counterparty selection. When necessary, the Company also requires its suppliers and service providers to provide performance security including surety bond, advance payment bond, performance bond and guarantee bond which sufficiently allow ALCO to manage this risk.

The Company is dependent on its management team and key employees to successfully implement its strategies

The loss of key and management personnel may have a material adverse impact to the Company and its business plans. There is no guarantee that existing personnel will continue to serve in their current capacities.

The Company, however, is confident in its ability to attract and retain key personnel by continuing to provide competitive compensation as well as promoting a sustainable culture for its team. The Company likewise has a strong top and middle management bench which ensures a continuous stream of talent.

The Company may be unable to attract and retain skilled professionals

The Company's ability to plan, design and execute current and future projects depends on its ability to attract, train, motivate and retain highly skilled personnel. The Company believes that there is significant demand for such personnel not only from its competitors but also from companies outside the Philippines. Any inability on the part of Company in hiring and, more importantly, retaining qualified personnel could impair its ability to undertake project design, planning and execution activities in-house and could require the Company to incur additional costs by having to engage third parties to perform these activities.

To mitigate the risk, the Company regularly reviews its hiring policies to ensure that it remains competitive against other employers in terms of being able to attract and retain top talent.

ALCO may be exposed to cybersecurity incidents and information security risks

ALCO, independently and through third-party service providers, collects, processes, uses, transmits and stores on its networks, devices and equipment sensitive information, including intellectual property, proprietary business information and personally identifiable information of ALCO's customers, employees, suppliers, contractors and service providers.

As cybersecurity vulnerabilities and threats continue to evolve, ALCO may be required to allocate significant additional resources to continue to enhance its security measures or to investigate and remediate any cybersecurity vulnerabilities. The occurrence of any of these events may result in (i) business interruptions and delays; (ii) the loss, misappropriation, corruption or unauthorized access of data; (iii) litigation and potential liability under privacy, security, breach notification and consumer protection or other laws; (iv) reputational damage and (v) governmental inquiries or investigations, any of which may have a material, adverse effect on ALCO's financial position and results of operations and harm ALCO's business reputation.

ALCO has implemented security measures to protect the confidentiality, integrity and availability of sensitive information and the systems that store or transmit such data, and routinely monitors and tests its security measures. ALCO has appointed a Data Privacy Officer who is accountable for ensuring the compliance by ALCO and its subsidiaries with the provisions of the Data Privacy Act and its implementing rules and regulations, as well as the issuances of the National Privacy Commission, and other applicable laws and regulations relating to privacy and data protection. ALCO has also conducted privacy impact assessments and has data privacy policies in place to ensure that security risks are managed and that breaches will be adequately addressed. ALCO also ensures that appropriate data privacy provisions are included in its contracts with customers, suppliers and service providers.

ALCO enters into transactions with its related parties and needs to be fully compliant with regulations on related party transaction disclosures.

In the regular conduct of business, ALCO and its wholly owned subsidiaries enter into intercompany transactions, primarily advances necessary to carry out their respective functions subject to liquidation and reimbursements for expenses and the provision of project development management services to oversee the operations of the projects in accordance with the business plans for each. ALCO ensures that while these transactions are made substantially on the same terms as with other individuals and businesses of comparable risks, they are fair and treated at arm's length.

ALCO also ensures compliance with BIR Revenue Regulations No. 19-2020 and BIR Revenue Regulation No. 34-2020 on related party transaction disclosures. To comply with the above BIR regulations and documentation, the Company has engaged Reyes Tacandong & Co. to assist in reviewing the intercompany transactions pursuant to the above regulations. The Company, likewise, submits BIR Form No. 1709 together with the Annual Income Tax Return on an annual basis.

ALCO is subject to foreign ownership limitations and needs to be fully compliant with these limitations when arranging the required funding sources.

As of the date of this Prospectus, ALCO owns land and is therefore required by the Philippine Constitution and related statutes to be a Philippine national by limiting foreign ownership in the Company to a maximum of 40% of its outstanding capital stock.

Pursuant to Philippine SEC Memorandum Circular No. 8, Series of 2013, for purposes of determining compliance with the constitutional or statutory ownership requirement, the required percentage of

Filipino ownership shall be applied to both: (i) the total number of outstanding shares of stock entitled to vote in the election of directors; and (ii) the total number of outstanding shares of stock, whether or not entitled to vote in the election of directors.

Therefore, to the extent that foreign investors' ability to invest in ALCO and its landholding subsidiaries is limited, ALCO and its subsidiaries must resort to other sources of capital raising and must structure their partnerships and joint ventures with foreign nationals in a manner that ensures that foreign ownership limitation is not breached.

ALCO is aware of this foreign ownership restriction and is actively monitoring its partnerships and shareholding structure to ensure that foreign participation is within the constitutional limits. ALCO maintains competent internal and external legal counsel to ensure that its transactions with foreign nationals are properly structured in order not to breach this foreign ownership limitation.

ALCO is reliant on technology in certain business operations and uses technology to differentiate its developments from those of its competitors.

While ALCO aims to keep abreast of the latest technological developments related to property development, there are no significant barriers that prevent its competitors from adopting a similar technology for their own developments and projects. ALCO may also fail to implement any new technology in a timely manner or at all, putting it at a disadvantage to its competitors.

To mitigate this risk, ALCO ensures that it utilizes the latest enabling technologies as added features to its residential and commercial projects. As an example, Lucima and Una Apartments are equipped with Energy Recovery Ventilator and Dedicated Outside Air System that improves indoor air quality by bringing in fresh, filtered air for its residents as well as controlling the humidity for thermal comfort.

ALCO is subject to risk on substantial sale cancellations

The Company faces certain risks related to the cancellation of sales involving its real estate projects and if the Company were to experience a material number of sales cancellations, the Company's reported revenues may be overstated.

As a developer and seller of real estate, the Company's business, financial condition and results of operations could be adversely affected in the event a material number of sales contracts for subdivision lots and condominium units are cancelled.

The Company is subject to R.A. 6552 (the "**Maceda Law**"), which applies to all transactions or contracts involving the sale or financing of real estate through installment payments for residential units (but excluding industrial and commercial lots). Under the Maceda Law, buyers who have paid at least two years of installments are granted a grace period of one month for every year of paid installments to cure any payment default. This right shall be exercised by the buyer only once in each year of the life of the contract and its extensions, if any. If the contract is cancelled, the buyer is entitled to receive a refund of at least 50% of the total payments made by the buyer, with an additional 5% per annum in cases where at least five years of installments have been paid (but with the total not to exceed 90% of the total payments). Buyers who have paid less than two years of installments and who default on installment payments are given a 60-day grace period to pay all unpaid installments before the sale can be cancelled, but without right of refund.

While the Company historically has not experienced a material number of cancellations to which the Maceda Law has applied, there can be no assurance that it will not experience a material number of

cancellations in the future, particularly during slowdowns or downturns in the Philippine economy, periods when interest rates are high or similar situations. In the event the Company does experience a material number of cancellations, it may not have enough funds on hand to pay the necessary cash refunds to buyers or it may have to incur additional indebtedness to pay such cash refunds. In addition, particularly during an economic slowdown or downturn, there can be no assurance that the Company would be able to resell the same property or resell it at an acceptable price. Any of the foregoing events may have a material adverse effect on the Company's business, financial condition and results of operations.

In the event the Company experiences a material number of sales cancellations, investors are cautioned that the Company's historical revenues would have been overstated because such historical revenues would not have accurately reflected subsequent customer defaults or sales cancellations. Investors are also cautioned not to rely on the Company's historical income statements as indicators of the Company's future revenues or profits.

There can be no assurance that the Company will not suffer from substantial sales cancellations and that such cancellations will not have a material adverse effect on its financial condition and results of operations. Receivable balances are monitored by the Company on a regular basis.

The Company mitigates this risk by ensuring that it conducts proper procedures to obtain necessary information from prospective buyers to have reasonable assurance of their ability to pay for or obtain financing for their units to minimize payment default as a reason for sales cancellation. The Company likewise maintains a healthy client list to help with selling any previously cancelled units to other buyers.

Below is a summary of sale cancellations from 2023 to the first four months of 2026:

	Sales Cancellations	
	Value (in Php Millions)	Percentage (%)
As of December 31, 2023	1,248	4.8%
As of December 31, 2024	1,873	5.9%
As of December 31, 2025	796	2.3%
As of April 30, 2026	866	2.4%

Cancellations amounted to Php1.248 million as of December 31, 2023 and Php1.873 million as of December 31, 2024 representing approximately 4.8% and 5.9% of total reservations, respectively. While sales cancellations are considered normal in the industry, the cancellation 2024 is attributed to a single, non-recurring transaction which was subsequently resold in the same year. Notably, sales cancellation normalized in 2025 to 2.3%.

Changes in tax policies affecting tax exemptions and tax incentives could adversely affect the Company's results of operations.

The Company is registered with the PEZA as an Ecozone Facilities Enterprise at the E-Square Information Technology Park where ACPT is located and for Cebu Exchange, and benefits from certain incentives, including, among others, 5% preferential tax on gross income earned, in lieu of all national and local taxes ("**GIT**") and exemption from expanded withholding tax, and is eligible for VAT zero-rating of its transactions with its local suppliers of goods, properties and services related to its provision of services to PEZA-registered enterprises located within its facility. Availment of these incentives is subject to evaluation and requirements prescribed under the PEZA rules and regulations.

On March 26, 2021, Republic Act No. 11534 or the Corporate Recovery and Tax Incentives for Enterprise Act ("**CREATE Law**") was enacted into law and became effective on April 11, 2021. The CREATE Law aims to help businesses recover and attract more investors by immediately lowering corporate income taxes and modifying the sunset period for the fiscal incentives of corporations such as income tax holidays, special rates and custom duty exemptions. In view of the effectivity of the CREATE Law, the Company is now subject to regular corporate income tax of 25% beginning July 1, 2020. The imposition of the minimum corporate income tax ("**MCIT**") was reduced from 2% to 1% from July 1, 2020 to June 30, 2023. The MCIT reverted to 2% last July 1, 2023. The fiscal incentives that investment promotion agencies may grant to registered business enterprises have also been amended.

Further, under the CREATE Law, the Government will no longer grant perpetual fiscal incentives such as the 5% GIT. Registered business enterprises whose projects or activities were granted only an income tax holiday ("**ITH**") prior to the effectivity of the CREATE Law are given a transitory period and may continue to avail themselves of the ITH for the remaining period after CREATE Law takes effect, while those currently availing of the 5% GIT prior to the effectivity of the CREATE Law are allowed to continue availing themselves of the said tax incentive for ten (10) years from the effective date of CREATE Law. Existing activities may avail of the incentives under CREATE Law, provided that the activities are included in the Strategic Investment Priority Plan ("**SIPP**"), and subject to the criteria and conditions in the SIPP.

The SIPP will be formulated upon effectivity of CREATE Law by the Board of Investments, in coordination with the Fiscal Incentives Review Board, Investment Promotion Agencies (as defined under the CREATE Law, which includes PEZA), other government agencies administering tax incentives, and the private sector. The SIPP will be submitted to the President for approval and is subject to revision every three years. Pursuant to the Implementing Rules and Regulations of Title XIII of the Tax Code, as amended by the CREATE Law, which became effective on June 26, 2021 immediately upon its publication in a newspaper of general circulation, the 2020 Investment Priorities Plan promulgated under Memorandum Order No. 50 dated November 18, 2020 will serve as the SIPP until a new one is approved by the President. On May 24, 2022, the President signed Memorandum Order No. 61 which approved the 2022 SIPP. The 2022 SIPP became effective on June 11, 2022, after the 15th day of its publication in a newspaper of general circulation. On May 21, 2026, the President signed Memorandum Order No. 47 which approved the 2026 SIPP. The 2026 SIPP will become effective after the 15th day of its publication in the Official Gazette on June 2, 2026.

Under the CREATE Law, ACPT and Cebu Exchange may no longer have an advantage over other buildings that are not PEZA-registered beyond the period provided within which the benefit from the 5% GIT may still be enjoyed. However, this risk is mitigated by the superior design and unmatched sustainable features of ACPT and Cebu Exchange that allow their tenants to enjoy savings in operating costs. These will allow ACPT and Cebu Exchange to maintain their competitive advantage over other buildings despite the implementation of the CREATE Law.

On September 9, 2019, the House of Representatives of the Philippines approved on third and final reading House Bill No. 304, or the Passive Income and Financial Intermediary Taxation Act ("**PIFITA**"), to simplify the tax rates on financial transactions. The PIFITA bill provides for, among others, a reduction in the tax rates on interest income from yield or any other monetary benefit earned or received from bank deposits, deposit substitutes, trust fund and similar arrangements from the current 20% to 15%, and an increase in the tax rate on cash and/or property dividends from the current 10% to 15%. In addition, the PIFITA bill provides for the rationalization of documentary stamp taxes. In the event the PIFITA bill is enacted, there may be additional costs that may be passed on to the Company. To date, the PIFITA bill remains pending with Congress.

The Company may be involved in legal and other proceedings arising out of its operations from time to time.

The Company may, from time to time, be involved in disputes involving the construction and operation of its properties such as, but not limited to, contractual disputes with contractors, suppliers, and clients, or disputes involving property damage or personal liability claims. If these disputes occur, it may result in delays in the Company's project development schedule, incurring substantial costs, and the diversion of Company resources and management's attention. In relation to this, the Company's subsidiary, Bhavana, is a party to arbitration proceedings before the CIAC involving its former general contractor, Monocrete, after Bhavana took over the construction site for its project Lucima following delays in the completion of the Project. (For a more detailed discussion, see "**Legal Proceedings**".)

In the course of its operations, the Company may also have disagreements with regulatory bodies, or local government units responsible for issuing the necessary permits or licenses for the Company's business, which may subject it to administrative proceedings and unfavorable decisions or result in fines or penalties and/or delay its projects. Should any of these occur, the Company's business, financial condition, results of operations and cash flows could be materially and adversely affected.

As a way to mitigate the risk, the Company strives to maintain good relationships with customers, suppliers, contractors, regulators, and other parties it regularly deals with. The Company also endeavors to amicably settle legal proceedings, resort to alternative methods of dispute resolution, and exhaust all legal remedies available and generally to take steps in the best interest of stakeholders in its projects.

There is a possibility that the Company's directors and officers may be involved in legal and other proceedings that may adversely affect the Company's operations, reputation, and/or financial standing.

To mitigate this risk, the Company has established the Manual of Corporate Governance which provides, among others, that a director's office is one of trust and confidence. The Nomination Committee vets the qualifications of each Director to ensure that ALCO directors shall at all times act in a manner characterized by transparency, accountability and fairness.

The Company is indirectly controlled by the Po Family and as such some of their other business interests may conflict with the business of the Company.

Century Pacific Group, Inc. owns 100% of the shares of CPG Holdings, Inc.. CPG Holdings Inc. is the investment vehicle of the Po family and the registered owner of 37.94% of the shares of the Company. Century Pacific Group, Inc. is also the owner of 100% of the shares of Pacifica Homes Development Corporation ("**PHDC**"), a real estate developer of affordable houses with mid-market selling features at low-cost housing prices.

However, PHDC and the Company operate independently of and do not compete against each other as highlighted by the points below:

PHDC and the Company do not have common directors or officers. Mr. Ted Po and Mr. Leo Po of the Po are the Chairman of the Board of Directors and President of PHDC, respectively. Neither occupies any position in the Company's management nor its Board of Directors.

The Company and its subsidiaries do not have any transaction with PHDC.

The Company and PHDC do not compete against each other. PHDC's project, Hamana Homes, is a 15-

hectare residential development located in Magalang-Mabalacat, Pampanga. Hamana Homes does not conflict with any of Arthaland's projects. Arthaland focuses on key urban CBDs in Metro Manila, such as Makati and BGC, and high-growth areas outside Metro Manila, such as Cebu and Binan, Laguna while PHDC's Hamana Homes is located in the emerging community of Pampanga. Further, Arthaland primarily caters to the upscale and luxury market and the broader mid-market segments, while PHDC's pricing strategy is geared towards low-cost housing segment.

The Company is subject to risks relating to possible oversupply of mid-market and affordable residential condominium units in Metro Manila.

There are reports on high inventory levels of major developers in mid-income to affordable market segments. There are also reports of major developers cancelling projects for launch or putting launched projects on hold as they try to manage their existing inventory levels. While headline prices have not dropped significantly, there is heightened competition in terms of payment terms that are not favorable to developers.

To mitigate this, the Company adopts a deliberate and more cautious approach in acquiring properties and planning project launches to insulate it from general oversupply issues in the residential condominium market in Metro Manila. Whereas it is generally observed that there is need for more time for the market to absorb existing inventory, the Company's cautious approach to new launches resulted in the need to strengthen its inventory pipeline as most of its residential projects in the 5x in 5 Years growth stage had reached significant take-up rates prior to 2025. The successful launch of Liv, Sondris and Una Tower 3 in 2025 addressed this issue.

The Company further mitigates this risk by ensuring that its projects are very well differentiated with a more resilient demand base anchored on specific attributes of well-selected locations and the high quality and sustainability standards of Arthaland. The Company is able to offer competitive payment terms by broadening sources of working capital lines, contracts to sell facilities, and capitalizing on its partnership with the Balai Berde financing program which gives it an advantage over its competitors because all its residential projects are certified sustainable under the EDGE program of the IFC.

The Company's projects are subject to potential material disruptions in supply chain for key components in its projects as a result of the Middle East conflict.

The Company's projects are exposed to possible tightening of supply for critical components which are global commodities or which are globally traded. While projects that have been completed or which are near structural top-off are more insulated from this risk, new projects, including Liv and Sondris, for which general construction contracts will be awarded within the next twelve months, are exposed to possible increase in construction costs. Particularly, the cost of cement and steel rebars, for which spot prices have increased immediately after the Middle East conflict started in the first quarter of 2026, may drive up construction costs.

To mitigate this, the Company completed stress testing analysis on costs that may be brought about by foreign exchange fluctuations on supply chain disruptions to explore the effect of these on profitability and cash flows based on similar experience for previous projects during the Russia-Ukraine conflict. Based on the results, adequate additional contingencies are included in the plans to take into account the pattern of awarding contracts over the four to five-year construction period of projects. The Company further enhanced its procurement strategies to allow flexibility in potentially directly purchasing some components in tranches rather than awarding or purchasing all upfront if studies indicate that supply constraints will stabilize over time.

RISKS RELATING TO THE PHILIPPINES

Company is exposed to risk related to the slowdown in the Philippine economy

All of the Company's business operations and assets are based in the Philippines. As a result, the Company's income, results of operations and the quality and growth of its assets depend, to a large extent, on the performance of the Philippine economy.

Philippine economy has experienced strong GDP growth in recent years prior to 2020, the stronger U.S. dollar, higher global interest rates and higher commodity prices may cause domestic inflation to increase and have an adverse impact on the future growth of the Philippine economy, which has previously experienced periods of slow or negative growth, high inflation, significant depreciation of the peso and the imposition of exchange controls. In 2025, the Philippine economy expanded by 4.4% y-o-y, slower than the 5.7% growth in 2024 and below the 5.5%–6.5% government target. The Philippine GDP growth further weakened to 2.8% y-o-y in the first quarter of 2026, below the government's 5% to 6% target for the year.

Factors that may adversely affect the Philippine economy include:

- decreases in business, industrial, manufacturing or financial activities in the Philippines, Southeast Asia or globally;
- scarcity of credit or other financing, resulting in lower demand for products and services provided by companies in the Philippines, Southeast Asia or globally;
- exchange rate fluctuations and foreign exchange controls;
- rising inflation or increases in interest rates;
- levels of employment, consumer confidence and income;
- changes in the Government's fiscal and regulatory policies and regulations, including tax laws and
  regulations that impact or may impact inflation and consumer demand;
- Government budget deficits;
- adverse trends in the current accounts and balance of payments of the Philippine economy;
- public health epidemics or outbreaks of diseases, such as COVID-19, monkeypox, re-emergence of Middle East Respiratory Syndrome- Corona virus (MERS-CoV), SARS, avian influenza (commonly known as bird flu), or H1N1, or the emergence of another similar disease (such as Zika) in the Philippines or in other countries in Southeast Asia;
- natural disasters, including but not limited to tsunamis, typhoons, earthquakes, fires, floods and similar events;
- political instability, terrorism or military conflict in the Philippines, in other countries in the region or globally; and
- other regulatory, social, political or economic developments in or affecting the Philippines.

Uncertainty surrounding the global economic outlook may cause economic conditions in the Philippines to deteriorate and there can be no assurance that current or future Government policies will continue to be conducive to sustaining economic growth. There can be no assurance that the Philippines will maintain strong economic fundamentals in the future. Any future deterioration in economic conditions in the Philippines may materially and adversely affect the Company's financial position and results of operations, including the Company's ability to implement its business strategies. Changes in the conditions of the Philippine economy may materially and adversely affect the Company's business, financial condition or results of operations.

To mitigate the abovementioned risks, the Company shall continue to adopt conservative or prudent

financial and operational controls and policies within the context of the prevailing business and economic environment, taking into consideration the interests of its customers, stakeholders, and creditors.

Political instability may have a negative effect on the business, financial position or results of operations of the Company.

The Philippines has from time to time experienced political and military instability, including acts of political violence. In the last two decades, there has been political instability in the Philippines, including extra-judicial killings, alleged electoral fraud, impeachment proceedings against two former presidents, two chief justices of the Supreme Court of the Philippines, and public and military protests arising from alleged misconduct by previous administrations. In addition, some officials of the Philippine government are currently under investigation or have been indicted on corruption charges stemming from allegations of misuse of public funds, extortion, bribery, or usurpation of authority. There can be no assurance that acts of political violence will not occur in the future and any such events may negatively impact the Philippine economy.

No assurance can be given that the future political or social environment in the Philippines will be stable or that current and future governments will adopt economic policies conducive for sustaining economic growth. An unstable political or social environment, whether due to the imposition of emergency executive rule, martial law or widespread popular demonstrations or rioting, could negatively affect the general economic conditions and operating environment in the Philippines, which could have a material adverse effect on the business, operations, and financial condition of the Company.

To mitigate this risk, the Company has always remained politically neutral. Throughout changes in political leadership in the Philippines, it has been business as usual for the Company because most, if not all of elected local or national leaders, are supportive of businesses in general and real estate developments as a means to spur economic growth, activate communities outside of Metro Manila and to provide housing for Filipinos.

Occurrence of natural catastrophes may adversely affect the business of the Company

The Philippines has experienced a significant number of major natural catastrophes over the years, including typhoons, volcanic eruptions, earthquakes, storm surges, mudslides, fires, droughts, and floods related to El Niño and La Niña, respectively. For example, in November 2020, Typhoon Goni, locally known as Super Typhoon Rolly, brought severe flash floods and displaced thousands in the areas affected. In January 2020, the Taal Volcano erupted. In July 2022, a 7.0-magnitude earthquake occurred in Tayum, Abra, in December 2023, a 7.6-magnitude earthquake shook Mindanao, and in September 2025 a magnitude 6.9 earthquake struck off the coast of Bogo City, Cebu. These events has resulted in deaths, injuries and damage to public infrastructure and private property. Natural catastrophes will continue to affect the Philippines and the Company may incur losses for such catastrophic events which could materially and adversely affect its business, financial condition and results of operations.

There is no assurance that the insurance coverage which the Company maintains for these risks will adequately compensate it for all damages and economic losses resulting from natural calamities. However, the Company mitigates this risk through the geographic diversity of its projects which are located in key urban areas in Metro Manila, Cebu City and Laguna. In addition, the Company's projects implement structural designs which are generally stricter than mandated standards. These measures help to mitigate the impact of a potential natural catastrophe in one location.

Occurrence of a Philippine credit rating downgrade may adversely affect the business of the Company

Historically, the Philippines' sovereign debt has been rated non-investment grade by international credit rating agencies. In 2019, the Philippines' long-term foreign currency-denominated debt was upgraded by S&P Global ("**S&P**"), to BBB+ with stable outlook, while Fitch Ratings ("**Fitch**") and Moody's Investors Service ("**Moody's**"), affirmed the Philippines' long-term foreign currency-denominated debt to the investment-grade rating of BBB and Baa2, respectively, with a stable outlook. On February 28, 2020, Fitch revised its rating of Philippines long-term foreign currency-denominated debt to BBB, with a positive outlook, following its expectation that sound macroeconomic management will continue to support high growth rates with stable inflation while ongoing tax reforms were expected to improve fiscal finances. On May 7, 2020, Fitch affirmed its rating of Philippines long-term foreign currency-denominated debt to BBB, but revised the outlook to stable, to reflect the deterioration in the Philippines' near-term macroeconomic and fiscal outlook as a result of the impact of the COVID-19 pandemic and domestic lockdown to contain the spread of the virus. In May 2020, S&P and Moody's affirmed its rating of BBB+ and Baa2, with stable outlook, respectively, for the Philippines' long-term foreign currency-denominated debt. On June 2024, Fitch once again affirmed the Philippines' credit rating as 'BBB' and its outlook as 'stable'.

In line with its earlier view, S&P affirmed the Philippines' BBB+ rating and with a "positive" outlook in November 2025, noting the country's strong long-term growth prospects despite temporary slowdown linked to the ongoing probe into anomalous flood control projects. Moody's likewise maintained its Baa2 rating with a stable outlook in February 2026, on the back of the country's stable banking system, ample foreign exchange reserves, and strong access to domestic and international funding markets. Fitch has also reaffirmed the Philippines' BBB rating but revised its outlook to "negative" from "stable" in April 2026 citing risks to the country's strong medium-term growth prospects from recent disruptions to public investment, exacerbated in the near-term by elevated exposure to the ongoing global energy shock.

The Philippine Government's credit ratings directly affect companies domiciled in the Philippines as international credit rating agencies issue credit ratings by reference to that of the sovereign. No assurance can be given that Fitch, Moody's, S&P, or any other international credit rating agency will not downgrade the credit ratings of the Philippine Government in the future and, therefore, Philippine companies. Any such downgrade could have a material adverse impact on the liquidity in the Philippine financial markets, the ability of the Philippine Government and Philippine companies, including the Company, to raise additional financing, and the interest rates and other commercial terms at which such additional financing is available.

The prospects of the Company may be influenced by major political and economic developments both locally and abroad.

Territorial disputes concerning the Philippines and China's claims over the West Philippine Sea ("**WPS**") received renewed international interest in 2024 in the wake of reports citing that former President Rodrigo Duterte allegedly entered into a "gentleman's agreement" with Chinese President Xi JinPing, effectively ceding the country's claims over such economic zone's natural aquatic, oil, and gas resources. Incumbent President Ferdinand Marcos, Jr., on the other hand, was reportedly "horrified" that the Philippine government compromised the territory and sovereignty of Filipinos. At present, US and Philippines armed forces have begun joint military exercises in Laoag, Ilocos Norte, in a show of military force and strengthening ties, as regional tensions rise. US officials, including US President Joe Biden, have affirmed their "ironclad" commitment to defend the Philippines against any

armed attack pursuant to the US-Philippines 1951 Mutual Defense Treaty.

Any political or economic developments of a local to a global scale could impact prices in general and disrupt supply chains, which could in turn increase the Company's costs for the construction of its future projects.

Furthermore, any decrease in investor confidence and disruptions of the credit and equity markets, may impede or prevent access to the capital markets for additional funding to expand the Company's business and may affect the availability or cost of borrowing. While the Company also seeks to obtain funding from counterparty banks through credit facilities other than capital markets, if the Company is unable to obtain the required funding, the Company will have to adjust its business plans and strategies, which may adversely affect the Company's future prospects, market value and results of operations. Nevertheless, the Company continuously monitors such developments and will assess any direct and indirect impact that the foregoing events may have on its current and future business.

RISKS RELATING TO THE SERIES G AND H PREFERRED SHARES

The Preferred Shares may not be suitable investment for all investors

Each potential investor in the Preferred Shares must determine the suitability of that investment, considering its own circumstances. Each potential investor should:

- Have sufficient knowledge and experience to make a meaningful evaluation of the Preferred Shares, the merits and risks of investing in the offer and the information contained in this Prospectus;

- Have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Preferred Shares and the impact such investment will have on its overall investment portfolio;

- Have sufficient financial resources and liquidity to bear all of the risks of an investment in the Preferred Shares, including where the currency for principal or dividend payments is different from the currency of the potential investor;

- Understand thoroughly the terms of the Preferred Shares and be familiar with the behavior of any relevant financial markets; and

- Be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate, foreign exchange rate and other factors that may affect its investment and its ability to bear the applicable risks.

Payment of dividends is subject to funds being available for distribution

Dividends on the Preferred Shares may not be paid or may pay less than full dividends, under the terms and conditions governing the Preferred Shares. Holders of the Preferred Shares will not receive dividends on a Dividend Payment Date or for any period during which the Company does not have unrestricted retained earnings out of which to pay dividends. The declaration and payment of cash dividends will be subject to the sole and absolute discretion of the BOD of the Company, to the extent permitted by applicable laws and regulations, the covenants (financial or otherwise) in the agreements to which the Company is a party, and in accordance with the terms of the Preferred Shares. The BOD will not declare and pay dividends for any Dividend Period where payment of the Dividend would cause

the Company to breach any of its financial covenants.

The Company mitigates this risk through the prudent management of resources as well as the timely execution of its business plans.

Volatility of market price of the Offer Shares

The market price of the Offer Shares may be affected by various factors, including:

- general market, political and economic conditions;
- changes in earnings estimates and recommendations by financial analysts;
- changes in market valuations of listed stocks, in general, and stocks of other conglomerates;
- changes in government policy, legislation or regulations, and
- general operational and business risks.

In addition, many of the risks described within this section could materially and adversely affect the market price of the Offer Shares.

Subordination to other indebtedness

The rights and claims of holders of the Preferred Shares will (subject to the extent permitted by law) rank senior to the holders of the Common Shares of the Company, however the obligations of the Company under the Preferred Shares are unsecured and are subordinated obligations to all other indebtedness of the Company. In the event of the winding-up of the Company, the Preferred Shares rank junior in right of payment to all indebtedness of the Company and junior in right of payment to securities of, or claims against, the Company which rank or are expressed to rank senior to the Preferred Shares. There is risk that an investor in the Preferred Shares will not receive any return of the principal amount or any unpaid amounts due under the terms of the Offer unless the Company can satisfy in full all of its other obligations ranking senior to the Preferred Shares.

Risk of Insufficient Distributions upon Liquidation

In the event of liquidation, the Preferred Shares rank ahead of the Common Shares, but subordinated against the Company's other indebtedness. Upon any voluntary or involuntary dissolution, liquidation or winding up of ALCO, holders of the Preferred Shares will be entitled only to the available assets of the Company remaining after its other indebtedness is satisfied. If any such assets are insufficient to pay the full amount due to the holders of the Preferred Shares, then holders of Preferred Shares shall share ratably, together with holders of other shares which rank equally in any such distribution of assets in proportion to the full distributions to which they would otherwise be respectively entitled.

Inability to reinvest at a similar return on investment upon redemption

On the Optional Redemption Date or at any time redemption occurs, the Company may redeem the Preferred Shares at the Redemption Price, as described in ''Terms of the Offer" of this Prospectus. At the time of redemption, interest rates may be lower than at the time of the issuance of the Preferred Shares and, consequently, the holders of the Preferred Shares may not be able to reinvest the proceeds at a comparable interest rate or purchase securities otherwise comparable to the Preferred Shares.

The Preferred Shares have no voting rights

Holders of Preferred Shares will not be entitled to elect the BOD of the Company. Except as specifically set forth in the Amended Articles of Incorporation and as provided by Philippine law, holders of Preferred Shares will have no voting rights (see ''**Description of the Securities**").

Redemption at the option of the Issuer

The Preferred Shares have no fixed final maturity date. Holders have no right to require the Company to redeem the Preferred Shares at any time and they can only be disposed of by sale in the secondary market. Holders who wish to sell their Preferred Shares may be unable to do so at a price at or above the amount they have paid for them, or at all, if insufficient liquidity exists in the market for the Preferred Shares. Therefore, holders of the Preferred Shares should be aware that they may be required to bear the financial risks of an investment in the Preferred Shares for an indefinite period of time.

Since the Redemption Price is equal to the relevant Offer Price of the Preferred Shares plus any accrued and unpaid cash dividends due them on such Dividend Payment Date as well as all arrears of dividends outstanding, there is a risk that holders of the Preferred Shares who may have purchased the same at a price higher than the Redemption Price may recognize a loss. Revenue Regulations No. 6-2008, as amended, discusses treatment of capital gain or loss treatment applied to the redemption of shares. Under said regulation, the tax consequences of the redemption will depend on the purpose of the issuer, to wit: (a) If the redemption of shares is for cancellation or retirement, the difference between the redemption price and the original cost of the preferred shares shall be treated as capital gain or capital loss, and shall be subject to the regular income tax rates imposed under the Tax Code or (b) If the redemption of shares is to be held in treasury, the stock transaction tax shall apply (if the shares are listed and transferred through the trading system and/or facilities of the PSE; otherwise, the transaction shall be subject to the 15% net capital gains tax. Redemption will be coursed through the facilities of the PSE, if, for any reason, the redemption is not done through the PSE, then the holder of the Preferred Shares will, in addition to the exposure to capital gains tax, be exposed to documentary stamp tax like any sale of shares done outside the PSE. Redemption of the Preferred Shares, if below listed price, may expose the holders of the Preferred Shares to the donor's tax. See "**Taxation**".

There is no guarantee that the Preferred Shares will be listed

The Company shall file an application for the listing of the Preferred Shares as they are issued on the PSE but cannot guarantee that the Preferred Shares will be listed on its target listing date as indicated in this Prospectus.

The Series Preferred Shares will be listed on the Main Board subject to the PSE's approval of the Company's listing applications. While the Company endeavors to comply with all the listing requirements of the PSE, there is no assurance of effective mitigation to such risk.

Absence of a liquid secondary market

The Philippine securities markets are substantially less liquid and more volatile than major securities markets in other jurisdictions and are not as highly regulated or supervised as some of these other markets. The Company cannot guarantee that the market for the Preferred Shares will always be active or liquid upon their listing on the PSE.

In addition, the Company and the Sole Issue Manager, Lead Underwriter and Bookrunner's are not obligated to create a trading market for the Preferred Shares and any such market making will be subject to the limits imposed by applicable law and may be interrupted or discontinued at any time without notice. Accordingly, the Company cannot predict whether an active or liquid trading market for the Preferred Shares will develop or if such a market develops if it can be sustained. Consequently, a stockholder may be required to hold his/her referred Shares for an indefinite period or sell them for an amount less than the Offer Price. The Company cannot provide assurance of effective mitigation to such systemic risk.

Capitalization

The following table sets forth the unaudited interim **consolidated debt and capitalization** of ALCO as of March 31, 2026. This table should be read in conjunction with the more detailed information and consolidated financial statements, including notes thereto, found in Appendix "A" of the Prospectus.

	As of March 31, 2026	As adjusted for a Base Issue Size of Php2.0 Billion	As adjusted for a maximum Issue Size of Php3.0 Billion
Accounts payable and other liabilities	6,521,271,752	6,521,271,752	6,521,271,752
Loans Payable	19,240,783,704	19,240,783,704	19,240,783,704
Bonds Payable	2,967,303,846	2,967,303,846	2,967,303,846
Contract Liabilities	616,064,789	616,064,789	616,064,789
Advances from non-controlling interests	1,058,519,597	1,058,519,597	1,058,519,597
Net retirement liability	63,405,638	63,405,638	63,405,638
Net deferred tax liabilities	2,803,071,027	2,803,071,027	2,803,071,027
Total Liabilities	**33,270,420,353**	**33,270,420,353**	**33,270,420,353**
Capital stock	1,004,721,996	1,008,721,996	1,010,721,996
Additional paid-in capital	6,464,321,710	8,437,219,243	9,427,830,822
Treasury stock – at cost	(1,000,000,000)	(1,000,000,000)	(1,000,000,000)
Parent Company's shares held by a subsidiary – at cost	(26,500,000)	(26,500,000)	(26,500,000)
Retained earnings	5,467,291,263	5,461,875,263	5,461,875,263
Other Equity Reserves	213,316,409	213,316,409	213,316,409
Non-controlling interests	2,701,845,648	2,701,845,648	2,701,845,648
Total Equity	**14,824,997,026**	**16,796,478,559**	**17,789,090,138**
Total Capitalization	**48,095,417,379**	**50,066,898,912**	**51,059,510,491**

Use of Proceeds

The Company estimates that, if the Oversubscription Option is fully exercised, the net proceeds from the Offer shall amount to approximately Php2.96 billion and if the Oversubscription Option is not exercised, the net proceeds from the Offer shall amount to approximately Php1.97 billion, in each case after fees, commissions and expenses. Estimated fees, commissions and expenses relating to the Offer are as follows:

In Php	**Firm Offer**	**Oversubscription Option**	**Total**
Estimated Gross Proceeds from the Offer	**Php2,000,000,000.00**	**Php1,000,000,000.00**	**Php3,000,000,000.00**
Underwriting Fees	8,947,368.00	4,473,684.00	13,421,053.00
Selling Fees	2,631,579.00	1,315,789.00	3,947,368.00
Documentary Stamp Taxes	40,000.00	20,000.00	60,000.00
Philippine SEC filing and legal research fees	1,325,625.00	-	1,325,625.00
PSE filing fees	3,416,000.00	-	3,416,000.00
Legal fees to Issuer's counsel (a)	2,576,000.00	-	2,576,000.00
Other professional fees (b)	7,581,895.00	1,578,947.00	9,160,842.00
Other expenses (c)	2,000,000.00	-	2,000,000.00
Total Estimated Expenses	28,518,467.00	7,388,421.00	35,906,888.00
Estimated net proceeds	**1,971,481,533.00**	**992,611,579.00**	**2,964,093,112.00**

(a) The item "Legal fees to Issuer's counsel" includes fees paid to SyCip Salazar Hernandez & Gatmaitan for its services as legal counsel of ALCO. None of the proceeds of the Offer will be paid as legal fees to the counsel of the Sole Issue Manager, Lead Underwriter and Bookrunner.

(b) The item "Other professional fees" includes fees for the following services:

Other professional fees	**Paid to**	**Firm Offer**	**Oversubscription Option**	**Total**
Fee for issuance of comfort letter	Reyes Tacandong & Co.	2,520,000.00	-	2,520,000.00
Receiving Agency Fee and Stock Transfer Agency Fee	Stock Transfer Service, Inc.	896,000.00	-	896,000.00
Independent Legal Opinion	Berberabe, Santos & Quiñones Law	1,008,000.00	-	1,008,000.00
Issue management fee	BDO Capital	3,157,895.00	1,578,947.00	4,736,842.00
Total		**7,581,895.00**	**1,578,947.00**	**9,160,842.00**

(c) The item "Other Expenses" includes expenses for the printing of this Prospectus, roadshows and miscellaneous expenses.

Aside from the fees enumerated above, the Issuer will be paying the following estimated recurring fees related to the Preferred Shares:

1. The Issuer will pay an annual retainer fee to the Receiving Agent amounting to Php360,000.00 (net of tax); and

2. After the Issue Date, a fee amounting to approximately Php50,000.00 is payable every Dividend Payment Date to the Stock Transfer Agent.

Expenses incurred in connection with the offering of the securities, including documentary stamp tax, fees of the Receiving Agent and the Stock Transfer Agent will be for the account of the Issuer.

Use of Net Proceeds

ALCO intends to allocate the net proceeds from the Offer as indicated below:

Purpose	**Firm Offer (in Php)**	***% to Total Firm Offer***	**Over-subscription Option (in Php)**	**TOTAL**	***% to Total with Over-subscription Option***	**Estimated Disbursement Schedule**
To partially fund the redemption of Arthaland's outstanding Series D preferred shares for which the first optional redemption date is December 22, 2026	1,971,481,533	*100%*	492,611,579	**2,464,093,112**	*83%*	Q4 2026
To fund new equity infusion into Cazneau which it will use to fund the cost to complete the development of Una Apartments Tower 2	-	*0%*	300,000,000	**300,000,000**	*10%*	Q4 2026
General corporate purposes including providing additional support to existing projects and providing pre-funding for potential land acquisitions	-	*0%*	200,000,000	**200,000,000**	*7%*	Q4 2026
TOTAL	**1,971,481,533**	***100%***	**992,611,579**	**2,964,093,112**	***100%***	

Composition of General corporate purposes	Firm Offer (in Php)	*% to Total Firm Offer*	Over-subscription Option (in Php)	TOTAL	% to Total with Over-subscription Option	Estimated Disbursement Schedule
To provide additional support for working capital requirements of active projects including Sevina Park, Lucima and Eluria	-	-	150,000,000	150,000,000	75%	Q4 2026
To provide additional support for working capital requirements of the Issuer	-	-	50,000,000	50,000,000	25%	Q4 2026
TOTAL	-	-	**200,000,000**	**200,000,000**	**100%**	

The intended allocation of the net proceeds from this Offer are listed above in order of priority. In the event actual net proceeds from this Offer are substantially less than the maximum proceeds, the Company plans to do one or more of the following:

(a) Raise the shortfall by entering into bilateral agreements with banks for 5-year or 7-year term loans at the parent level;

(b) Defer the acquisition and development of properties for which adequate funding cannot be obtained; and,

(c) Explore alternative property acquisition opportunities which may require less funding from ALCO.

Use of Proceeds from the Firm Offer

The entire proceeds from the Base Offer shall be used to partially fund the redemption of Arthaland's outstanding Series D Preferred Shares for which the first optional redemption date is December 22, 2026. If the Oversubscription Option is not exercised, proceeds from the Base Offer shall be supplemented by the Company's internally generated funds to fully fund the Php3 billion amount necessary to redeem all the Series D Preferred Shares.

Use of Proceeds from the Oversubscription Option

Any amount raised from the exercise of the Oversubscription Option will be used to fund the required investment into the following which are listed below in order of priority.

- Php300 million from the proceeds of the exercise of the Oversubscription Option will be used to fund equity infusion into Cazneau which it will use to finance the cost to complete the development of Una Apartments Tower 2. The Company expects to disburse this by Q4 2026.

- Php200 million will be allotted for general corporate purposes including providing additional support to existing projects and working capital requirements of the Issuer. The Company expects to disburse this by Q4 2026.

- The rest of the proceeds from the Oversubscription Option amounting to up to Php492 million shall be used to supplement funds required to redeem series D Preferred Shares.

In addition to proceeds from this Offer, the estimated funding requirement for the development of Una Apartments Tower 2 are as follows:

Projects	Total Required Funding	Allocation from Net Proceeds from Oversubscription Option	Other Sources of Funding: Collections from pre-selling, CTS financing and working capital loans at Project Level
Una Apartments Tower 2	1,145,000,000	300,000,000	845,000,000
TOTAL		**300,000,000**	

ALCO will disclose any changes in the planned use of proceeds in accordance with the disclosure rules of the SEC and the PSE.

The foregoing discussion represents a best estimate of the use of proceeds of the Offer based on the Issuer's current plans and anticipated expenditures. In the event there is any change in the Issuer's current plans, including force majeure, market conditions and other circumstances, the Issuer will carefully evaluate the situation and may reallocate the proceeds at the discretion of the Issuer's management. The Issuer's cost estimates may also change as plans are developed further. For these reasons, timing and actual use of the net proceeds, and estimates, may vary from the foregoing discussion.

In the event of any substantial deviation/adjustment in the planned use of proceeds, the Issuer shall inform the SEC, its shareholders and the PSE in writing at least 30 days before such deviation or adjustments is implemented. Any material or substantial adjustment to the use of proceeds, as indicated above, should be approved by the Company's BOD and disclosed to the PSE. In addition, the Company shall submit via the PSE's Online Disclosure System the following disclosure to ensure transparency in the use of proceeds:

a. Any material disbursement made in connection with the planned use of proceeds from the Offer;

b. Quarterly Progress Report on the application of the proceeds from the Offer or on before the first 15 days of the following quarter;

c. Annual Summary of the application of proceeds on or before January 31 of the year following the initial public offering

d. Certification of an external auditor on the accuracy of the information reported by the Company to the exchange in the quarterly and annual reports.

Pending the above use of proceeds, the Issuer intends to invest the net proceeds from the Preferred Shares in short-term liquid investments including but not limited to short-term government securities, bank deposits and money market placements which are expected to earn prevailing market rates. In the event such investments should incur losses, any shortfall will be financed from the Company's internally generated funds.

None of the proceeds will be used to reimburse any officer, director, employee, or shareholder for service rendered, assets previously transferred, money loaned or advance or otherwise.

Dilution

The Preferred Shares will not have any dilutive effect on the rights of the holders of the common shares of the Company as the Preferred Shares are non-voting, non-convertible and non-participating.

The Offer Shares shall have no voting rights except as specifically provided by the Revised Corporation Code. Thus, holders of Offer Shares shall not be eligible, for example, to vote for or elect the Issuer's Directors or to vote for or against the issuance of a stock dividend. Shareholders, however, may vote on matters which the Revised Corporation Code considers significant corporate acts that may be implemented only with the approval of shareholders, including those holding shares denominated as non-voting in the articles of incorporation.

Plan of Distribution

ALCO plans to issue the Preferred Shares to institutional and retail investors in the Philippines through a public offering to be conducted through the Lead Underwriter and the Selling Agents. The Offer does not include an international offering.

Lead Underwriter

BDO Capital & Investment Corporation, (the "**Lead Underwriter**" or "**BDO Capital**") has agreed to distribute and sell the Preferred Shares at the Offer Price, pursuant to an Underwriting Agreement with ALCO dated [•], 2026 (the "**Underwriting Agreement**"). Subject to the fulfillment of the conditions provided in the Underwriting Agreement, the Lead Underwriter has committed to firmly underwrite the following amounts:

Lead Underwriter	Underwriting Commitment	Number of Shares Underwritten
BDO Capital & Investment Corporation	Php2,000,000,000.00	4,000,000
Total	Php2,000,000,000.00	4,000,000

Prior to the close of the Offer Period, the Lead Underwriter, with the consent of the Issuer, may, but does not have the obligation, to increase the Offer size up to an additional 2,000,000 Preferred Shares (the "Oversubscription Option").

The Issuer reserves to allocate to any or either of Series G Preferred Shares or Series H Preferred Shares.

The underwriting fees and any selling fees to be paid by the Company in relation to the Offer shall be equivalent to 55 basis points of the gross proceeds of the Offer grossed up for applicable gross receipts tax, or effectively 57.9 basis points of the gross proceeds of the Offer. This shall be inclusive of underwriting fees to be paid to the Lead Underwriter, which shall be equivalent to 42.5 basis points of the gross proceeds of the Offer and any commissions to be paid to the Selling Agents, which shall be equivalent to 12.5 basis points of the final allocated amount of Offer Shares to each Participating trading participant.

The Lead Underwriter is duly licensed by the SEC to engage in the underwriting or distribution of the Preferred Shares. The Lead Underwriter may, from time to time, engage in transactions with and perform services in the ordinary course of its business, for ALCO or any of its subsidiaries.

The Lead Underwriter has no direct relations with ALCO in terms of ownership by either of their respective major shareholder/s and has no right to designate or nominate any member of the BOD of ALCO.

The Lead Underwriter has no contract or other arrangement with ALCO by which it may return to ALCO any unsold Preferred Shares that form part of the Firm Offer. Furthermore, there is no contract or other arrangement where any of the Preferred Shares are designated to be sold to specified persons.

BDO Capital is the wholly owned investment banking subsidiary of BDO Unibank, Inc., which, in turn, is an associate of the SM Group. is the wholly owned investment banking subsidiary of BDO Unibank, Inc., which, in turn, is an associate of the SM Group. BDO Capital is a full-service investment house primarily involved in securities underwriting and trading, loan syndication, financial advisory, private

placement of debt and equity, project finance, and direct equity investment. Incorporated in December 1998, BDO Capital commenced operations in March 1999. It obtained its license to operate as an investment house in 1998 and is licensed by the SEC to engage in underwriting and distribution of securities to the public. As of December 31, 2026, its total assets amounted to Php5.44 Billion and its capital base amounted to Php5.08 Billion.

Sale and Distribution

The distribution and sale of the Preferred Shares shall be undertaken on a firm commitment basis by the Lead Underwriter who shall sell and distribute the Preferred Shares to third party buyers/investors. The Lead Underwriter is authorized, in its sole discretion, to organize a syndicate of Selling Agents for the purpose of the distribution of the Offer. In connection with the foregoing, the Lead Underwriter may enter into agreements, participation agreements or like agreements with Selling Agents, as necessary. There is nothing in such agreements that allow the Lead Underwriter to return to ALCO any unsold underwritten Preferred Shares.

Of 4,000,000 Preferred Shares to be offered under the Firm Offer, 70% or up to 2,800,000 Preferred Shares will be offered through the Lead Underwriter for subscription and sale to Qualified Institutional Buyers and the general public. The Company shall allocate 20% or up to 800,000 Preferred Shares for distribution to respective clients of the 121 trading participants of the PSE acting as Selling Agents. Each trading participant shall be allocated 6,610 Preferred Shares (computed by dividing the Preferred Shares allocated to the trading participants by 121), subject to reallocation as may be determined by the Lead Underwriter in consultation with the PSE. Based on the initial allocation for each PSE Trading Participant, there will be a total of 190 residual Preferred Shares to be allocated as may be determined by the Lead Underwriter in consultation with the PSE. Trading participants may undertake to purchase more than their allocation of 6,610 Preferred Shares. Any requests for Preferred Shares in excess of 6,610 Preferred Shares may be satisfied via the reallocation of any Preferred Shares not taken up by other trading participants or, at the sole discretion of the Lead Underwriter, out of the Oversubscription Option, if exercised.

Prior to close of the Offer Period, any Preferred Shares not taken up by the trading participants shall be distributed by the Lead Underwriter directly to their clients and the general public. All Preferred Shares that form part of the Firm Offer not taken up by the trading participants, general public, and the Lead Underwriter's clients shall be purchased by the Lead Underwriter pursuant to the terms and conditions of the Underwriting Agreement.

LOCAL SMALL INVESTORS

On April 16, 2024, the PSE issued Memorandum Circular CN No. 2024-0024 ("**C.N. 2024-0024**") which provides the amendments to Article III, Part F, Section 13 and Article V, Part F of the Consolidated Listing and Disclosure Rules, effective immediately. Under C.N. 2024-0024, the allocation of offer shares to Local Small Investors shall be mandatory. As such, the Company will allocate up to 400,000 of the Base Offer Shares or 10% of the Offer Shares to the Local Small Investors through the PSE Electronic Allocation System or "PSE EASy." The procedure in subscribing to offer shares via PSE EASy is indicated in the Company's Implementing Guidelines for Local Small Investors to be announced through the PSE EDGE website.

"**Local Small Investor**" or "**LSI**" shall mean a share subscriber who is willing to subscribe a minimum purchase price of 100 shares and whose subscription does not exceed Php100,000.00.

TRADING PARTICIPANT ALLOCATION PROCESS

Mechanics of Distribution

The total number of Offer Shares to be allocated to each Trading Participant is in accordance with the following process:

(a) If the total number of Offer Shares requested by a Trading Participant, based on its Firm Undertaking Report, does not exceed the Allocation per TP, the Sole Issue Manager, Lead Underwriter and Bookrunner shall fully satisfy the request of such Trading Participant. Each Trading Participant is assured of not less than the Allocation per TP. The balance, if any, shall be re-distributed among those who have signified a commitment to purchase more than the Allocation per TP in their Firm Undertaking Report until all the Offer Shares allotted for distribution are fully allocated.

(b) If the total number of Offer Shares requested by a Trading Participant exceeds the Allocation per TP, additional shares may be sourced from the Offer Shares not taken up by the other Trading Participants. The Sole Issue Manager, Lead Underwriter and Bookrunner shall allocate the Offer Shares to Trading Participants by: (i) fully satisfying the orders of those Trading Participants who have firm orders that are less than or equal to the Allocation per TP; and (ii) distributing equitably the remaining Allocation per TP to other Trading Participants with orders for additional shares, but only up to their respective firm orders.

(c) In no case shall any Trading Participant be awarded more than the shares indicated in its Firm Undertaking Report.

(d) If the aggregate number of Offer Shares requested by all Trading Participants is less than the Offer Shares initially allocated to the Trading Participants Offer, the balance shall be returned to Joint Bookrunners for reallocation.

All deadlines indicated in the Company's Implementing Guidelines for Trading Participants shall be strictly followed.

Term of Appointment

The engagement of the Lead Underwriter shall subsist so long as the SEC Permit to Sell relating to the Preferred Shares remains valid, unless otherwise terminated pursuant to the Underwriting Agreement.

Manner of Distribution

The Lead Underwriter shall, at their discretion, determine the manner by which proposals for subscriptions to, and issuances of, the Preferred Shares shall be solicited, with the sale of the Preferred Shares to be effected only through the Lead Underwriter.

Withdrawal of the Offer

The Company reserves the right to withdraw the offer and sale of the Offer Shares at any time before the commencement of the Offer Period, in which event the Company shall make the necessary disclosures to the SEC and PSE.

The Company may also withdraw the offer and sale of the Offer Shares at any time on or after the commencement of the Offer Period and prior to the Listing Date, if there is a supervening force majeure or fortuitous event, such as:

a. An outbreak or escalation of hostilities or acts of terrorism involving the Philippines or a declaration by the Philippines of a state of war; or occurrence of any event or change (whether or not forming part of a series of events occurring before, on and/or after the date hereof) of a political, military, economic or other nature; or occurrence of any change in local, national or international financial, political, economic or stock market conditions which renders it impracticable or inadvisable to continue with the Offer and/or listing of the Offer Shares in the manner contemplated by the Prospectus, or would have a material adverse effect on the Philippine economy, on the securities or other financial or currency markets of the Philippines, or on the distribution, offer and sale of the Offer Shares in the Philippines, rendering it impracticable or inadvisable to proceed with the Offer in the manner contemplated by the Prospectus, provided that for the avoidance of doubt, the Offer shall not be withdrawn, cancelled, suspended or terminated solely by reason of the Issuer's or the Sole Issue Manager, Lead Underwriter and Bookrunner's inability to sell or market the Offer Shares or refusal or failure to comply with any undertaking or commitment by the Issuer, the Sole Issue Manager, Lead Underwriter and Bookrunner, or any other entity/ person to take up any Offer Shares remaining after the Offer Period;

b. Issuance of an order revoking, cancelling, suspending, preventing or terminating the offer, sale, distribution or listing of the Offer Shares by any court or governmental agency or authority with jurisdiction on the matter, including the SEC or the PSE;

c. Cancellation, revocation or termination of the PSE Notice of Approval, the SEC pre-effective clearance, the SEC Order of Registration and the SEC Permit to Sell;

d. Cancellation or suspension of trading in the PSE for at least 3 consecutive trading days, or in such manner or for such period as will render impracticable the listing and trading of the Offer Shares on the Listing Date or such other date as may be approved by PSE;

e. A change or impending change in the law, rule, regulation, policy or administrative practice, or a ruling, interpretation, decree or order which (i) materially and adversely affects: (a) the ability of the Issuer to engage in the business it is presently engaged in; or (b) the capacity and due authorization of the Issuer to offer and issue the Offer Shares and enter into the transaction documents in connection with the Offer, or (ii) would render illegal the performance by the Sole Issue Manager, Lead Underwriter and Bookrunner of its underwriting obligations hereunder;

f. Any significant, adverse, and unforeseeable change or development in the Issuer's long-term financial condition, assets, liabilities, results of operations, business, properties, or profitability, which renders the Offer Shares unsuitable for offering to the public;

g. The Issuer decides to or is compelled to stop its operations which is not remedied within 5 Banking Days;

h. The Issuer shall be adjudicated bankrupt or insolvent, or shall admit in writing its inability to pay its debts as they mature, or shall make or threaten to make an assignment for the benefit of, or a composition or assignment with, its creditors or any class thereof, or shall declare or threaten to declare a moratorium on its indebtedness or any class thereof; or (ii) the Issuer

shall apply for or consent to the appointment of any receiver, trustee or similar officer for it or for all or any substantial part of its property; or (iii) such receiver, trustee or similar officer shall be appointed; or (iv) the Issuer shall initiate or institute (by petition, application or otherwise howsoever), or consent to the institution of any bankruptcy, insolvency, reorganization, rehabilitation, arrangement, readjustment of debt, suspension of payment, dissolution, liquidation or similar proceeding relating to it under the laws of any jurisdiction; or (v) any such proceeding shall be instituted against the Issuer; or any judgment, writ, warrant of attachment or execution or similar process shall be issued or levied against any material asset, or material part thereof, of the Issuer; or (vi) any event occurs which under the laws of the Philippines or to other jurisdictions, or any applicable political subdivision thereof, has an effect equivalent to any of the foregoing;

i. A general banking moratorium is declared in the Philippines or a material disruption in commercial banking or securities settlement or clearance services occurs in the Philippines;

j. Any court proceeding, litigation, arbitration or other similar proceeding is commenced or threatened against the Sole Issue Manager, Lead Underwriter and Bookrunner in connection with or with respect to the issuance or sale by the Issuer of the Offer Shares or the Offer in general which renders the performance of their underwriting commitment impossible or impracticable;

k. Any event occurs which makes it impossible for the Sole Issue Manager, Lead Underwriter and Bookrunner to perform its underwriting obligations due to conditions beyond its control, such as issuance by any court, arbitral tribunal, or government agency which has jurisdiction on the matter of an order restraining or prohibiting the Sole Issue Manager, Lead Underwriter and Joint Bookrunner, or directing the Sole Issue Manager, Lead Underwriter and Bookrunner to cease, from performing its underwriting obligations;

l. Unavailability of PDTC and PSE facilities used for the Offer and/or listing and such unavailability impacts the ability of the Issuer and the Sole Issue Manager, Lead Underwriter and Bookrunner to fully comply with the listing requirements of PSE; and

m. Any force majeure event, other than the ones enumerated above, that has material and adverse effect on the Issuer's long-term financial condition, assets, liabilities, results of operations, business, properties, or profitability.

The Offer shall not be withdrawn, cancelled, suspended, or terminated solely by reason of the Issuer's Sole Issue Manager, Lead Underwriter and Bookrunner's inability to sell or market the Offer Shares or refusal or failure to comply with any undertaking or commitment by the Issuer, the Sole Issue Manager, Lead Underwriter and Bookrunner, or any other entity/ person to take up any shares remaining after the Offer Period.

Notwithstanding the acceptance of any Application, the actual issuance of the Offer Shares to an Applicant shall take place only upon the listing of the Offer Shares on the PSE. Subject to the right of the Company to withdraw or cancel the offer and sale of the Offer Shares prior to Listing Date pursuant to this section and the "Plan of Distribution - Withdrawal of the Offer" of the Prospectus, the Company and any of its agents involved in the Offer undertake to comply with all conditions that are within the control of the Company and any of its agents involved in the Offer, to ensure the listing of the Offer Shares on Listing Date.

Notwithstanding the foregoing, the Company and the Sole Issue Manager, Lead Underwriter and Bookrunner recognize and acknowledge that the PSE, in the exercise of its authority as a self-regulatory organization and further to its mandate to maintain a fair and orderly market, may impose appropriate sanctions and penalties on the Company and/or the Sole Issue Manager, Lead Underwriter and Bookrunner for the cancellation of the Offer if subsequently, the PSE makes a determination that the cancellation or suspension of the offer and/or the underwriting commitment was not warranted based on the facts gathered by PSE after proper evaluation.

The Underwriting Agreement also provides for grounds for termination of the Offer by the Sole Issue Manager, Lead Underwriter and Bookrunner such as if there is a supervening force majeure or fortuitous event as described therein.

Expenses

All out-of-pocket expenses, including but not limited to, registration fees with the SEC, printing, publication, communication and signing expenses incurred by the Lead Underwriter in the negotiation and execution of the transaction will be for the account of ALCO irrespective of whether the transaction contemplated herein is completed. Such expenses are to be reimbursed upon presentation of a composite statement of account. See “Use of Proceeds” above for details of expenses.

Determination of the Offer Price

The Offer Price of Php500.00 is at a premium to the Preferred Shares' par value per share of Php1.00. The Offer Price was arrived at by dividing the desired gross proceeds of approximately Php2.00 billion (or Php3.00 billion in the event that the Oversubscription Option is exercised in full) by the target number of Preferred Shares allocated for the Offer.

The Company

OVERVIEW

ARTHALAND CORPORATION is a world-class boutique real estate developer of enduring and sustainable properties recognized internationally as the best residential and green developments. ALCO is building its mark in the Philippine real estate market by its unwavering commitment to sustainability and innovation, and by developing and managing properties that adhere to the global and national standards in green buildings.

ALCO is the only developer in the Philippines with a residential and commercial portfolio that is composed entirely of sustainable projects certified under global and national standards for green buildings including the LEED rating system of the USGBC, the BERDE rating system of the PHILGBC, the EDGE rating system of the IFC, and the WELL rating system of the IWBI. ALCO was the first real estate developer in Asia and the first signatory from the Philippines to the Net Zero Carbon Buildings Commitment of the World Green Building Council. As a signatory to this program, ALCO officially committed to decarbonize its portfolio by 2030. As part of this commitment, Arya, ACPT, Cebu Exchange and Savya have all shifted to renewable energy as of May 2025. With these efforts and commitments, ALCO has placed itself and the Philippines in the forefront of the global initiative for climate action.

It has been featured as a leader in sustainable development in the Philippines by renowned organizations globally. ALCO was the only organization from the Philippines, which was selected by the World Green Building Council, in partnership with BBC StoryWorks, to share its vision, story, and values to the world, in a series entitled *Building a Better Future.* In 2023, It was also featured by the Business Reporter of the United Kingdom in a story entitled *Green Buildings That Don't Cost the Earth.* In 2023, ALCO was also recognized as an EDGE Champion by the IFC in the EDGE Champions Summit Asia in Singapore to recognize ALCO's efforts in accelerating the adoption of green building options in the Philippines.

ALCO's projects likewise received international recognition for exceptional quality and innovative design. Una Apartments wins Sustainable Residential Development award for the Philippines category during the Asia Pacific Property Awards 2026-2027. Cebu Exchange was awarded Best Office High Rise Development by the Japan International Property Awards (2019). ACPT was awarded Best Commercial Green Development in Asia by the Asia Property Awards (2019) and Best Green Feature Development by the Japan International Property Awards (2019). ACPT was also recognized as the first Net Zero Carbon Project in the world certified under the EDGE Green Building Program of the IFC. Finally, Arya Residences was awarded Best Green Feature Development by the Japan International Property Awards (2018).

ALCO was incorporated on August 10, 1994[10] for the primary purpose of engaging in the realty development business, including home building and development, and to deal, engage, invest and transact, directly or indirectly, in all forms of business and mercantile acts and transactions concerning all kinds of real property, including but not limited to the acquisition, construction, utilization and disposition, sale, lease, exchange or any mode of transfer of residential, industrial or commercial property.

In 2007, a group of investors led by AOCH1, an investment company specializing in investing in

[10] ALCO was originally registered as Urbancorp Realty Developers, Inc. but was renamed in 2003 as EIB Realty Developers, Inc. On January 26, 2009, the SEC approved anew the change of the corporate name to ALCO.

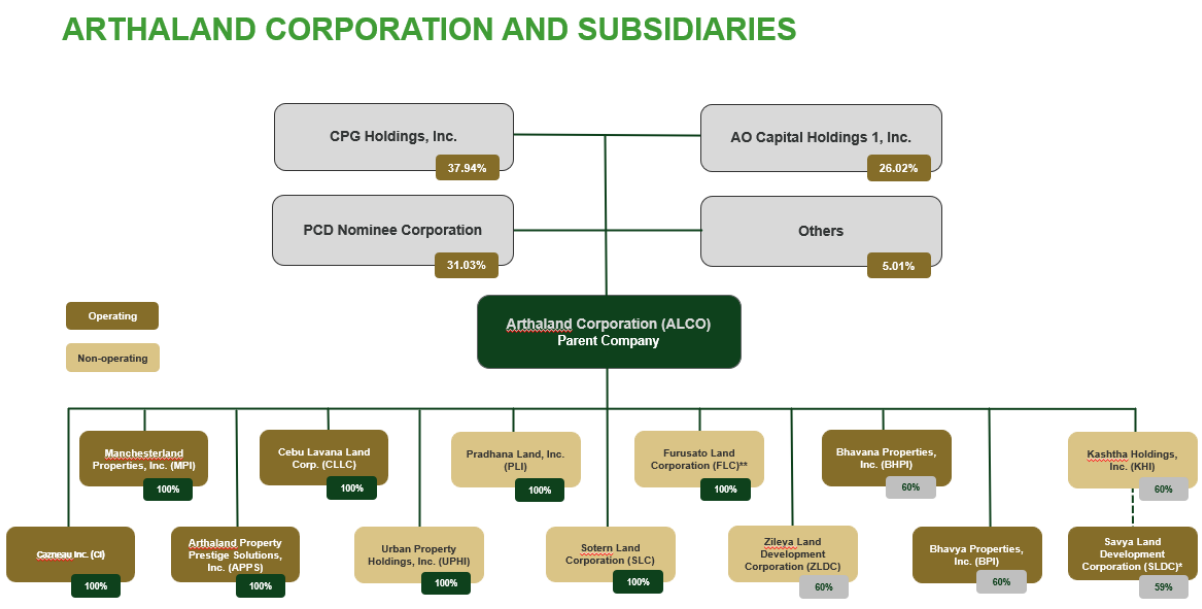
business opportunities in the Philippines, acquired 73.27% of ALCO's then outstanding capital stock, marking the beginning of its renewed focus in real estate development.

The year 2011 marked the entry into ALCO of CPG, an affiliate of leading food manufacturer Century Pacific Food, Inc., which is listed with the PSE under the stock symbol "CNPF", through its acquisition of 1,800,000,000 ALCO common shares. In 2014, CPG further solidified its commitment by purchasing an additional 342,619,910 ALCO common shares.

As of December 31, 2023, CPG and AOCH1 are the largest shareholders of ALCO with 40.29%[1112] and 26.02%, respectively of ALCO's total issued and outstanding common shares. The Company's common shares and Series D Preferred Shares are traded on the PSE with the trading symbol ALCO and ALCPD respectively, while the Company's Series A Preferred Shares and Series E Preferred Shares which are held by a single shareholder remain unlisted. All Series B Preferred Shares were redeemed as of December 6, 2021 and were subsequently cancelled. The Series C Preferred Shares have been fully redeemed as of June 27, 2024.

Up to 2021, a substantial portion of the Group's consolidated revenues came from the sale of units of Cebu Exchange and Savya Financial Center which contributed about 78% of total revenues in 2021. From 2022, revenues from Lucima and the sale of commercial lots in Sevina Park Arcades started to diversify source of revenues for the Group. By 2025, revenue from office projects had gone down to 23% of consolidated revenues as Cebu Exchange and Savya reached completion and following the Group's strategic shift towards residential projects given opportunities in this segment. In 2025, Arthaland's residential projects accounted for 75% of consolidated revenues. Within the residential business segment, sources of demand continued to broaden as the share of broader mid-market segment from Una Apartments in Sevina Park increased to 34% of revenues from residential development, while revenues from upscale and luxury projects including Eluria, Lucima and Sevina Park Villas remained strong at 66% of residential development sales. Revenues from residential developments are expected to have a higher contribution in the near-term as newly- launched projects, Liv and Sondris, as well as those in the pipeline, are all residential across market segments targeting both the upscale/luxury and broader mid-market segments.

CORPORATE STRUCTURE



[11] Including 125,000,000 indirectly owned shares

**indirectly owned through KHI*

***Incorporated on May 14, 2025*

Subsidiaries and Joint Ventures

Below are the domestic companies in which ALCO has shareholdings. ALCO has 100% ownership interest in these companies as of December 31, 2025 with the exception of Bhavana, Bhavya, KHI, Savya, and Zileya.

(i) **Arthaland Prestige Property Solutions, Inc.** ("**APPS**") (formerly Emera Property Management, Inc.) was incorporated on July 31, 2008.[12] The SEC approved the change of name to APPS on May 25, 2023.

APPS is the property management arm of ALCO and presently services Arya, ACPT, Cebu Exchange, Courtyard Hall in Sevina Park, and Savya Financial Center. It will likewise manage all succeeding development projects of ALCO to ensure the maintenance of high-quality standards therein.

On February 2, 2024, the SEC approved the amendments to APPS's Articles of Incorporation (a) changing the primary purpose by expanding the company's services to include providing project management, consultancy and other manpower services to property developers, among others, and (b) increasing the authorized capital stock from Php1,000,000.00 to Php25,000,000.00 divided into 250,000 common shares with a par value of Php100.00 per share to enable it to secure the required licenses for such expanded purpose. Of the total subscribed and paid-up capital at Php7,000,000.00 consisting of 70,000 common shares, ALCO holds 67,500.

(ii) **Bhavana Properties, Inc.** ("**Bhavana**") was incorporated on July 15, 2019 with the primary purpose of engaging in the realty development business. This is the investment vehicle ALCO used to purchase a parcel of land with a total area of 2,245 sqm, more or less, located at the corner of Cardinal Rosales Avenue and Samar Loop inside the Cebu Business Park, Cebu City, which is the site of *Lucima*.

Bhavana presently has an authorized capital stock of Php100,000,000.00 consisting of 50,000,000 common shares and 50,000,000 preferred shares, both with a par value of Php1.00 per share, with total subscribed and paid-up capital at Php25,450,000.00. ALCO holds 15,000,000 common shares and 270,000 preferred shares of Bhavana, while Narra Investment Properties Pte. Ltd. ("Narra")[13] holds 10,000,000 common shares and 180,000 preferred shares.

(iii) **Bhavya Properties, Inc.** ("**Bhavya**") was incorporated on July 19, 2019 with the primary purpose of engaging in the realty development business. This is the investment vehicle ALCO used in acquiring the 916 sqm property[14] located at 119 Rada Street, Legaspi Village, Makati City, which is now the site of *Eluria*.

Bhavya presently has an authorized capital stock of Php100,000,000.00 consisting of 50,000,000 common shares and 50,000,000 preferred shares, both with a par value of Php1.00 per share, with total subscribed and paid-up capital at Php27,455,000.00. ALCO holds 15,000,000 common

[12] APPS was originally registered as Technopod, Inc. but was renamed Emera on 30 October 2013.

[13] Narra is a private limited liability company existing and duly constituted under the laws of Singapore with principal office address at 10 Changi Business Park Central 2 #01-02, Hansapoint, Singapore 486030, and managed by Arch Capital Management Company Limited.

[14] Formerly First Capital Condominium.

shares and 1,473,000 preferred shares of Bhavya, while Narra[15] holds 10,000,000 common shares and 982,000 preferred shares.

(iv) **Cazneau Inc.** was incorporated on July 31, 2008, principally to engage in the realty development business, including, but not limited to, the acquisition, construction, utilization and disposition, sale, lease, exchange or any mode of transfer, of residential, industrial or commercial property. Cazneau acquired the 8.1-hectare property in Biñan, Laguna in September 2016 where *Sevina Park* is currently being developed.

Cazneau presently has an authorized capital stock of Php26,000,000.00 divided into Php1,000,000.00 of common shares (consisting of 10,000 common shares with a par value of Php100.00 per share) and Php25,000,000.00 of preferred shares (consisting of 25,000,000 preferred shares with a par value of Php1.00 per share), with total subscribed and paid-up capital at Php7,250,000.00 broken down into 10,000 common shares and 6,250,000 preferred shares, all of which belong to ALCO.

(v) **Cebu Lavana Land Corp.** ("**CLLC**") was incorporated on September 11, 2015 to principally engage in the realty development business. It is the vehicle ALCO used to acquire two parcels of adjacent land in Cebu City with a total area of 8,440 sqm on which *Cebu Exchange* now stands.

CLLC presently has an authorized capital stock of Php200,000,000.00 consisting of 1,500,000 common shares and 500,000 preferred shares, both with a par value of Php100.00 per share, with total subscribed and paid-up capital at Php83,333,300.00 broken down into 714,351 common shares and 118,982 preferred shares, all of which belong to ALCO.

In 2022 and 2023, CLLC reclassified portions of CebEx from real estate inventories to investment properties, comprising approximately 13,375 sqm of office units[16], 2,628 sqm of retail units, and 36 non-appurtenant parking slots, for lease to tenants and to generate recurring income.

(vi) **Furusato Land Corporation** ("**Furusato**") was incorporated on May 14, 2025 with the primary purpose of engaging in the realty development business. This is the investment vehicle ALCO used for the acquisition of an undivided interest in 50% of a 5-hectare property in the middle of Banilad Road, Cebu City, which it plans to develop over multiple phases from 2025 to 2034 a sustainable master planned development with commercial, residential and retail components and thereby provide a steady pipeline of projects and contribute to the revenues of ALCO over the long-term.

Furusato is wholly-owned by ALCO and presently has an authorized capital stock of Php100,000,000.00 consisting of 50,000,000 common shares and 50,000,000 preferred shares, both with a par value of Php1.00 per share, with total subscribed and paid-up capital at Php59,500,000.00 broken down into 50,000,000 common shares and 9,500,000 preferred shares.

(vii) **Manchesterland Properties, Inc.** ("**MPI**") was incorporated on March 27, 2008 and was the registered owner of the 6,357-sqm parcel of land located along McKinley Parkway on which Arya Residences now stands, prior to the conveyance of said land in favor of Arya Residences Condominium Corporation in December 2016. It still owns nine (9) commercial units and several parking slots in said development.

[15] See Footnote 11.
[16] 8,059 sqm in 2022 and 5,316 sqm in 2023.

MPI has an authorized capital stock of Php640,000,000.00 consisting of 640,000 common shares with a par value of Php1,000.00 per share, with subscribed and paid-up capital at Php635,705,000.00, all of which belong to ALCO.

MPI is also the lone shareholder of ALCO's Series A and Series E Preferred Shares equivalent to 12,500,000 and 14,000,000, respectively.

(viii) **Pradhana Land, Inc.** was incorporated on September 9, 2019 with the primary purpose of engaging in the realty development business. This is the investment vehicle that ALCO will use for its succeeding projects, the details of which will be disclosed at the appropriate time.

Pradhana is wholly-owned by ALCO and presently has an authorized capital stock of Php100,000,000.00 consisting of 50,000,000 common shares and 50,000,000 preferred shares, both with a par value of Php1.00 per share, with total subscribed capital at Php42,000,000.00 broken down into 25,000,000 common shares and 17,000,000 preferred shares, and paid-up capital at Php7,250,000.00 consisting of 6,250,000 common shares and 1,000,000 preferred shares.

(ix) **Savya Land Development Corporation** ("**SLDC**") was incorporated on February 10, 2017 principally to engage in the realty development business. It is the vehicle ALCO used to acquire Lots 9 and 10 in Arca South located in Barangay West Bicutan, Taguig City. In August 2019, the SEC approved SLDC's application to merge with Arcosouth Development, Inc. ("**Arcosouth**"), with SLDC as the surviving entity. Arcosouth was the registered owner at the time of Lot 11, the lot adjacent to SLDC's Lots 9 and 10. Through this merger, these three (3) lots were developed into a two-tower office development now known as *Savya Financial Center*.

In a shareholders' agreement, it was agreed that SLDC will be owned 50:50 between KHI (described below) and the principal shareholder of Arcosouth, Help Holdings, Inc.[17], such that the former will have 100% of the economic interest in the North Tower of *Savya Financial Center*, while the latter will have 100% economic interest in the South Tower. Under this arrangement, KHI is entitled to all the profits from and is responsible only for all the funding requirements of the North Tower of *Savya Financial Center*.

SLDC has an authorized capital stock of Php200,000,000.00 consisting of 750,000 common Class A shares and 750,000 common Class B shares, both with a par value of Php100.00 per share, and 50,000,000 preferred shares with a par value of Php1.00 per share. Its subscribed capital at Php72,707,253.00 is broken down into 500,000 common Class A shares, 7,500 common Class B shares, and 21,957,253 preferred shares, and paid-up capital at Php34,707,253.00 consisting of 500,000 common Class A shares and 7,500 common Class B shares, and 21,957,253 preferred shares. To date, KHI continues to own 98.5% of SLDC.

In December 2023, SLDC reclassified approximately 4,197.33 sqm of office units and 50 non-appurtenant parking slots in the South Tower from real estate inventories into investment properties for lease to tenants and to generate recurring income. In December 2025, an additional 275 sqm, comprising 22 non-appurtenant parking slots in the South Tower, were similarly reclassified as investment properties.

(x) **Kashtha Holdings, Inc.** ("**KHI"**) was incorporated on October 1, 2019 as a joint venture company

[17] HHI is a holding company existing and duly organized under the laws of Philippines with principal office address at the 31st Floor Penthouse, High Street South Corporate Plaza Tower 1, 26th Street, Bonifacio Global City Taguig City 1634.

between ALCO and Mitsubishi Estate Company, Limited (MEC), a corporation duly organized and existing under the laws of Japan[18], for purposes of holding their investment in SLDC.

KHI has an authorized capital stock of Php50,000,000.00 consisting of 50,000,000 common shares with a par value of Php1.00 per share, with total subscribed and paid-up capital at Php12,500,000.00. KHI is 60% owned by ALCO and 40% by MEC.

(xi) **Sotern Land Corporation** ("**SLC**") was incorporated on April 22, 2024, with the primary purpose of engaging in the realty development business. This is the investment vehicle ALCO used for its residential condominium project along Katipunan Avenue, Quezon City to be known as Liv.

SLC presently has an authorized capital stock of Php100,000,000.00 consisting of 50,000,000 common shares and 50,000,000 preferred shares, both with a par value of Php1.00 per share, with total subscribed and paid-up capital at Php30,000,000.00 consisting of 25,000,000 common shares and 5,000,000 preferred shares, all of which presently belong to ALCO.

(xii) **Urban Property Holdings, Inc.** ("**UPHI**") was incorporated on January 23, 1995 and is the registered owner of a 33-hectare property located in Calamba, Laguna, which may be developed in the future subject to market conditions.

UPHI presently has an authorized capital stock of Php80,000,000.00 consisting of 800,000 common shares with a par value of Php100.00 per share, with total subscribed and paid-up capital at Php20,000,000.00 consisting of 20,000,000 common shares, all of which presently belong to ALCO.

(xiii) **Zileya Land Development Corporation** ("**Zileya**") was incorporated on December 28, 2015 with the primary purpose of engaging in the realty development business. This is the investment vehicle ALCO used to initially acquire 47.4% of the property located at 839 Antonio Arnaiz Avenue, Legazpi Village, 1200 Makati City. ALCO completed the acquisition of the said property in November 2025 which will soon be the site for *Sondris* (previously the Makati CBD Residential Project 1).

Zileya has an authorized capital stock of Php220,000,000.00 consisting of 150,000 common shares and 50,000 Series A Preferred Shares, both with a par value of Php100.00 per share, and 20,000,000 Series B Preferred Shares with a par value of Php1.00 per share. Its total subscribed and paid-up capital at Php57,100,000.00 consists of 500,000 common shares and 7,100,000 Series B Preferred Shares registered in ALCO's name, 40% of which were sold in favor of SEAI Metro Manila One, Inc. on December 23, 2025.

Subject to matters disclosed under the section "Legal Proceedings" of this Prospectus, ALCO and these subsidiaries are not engaged in any bankruptcy, receivership, or similar proceedings. During the period covered by this Prospectus, neither of the above-named subsidiaries or ALCO are parties to any transaction which involves material reclassification, merger, consolidation or purchase or sale of a significant amount of assets, with the exception of SLDC, Bhavana and Bhavya as explained above.

Furthermore, risks relating to ALCO and its subsidiaries including planned measures to identify, assess and manage such risks are disclosed in the section on "*Risk Factors*", specifically under "*Risks relating to ALCO and its subsidiaries"* starting on page [75].

The revenue and net income contribution of ALCO and its subsidiaries are summarized below:

[18] With address at Otemachi Park Building, 1-1 Otemachi 1-chome, Chiyoda-ku, Tokyo 100-8133 Japan.

ARTHALAND CORPORATION AND SUBSIDIARIES
SUMMARY OF REVENUE AND NET INCOME
For the Years ended December 31, 2023 – 2025 and three months ended March 31, 2026 and 2025

In Phpmillions	REVENUE (Audited)						REVENUE (Unaudited)			
	2025		2024		2023		Q1 2026		Q1 2025	
Company	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**
Arthaland Corporation	1,768	27%	731	11%	516	8%	294	22%	469	31%
Manchesterland Properties, Inc.	14	0%	16	0%	6	0%	4	0%	3	0%
Arthaland Prestige Property Solutions, Inc.	100	2%	133	2%	48	1%	16	1%	18	1%
Cazneau, Inc.	1,766	27%	1,947	29%	809	12%	528	40%	251	16%
Urban Property Holdings, Inc.	-	0%	-	0%	-	0%	-	0%	-	0%
Cebu Lavana Land Corp.	552	8%	1,408	21%	1,002	15%	76	6%	128	8%
Zileya Land Corporation	-	0%	-	0%	-	0%	-	0%	-	0%
Savya Land Development Corporation	273	4%	185	3%	2,393	35%	43	3%	169	11%
Bhavana Properties, Inc.	756	11%	1,499	22%	1,512	22%	38	3%	207	14%
Bhavya Properties, Inc.	1,373	21%	777	12%	566	8%	329	25%	288	19%
Pradhana Land, Inc.	-	0%	-	0%	-	0%	-	0%	-	0%
Kashtha Holdings, Inc.	-	0%	-	0%	-	0%	-	0%	-	0%
Sotern Land Corporation	-	0%	-	0%	-	0%	-	0%	-	0%
Furusato Land Corporation	-	0%	-	0%	-	0%	-	0%	-	0%
Total before consolidation	6,602	100%	6,696	100%	6,852	100%	1,328	100%	1,533	100%
Consolidation Entries	(1,458)		(472)		(213)		(208)		(386)	
Consolidated Revenues	**5,144**		**6,224**		**6,639**		**1,120**		**1,147**	

In Phpmillions	NET INCOME (Audited)						NET INCOME (Unaudited)			
	2025		2024		2023		Q1 2026		Q1 2025	
Company	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**
Arthaland Corporation	1,252	132%	907	44%	413	16%	(17)	-5%	241	102%
Manchesterland Properties, Inc.	18	2%	129	6%	23	1%	1	0%	1	0%
Arthaland Prestige Property Solutions, Inc.	(11)	-1%	41	2%	3	0%	(13)	-4%	(4)	-2%
Cazneau, Inc.	(6)	-1%	107	5%	62	2%	47	15%	(183)	-78%
Urban Property Holdings, Inc.	167	18%	242	12%	(6)	0%	(2)	-1%	23	10%
Cebu Lavana Land Corp.	144	15%	18	1%	441	17%	404	125%	117	50%
Zileya Land Development Corporation	(42)	-4%	(2)	0%	0	0%	(43)	-13%	(1)	0%
Savya Land Development Corporation	(11)	-1%	56	3%	763	30%	(24)	-7%	28	12%
Bhavana Properties, Inc.	(374)	-39%	125	6%	196	8%	(33)	-10%	(39)	-17%
Bhavya Properties, Inc.	165	17%	51	2%	107	4%	35	11%	53	22%
Pradhana Land, Inc.	(47)	-5%	-	0%	-	0%	1	0%	1	0%
Kashtha Holdings, Inc.	(3)	0%	388	19%	530	21%	-	0%	-	0%
Sotern Land Corporation	(62)	-7%	(2)	0%	-	0%	(31)	-10%	(1)	0%
Furusato Land Corporation	(238)	-25%	-	0%	-	0%	(2)	-1%	-	0%
Total before consolidation	952	100%	2,060	100%	2,532	100%	323	100%	236	100%
Consolidation Entries	(544)		(1,302)		(1,143)		(87)		(36)	
Consolidated Net Income	**408**		**758**		**1,389**		**236**		**200**	

CORPORATE HISTORY

ALCO was incorporated in the Philippines on August 10, 1994 originally as Urbancorp Realty Developers, Inc. (URDI). It was the real estate arm of then Urban Bank, Inc. (UBI) which was a universal bank at the time with full authority to engage in non-allied undertakings.

URDI conducted its initial public offering in 1996 with the listing of 701 million common shares. The proceeds thereof amounting to Php835.00 million were used to fund the company's transactions and to settle its 1995 Notes Payable Account.

URDI developed Exportbank Plaza (previously Urban Bank Plaza) and the One McKinley Place Condominium, which is a 50:50 joint venture undertaking of URDI and the Philippine Townships, Inc. (formerly RFM Properties and Holdings, Inc.) through One McKinley Place, Inc. as the corporate vehicle.

On January 31, 2002, the SEC approved the merger among UBI, then Export and Industry Bank, Inc. (a development bank) and Urbancorp Investments, Inc. UBI was the surviving entity but it was renamed Export and Industry Bank, Inc. (EIB). Bangko Sentral ng Pilipinas also downgraded EIB's authority to a commercial bank with a directive to divest from its non-allied undertakings, which included URDI.

Around this time, URDI was renamed EIB Realty Developers, Inc. (EIBR) and the par value of its shares of stock was reduced from Php100.00 to Php1.00. EIB held 70%, more or less, of the outstanding shares of EIBR. EIBR had minimal operations since 2004.

In January 2006, new investors came into EIB. Mr. Jaime C. González became the Chairman of the Board of EIB in May 2006.

On May 21, 2007, EIBR held its annual stockholders' meeting primarily for the purpose of electing the new members of its BOD who were expected to develop a proactive medium and long-term business plan for EIBR. Some directors of the EIB Board became directors of the new EIBR Board and Mr. González was also appointed Chairman thereof.

On May 24, 2007, the EIBR Board approved the quasi-reorganization of the Company by (i) decreasing the par value of EIBR's common shares from Php1.00 to Php0.18 per share, with the corresponding decrease in the authorized capital stock from Php2.00 Billion to the paid-in capital stock of Php246,257,136.00 only, and (ii) amending EIBR's Articles of Incorporation to reflect the proposed reorganization.

The foregoing corporate actions were approved at EIBR's Special Stockholders' Meeting held on July 2, 2007. Around the same time, EIBR's 50% equity investment in One McKinley Place, Inc. was sold, transferred and assigned to its joint venture partner in the said project, Philippine Townships, Inc.

On December 4, 2007, the SEC approved the amendment to the Articles of Incorporation of EIBR decreasing the par value of its common shares from Php1.00 to Php0.18 per share with the corresponding decrease in the authorized capital stock from Php2.00 billion to the paid-in capital stock of Php246,257,135.82 only.

Following the reduction in the par value of its shares and decrease in authorized capital stock, EIBR undertook a recapitalization program as approved by the SEC in December 2008 which led to the entry of new investors with the Php750.00 million subscription of AO Capital Holdings I, Inc., Vista Holdings Corporation, The First Resources Management and Securities Corporation, and Elite Holdings, Inc.

On January 28, 2008, EIBR stockholders amended anew the Articles of Incorporation and approved the increase of the authorized capital stock by Php2.70 billion or 15.00 billion common shares, i.e., from Php246,257,135.82 divided 1,368,095,199 common shares at a par value of Php0.18 per share to Php2,946,257,135.82 divided into 16,368,095,199 common shares also at a par value of Php0.18 per share. At this point, EIB's shareholdings in EIBR were reduced to approximately 19%.

With the SEC's approval on January 26, 2009, EIBR became Arthaland Corporation and it started using the symbol ALCO on the board of the PSE.

On April 26, 2011, CPG acquired a total of 1,800,000,000 ALCO common shares, or an equivalent of 33.847% of ALCO's total issued and outstanding common shares. In 2014, CPG purchased an additional 342,619,910 ALCO common shares.

On September 22, 2016, ALCO's authorized capital stock was increased to Php2,996,257,135.82 divided into Php2,946,257,135.82 of common shares (consisting of 16,368,095,199 common shares with a par value of Php0.18 per share), and Php50,000,000.00 of redeemable, non-voting and non-participating preferred shares (consisting of 50,000,000 preferred shares with a par value of Php1.00 per share).

Of the Php50,000,000.00 increase in capital stock, ALCO issued 12,500,000 cumulative, non-voting, non-participating, non-convertible Peso-denominated Preferred shares to Manchesterland Properties, Inc. (the "Series A Preferred Shares"), and 20,000,000 Preferred shares which are likewise cumulative, non-voting, non-participating, non-convertible and Peso-denominated, among other conditions, to the public (the "Series B Preferred Shares").

In June 2019, ALCO again issued to the public 10,000,000 Preferred shares which are also cumulative, non- voting, non-participating, non-convertible, and Peso-denominated, among other conditions (the "Series C Preferred Shares").

On December 3, 2021, ALCO issued once more to the public 6,000,000 Preferred shares, which are similarly cumulative, non-voting, non-participating, nonconvertible, and Peso-denominated, among other conditions (the "Series D Preferred Shares").

On December 6, 2021, ALCO redeemed all of the outstanding 20,000,000 Series B Preferred Shares and these were initially recorded as treasury shares of the Company pursuant to the 2016 Terms of the Offer for the said shares. Following the approval of the AOI Amendment on August 14, 2024, the Series B Preferred Shares have been cancelled.

During the Annual Stockholders' Meeting on June 24, 2022, ALCO approved the amendment of Article Seventh of its Articles of Incorporation by reducing the authorized capital stock by Php20,000,000.00 resulting from the redemption (and subsequent cancellation) of the 20,000,000 Series B Preferred Shares.

With such approval, ALCO's authorized capital stock was in effect reduced from Php2,996,257,135.82 to Php2,976,257,135.82 divided into Php2,946,257,135.82 of common shares consisting of 16,368,095,199 common shares with a par value of Php0.18 per share, and Php30,000,000.00 of preferred shares consisting of 30,000,000 preferred shares with a par value of Php1.00 per share.

On January 31, 2024, stockholders representing at least 67% of the outstanding common and preferred shares which are entitled and qualified to vote approved and ratified the foregoing decrease of the authorized capital stock by Php20,000,000.00 and subsequently approved the proposal to

amend Article Seventh of the Articles of Incorporation anew by increasing ALCO's authorized capital stock by Php50,000,000.00 with the creation of 50,000,000 preferred shares with a par value of Php1.00 per share.

For purposes of implementing the foregoing increase of ALCO's authorized capital stock, the BOD, during a meeting also held on January 31, 2024, approved the issuance to Manchesterland Properties, Inc. of 14,000,000 preferred shares which are cumulative, non-voting, non-participating, non-convertible and Peso- denominated, among other conditions, at an offer price of Php1.00 per share (the "Series E Preferred Shares"), where 1,500,000 preferred shares will come from the unissued capital stock, and 12,500,000 preferred shares will be issued from the increase of 50,000,000 preferred shares following the approval by the SEC of the amendment of ALCO's Article Seventh of its Articles of Incorporation.

On June 27, 2024, ALCO redeemed all the outstanding 10,000,000 Series C Preferred Shares and these were initially recorded as treasury shares of the Company.

On August 14, 2024, the SEC approved the amendments to ALCO's Articles of Incorporation – first, the decrease of the authorized capital stock by Php20,000,000.00 resulting from the redemption and subsequent cancellation of the 20,000,000 Series B Preferred Shares, and thereafter, the increase of the same by Php50,000,000.00 with the creation of 50,000,000 preferred shares with a par value of Php1.00 per share.

On November 14, 2024, ALCO issued to the public 4,964,860 Preferred shares, which are cumulative, non-voting, non-participating, non-convertible, and Peso-denominated, among other conditions(the "Series F Preferred Shares").

On June 27, 2025, stockholders representing at least sixty-seven percent (67%) of the ALCO's outstanding common and preferred shares entitled and qualified to vote approved the amendment of Article SEVENTH of the Articles of Incorporation by decreasing the authorized capital stock by Php10,000,000.00 which corresponds to the Series C Preferred Shares redeemed on June 27, 2024. On March 18, 2026, the SEC approved the amendments to ALCO's Articles of Incorporation reflecting this decrease.

As of the date of this Report, the total authorized capital stock of ALCO is Php3,016,257,135.82 divided into Php2,946,257,135.82 of common shares consisting of 16,368,095,199 common shares with a par value of P0.18 per share, and Php70,000,000.00 of preferred shares consisting of 70,000,000 preferred shares with a par value of Php1.00 per share.

All of ALCO's issued and outstanding common shares, and Series D and Series F Preferred Shares are listed with and traded in the PSE with trading symbols "ALCO", "ALCPD" and "ALCPF", respectively. The PSE has delisted from its platform Series B and Series C Preferred Shares with the trading symbols "ALCPB" and "ALCPC".

Also, CPG and AOCH1 continue to be the largest stockholders of ALCO with 40.29% and 26.02%, respectively, of the total issued and outstanding shares.

As of the date of this Prospectus, the Company has Php3.00 billion Bonds under its ASEAN Green Bond Program outstanding which were issued on December 22, 2022.

ALCO'S COMPETITIVE STRENGTHS

Strong Brand Equity Resulting from a Clear Differentiation in Sustainability and Proven Track Record from Recently Completed Projects

ALCO sets itself apart from its competition by positioning itself as the foremost sustainable developer in the Philippines with a commercial and residential project portfolio that is composed entirely of certified sustainable projects. All of its projects adhere to global and national standards for green buildings through the Leadership for Energy and Environmental Design (LEED) rating system of the USGBC and the Building for BERDE rating system of the PGBC, the Excellence for Design and Greater Efficiencies (EDGE) rating system of the International Finance Corporation (IFC), and the WELL Building Standard ("**WELL**") rating system of the IBWI.

In addition to the certifications for all its projects, ALCO further cemented its commitment to sustainability by being the first real estate developer in Asia and the first signatory from the Philippines to the Net Zero Carbon Building Commitment of the World Green Building Council (WorldGBC). As a signatory to this program, ALCO has officially committed to decarbonizing its portfolio by 2030. By doing so, it has placed not only ALCO, but also the Philippines, in the forefront of the global initiative for climate action. ALCO's commitment to a fully decarbonized portfolio means that it will design all its projects based on two guidelines. First, the projects need to achieve at least 40% energy savings compared to a conventional building in the country (based on local standards such as EDGE and BERDE). Second, the energy that the project will need should come entirely from a renewable energy source. By adhering to undertake these, the Company is able to achieve zero carbon operations footprint for all its tenants and residents in its buildings.

In 2025, the Company continued to make substantial progress on its commitment towards a fully decarbonized portfolio. For the full year ending December 31, 2025, the Company's operating development portfolio composed of Arya Residences, Arthaland Century Pacific Tower, Cebu Exchange, Savya Financial Center and Courtyard Hall and Arthaland Gallery in Sevina Park were able to achieve 54% energy savings, 39% water savings and 96% reduction in greenhouse gas emissions compared to conventionally designed buildings in the Philippines. Notably, the Company's energy and water savings from its operational portfolio were well ahead of its targets of 40% energy savings and 20% water savings compared to a conventional building in the country. In terms of the reduction of greenhouse gas emissions, the Company is on track to achieve 100% reduction by 2030.

In 2025, ALCO further strengthened its climate strategy by committing to the Science Based Targets initiative (SBTi), a globally recognized framework that is aligned with the 1.5°C global warming limit by 2030. This requires extending accountability beyond operational emissions to cover the full value chain, including the lifecycle of the building materials and other significant emissions. The Company expects to complete its target-setting within 2026.

The Company's projects utilize building features and design elements such as double-glazed glass facades as well as efficient air conditioning and water collection systems to achieve operational efficiencies resulting to significant savings in electricity and water costs that benefit the unit owner compared with conventionally designed buildings. In addition, the Company's projects are forward-looking and ready to adapt new technologies.

Arya is the Philippines' first residential condominium to achieve dual green building certification after receiving a LEED Gold certification from the USGBC and 4-star certification from the PGBC. Arya was also awarded with ANZ/PH 3-Star under the pilot program of PGBC Advancing Net Zero Philippines. As of

2024, Arya Residences Tower 1 and 2 had officially shifted to 100% offsite renewable energy. Arya also earned the Health-Safety Rating from IWBI in 2025.

ACPT, on the other hand, was recognized as the first Net Zero Carbon Project in the world certified under the EDGE Green Building Program of the IFC in addition to having achieved LEED Platinum rating and the BERDE 5- star certification which are the highest and most prestigious categories in green building rating standards. Further, ACPT achieved a 5-Star certification in 2020 under PHILGBC's Advancing Net Zero/PH (ANZ/PH) program. In 2021, ACPT was awarded the WELL Health-Safety Rating seal that certifies the building's safe operations even during the COVID-19 pandemic. Its Health-Safety Ratings have been renewed annually thereafter. ACPT has been running on renewable energy since 2019.

Cebu Exchange was completed in 2022. It achieved LEED Gold certification, BERDE Design 5-Star certification and was awarded the WELL Health-Safety Rating seal as of 2022 and its Health-Safety Ratings have been renewed annually thereafter. Since 2024, it has been running on renewable energy. It achieved EDGE Zero Carbon certification under the IFC's EDGE program in 2025. Cebu Exchange is the single largest green office building in the southern Philippines with various environmentally sustainable and resource-efficient design features including an optimized building envelope, energy saving air-conditioning system and water saving system.

ALCO initiated the handover of the North Tower of Savya Financial Center in January 2022 and inaugurated the South Tower in October 2022. Savya Financial Center offers world-class signature office experience hinged on comfort and efficiency resulting from its leading-edge sustainable building features and exemplary design. The project has achieved LEED pre-certified Gold, WELL pre-certified, WELL Health-Safety Rated, EDGE Advanced and BERDE 5-Star certifications.

The Company's projects which are currently under Construction are also registered under various certification programs and are on-track to achieve multiple certifications:

- Sevina Park is a sustainable, innovative and highly integrated community, which will include students and faculty in the adjacent De La Salle University Science and Technology Campus and nearby schools. In 2022, Sevina Park received the distinction of being the first development to have been awarded BERDE 5-Star under the BERDE for Districts Rating scheme which applies to wide-scale horizontal development projects. Prior to that, Sevina Park was also recognized as the Philippines' first and only real estate development to have received the LEED Platinum under the LEED Neighborhood Development category.

  For the Sevina Park Villas, the Company was able to secure LEED Platinum certification for the 4-Bedroom Villa Model Unit and is on track for LEED Gold certification for all 4-Bedroom Villas. The project achieved preliminary EDGE Advanced certification for all Villa types.

  Una Apartments is the Company's first project catering to the broader mid-scale market. The project is registered for LEED, EDGE and WELL certification programs and is on track for BERDE.

  Sevina Park Arcades was launched in the last quarter of 2022. This area in Sevina Park offers commercial lots for sale and retail spaces for lease to service the requirements of the Sevina Park community.

- Lucima will be the first premier, multi-certified, sustainable residential condominium in Cebu City. The project is on-track to be the first in the country to achieve quadruple certification. It has achieved LEED Gold pre-certification and is registered under the BERDE, EDGE and WELL certification programs.

- Eluria, ALCO's low-density, sustainable, luxury residential development in Legazpi Village in the Makati CBD, was launched in Q4 2022. It has achieved LEED Gold pre-certification and is registered under the BERDE, EDGE and WELL certification programs.

- Liv, ALCO's latest two-tower development in Katipunan, Quezon City aims to achieve LEED, WELL, EDGE and BERDE certifications.

- Sondris, ALCO's new upscale development in Arnaiz Avenue, Makati City will be vying for LEED Gold, WELL, EDGE and BERDE certifications.

Because of its commitment to sustainability, the Company has been consistently featured locally and internationally.

- ALCO was selected by the World Green Building Council, in partnership with BBC StoryWorks, to share its vision, story, and values to the world, in a series entitled *Building a Better Future.* Among the 33 organizations featured, ALCO was the only one from the Philippines. The 6-minute film called *Fighting Climate Change with Green Buildings* is featured under the section *Building Better Places for People* and may be seen through this link: http://www.bbc.com/storyworks/building-a-better- future/arthaland.

- The Company was also featured by the Business Reporter of the UK in their story entitled *Green Buildings that don't cost the Earth.* In this 6-minute video, ALCO has shown that it is possible to develop sustainable projects while still achieving profitability targets. Building sustainable legacies and taking care of the environment for future generations is a critical concept, and ALCO is committed to contributing to this cause. The feature can be accessed through this link: https://www.business-reporter.co.uk/responsible-business/green-buildings-that-dont-cost-the-earth.

- ALCO was given the award for Special Recognition for Sustainable Development by the Philippines Property Awards and Best Eco Property Developer by CFI.CO in 2018 and was awarded the Best Boutique Developer (Philippines) by the Asia Property Awards and the Philippines Property Awards in 2018.

- ALCO was also recognized as an EDGE Champion by the International Finance Corporation (IFC) in the recent EDGE Champions Summit Asia 2023, held in Singapore. EDGE Champions are companies who collaborate with IFC to accelerate the adoption of green building options in the respective markets.

With the completion of its flagship projects, the recent completion of Cebu Exchange and Savya Financial Center on time and within budget, significant progress on Sevina Park, Lucima and Eluria and the successful launch of the first two towers of Una Apartments, ALCO has further reinforced its brand equity and track record of developing best in class projects.

Strong, Hands-On and Committed Shareholders

ALCO's largest shareholders, CPG and AOCH1 represent groups that have substantial financial resources and track record. CPG is the investment vehicle of the Po Family and is an affiliate of the Century Pacific Group which has been established for over 40 years in food manufacturing and restaurant operations. The group owns some of the most valuable brands including Century Tuna, 555 and Argentina that are present in many households and popular restaurant chains such as Shakey's and

Peri Peri. AOCH1 is an investment company which is part of the AO Capital Partners Group which was founded over 30 years ago and which was financial advisor and arranger for over 80 major transactions in the Asia Pacific region including the US$1.00 billion AIG Infrastructure Fund, US$15.00 billion Metro Manila toll road projects and ALCO Corporation itself.

Aside from the equity investment provided by ALCO's shareholders, Centrobless, an affiliate of CPG, also provided a non-interest-bearing loan to ALCO for Php1.60 billion for the development of ACPT. Both CPG and AOCH1 are well represented in ALCO's management team that deliberates on day-to-day decisions and executes its plans. Please refer to Projects – Arthaland Century Pacific Tower on page [138] and Certain Relationships and Related Transactions on page [251] for further discussion on the interest-free loan facility provided by CPG which was repaid in full in 2018.

Highly Professional and Entrepreneurial Management Team with Extensive Experience

ALCO draws its strength from its management team consisting of highly experienced industry veterans from various real estate developers with a wealth of cumulative management experience in the Philippines and abroad. From its management team specializing in sales, development, design and engineering, ALCO draws a deep understanding of its customers and adapts best practices of established real estate developers to execute its plans.

Owing to this, ALCO's Arya, ACPT, Cebu Exchange and Savya Financial Center were constructed as scheduled and comfortably within budget despite restrictions brought about by the COVID 19 pandemic prior to their completion. Its on-going projects are in various stages of completion with several scheduled for initial handover within the next twelve months. Market reception is strong across all projects, including Una Apartments and Liv, which targets the mid-market segment. Its flagship projects Arya Residences and ACPT are 100% sold and 100% leased out respectively. Its completed projects, Cebu Exchange and Savya Financial Center North Tower are 95% and 87% taken up respectively as of April 30, 2026. Likewise, the Company's projects under construction, which are all on-track for initial handover within the next twelve months, have strong take-up rates of 59% for Eluria and 93% to 98% for Una Apartments Tower 1, Lucima and Sevina Park Villas. The overall performance of the projects reflects the careful planning designed to provide products that are unique, superior in quality and at terms that suit market demands. It also reflects the ability of the management team to effectively respond to external constraints and challenges that are inherent to the long timeline for real estate development.

ALCO also engages best-in-class partners such as construction companies, architectural and design firms, and quantity surveyors. For example, ACPT was designed by the world-renowned New York based architectural firm, Skidmore, Owens & Merrill (SOM). The same group designed some of the world's most iconic buildings such as the Burj Khalifa, the tallest man-made structure ever built, and One World Trade Center in New York City. Similarly, ALCO works with a team of consultants who are the best in their respective fields for all of its on-going projects which are discussed in a separate section in this Prospectus. As such, ALCO's projects are excellently executed and are at the forefront of modernity and technology. Where necessary, ALCO's management has taken decisive steps, including enhancing coordination with contractors, in ensuring that projects adhere to the highest quality standards.

Carefully Assembled Development Portfolio

ALCO's projects are well-thought out and deliberate. Its approach to the development of its projects is inherently tied to the unique characteristics of the properties as well as the specific needs of its target market for each of the locations of its projects.

With the substantial completion of its 5x in 5 Years Growth stage, ALCO's project portfolio is uniquely

positioned in both prime and upcoming locations around the Philippines, thereby allowing it to realize values from buoyant prices in the central business districts of Bonifacio Global City (Arya and ACPT), Makati CBD (Sondris and Eluria), Arca South (Savya Financial Center), Quezon City (Liv) and Cebu (Cebu Exchange and Lucima*),* while allowing it to develop properties in emerging communities such as Biñan (Sevina Park Villas and Una Apartments), Tagaytay, and Calamba which is part of the high growth Calabarzon area. As a result of its deliberate approach to real estate development, ALCO's current portfolio is a well-balanced mix of projects in terms of development type, geographical location and target markets served.

With the completion of its capital-raising programs in 2020 to 2022, the Company was able to take a long-term view towards property acquisition to drive continued growth beyond its 5x in 5 Years growth stage. Between 2024 and 2025, it successfully completed critical property acquisitions including a 3,700 sqm property in Quezon City, a 2,108 sqm property in Legazpi Village, Makati and 50% of a five-hectare property in Cebu City which will be the site of projects Liv, Sondris and Project Vanilla. With these new acquisitions, ALCO launched Liv, Sondris and Una Tower 3 and completed the masterplan for Project Vanilla in 2025. With these, ALCO has ensured a robust pipeline of projects which will be developed over the next ten years. Beyond these projects, ALCO continues its land acquisition program to support long-term growth. Its objective is to secure properties that will further double its development portfolio size to about 1 million sqm of GFA when fully completed.

Prudent Financial Management

ALCO is taking the conservative path to growth through prudent financial management. ALCO's funding strategy for each of its projects uses a balanced approach which seeks to efficiently use financial leverage to optimize returns to its shareholders while ensuring that debt-to-equity ratios remain at conservative levels and at ratios ideal for bank financing. ALCO employs a very disciplined approach to ensure that each project is legally and financially ring-fenced from the other projects so that each project stands on its own merit. As a result, ALCO maintains a very strong financial position.

The Company exercises prudence in determining the capitalization structure for each of its projects. The average initial interest-bearing debt to equity for projects is between 1.5x to 1.86x and goes down as the projects start recognizing profit from the sale of units. Despite this range of interest-bearing debt to equity mix at the project level, the Company strives to keep consolidated debt to equity ratios within its internal guidance cap of 1.50x. As a result of this very deliberate and relatively conservative approach to the management of our debt and overall risk profile, the Company's debt to equity ratio under the loan covenants as of March 31, 2026 was reported as 1.52x at the consolidated level.

The Company diligently monitors market conditions to enable it to raise funding from capital markets to fund its growth. In addition to the issuance of preferred shares, the Company has been known to issue thematic debt instruments that promote the sustainable finance agenda, including two tranches of ASEAN Green Bonds, Green Loans and Sustainability-Linked Loans. Notably, the Company's first tranche offering of the ASEAN Green Bond in 2020 was awarded Best Local Currency Green Bond under the category Deal of the Year – Real Estate in The Asset Triple A Sustainable Capital Markets Regional Awards 2020, while the second tranche issued in 2022 was awarded Green Project Deal of the Year under the category Best Deals – ASEAN in The Asset Triple A Sustainable Infrastructure Awards 2023. ALCO received the award for Best Sustainable Preferred Share Issuance for its Series F Preferred Shares at The Asset Triple A Sustainable Finance Awards in March 2025. In March 2026, ALCO received the award for Best Sustainability-Linked Loan for Real Estate in the Philippines at The Asset Triple A Sustainable Finance Awards for its Sustainability-Linked Loan program, comprising facilities of Php1.5 billion from BDO Unibank, Inc. and Php1.0 billion from China Banking Corporation, both of which are described in further detail under Material Agreements in this Prospectus. For over 20 years, The Asset Triple A Awards has been regarded as one of the most prestigious awards in banking, finance and capital markets in the Asian region. The

recognitions highlights the Company's trailblazing efforts in capital raising especially in the area of sustainable finance.

To further manage risk from its growth strategy, ALCO actively seeks out joint venture partners who, apart from contributing capital to the projects, are able to contribute strategic advantages to the projects. ALCO was able to successfully complete strategic partnerships with Mitsubishi Estate Co., Ltd. for the North Tower of Savya Financial Center, Arch SPV for Cebu Exchange, Arch SPV 2 for Lucima and Eluria, and Help Holdings, Inc., for the South Tower of Savya Financial Center. In 2025, Arthaland entered into a strategic partnership with the wholly-owned subsidiary of Mitsui Fudosan (Asia) for the joint development of Sondris. These partnerships are also discussed under "Establishing Strategic Partnerships" under "ALCO's Business Strategy" below. ALCO continues to be in active discussions with other potential strategic partners for its upcoming projects to allow it to mitigate risk and to benefit from contributions from its strategic partners during period of high growth.

Strong Fundamentals Resulting in Resilient Pandemic and Global Conflict Response

The COVID-19 pandemic, the Ukraine War in 2022 and the recent conflict in the Middle East highlighted the importance of ALCO's strong fundamentals which allowed the Company to effectively respond to the heightened challenges from these external events. By maintaining sufficient flexibility in its timelines and by closely coordinating with its top-tier general contractors, the Company was able to complete Cebu Exchange and Savya Financial Center based on pre-pandemic schedules. The Company used these systems and skills learned from the COVID-19 pandemic as it navigated the additional complexities of the Ukraine War in 2022 which happened as it launched and constructed Lucima, Eluria and the first tower of Una Apartments. In 2026, the Company remains resilient following recent events regarding the Middle East conflict.

The Company's leadership in sustainability and wellness resulted in strong continued interest in its projects as the pandemic brought these features to the forefront when buyers selected their workplaces and homes. The premium nature of the Company's development portfolio attracts high quality buyers as well as established multinationals as tenants. Given this, the Company saw manageable default, cancellation rates and pre-termination rates across its projects during and after the COVID-19 pandemic. The Company continues to have strong support from its banking partners, allowing it to maintain high levels of construction activities and to accommodate longer timeline to close sales for all our projects.

ALCO'S BUSINESS STRATEGY

Growth and Diversification Strategy

With the success of its flagship residential and office projects, Arya and ACPT, ALCO was able to firmly establish its track record and to buttress its position as the foremost sustainable developer in the Philippines. ALCO proceeded to focus on further building its brand by growing its real estate portfolio.

ALCO expects to have a total of more than 454,000 sqm of GFA from its recent growth stage which included the launch and completion of Cebu Exchange, Savya Financial Center, as well as Sevina Park, Lucima and Eluria, which will initiate handover within the next twelve months. Compared against the combined GFA of Arya and ACPT of approximately 110,000 sqm, this represents a growth multiple of 4.1x its portfolio in 2019 or an estimated compounded annual growth rate of 33%.

The growth of the Company's development portfolio was pursued with the objective of arriving at a balanced mix of projects that will take advantage of opportunities brought about by the strong demand for commercial and residential space in established CBDs as well as opportunities in emerging high growth areas outside of Metro Manila.

Given these, ALCO uses a deliberate strategy of achieving an optimal mix of residential and commercial development in its portfolio. Of the expected 454,000 sqm portfolio, ALCO expects approximately 50% (about 228,000 sqm) to be in the commercial segment and the balance 50% in the residential segment.

Within each of the commercial and residential sub-sectors, ALCO further plans to diversify its developments geographically to increase its presence in selected high growth urban areas. Of the approximately 228,000 sqm of planned developed GFA for the office segment, ALCO has deliberately allocated 59% to be outside Metro Manila through the Cebu Exchange project and the commercial component of Sevina Park. Of the rest that it plans to develop within Metro Manila, ALCO has further allocated its planned office projects among the key business districts in Fort Bonifacio and Arca South.

Similarly, in the residential segment, ALCO plans for about 60% of developed gross floor area to be located outside Metro Manila through Sevina Park and Lucima while maintaining 40% of its residential portfolio within BGC and the Makati CBD area through Arya Residences and Eluria.

About 60% of our current product offerings cater to the upscale and luxury market segments, reflecting Arthaland's core strength. However, Arthaland has also established its presence in the broader mid-market segment through the launch of Una Apartments which offers sustainable and high-quality products at more affordable contract prices. This allows Arthaland to broaden the sources of demand for its portfolio.

As active projects reach substantial completion and take-up, the Company worked on preparing for its next stage of growth stage in which it aims to further double the size of its development portfolio to about 1 million sqm of GFA. Over the past two years, the Company successfully completed its fund-raising programs, land acquisition and technical planning to launch new projects, Liv, Sondris and Una Tower 3, as well as to complete master plan for Project Vanilla. It continues to pursue the acquisition of new multi-hectare properties to achieve the target development portfolio at the end of this stage.

Stage-Gated Mid-Term Land Acquisition Strategy

While the Company carefully executes the successful execution of its on-going projects, it continues to pursue opportunities to acquire multi-hectare properties in high-growth areas to achieve its target

development footprint. To do this, the Company has put in place a stage-gated mid-term land acquisition strategy that will provide flexibility to the Company to allow it to manage the funding requirements for the acquisition over a comfortable period.

With larger and master planned projects, ALCO will have the flexibility to manage the timing of the launches of various components within each project to support revenue growth while keeping development risks at a manageable level.

Providing a Superior Value Proposition by Maintaining High Quality of Projects

ALCO is acutely particular about maintaining the high quality for which its flagship projects are known. As a central focus of its strategy, ALCO will continue to position itself as a premium developer of sustainable projects and is committed to achieving green building certification for all its future projects. All of ALCO's projects will adhere to the key principles as listed below:

Thoughtful Planning and Space Management

Every aspect of an ALCO development is well-planned and well thought-out. Where applicable, ALCO creates multi-use spaces, i.e., flexible features that may be adapted to possible changes in the future.

For example, Lucima is carefully planned with health, safety and security in mind and is the ideal address heading into the future as residents will benefit from lower electric and water bills and improved indoor air quality. Each unit will have an Energy Recovery Ventilator ("**ERV**") that will improve indoor air quality by bringing in fresh, filtered air while controlling the humidity for thermal comfort. The ERV is equipped with highly efficient air filters, the same grade used for laboratories, to prevent harmful microbes and pathogens from entering the space. Lucima also features airtight units to prevent sound and odor transmission between spaces, promoting better acoustic and indoor air quality.

Eluria, on the other hand, is designed with a unique floor plan that will include a maximum of only two units per floor with the elevator opening directly to the units thereby allowing for higher efficiencies in the usage of the building's gross floor area. The floor plan, tall ceilings, generous balconies and premium finishes in this development highlight exclusivity and urbanity. Mindfully planned and carefully composed, Eluria will feature both passive and active building design to lessen energy consumption resulting in at least 40% savings in electricity bills and reduce water consumption to achieve at least 20% savings in water bills.

Unique Features

The Company ensures that it exceeds buyers' expectations with well thought-out extra features that anticipate what matters most to its buyers. By doing so, ALCO's projects stand out from its competitors.

For example, Sondris was designed to maximize perpetual unobstructed views of San Lorenzo Village and the Makati skyline, a rare feature in Makati CBD condominiums. In addition to the usual amenities, low-density layout and spacious units, its residents will benefit from the inclusion of a heated saltwater pool and landscaped roof deck as unique features to highlight sustainability and wellness.

Eluria, on the other hand, was conceptualized with a vision towards personalized white glove services and concierge solutions. Eluria will have internationally trained hospitality staff that will be assigned to each unit and that will provide unparalleled round-the-clock services to households. They will be

trained with world-class professional skills, qualities, and knowledge to ensure the satisfaction, comfort, and convenience of the building's residents.

Sevina Park will feature Project Beam, the first commercial-scale bamboo structure in the Philippines, highlighting the renewable and sustainable benefits of bamboo in construction. The Maxicare will be located within the premises of Project Beam. Sevina Park is the first community to partner with Maxicare so that the estate will have its own health and wellness clinic with a dedicated doctor and nurse available for free consultation. This unique tie-up will provide trusted care from the expertise of Maxicare's medical practitioners for its residents right within their neighborhood.

Quality Assurance

ALCO ensures that its customers get the best value for what they pay. It is a preference for the exceptional that allows the Company to gain and keep customers. The Company's every decision, from site selection to handover to its buyers, centers around quality and value. Instead of outsourcing property management for its projects, ALCO manages all its properties through its wholly-owned property management company to ensure that the developments consistently adhere to high standards.

With the completion of Cebu Exchange, Savya Financial Center, Sevina Park Villas and the upcoming handover of Una Apartments Tower 1, Lucima and Eluria, the Company intensified its focus on its property management services and re-branded its property management company to "Arthaland Prestige Property Solutions". APPS aims to personify the ALCO brand of excellence by delivering superior property management services through its team of experts from different fields and with a core mission of enhancing measures that can promote sustainability developments and communities.

Operating Efficiency

Mindfully planned and carefully composed, the Company's projects seamlessly employ both passive and active strategies that will effectively lessen energy consumption resulting in at least 40% savings in electricity bills and reduce water consumption to achieve at least 20% savings in water bills. By using these strategies, the Company will be able to deliver on its commitment to decarbonize 100% of its portfolio by 2030. For instance, the 4-bedroom units in Sevina Park Villas feature solar panels in addition to passive energy savings features such as using glass panels to ensure an efficient building envelope.

ALCO also focuses on water conservation in its overall operating efficiency strategy. The Company makes sure to build in features in its developments to enable the residents and tenants to reduce water wastage, and thereby save on utility costs.

Enabling Technology

The Company uses the latest applicable technology and anticipates future developments to provide its customers maximum flexibility. The Company keeps itself updated with features that the market and the industry may require. It incorporates technologies that are most valuable to the customers while maintaining the flexibility by making provisions to allow it to adapt to future upgrades.

Healthy Living and Working Experience

ALCO seeks a balanced, more meaningful, and healthier lifestyle for the customers. The Company incorporates sustainable designs that foster better health and improved comfort such as natural daylight, shading from direct sunlight, fresh air intake, generous green areas and landscapes. These not only help

promote more comfortable environments, but also decrease human dependence on energy to bring down operating costs. They also provide practical luxuries—features and amenities for recreation to deliver a well-rounded and a more complete development.

Increasing Recurring Lease Income to Cover Fixed Costs

ALCO maintains a leasing portfolio which is targeted to substantially cover its fixed overhead costs when fully leased out. ALCO's leasing portfolio is currently composed of its retail units in Arya Plaza, the office units in ACPT, Courtyard Hall and about 21,000 sqm of office and retail units in Cebu Exchange.

As part of its mid-term goal of growing its recurring revenues from leasing operations to 30% of its net income, ALCO will allot funds to further retain retail or office units in its projects. This is expected to provide additional lease revenues to its current portfolio of properties for lease.

Establishing Strategic Partnerships

As a key component to manage risks associated with its growth strategy, ALCO actively seeks out strategic partners for its projects. Apart from providing ALCO access to capital for its projects, the strategic partnerships provide access to additional capital and the development expertise of its partners. While the Company benefits from these, it continues to have control over the projects by maintaining majority representation in the BOD for each project company and by executing project management agreements between ALCO and each project company. As such, ALCO is the project development manager which provides services across all areas of the development including planning, design, construction, procurement, capital structuring, financing, customer accounts management, treasury and controllership. These project management agreements are more thoroughly discussed under "Material Agreements" in subsequent sections below.

In August 2019, ALCO signed an agreement with Mitsubishi Estates Co. ("**MEC**"), one of the largest real estate developers in Japan, for MEC's first venture in the Philippines. The agreement gives MEC a 40% stake in the North Tower of Savya as the initial project in what ALCO and MEC intend to be a continuing partnership over the long term.

ALCO also established strategic partnerships with Arch SPV for Cebu Exchange, Help Holdings Inc., a strong local partner for the South Tower of Savya and Arch SPV 2 for Eluria and Lucima. Following the terms of the shareholder agreement between ALCO and Arch SPV for the Cebu Exchange project, ALCO was able to acquire the 40% share of Arch SPV in CLLC's common and preferred shares upon the substantial completion of Cebu Exchange in December 2021. This transaction allowed Arch SPV to realize returns from its investment in Cebu Exchange while allowing the Company to consolidate full ownership over the project company given its further plans to strengthen its recurring income from leasing revenues by retaining units in Cebu Exchange. The agreements are more thoroughly discussed under "*Material Agreements*" in subsequent sections below.

In 2025, ALCO established a strategic partnership with a wholly-owned subsidiary of Mitsui Fudosan (Asia) Pte., Ltd., a subsidiary of Mitsui Fudosan, one of the largest developers in Japan, which acquired a 40% equity stake in ZLDC to undertake the joint development of Sondris.

In addition to the strategic partners which provide capitalization for the projects, the Company also builds partnerships with institutions to provide its buyers access to financing. For example, the Company's partnership with the Balai Berde financing program of the NHMFC allows its buyers to finance up to Php6.00 million of the purchase price of their residential units with up to 30-year loans at a fixed preferential rate of as low as 3.0% pa on the condition that the projects in which these units

are located have attained EDGE certification. Given that the Company's current residential projects are all registered and on-track to achieve EDGE certification, the partnership with the NHMFC will potentially benefit all the Company's buyers for its residential projects.

PROJECTS

Arya

Arya is a 507-unit high-end residential project located at the corner of 8th Avenue and McKinley Parkway, BGC, Taguig City. Arya is comprised of two towers. Tower 1 commenced construction in 2010, was completed in 2013, and was handed over to buyers in 2014. Tower 2's construction commenced in 2012 and was handed over in 2016. Both Tower 1 and Tower 2 are sold out. At the ground floor of Arya is Arya Plaza, a canopied al fresco destination area in which a curated selection of restaurants, cafes and other retail establishments is located. ALCO retains ownership over the Arya Plaza and recognizes lease income from it.

Arya is the first high-rise residential development in the country that has received a LEED Gold certification from the USGBC and a BERDE 4-star certification from the PGBC. In 2020, Arya was also awarded with ANZ/PH 3-Star under the pilot program Advancing Net Zero Philippines. As of 2024, Arya Residences Tower 1 and 2 had officially shifted to 100% offsite renewable energy. In 2025, Arya also earned the WELL Health-Safety Rating from IWBI. Arya remains the benchmark for residential green buildings in the Philippines.

Arya is the recipient of several international awards. The Southeast Asian Property Awards chose Arya as the Best Residential Development in the Philippines in 2012 and 2013 while the Asia Pacific Property Awards recognized Arya as the Best Residential High-rise Development in the Philippines for 2014-2015. The Inaugural Philippines Property Awards acknowledged Arya to be the Best Residential Development in Manila and the Best Residential Architectural Design in 2013 and 2014. Arya's first tower was awarded Best Residential Interior Design by the same body in 2014.

Arthaland Century Pacific Tower

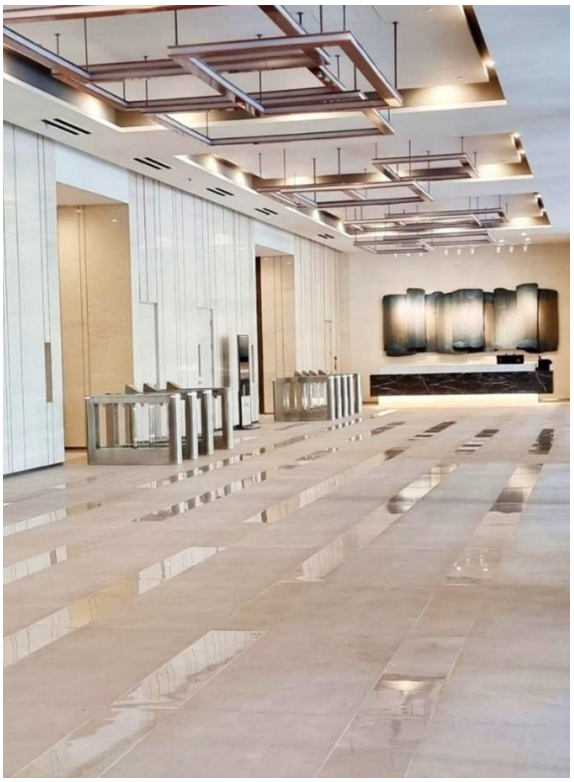
ALCO initiated the development of ACPT in 2014 and started operations in 2018. To date, the NLA of ACPT which is owned by ALCO is 100% leased out.

The construction of ACPT was partially funded by a non-interest-bearing loan from Centrobless Corporation, an investment vehicle of CPG and from Signature Office Property, Inc. ("**SOPI**"), an affiliate of the González family. In accordance with the terms of the loan agreements, Centrobless Corporation and SOPI chose to be repaid through the dacion en pago of office units in ACPT representing approximately 34% of NLA. As a result, the Company retains ownership over 21,089 sqm which represents approximately 66% of the 32,016 sqm of NLA of ACPT which will generate recurring lease revenues for the Company.

ACPT is one of the first premium-grade offices in BGC. The 30-storey premium-grade office building is located along the prime 5th Avenue within BGC's E-Square, along the street where The Shangri La at the Fort and the PSE are located. ACPT was designed by SOM New York, the same group that designed One World Trade Center and Burj Khalifa in Dubai. ACPT was recognized as the Best Green Feature Development by the Japan International Property Awards in 2019 and was 5-Star Winner for Best Office Architectural Design in Asia by the Asian Property Awards in 2017. ACPT also received awards for Best Green development, Best Office Architectural Design and Special Recognition of Sustainable Design by the Southeast Asian Property Awards in 2016. Finally, the Philippines Property Awards recognized ACPT as the Best Office Development in 2019 and Best Green Development in 2016, 2017 and 2019.

ACPT has been running under renewable energy since 2019. In September 2019, ACPT was recognized as the first Net Zero Carbon Project in the world certified under the EDGE Green Building Program of the IFC. This is in addition to the LEED Platinum rating and the BERDE 5-star certification which ACPT had achieved previously. Further, ACPT achieved a 5-Star certification under PHILGBC's Advancing Net Zero/PH (ANZ/PH) program. These certifications are the highest and most prestigious categories in green building rating standards. Finally, the IBWI awarded ACPT with the WELL Health-Safety Rating seal which certifies the building's safe operations even during the COVID-19 pandemic.

Cebu Exchange



Cebu Exchange is built on an 8,440 sqm property located along Salinas Drive across the Cebu IT Park in Cebu City. It is a 38-storey office building with retail establishments at the ground level and lower floors. It is one of the largest and tallest office developments in Cebu with total NSA of almost 90,000 sqm. Cebu Exchange has achieved LEED Gold certification, BERDE Design 5-Star and was awarded the WELL Health Safety Rating Seal. Cebex has officially transitioned into 100% renewable energy in 2024 and it achieved EDGE Zero Carbon certification in 2025 under the IFC's EDGE program, making it the world's largest building to have achieved the certification and setting a global benchmark for sustainable office developments.

ALCO's design for Cebu Exchange gives it the flexibility to serve the varying needs of locators in Cebu: (i)the Cebu Exchange has a lower office zone of three levels with floorplates of around 5,900 sqm each and which is targeted to cater to larger BPOs that may benefit from consolidating their operations; (ii) it has a middle zone of nineteen levels with floorplates of approximately 3,400 sqm each, catering to conventional offices and BPOs; and (iii) a high zone of eight levels with floorplates of approximately 2,200 sqm each to cater to start-up businesses.

The development of the Cebu Exchange was initially undertaken by the Company in partnership with Arch SPV. In January 2016, Arch SPV subscribed to 40% of the outstanding shares of CLLC, ALCO's investment vehicle for the Cebu Exchange Project. Arch SPV is the investment vehicle of Arch Capital

Cebu Exchange is built on an 8,440 sqm property located along Salinas Drive across the Cebu IT Park in Cebu City. It is a 38-storey office building with retail establishments at the ground level and lower floors. It is one of the largest and tallest office developments in Cebu with total NSA of almost 90,000 sqm. Cebu Exchange has achieved LEED Gold certification, BERDE Design 5-Star and was awarded the WELL Health Safety Rating Seal. Cebex has officially transitioned into 100% renewable energy in 2024 and it achieved EDGE Zero Carbon certification in 2025 under the IFC's EDGE program, making it the world's largest building to have achieved the certification and setting a global benchmark for sustainable office developments.

Phase 1 of Cebu Exchange, covering areas from the basement to the 15th level and Phase 2, covering areas from the 16th level to the roof deck, successfully initiated handover to buyers in September 2020 and April 2022 respectively in accordance with their pre-pandemic delivery dates. On January 4, 2023, the Company obtained the certificate of completion issued by DHSUD for Cebu Exchange.

Out of the approximately 90,000 sqm of NSA in CebEx, CLLC has reclassified 20,964 sqm from real estate for sale to investment property. In 2022, CLLC reclassified 8,059 sqm of office units, 2,628 sqm of retail units and 36 non-appurtenant parking slots from real estate for sale to investment properties following its intention to retain these units to generate recurring income from their lease to locators in Cebu Exchange. In 2023, CLLC identified an additional 5,316 sqm of office units from its inventory of real estate for sale to investment properties. In Q1 2026, CLLC further reclassified an additional 4,961 sqm of office units and 43 parking slots from its inventory of real estate for sale to investment properties. The reclassifications support the Group's long-term objective of increasing revenues from recurring lease income. CLLC reflected pre-tax fair value gains of approximately Php227 million in 2024, Php621 million in 2025 and Php742 million in Q1 2026 because of the revaluation of these office, retail and parking slots from their carrying cost to their respective fair values in accordance with financial reporting standards.

As of April 30, 2026, Php9.80 billion in reservation sales contracts have been executed for office and retail units in Cebu Exchange. These reservation contracts, together with the office and retail units that have been reclassified to investment properties, cover approximately 95% of the total NSA of Cebu Exchange. Meanwhile, 88% of CLLC's investment property is covered by lease contracts as of April 30, 2026.

Sevina Park

Sevina Park Master Plan

Sevina Park Villas, Villa Type B Model Unit and Neighborhood Pavilion

On September 8, 2016, ALCO, through its 100% owned subsidiary, Cazneau, acquired eight hectares of land adjacent to the De La Salle University Laguna Complex in Biñan from South Industrial Facilities, Inc. and YCLA Sugar Development Corp. The property is the site of Sevina Park which was envisioned to be the ideal suburban retreat for both growing families and empty nesters. The masterplan was completed by global design firm Sasaki and Associates of Boston. Today, Sevina Park is a sustainable mixed-use community with multiple components including designer villas, residential mid- rise buildings, commercial office buildings and supplemental retail amenities.

ALCO expects to fully develop Sevina Park in phases in step with the growth of the market demand and infrastructure in the area. The project directly benefits from the development of the Cavite Laguna Expressway that will connect with the Manila-Cavite Expressway at Kawit, Cavite and the South Luzon Expressway at Mamplasan, Laguna. This vital road infrastructure is expected to further spur the demand for residential housing, together with the development of complementary commercial sites and industrial parks.

In September 2018, ALCO started operations of the Courtyard Hall, a 348-bed dormitory which was constructed on approximately a 4,000 sqm lot within Sevina Park. The world-class facility primarily services students, faculty, and staff of the De La Salle University (DLSU) Laguna campus. The Company has an agreement with DLSU for the guaranteed lease of 200 in Courtyard Hall up to August 31, 2026.

In June 2019, ALCO launched the Sevina Park Villas which occupies approximately 3 hectares of the 8.1- hectare property. The Sevina Park Villas is a low-density residential development composed of 108 villas designed by Leandro V. Locsin and Partners. The villas are arranged into five blocks and each block is designed to have its own shared courtyard garden to provide residents generous green and open spaces for relaxation, convergence, and interaction.

Sevina Park is recognized as the Philippines' first and only real estate development in the country to have received the LEED Platinum certification under the LEED ND category. Sevina Park also received the distinction of being the first development to have been awarded with BERDE 5-Star under the BERDE for Districts Rating scheme. Sevina Park's 4-bedroom villa model unit achieved LEED Platinum certification while all other 4-bedroom villas are on-track to achieve LEED Gold certification. Sevina Park Villas achieved preliminary EDGE Advanced certification under the EDGE green building program.

On May 3, 2024, the Company obtained a certificate of completion for the land development for Sevina Park Villas from the City Planning and Development Office of Biñan.

As of April 30, 2026, Cazneau has executed sales reservation contracts amounting to approximately Php2.29 billion covering approximately 98% of the NSA of the Sevina Park Villas have been executed. As of April 30, 2026, 75 out of the 108 villas have been completed while the remaining 33 units are under construction and are 35.3% complete.

The regular installment sales for Sevina Park Villas include 5% downpayment, 15% monthly amortization over the construction period and final payment of 80% upon handover.

Una Apartments in Sevina Park

Una Apartments

Studio and One-bedroom model unit

Una Apartments is a five-tower residential development which will be constructed on approximately 2.6 hectares within the Sevina Park estate. It is designed to be ALCO's first foray into the broader mid-market segment with units priced at launch of approximately Php5 million while maintaining high quality standards for which Arthaland is known. The mid-rise towers will have sustainability certifications from LEED, EDGE, BERDE, and WELL that will let its residents enjoy water and electricity savings by at least 20%.

As a key feature, Una Apartments is equipped with Dedicated Outside Air System that improves indoor air quality by bringing in fresh, filtered air for its residents as well as controlling the humidity for thermal comfort. In addition, the units are all airtight to prevent sound and odor transfer between units. Finally, all units will have operable windows that optimize natural daylight and provide natural ventilation. Una Apartments will include amenities that are aligned with the Company's vision of promoting health and wellness for all. These include a full-size swimming pool, kiddie pool, children's play area, grill area, function hall, fitness area, and a sunken garden. As with other ALCO developments, Una Apartments will have its own potager garden where residents will have access to organic produce. Finally, all units are delivered fully furnished with Ikea products for the bedroom, kitchen, living and dining area, toilet and bath, and the utility area.

The first tower of Una Apartments was launched in September 2022 and received strong market reception. As such, the second tower was launched shortly thereafter in November 2023. Following the continued strong take-up for this product, the Company launched the third tower of Una Apartments in December 2025.

As of April 30, 2026, the Company has already executed sales reservation contracts with a total value of Php5.35 billion for the first three towers of Una Apartments. In terms of net saleable area (NSA), the first tower is approximately 90% taken up, the second tower is 75% taken up, and the third tower is 9% taken up.

The construction of the first and second towers of Una Apartments are on-going. The first tower is 86.7% complete while the second tower is 36.4% complete as of April 30, 2026. The construction of the third tower of Una Apartments has not yet commenced and is expected to start within the next twelve months. ALCO will launch the remaining two residential towers in phases as the market continues to absorb the current supply.

The regular installment sales for Una Apartments include 0% to 5% downpayment, 15% to 20% monthly amortization over the construction period and final payment of 80% upon handover.

Sevina Park Arcades in Sevina Park

Sevina Park Arcades will serve as the commercial and retail component within the Sevina Park estate occupying approximately 2.6 hectares of the 8.1-hectare estate. It is composed of six commercial blocks of which, five were already sold as of April 31, 2026 with a combined contract price of Php1.36 billion.

A portion of Sevina Park Arcades is envisioned to be developed into a retail space that includes establishments that will complement the everyday needs of the residents. With this, Arthaland introduces Project BEAM (Bamboo for Ecological Architecture and Materials), the Philippines' first commercial-scale bamboo structure, reinforcing its commitment to delivering a "Life Built for Tomorrow" through sustainability-led innovation. The project responds to the growing importance of reducing embodied carbon in construction by advancing the use of bamboo, a rapidly renewable, carbon-sequestering material with strong potential for scalable, low-impact development. This site will house Maxicare's clinic that will cater to the basic medical needs of the residents.

Savya Financial Center

Savya Financial Center is a grade-A twin tower mid-rise office development with an integrated retail component. It is the new capital address for business and commerce in Arca South, Taguig City. The project is constructed on approximately 6,000 sqm of land with total GFA of approximately 60,000 sqm. Both the North and South towers of Savya Financial Center are designed and built with leading edge sustainable building features. Savya Financial Center has achieved LEED Gold pre-certification, BERDE 5-star certification, WELL pre-certification and EDGE Advanced certification.

In 2024, it has been awarded as the first office building in the country to achieve WiredScore Gold certification. WiredScore is the leading building technology company assessing digital connectivity and smart technology within offices worldwide. Savya's WiredScore gold certification is awarded to buildings with reliable and diverse internet connectivity, while also providing adequate infrastructure for future upgrades. Savya officially shifted into 100% renewable energy in 2024.

In October 2018, SLDC, which undertook the development of the project, applied for the approval of its merger with Arcosouth Development Corporation ("Arcosouth") with SLDC as the surviving entity. Prior to the merger, Arcosouth was the registered owner of approximately 2,000 sqm of the 6,000 sqm property. The merger was intended to implement the joint development by SLDC and Arcosouth of the 6,000 sqm property as agreed between SLDC and Arcosouth. In August 2019, the SEC approved the merger between SLDC and Arcosouth.

The common shares of SLDC shall be owned 50-50 between KHI and the principal shareholder of Arcosouth following the terms of the shareholders' agreement between the two parties. The shareholders' agreement further states that the 50% ownership of KHI represents 100% of the economic interest in the North Tower of Savya while the 50% common shares held by Arcosouth's principal shareholders represents 100% economic interest in the South Tower of Savya. Under this arrangement, KHI is entitled to all the profits from and is responsible for all the funding requirements of the North Tower of Savya.

In August 2019, ALCO and Mitsubishi Estate Company, Limited (MEC), a corporation duly organized and existing under the laws of Japan, executed a joint venture agreement to invest in, establish and maintain a joint venture company to be owned 60% by ALCO and 40% by MEC. The joint venture company, KHI, was incorporated on October 1, 2019, and (i) acquired and, thereafter, owns and holds the 50% equity interest of ALCO in SLDC, thereby making KHI the direct 50% stockholder in SLDC, and (ii) acquired by assignment the shareholder's advances made by the Company to SLDC. Under the terms of the partnership, ALCO will take the lead in managing the operations of the project while MEC will offer its expertise to add value to the project.

MEC is one of the largest real estate companies in Japan and has over 100 years of experience in developing commercial, residential and retail properties. MEC has a substantial commercial and residential portfolio in Japan including over 30 major buildings with NLA of about 1.5 million sqm in the Marunouchi area, Tokyo's most premium central business district. MEC has likewise made substantial investments outside of Japan and has four regional headquarters: The Rockefeller Group in New York, Mitsubishi Estate London, Mitsubishi Estate Asia and Mitsubishi Estate Shanghai.

The North Tower of the Savya Financial Center was launched in February 2019. The North Tower initiated handover to buyers in January 2022, consistent with pre-pandemic delivery dates. The South Tower was inaugurated in October 2022. On December 13, 2023, the Company obtained the certificates of completion for both the North Tower and the South Tower of Savya Financial Center.

As of April 30, 2026, reservation contracts with a total value of approximately Php5.70 billion and covering approximately 87% of the NSA of the North Tower units have been executed.

Lucima

Lucima building rendering

ALCO, through its subsidiary Bhavana, completed the acquisition of a 2,245 sqm property located at the corner of Cardinal Rosales Avenue and Samar Loop, inside the Cebu Business Park which is the foremost business district of Cebu City. The property is currently being developed into Lucima which will be the first premier, multi-certified, sustainable residential condominium in Cebu City.

The project is envisioned to be the first in the country to achieve quadruple certification including LEED, BERDE, EDGE and WELL certifications from USGBC, PGBC, IFC and IWBI. It is pre-certified LEED Gold and on- track to achieve BERDE, EDGE and WELL certifications. Lucima is directly across the Ayala Center Cebu mall and other prominent business, commercial, and lifestyle destinations.

Designed by Saraiva + Associados, an internationally renowned architectural firm based in Lisbon, Portugal, Lucima features 265 residential units and will have a gross floor area of approximately 28,000 sqm. Saravia + Associados' human-centered design approach puts comfort, functionality, and aesthetics at the center of every project they undertake. Each unit boasts a high floor-to-ceiling height of 2.4 meters, and residents can enjoy a view of the ocean, the mountains, or the city.

Lucima was launched in July 2021 and has been enjoying strong market reception since then. On December 27, 2021, ALCO sold 40% of its common shares in and shareholder advances to Bhavana to Arch SPV 2. Under the terms of the Investment Agreement between the parties, ALCO retains control over the project as the project development manager and as Bhavana's majority shareholder.

In October 2024, Bhavana terminated its contract with Monocrete Construction Philippines, Inc. (Monocrete), which was previously awarded the general construction contract for Lucima, due to the contractor's failure to meet its obligations in terms of project completion and quality standards despite communications with Monocrete to convey the quality issues and to request for immediate rectification. This decision was made in the best interest of Lucima and is aligned with the Company's quality commitment to its buyers.

Following the takeover of the construction site and after formulating the rectification work to be accomplished, Bhavana awarded works to new contractors, including ASEC Development and Construction Corporation, KGB Schneiden Corp., and Concrete Solution Builder and Supply to complete the project. Accordingly, the handover date has been revised to June 2026 for the retail unit and starting Q1 2027 for the residential units. The necessary correspondences have been sent to the

buyers of Lucima so that their final payment dates as indicated in the contracts-to-sell can be extended to coincide with the new handover dates.

In 2026, Monocrete filed a complaint before the Construction Industry Arbitration Commission (CIAC) against Bhavana (For a more detailed discussion, see “Legal Proceedings”.).

As of April 30, 2026, Lucima is 90.0% complete in terms of physical accomplishment. In addition, reservation contracts with a total value of approximately Php5.24 billion covering approximately 95% of Lucima’s NSA have been executed. The regular installment sales for Lucima include 5% to 10% downpayments, 10% to 20% monthly amortization over the construction period and final payments of 70% to 80% upon handover.

Eluria

Eluria building rendering

In 2020, ALCO, through its subsidiary, Bhavya, completed the acquisition of a 916 sqm property in Legazpi Village, Makati City. The property is currently being developed into Eluria, ALCO's pioneer residential project in Makati City which will be a low-density, multi-certified, ultra-luxury development that will offer limited edition designer residences.

Eluria will be 100% certified as sustainable. The building has been pre-certified LEED® Gold and is vying for BERDE and WELL™ certifications. Individual units are also vying for EDGE® certification. As such, it will be the first multi-certified residential development of its kind and scale within Metro Manila. Individual units are also vying for EDGE® certification. Once completed, its future residents will enjoy exceptional white glove butler services. The project offers only 37 residential units and will have a total GFA of approximately 14,600 sqm.

On December 27, 2021, ALCO sold 40% of its common shares in and shareholder advances to Bhavya to Arch SPV 2. Under the terms of the Investment Agreement between the parties, ALCO retains control over the project as the project development manager and as Bhavya's majority shareholder.

Eluria was launched in November 2022. As of April 30, 2026, reservation contracts with a total value of approximately Php3.53 billion covering 59% of Eluria's NSA have been executed. It achieved structural top-off in Q4 2024 and is 91.7% complete as of April 30, 2026. Completion is on-track with the current plans, with start of handover by June 2026.

The payment terms for Eluria units typically include 10% downpayment, 10% monthly amortization over the construction period and final payment of 80% upon handover.

Sondris (previously Makati CBD Residential Project 1)

By year-end 2024, the Company, through its wholly-owned subsidiary, ZLDC, had acquired CCTs corresponding to condominium units with a combined area representing 47.4% of the total area of the condominium units in Midland Mansions Condominium while another party had acquired CCTs that represent the remaining 52.6%. As a result, ZLDC effectively had an undivided interest over 47.4% of the property.

On February 24, 2025, ZLDC acquired the remaining 52.6% or 26 CCTs of Midland Mansions Condominium from the owner enabling Zileya to have 100% ownership over the property with a total area of 2,018 sqm. The property will be developed into Sondris, a sustainable 37-storey luxury residential tower along Arnaiz Avenue, Makati City. Sondris will offer 252 one-, two-, and three-bedroom residences and is targeted to achieve quadruple sustainability certifications under LEED, EDGE, BERDE, and WELL standards.

On December 23, 2025, ALCO sold 40% of its common and preferred shares in and shareholder advances to Zileya to SEAI Metro Manila One, Inc. ("SEAIMMO"), a wholly owned subsidiary of Mitsui Fudosan (Asia) Pte. Ltd. The transaction established a strategic partnership while allowing ALCO to retain control of the project, as it continues to serve as project development manager and remains the majority shareholder of ZLDC.

Sondris was launched in December 2025 and held its grand launch event to formally introduce it to the market in February 2026. As of April 30, 2026, reservation contracts with a total value of approximately Php1.12 billion covering 9% of Sondris' NSA have been executed. The project marked its groundbreaking ceremony to formally commence construction in June 2026.

The payment terms for Sondris units typically include 10% downpayment, 15% monthly amortization over the construction period and final payment of 75% upon handover.

Liv (previously Project Teal)

In 2025, ALCO, through its subsidiary, Sotern Land Corporation, completed the acquisition of a 3,742 sqm property along Katipunan Avenue, Barangay Loyola Heights, Quezon City. The property will be developed into Liv, a sustainable, two-tower high-rise residential condominium project strategically located in close proximity to several major universities.

Liv will feature a dedicated footbridge providing direct access to Ateneo De Manila University (ADMU), adjacent to Ateneo e-shuttle service. Liv targets to achieve multiple green building certifications, including LEED, EDGE, BERDE, and WELL.

The development will offer over 1,100 residential condominium units, catering to the broader mid-market segment. The first tower, Liv North, was launched in August 2025 and has since experienced strong market reception, driven primarily by its unique positioning toward the academe market, which supports resilient demand and attractive investment opportunities.

As of April 30, 2026, reservation contracts with a total value of approximately Php3.28 billion, covering 38% of Liv North's NSA, have been executed. The regular installment sales for Liv North include 10% downpayment, 10% to 20% monthly amortization over the construction period and final payments of 70% to 80% upon handover.

Construction is currently in the excavation stage as of April 2026. The first tower is expected to be completed by Q4 2030, while the second tower is targeted for completion by Q3 2032.

Project Vanilla

In 2025, ALCO, through its subsidiary, Furusato Land Corporation ("FLC"), acquired 50% of a five-hectare property along Banilad Road, Cebu City. Approximately three hectares shall be developed into finished lots which will be distributed equally between FLC and the landowner while the remaining two hectares consisting of common areas, including roads and related infrastructure will eventually be conveyed to the estate association.

Under the terms of the agreement, FLC will undertake the site development works for the estate. Currently, the masterplan for the entire estate has been completed. The Company plans to develop the property over multiple phases that will provide a steady pipeline of projects which will contribute to the revenues of ALCO over the long-term. Project Vanilla is envisioned to be a sustainable master planned community and will include six residential condominium towers. ALCO expects to launch the towers in phases from 2026 to 2038. Completion of the towers is likewise expected to be achieved in phases beginning 2030.

Project Olive

ALCO is in the advanced stage of discussions to acquire a property with a gross land area of 3.6 hectares located at the entry of one of the most prime CBDs in Metro Manila. The property is expected to benefit substantially from existing and upcoming public infrastructure in the area. The property is expected to result in 2.6 hectares of land net of road lots that are included in the GLA. To date, the sellers and agents are completing the conditions and documents required to complete the property acquisition.

ALCO plans to develop the property into a master planned residential community with quadruple certification from the LEED, BERDE, EDGE and WELL certification programs of the USGBC, PGBC, IFC and Well Institute. Based on initial plans, the project will feature twelve residential towers that will cater to both the upscale and midscale markets as well as some retail or commercial segment to support the residents of the area. Project Olive is expected to support the Company's objective of maintaining a continuous pipeline of projects. However, given its development timeline, Project Olive is not expected to contribute to the Company's revenues over the next four years.

Also, given the longer timeline to complete the acquisition of Project Olive, ALCO continuously explores opportunities for alternative acquisitions and is actively evaluating acquisition targets in the business districts of Makati and BGC, and other emerging areas in Batangas, Iloilo, Davao and Cebu.

ALCO will disclose material acquisitions, as they become definite, to its stakeholders through PSE and SEC.

RELATIVE CONTRIBUTION TO REVENUES PER PRODUCT

The following shows the relative contribution to total revenues for the full year ended 2025 and the three- month period ended March 31, 2026 from each project as described above:

Amounts in Phpmillion	**Year-ended 2025**	**3 months ended March 2026**
Revenues from sale of units:		
Savya Financial Center	151	28
Lucima	756	38
Cebu Exchange	369	36
Sevina Park	416	160
Eluria	1,323	327
Una Apartments	1,295	349
Total Revenues from sale of units	**4,310**	**938**
Lease Revenues:		
ACPT	371	92
Cebu Exchange	183	40
Savya Financial Center	122	15
Courtyard Hall	15	6
Arya Plaza	14	4
Total Lease Revenues	**705**	**157**
Project Management Fees	38	10
Interest from real estate sale	90	15
Total Revenues	**5,144**	**1,120**

The percentage contribution to revenues and net income of foreign sales in ALCO's projects is not significant as of full year December 31, 2025 and for the three-month period ended March 31, 2026.

ESTIMATED REVENUES PER PROJECT

The following table shows the estimated revenues per project for various periods. These estimates are forward-looking statements based on assumptions regarding ALCO's present and future business strategies and may be subject to significant risks and uncertainties.

Amounts in Phpmillion	**Period Covered**	**Estimated Revenues in Php million**
ACPT	2018 to 2026	2,922.9
Cebu Exchange	2018 to 2028	12,562.1
Savya Financial Center	2019 to 2027	5,930.3
Sevina Park	2018 to 2040	22,745.2
Lucima	2022 to 2027	4,976.7
Eluria	2023 to 2028	5,761.2
Sondris	2026 to 2030	11,025.5
Liv	2026 to 2032	12,576.1
Project Vanilla	2027 to 2042	59,663.4
Project Olive	2030 to 2045	114,603.9

VALUE OF INVENTORY AVAILABLE FOR SALE

The following table shows the estimated value and percentage completion of inventory available for sale as of April 30, 2026 for its ongoing projects. These estimates are forward-looking statements based on assumptions regarding ALCO's present and future business strategies on pricing and may be subject to significant risks and uncertainties.

Company	**Project**	**% Ownership of ALCO**	**% Completion**	**Value of inventory remaining**
CLLC	Cebu Exchange	100%	100%	962.7
KHI and SLDC	Savya North Tower	60%	100%	363.1
	Savya South Tower	0%*	100%	NA
Cazneau	Sevina Park Villas	100%	75 out of 108 villas – 100% Remaining 33 villas – 35.25%	36.7
Cazneau	Una Apartments Tower One	100%	86.7%	154.7
Cazneau	Una Apartments Tower Two	100%	36.4%	407.9
Cazneau	Una Apartments Tower Three	100%	Launched	1,814.4
Cazneau	Sevina Park Arcades	100%	Site development substantially completed	153.8

Company	Project	% Ownership of ALCO	% Completion	Value of inventory remaining
Bhavana	Lucima	60%	90.0%	237.4
Bhavya	Eluria	60%	91.7%	1,547.2
Zileya	Sondris	60%	Launched	5,425.0
Sotern	Liv North (Tower 1)	100%	Excavation works ongoing	2,636.3
Total				**13,739.2**

**98.5% of the shares of SLDC is currently registered under KHI pending the completion of the capital reorganization of SLDC which will result in KHI owning 50% of SLDC's common shares. The shareholders' agreement for SLDC states that the 50% ownership of KHI in SLDC represents 100% of the economic interest in the North Tower of Savya while the 50% common shares held by HHI represents 100% economic interest in the South Tower of Savya.*

STATUS PER PROJECT

The following table summarizes the status of each project as of April 30, 2026:

	Project Status	Availability of Funds Required for the Project
Arya Residences	Completed and 100% sold	NA
Arya Plaza	Completed and leased out	NA
ACPT	Completed and 100% of ALCO-owned floors leased out	NA
Cebu Exchange	Overall physical accomplishment: 100% Phase 1 (Basement to Level 15) • Handover to buyers completed in September 2020 as scheduled Phase 2 (Basement to Level 16 to top floor) • Handover to buyers completed in September 2020 as scheduled	Debt and equity funding required to complete the project are in place
Sevina Park	Construction of Sevina Park Villas in various stages of progress • Phase 1: Courtyard Hall – 100% Completed in 2018 • Phase 2: Villas ○ Overall site development: 96.17% ○ 75 out of the 108 villas are already completed. ○ Construction completion for the remaining 33 villas: 35.25%	Debt and equity funding required to complete the project are in place

	Project Status	Availability of Funds Required for the Project
	○ Amenities and pavilion: 100% • Phase 3: Apartments ○ Una Apartments, three out of the five towers of the mid-rise residential condominiums, launched in September 2022, November 2023, and December 2025 ○ Construction completion for the first tower of Una Apartments: 86.72% ○ Construction completion for the second tower of Una Apartments: 36.36% ○ Construction for the third tower of Una Apartments has not yet commenced • Phase 4: Commercial ○ Substantially completed.	
Savya Financial Center	• North Tower ○ Initiated handover to buyers in January 2022 ○ Physical accomplishment: 100% • South Tower ○ Physical accomplishment: 100% ○ Initiated handover in December 2022	Debt and equity funding required to complete the project are in place
Lucima	• Physical accomplishment: 89.97% • Estimated completion by Q1 2027	Debt and equity funding required to complete the project are in place
Eluria	• Physical accomplishment: 91.71% • Estimated completion by Q2 2026	Debt and equity funding required to complete the project are in place
Sondris	• Commenced construction in Q2 2026 • Estimated completion by Q2 2030	Debt and equity funding required to complete the project are in place
Liv	• Commenced construction in Q2 2026 • Estimated completion by Q4 2030	Php750.00 million equity required from ALCO is in place. Additional term loan of Php2.32 billion and funding from a strategic partner amounting to Php500 million are required to complete the project. Agreement for the term loan is expected by Q3 2026 while

	Project Status	Availability of Funds Required for the Project
		agreement for the JV partnership is expected by Q1 2027.
Project Vanilla	• Land acquisition is complete • Expected launch of first tower in Q4 2026	Php1.35 billion equity required from ALCO is in place. Additional term loan of Php4.50 billion and funding from a strategic partner amounting to Php900 million are required for the project. Agreement for the term loan is expected by Q3 2026 while the agreement for the JV partnership is expected to be in place by Q1 2027.
Project Olive	• Signed agreement for land acquisition is in place • ALCO expects to complete acquisition of the property by 2029	ALCO has infused about Php416 million of the Php1.70 billion equity requirement. Remaining equity will be funded through internally generated funds from return of capital from other completed projects. Additional term loan of Php5.00 billion and funding from a strategic partner amounting to Php1.00 billion are required to complete the project.

MATERIAL AGREEMENTS

1. **Project Management and Service Agreements between ALCO and subsidiaries**

Project Management Agreements

Project Management Agreement between ALCO and CLLC

ALCO and CLLC entered into a Project Management Agreement for the development of Cebu Exchange (referred to in the Agreement as the "Project") on March 20, 2018. Under the Agreement, ALCO was engaged to develop the Project, provide management services, and supervise and direct the implementation of project development and construction, marketing operations, sales and sales administration, and back-office support until the completion of the Project. As consideration for these services, ALCO is entitled to receive Developer's Cost and Project Management Fee.

Project Management and Marketing Agreement between ALCO, SLDC, and Arcosouth

ALCO, SLDC and Arcosouth entered into a Project Management and Marketing Agreement for the development of Savya Financial Center (referred to in the Agreement as the "Project") on January 31, 2019, with ALCO as Developer of the land that was then registered in the names of SLDC and Arcosouth. ALCO was engaged to develop the Project, provide management services, and supervise and direct the implementation of project development and construction, marketing operations, sales and sales administration, and back-office support until the completion of the Project.

It was also provided that in the event that the business plans or agreements among the parties are terminated for any reason, the Agreement between ALCO, SLDC, and Arcosouth shall terminate automatically.

Project Management Agreement between ALCO and Cazneau

A Project Management Agreement was executed by ALCO and Cazneau for the development of Sevina Park (referred to in the Agreement as the "Project") on December 28, 2020. Under the Agreement, ALCO was appointed as Project Development Manager for the Project. In consideration of these services, ALCO is entitled to receive Developer's Cost of Php285.60 million and Project Management Fee of Php503.70 million which shall be payable in tranches from 2021 to 2029.

On May 14, 2025, an Amendment to the Project Management Agreement between ALCO and Cazneau was executed to reflect an increase in the Developer's Costs following an increase in the gross development value of Una Apartments. Under the amended terms, ALCO shall be entitled to an increase in Developer's Cost amounting to Php554 million. The Developer's Cost shall be paid in tranches until 2029.

On July 1, 2025, a second amendment to the Project Management Agreement between ALCO and Cazneau was executed to further increase the renumeration of Arthaland as Project Development Manager. Under the revised terms, ALCO shall be entitled to an increase in project management fees in the amount of Php608 million and will be payable in tranches until 2029.

On May 29, 2026, the Project Management Agreement was further amended to reflect an increase in the Developer's Costs to reflect additional services provided for the second and third tower of Una Apartments. Under this Amendment to the Project Management Agreement between ALCO and Cazneau, ALCO shall be entitled to an increase in Developer's Cost amounting to Php722 million and will be payable in tranches until 2029.

Project Management and Marketing Agreement between ALCO and Bhavya

A Project Management and Marketing Agreement was executed by ALCO and Bhavya for the development of Eluria (referred to in the Agreement as the "Project") on January 27, 2021. Under the Agreement, ALCO was appointed as Project Development Manager for the Project. In consideration of these services, ALCO is entitled to receive Developer's Cost of Php69.2 million and Project Management Fee of Php138.8 million which shall be payable in tranches from 2021 to 2024.

On February 28, 2023, ALCO and Bhavya executed an Amendment to the Project Management Agreement as follows:

1) ALCO shall be entitled to Project Management Fee of Php208.1 million of which Php106.6 million had already been paid as of the date of the Amendment;
2) All references to Developer's Cost were deemed deleted as of the date of the Amendment; and
3) Except as described above, all other provisions in the Project Management Agreement dated January 27, 2021 remained valid and binding among the parties.

Project Management and Marketing Agreement between ALCO and Bhavana

A Project Management and Marketing Agreement was executed by ALCO and Bhavana for the development of Lucima (referred to in the Agreement as the "Project") on January 27, 2021 which was further amended on September 28, 2021. Under the Agreement and the subsequent amendment, ALCO was appointed as Project Development Manager for the Project. In consideration of these services, ALCO is entitled to receive Developer's Cost of Php92.8 million and Project Management Fee of Php135.4 million which shall be payable in tranches from 2021 to 2024.

Project Management Agreement between ALCO and Zileya Land Development Corporation

ALCO and ZLDC entered into a Project Management Agreement for the development of Sondris (referred to in the Agreement as the "Project") on November 26, 2024. Under the agreement, ALCO was appointed as the Project Development manager for the Project. In exchange for the services, ALCO is entitled to receive a Project Management Fee of Php547 million to be billed in tranches until 2029.

On December 23, 2025, ALCO and ZLDC executed an Amended and Restated Project Management Agreement reflecting the terms and conditions of the joint venture agreement between ALCO and SEAIMMO and the additional matters regarding the project management services. The agreement also set forth that the Php547 million Project Management Fee shall be paid in tranches beginning 2027 up to 2030.

Project Management Agreement between ALCO and Sotern Land Corporation

ALCO and SLC entered into a Project Management Agreement for the development Liv (referred to in the Agreement as the "Project") on November 26, 2024. Under the Agreement, ALCO was appointed as Project Development Manager for the Project. In consideration of its services, ALCO is entitled to receive Project Management Fee of Php491.3 million which shall be payable in tranches until 2031.

On July 31, 2025, ALCO and SLC executed an Amendment to the Project Management Agreement increasing the Project Management Fee from Php491.3 million to Php597.8 million. The agreement to revise ALCO's renumeration is based on the updated business plan of the project. The amendment also set forth that the fees shall be paid in tranches until 2032.

Project Management Agreement between ALCO and Furusato Land Corporation

ALCO and FLC entered into a Project Management Agreement was entered into by ALCO and FLC for the development of the 19,288 sqm of common areas and the development of the 15,735 sqm property into six residential condominium with retail units ("Project Vanilla") on May 31, 2025. Under the agreement, ALCO was appointed as the Project Development Manager for Project Vanilla. In exchange for the services, ALCO is entitled to receive a Project Management Fee of Php2.21 billion and a Developer's Cost amounting to Php179 million which shall be payable in tranches based on the business plan.

On December 19, 2025, ALCO and FLC executed an Amendment Letter to the Project Management Agreement. Under the amended terms, FLC agreed to increase ALCO's compensation by setting the Project Management Fee at Php2.41 billion and Developer's Cost at Php347 million following the increase in estimated gross development value of the project under an updated business plan. Payment of both the Project Management Fee and the Developer's Cost shall be made in tranches over the period from 2027 to 2042.

As Project Development Manager for Cebu Exchange, Savya, Sevina Park, Eluria, Lucima, Sondris, Liv and Vanilla under the Project Management Agreements and subsequent amendments thereto, ALCO's scope of services include supervision, direction and implementation of the following: (1) management of the business plan, (2) project design and construction, (3) project procurement, (4) project cost management, (5) sales and marketing operations, (6) sales administration and account documentation, (7) capital structuring and project financing and (8) corporate support services including finance and accounting, human resources, legal, customer services and information technology and process automation.

Other Service Agreements

Memorandum of Agreement between ALCO and CLLC

On March 31, 2025, ALCO and CLLC executed a Memorandum of Agreement in relation to ALCO's continuing project management services to Cebu Exchange (the "**Project**") and asset management services for CLLC's retained ownership of several units and parking slots in Cebu Exchange (the "**Asset**"). In consideration of services rendered, ALCO shall be entitled to receive Management Fee of Php100 million.

The Memorandum of Agreement was subsequently amended as follows:

- On July 30, 2025, the management fee was increased from Php100 million to Php149 million, to effect necessary adjustments to the renumeration of ALCO as property manager.

- On December 26, 2025, the management fee was increased from Php149 million to Php228 million, following discussions on further adjustments to the renumeration of ALCO as asset manager.

- On March 31, 2026, the MOA was further amended following the conversion of 4,961 sqm additional office units in Cebu Exchange into leasing assets under CLLC (the "**Additional Assets**"). Given that ALCO is already the appointed asset manager of the existing Assets, CLLC has appointed the same as asset manager for the Additional Assets. The foregoing increase in the scope of services entailed an increase in the management fees from Php228 million to Php340 million.

Service Agreement between ALCO and Pradhana Land, Inc.

On December 23, 2025, a Service Agreement was executed between ALCO and Pradhana for various services rendered by ALCO relative to Pradhana's intention to acquire parcels of land for Project Olive (referred to in the Agreement as the "**Asset**"). These services include negotiations with owners, conduct of legal and technical due diligence, completion of conceptual masterplan and business plan, registration of appropriate documents to achieve control and ownership of the Asset, and such other tasks necessary to complete the acquisition. In consideration of services rendered, it was agreed that ALCO is entitled to a fee of Php50 million.

2. Partnership Agreements

Merger between SLDC and Arcosouth

In October 2018, SLDC filed with the SEC its application for the approval of its merger with Arcosouth. Following the SEC's approval of the merger on August 22, 2019, the ownership over approximately 6,000 sqm of property in Arca South, composed of the approximately 4,000 sqm registered under SLDC and the approximately 2,000 sqm registered under Arcosouth, was consolidated under SLDC. The property is the site of the North and South Towers of Savya Financial Center.

JV Agreement between ALCO and Mitsubishi Estates Corporation

In August 2019, ALCO and Mitsubishi Estate Company, Limited (MEC), a corporation duly organized and existing under the laws of Japan, executed a joint venture agreement to invest in, establish and maintain a joint venture company ("JV Company") to be owned 60% by ALCO and 40% by MEC which (i) acquired and, thereafter, owns and holds the 50% equity interest of ALCO in SLDC, thereby making the JV Company the direct 50% stockholder in SLDC, and (ii) acquired by assignment the shareholder's advances made by the Corporation to SLDC.

Shareholders' Agreement and Memorandum of Agreement between ALCO (KHI) and ALCO's Filipino strategic partner for SLDC (HHI)

On October 11,2019, ALCO and Help Holdings, Inc., the principal shareholders of Arcosouth, executed a Shareholder's Agreement and a Memorandum of Agreement which contain the key principles of the parties' 50-50 sharing in the returns from the development of North and South Tower of the Savya Financial Center including the following, among other provisions:

- SLDC shall have two classes of common shares, Common A and Common B shares, each representing 50% of the total common shares of SLDC.

- KHI shall subscribe to 100% of Common A shares while HHI shall subscribe to 100% of Common B shares.
- All profits or losses in relation to the North Tower of Savya Financial Center ("North Tower) shall accrue to the Common A shares. KHI is responsible for ensuring that there is sufficient funding to complete the development of the North Tower.

- All profits or losses in relation to the South Tower of Savya Financial Center ("South Tower") shall accrue to the Common B shares. HHI is responsible for ensuring that there is sufficient funding to complete the development of the South Tower.

- The agreements require KHI to divest from its shareholding in SLDC upon the sale of 100% of office and retail units but in no case later than July 31, 2023 (the "Long Stop Date").

On February 8, 2023, KHI, HHI and ALCO executed a letter agreement extending the Long Stop Date to December 31, 2023.

On February 2, 2024, KHI, HHI and ALCO executed a letter agreement to further extend the Long Stop Date to December 31, 2024.

Investment Agreement between ALCO and Arch SPV 2 for Bhavya and Bhavana

On December 23, 2021, ALCO and Arch SPV 2, an investment vehicle of Arch Capital, entered into an Investment Agreement covering the following in relation to Bhavana and Bhavya:

1) Sale by ALCO and purchase by Arch SPV 2 of 40% of ALCO's common shares in and shareholder advances to each of Bhavana and Bhavya subject to the following terms:

    a. Selling Price: Php516 million

    b. Payment terms:

        i. Tranche 1 amounting to Php466.8 million payable as follows:

            1. Php233.4 million on closing date ("**Closing Date**")
            2. Php233.4 million at the end of six months from Closing Date

        ii. Tranche 2 amounting to Php49.2 million payable as and when Arch SPV achieves an internal rate of return of at least 22% pa from its investment in Bhavana and Bhavya following distributions to Arch SPV from Bhavana and Bhavya by way of dividends or repayment of contributions by way of shareholder advances and paid-up capital to Arch SPV 2.

2) Mutual agreement as to the rights and obligations of each of ALCO and Arch SPV 2 regarding the governance and management of Bhavana and Bhavya, including, among others, provisions establishing funding obligations, initial capitalization, transfer of shares, meetings of shareholders and composition of the Board of each of Bhavana and Bhavya.

On December 27, 2021, the parties executed agreements to achieve closing for the above transaction, which included, among others:

1) Deed of Assignment of 40% of ALCO's shareholder advances to Bhavana inclusive of all accrued interest thereon to Arch SPV 2 in exchange for a consideration amounting to Php248,000,000.00 of which Php111,700,000.00 was paid in cash by Arch SPV 2 to ALCO on Closing Date and the balance shall be paid as follows: (i) Php111,700,000.00 payable on June 27, 2022 and (ii) Php24,600,000.00 shall be payable as and when Arch SPV achieves an internal rate of return of 22% pa;
2) Deed of Assignment of 40% of ALCO's shareholder advances to Bhavya inclusive of all accrued interest thereon to Arch SPV 2 in exchange for a consideration amounting to Php248,000,000.00 of which Php111,700,000.00 was paid in cash by Arch SPV 2 to ALCO on Closing Date and the balance shall be paid as follows: (i) Php111,700,000.00 payable on June 27, 2022 and (ii) Php24,600,000.00 shall be payable as and when Arch SPV achieves an internal rate of return of 22% pa;
3) Deed of Absolute Sale over 40% of ALCO's common shares in Bhavana to Arch SPV in exchange for a consideration amounting to Php10,000,000.00 of which Php5,000,000.00 was paid by Arch SPV on Closing Date and Php5,000,000.00 is payable on June 27, 2022; and
4) Deed of Absolute Sale over 40% of ALCO's common shares in Bhavya to Arch SPV in exchange for a consideration amounting to Php10,000,000.00 of which Php5,000,000.00 was paid by Arch SPV on Closing Date and Php5,000,000.00 is payable on June 27, 2022.

Arch SPV remitted Php229,230,887.32 to ALCO in full payment of the Php233,400,000.00 remaining balance on Tranche 1 of the agreed purchase price for the common shares sold by and shareholder advances assigned by ALCO to Arch SPV net of an agreed adjustment to the purchase price amounting to Php4,169,112.68 which arose from additional taxes paid by Bhavana and Bhavya.

On August 5, 2022, the parties executed the Amendment to the Investment Agreement to document the adjustment to the purchase price on the transaction following additional taxes paid by Bhavana and Bhavya after Closing Date.

Investment Agreement and Joint Venture Agreement among ALCO, SEAIMMO and ZLDC

In November 2025, an Investment Agreement and a Joint Venture Agreement were executed among Arthaland Corporation, SEAI Metro Manila One, Inc. ("**SEAIMMO**"), a wholly-owned subsidiary of Mitsui Fudosan (Asia) Pte. Ltd., and Zileya Land Develoment Corporation to document the terms upon which Arthaland and SEAIMMO intend to jointly develop Sondris.

The Investment Agreement contains the terms and conditions upon which Arthaland agreed to sell and SEAIMMO agreed to purchase Arthaland's 40% interest in Zileya Land Development Corporation in the form of common shares, preferred shares and shareholder advances including the following:

- The total purchase price for the transaction is about Php725 million, of which Php520 million was paid on Closing Date upon the fulfillment of conditions precedent to closing and the balance is payable on December 15, 2026.
- On December 23, 2025, upon fulfillment of all conditions precedent to closing, the parties executed the Deed of Absolute Sale over the shares in ZLDC and the Deed of Assignment of Advances over the shareholder advances to ZLDC. On this date, SEAIMMO remitted

Php520 million and its two nominated directors were elected to the Board of ZLDC. The three remaining directors of ZLDC were nominated by Arthaland.

The Joint Venture Agreement contains the key terms and conditions upon which Arthaland and SEAIMMO agreed to jointly develop Sondris into a sustainable residential condominium based on the agreed master business plan for the project. Salient provisions include:

- Composition of the Board and the establishment of the Executive Committee

The Board will be composed of five (5) directors. Arthaland shall have three (3) nominee directors and SEAIMMO shall have two (2) nominee directors. In addition, an Executive Committee shall be established to oversee matters relating to the joint venture. The Executive Committee will also be composed of five (5) members, of which three (3) members are from Arthaland and two (2) members are from SEAIMMO.

- Reserved Matters

Matters enumerated under the Shareholders Reserved Matters, Board Reserved Matters, and Executive Committee (EC) Reserved Matters shall require unanimous approval of all shareholders, directors, or EC members, as applicable, who are present at the meeting at which such matter is considered.

- Management of the project

Arthaland has been appointed as the Project Manager for the project who is responsible for the day-to-day management of the company. Arthaland shall likewise provide property management services to the project upon its completion through its wholly owned subsidiary, Arthaland Prestige Property Solutions, Inc.

- Roles and responsibilities of the JV parties

Arthaland, as the appointed Project Manager, shall perform all the duties described in the Amended and Restated Project Management Agreement. SEAIMMO, on the other hand, shall provide the agreed investment for the project and shall at its best efforts introduce potential clients for the project, without any fee or compensation.

Shareholder Advance Agreement among ALCO, SEAIMMO and ZLDC

On December 23, 2025, ALCO, ZLDC, and SEAIMMO executed an amendment to the two existing shareholder advance agreement between ALCO and ZLDC. The amendment reflected the respective ownership interests in the shareholder advances following ALCO's sale of a 40% interest in such advances to SEAIMMO.

On April 24, 2026, an amendment letter to the shareholder advance agreements amounting to Php540 million was executed among ZLDC, ALCO and SEAIMMO to reflect (1) a 10% per annum interest rate on the shareholder advances beginning April 1, 2026 until fully paid and (2) amend the repayment of the shareholder advances to be paid in full upon completion of the project.

Memorandum of Agreement with De La Salle University for Courtyard Hall in Sevina Park

On January 11, 2024, Cazneau Inc. and De La salle University – Manila ("**DLSU**"), Inc. executed a Memorandum of Agreement for the guaranteed lease of 200 beds out of the 348 beds in Courtyard Hall at Sevina Park. The agreement is binding for the academic year 2023-2024 starting on September 1, 2023, to August 31, 2024.

In August 2024, Cazneau Inc. and DLSU agreed to continue the arrangement for academic year 2024-2025 starting on September 1, 2024, to August 31, 2025. In 2026, Cazneau again renewed its MOA with DLSU for academic year 2025 to 2026 starting on September 2025 up to August 2026.

Lease Agreement with Maxicare Health Services for Sevina Commercial unit

In February 2026, Cazneau executed a lease agreement with Maxicare Health Services, Inc. covering a 610 sqm ground-floor commercial unit at Sevina Park. The lease has a term of ten (10) years starting on September 1, 2027.

3. Shareholder Advance Agreements between ALCO and wholly-owned subsidiaries

Shareholder Advance Agreement between ALCO and CLLC

On December 23, 2021, ALCO and CLLC executed a Shareholder Advance Agreement wherein ALCO agreed to advance the principal amount of Php900,000,000.00 into CLLC which funds shall be used by CLLC exclusively to refinance the principal amortization for 2021 under the PNB OLSA amounting to Php900,000,000.00 which fell due in May 2021, August 2021 and November 2021. The advance carries an interest rate of 3.5% and is subordinated to any amounts outstanding under the PNB OLSA.

In April 2022, ALCO and CLLC executed a Shareholder Advance Agreement wherein ALCO agreed to advance the principal amount of Php1,100,000,000.00 into CLLC. The advance carries an interest rate of 3.5% and ranks pari-passu with other advances to and loans of CLLC.

On September 30, 2025, ALCO and CLLC signed an amendment letter to the various shareholder advance agreements made amounting to a total of Php3.0 billion, including the shareholder advances mentioned above. The amendment letter increases the interest rate from 3.5% to 10% per annum effective January 2025.

Shareholder Advance Agreement between ALCO and Cazneau

On September 30, 2025, ALCO and Cazneau executed a shareholder advance agreement for its previous advances granted to the Cazneau amounting to Php984.6M and imputed a 10% p.a. interest rate effective January 2025. Both the principal of the shareholder advance and the accrued interest will be paid upon the completion of the project.

On November 26, 2025, ALCO and Cazneau executed an amendment to the shareholder advance agreement amending the repayment provisions on accrued interest on shareholder advances. The agreement set forth that unpaid accrued interest amounting to Php152.6 million shall be converted as additional shareholder advances earning a 10% p.a. interest rate effective November 30, 2025.

On December 22, 2025, ALCO and Cazneau executed an amendment to the shareholder advance agreement following the non-remittance of the accrued interest earned and its conversion into

shareholder advances. The total shareholders advances amounts to Php1,137.2 million and will earn a 10% p.a. interest rate beginning December 1, 2025.

4. Loan Agreements

Guidance Line for Term Loan Facility Letter from Philippine National Bank ("PNB") to ALCO

On March 25, 2025, PNB renewed the Guidance Line for Term Loan Facility of up to Php1.0 billion through the execution of a Loan Agreement. The loan facility was obtained to partially finance ALCO's capital expenditures and working capital requirements and is payable at the end of three years. The loan facility is secured by the following:

a) Third party mortgage over nine retail units in Arya Tower 1 and 2 located at Block 4 corner 8th Avenue, McKinley Parkway, Fort Bonifacio Global City with Manchesterland as third-party mortgagor and registered owner;
b) Unregistered mortgage over 92 parking slots in Arya Tower 1 and 2 located at Block 4 corner 8th Avenue, McKinley Parkway, Fort Bonifacio Global City with Manchesterland as third-party mortgagor and registered owner and ALCO as mortgagor and registered owner.

As of April 30, 2026, Arthaland has outstanding loan of Php531 million under this facility.

Facility Letter from Bank of the Philippine Island ("BPI") to ALCO

On June 20, 2025, BPI renewed and increased the credit facilities to (1) a Php1.0 billion short-term loan and (2) a Php600 million RPNL, both of which are still available for drawdown by ALCO or any of its subsidiaries.

As of April 30, 2026, the following subsidiaries have outstanding loans under these short-term loan/RPNL facilities with BPI:

- Php145 million for Bhavana
- Php198 million for Bhavya
- Php780 million for SLDC, and
- Php158 million for Cazneau

Omnibus Loan and Security Agreement between PNB and Cazneau

Cazneau and PNB executed an OLSA, dated August 5, 2021, where Cazneau acted as Borrower and Mortgagor, ALCO acted as Grantor and PNB acted as Lender, Mortgagee, and Grantee, for a loan facility of up to One Billion Pesos (Php1,000,000,000.00), which will be made available to Cazneau in multiple tranches for a period of three (3) years from the date of the initial drawdown.

The loan was secured by: a) a real estate mortgage over two parcels of land located in Biñan Laguna covered by TCT No. 060-2016022843 and TCT No. 060-2016024761, registered under the name of Cazneau; and b) the grant of a security interest over share collateral corresponding to the common shares in Cazneau held by ALCO representing 100% of the issued and outstanding common shares of Cazneau.

The proceeds of the loan shall be used exclusively to partially reimburse the acquisition cost of the land on which Sevina Park will be developed, to partially reimburse developed costs on the Sevina Park estate incurred to date and to partially finance future development costs in relation to Sevina Park Villas, with a note that if the proceeds of the loan are not sufficient for the stated purpose, the deficiency shall be shouldered by Cazneau. A portion of the proceeds from the initial drawdown shall be used by Cazneau to partially repay shareholder advances from ALCO provided that ALCO's contribution into Cazneau, by way of paid in capital or shareholder advances shall not be less than Php667,000,000.00.

The outstanding term loan was fully paid in May 2026.

Omnibus Loan and Security Agreement between BPI and Bhavana

On November 22, 2021, Bhavana and BPI executed an OLSA, Bhavana acted as Borrower, Mortgagor and Assignor, and BPI acted as Lender, Mortgagee and Assignee, for a loan facility of up to Nine Hundred Thirty Million Pesos (Php930,000,000.00), which will be made available to Bhavana in multiple tranches for a period of three (3) years from the execution date of the OLSA.

The loan has a term of five years, inclusive of a grace period of three years from the initial borrowing date and is payable in eight quarterly principal payments based on the amortization schedule agreed between the parties commencing on the 13th quarter from the initial borrowing date. Among other affirmative and negative covenants, Bhavana's financial covenants under the loan require it to maintain a current ratio of at least 1.5x, a debt-to-equity ratio of 2.0x and a project debt to equity ratio not exceeding 0.5x.

The loan was secured by the following:

a) a real estate mortgage over one parcel of land located in Lot 1 Block 15 corner Samar Loop and Ayala Hipodromo, Barangay Mabolo, Cebu City, covered by TCT No. 107-2019004035, registered under the name of Bhavana;
b) comfort letter from ALCO; and
c) Twenty Million Pesos (Php20,000,000.00) deposit hold out in the name of Bhavana.

The proceeds of the loan shall be used exclusively to partially reimburse the acquisition cost of the land on which Lucima will be developed and to partially finance development costs in relation to Lucima. A portion of the proceeds from the initial drawdown shall be used by Lucima to partially repay shareholder advances from ALCO provided that ALCO's contribution into Bhavana, by way of paid in capital or shareholder advances shall not be less than Php500,000,000.00.

This facility has been fully drawn. As of April 30, 2026, Bhavana has an outstanding balance of Php433 million under this term loan.

Omnibus Loan and Security Agreement between BPI and Bhavya

On December 22, 2021, Bhavya and BPI executed an OLSA, Bhavya acted as Borrower, Mortgagor and Assignor, and BPI acted as Lender, Mortgagee and Assignee, for a loan facility of up to Nine Hundred Thirty Million Pesos (Php930,000,000.00), which will be made available to Bhavya in multiple tranches for a period of three (3) years from the execution date of the OLSA.

The loan has a term of five years, inclusive of a grace period of three years from the initial borrowing date and is payable in eight quarterly principal payments based on the amortization schedule agreed between the parties commencing on the 13th quarter from the initial borrowing date. Among other affirmative and negative covenants, Bhavya's financial covenants under the loan require it to maintain a current ratio of at least 1.5x, a debt-to-equity ratio of 2.0x and a project debt to equity ratio not exceeding 0.5x.

The loan was secured by the following:

a) a real estate mortgage over a real estate property under TCT No. 160194, registered under the name of First Capital Condominium Corporation ("**FCCC**") as issued by the Registry of Deeds ("**RD**")of Makati City and covering a parcel of land with an aggregate areas of 916 sqm and improvements thereon which will eventually be transferred and registered under the name of Bhavya as the beneficial owner of the real estate property following the execution of a Deed of Consolidation and after having acquired all 25 units comprising 100% of the voting members of FCCC;
b) letter of undertaking to submit the title of the real estate property under the name of Bhavya after having completed the consolidation within twelve (12) months from the execution date of the OLSA;
c) comfort letter from ALCO; and
d) Twenty Million Pesos (Php20,000,000.00) deposit hold out in the name of Bhavya.

The proceeds of the loan shall be used exclusively to partially reimburse the acquisition cost of the land on which Eluria will be developed and to partially finance development costs in relation to Eluria. A portion of the proceeds from the initial drawdown shall be used by Eluria to partially repay shareholder advances from ALCO provided that ALCO's contribution into Bhavya, by way of paid in capital or shareholder advances shall not be less than Php500,000,000.00.

This facility has been fully drawn. As of April 30, 2026, Bhavya has an outstanding balance of Php575 million under this term loan.

Term Loan Agreement between BPI and Zileya

On July 16, 2025, Zileya executed a Term Loan Agreement for a Php2.4 billion Senior Secured Term Loan Facility with BPI. Its use of proceeds includes partially financing the land acquisition and development for Sondris.

The term loan is priced to be the higher between (1) the 5-year BVAL rate plus a spread of 180 basis points and (2) 7.25% pa at the time of each drawdown. The loan has a 3-year grace period with increasing principal repayments at the start of the fourth year and a balloon payment at maturity date.

The facility is secured by the following:

- An unregistered real estate mortgage on the 11 CCTs located along Arnaiz Avenue, Legaspi Village, Makati;
- A letter of undertaking to submit and mortgage the mother title of the property under the name of Zileya upon the completion of the consolidation within two (2) years from signing date;
- A Comfort Letter from Arthaland Corporation;
- A Php20 million deposit hold out in the name of Zileya.

Upon consolidation of the ownership and issuance of the mother title under the name of Zileya and the obtaining mortgage clearance from the DHSUD, Zileya will execute in favor of the bank a registered real estate mortgage in the amount of Php290 million and an unregistered real estate mortgage in the amount of Php2.124 billion.

Under loan agreement, the Borrower covenants and agrees to maintain a Current Ratio of at least 1.5x and a Debt-to-Equity ratio not exceeding 2.0x.

As of April 30, 2026, Zileya has drawn Php1.20 billion on the facility.

Php1 billion Sustainability-Linked Loan with Chinabank

In March 2025, Arthaland executed an Omnibus Loan and Security Agreement for a Php1 billion Sustainability-Linked Loan ("**SLL**") facility with China Banking Corporation ("**Chinabank SLL**") as the lender. Its proceeds were used to refinance short-term loans used to support repayment of ASEAN Green Bonds Tranche 1, about Php1.3 billion of which was used to retain office and retail units in Cebu Exchange.

The loan was priced at 7.4683% p.a., which included a spread reflecting an incentive compared to regular term loans for Arthaland and is fixed for the duration of the loan for as long as Arthaland complies with the Sustainability Performance Targets agreed with Chinabank ("**Chinabank SPTs**") which shall be measured on the 4th year from drawdown date ("**SPT Observation Date**"). If Arthaland fails to meet the Chinabank SPTs, the rate will be subject to an upward adjustment of 1% p.a. which shall be paid by Arthaland on maturity date. The Chinabank SPT's are as follows:

1) Maintain at least 1 sustainable certification for Completed Projects (ACPT, Cebu Exchange, Savya) and secured at least 1 sustainable certification for Eligible Developments (based on current plans, these include Lucima and Eluria). Among the listed projects, only Lucima and Eluria have yet to secure certifications, nevertheless, both projects are on track to secure these certifications prior to the SPT testing date.

2) Completed Projects (ACPT, Cebu Exchange, Savya) should be supplied by renewable energy. As of today, all these projects have existing renewable energy supply contracts.

3) Conduct 8,000 cumulative training hours of Professional Green Building Training (under ALCO's Arthaland Masterclass program. Arthaland Masterclass is a collaborative initiative between ALCO and select universities designed for aspiring green building professionals. ALCO completed a total of 7,200 training hours since the start of this project – 1,200 hours in 2023, 2,400 hours in 2024 and 3,600 hours in 2025 and has increased its partnerships to four (4) universities in 2025.

The loan has a tenor of 5 years from drawdown date and is secured by a third-party accommodation mortgage executed by CLLC over 10,126 sqm of office units in Cebu Exchange. Interest is payable quarterly and the principal amortization is as follows: 10% quarterly payments starting on the fourth year of the loan with 30% balloon payment at maturity date.

The loan was fully drawn in May 2025.

Php1.5 billion Sustainability-Linked Loan with BDO Unibank

In November 2025, Arthaland executed an Omnibus Loan and Security Agreement for a Php1.5 billion Sustainability-Linked Loan with BDO Unibank, Inc. as the lender. Its use of proceeds is to refinance existing debt including availments that Arthaland had made under the Php1.5 billion Case-to-Case Credit Line ("**BDO CTC-CL**") that had been extended by BDO to Arthaland in February 2025. In turn, the BDO CTC-CL was used to refinance the Php1 billion unsecured BDO Term Loan which matured in February 2025 and the remaining principal payments on another term loan facility from BDO which was secured by units in ACPT and which matured in July 2025.

The BDO Sustainability-Linked Loan carries an interest rate of 6.9100% p.a. which included a spread which reflected an incentive compared to regular term loans for Arthaland and is fixed for the duration of the loan for as long as Arthaland complies with the SPTs agreed with BDO ("BDO SPTs") which shall be measured on the 2nd and 4th years from drawdown date ("SPT Testing Dates"). If Arthaland fails to meet the BDO SPTs on either Testing Date, the rate will be subject to an upward adjustment of 1% p.a. which shall be paid by Arthaland on the relevant observation dates. The BDO SPT's are as follows:

1) Reduction in Greenhouse Gas ("**GHG**") emissions of Arthaland's Operational Portfolio to be verified by an independent reviewer – 70% by 1st SPT Testing Date and 75% by 2nd SPT Testing Date. This SPT is aligned with the Company's commitment to fully decarbonize its portfolio by 2030. As of end 2025, Arthaland's Operational Portfolio (ACPT, Cebu Exchange, Savya) has achieved 96% reduction in GHG emissions.

2) Completed Projects (ACPT, Cebu Exchange, Savya) should be supplied by renewable energy. As of today, all these projects have existing renewable energy supply contracts.

3) 8,000 cumulative training hours of Arthaland Masterclass.

The loan has a tenor of 5 years from drawdown date and is secured by a real estate mortgage over office units and parking slots in ACPT. Interest is payable quarterly and the principal amortization is as follows: 10% quarterly payments starting on the fourth year of the loan with 30% balloon payment at maturity date.

The loan was fully drawn in December 2025.

Debt Capital Markets Facility with UBP

In May 2026, ALCO and its subsidiary CLLC entered into a Private Debt Securities Program with Union Bank of the Philippines ("**UBP**"), with a total program size of up to Php4.0 billion. The program includes a sub-limit allocation of Php1.5 billion for CLLC.

Proceeds from the facility are intended to support working capital requirements and for general corporate purposes. The facility is unsecured and each tranche drawdown carries a tenor of up to three (3) years, with interest rates structured on a graduated basis depending on the tenor of the corresponding promissory notes.

As of April 30, 2026, the facility has been fully availed.

Php1 billion PBCom Loan Facility

In December 2025, Philippine Bank of Communications ("**PBCom**") extended a credit facility to Arthaland in the amount of Php1.0 billion. The facility is unsecured and is intended to support the Company's working capital requirements and for general corporate purposes.

Availments are in the form of promissory notes with a tenor of up to 360 days, subject to prevailing lending rates, with interest repriced and payable on a monthly basis.

As of April 2026, Arthaland has availed Php100 million under this facility.

Other BDO Credit Facilities

In January 2026, BDO Unibank granted the following credit facilities to Arthaland Corporation which it can use to finance its working capital and other general corporate requirements:

- Php3 billion Credit Line via Promissory Notes which provides flexibility in number of drawdowns, each with term of up to five (5) years, no prepayment penalty and with the ability to re-avail once repaid. Interest rates are determined based on prevailing market rate for similar loan transactions.

  The facility is secured by the existing real estate mortgage over office units and parking slots in ACPT under the Php1.5 billion Sustainability-Linked Loan with BDO Unibank.

  As of April 30, 2026, Php1.5 billion of this facility has been drawn, all with a term of 5 years.

- Php350 million omnibus line which Arthaland can use as letters of credit ("**LC**"), forex settlement line, standby LCs or domestic bills purchased line, none of which has been availed to date.

Term Loan Facility with UBP for CLLC

In December 2025, Union Bank of the Philippines (UBP) granted a term loan facility to Cebu Lavana Land Corporation (CLLC) in the amount of Php610 million which was used to refinance short-term loans availed during the development of Cebu Exchange. The facility has a tenor of three (3) years and bears interest at a rate equivalent to BVAL plus 200 bps, subject to annual repricing.

Principal repayment is set at Php40 million annually for the first two years (i.e., 2026 and 2027), with the remaining outstanding balance due at maturity in 2028. Interest is payable on a quarterly basis.

The facility is secured by a mortgage over approximately 5,700 sqm of office and retail units in Cebu Exchange. It also requires maintenance of a maximum gearing ratio of 2.0x.

As of April 2026, the term loan has been fully availed.

Contract to Sell Facilities

Contract to Sell Facilities for SLDC

An agreement for the establishment of a CTS Facility was executed by SLDC and BDO Unibank, Inc. ("**BDO**") in February 2023 for financing receivables from buyers of units and parking slots in Savya Financial Center. As of April 30, 2026, the facility amounts to Php168.9 million, which has been fully drawn.

Contract to Sell Facilities for Cazneau

An agreement for the establishment of a Php500 million CTS Facility was executed by Cazneau and Asia United Bank ("AUB") in October 2022 for financing receivables from buyers of units and parking slots in Sevina Park Villas. In August 2025, the CTS facility increased from Php500 million to Php1 billion. As of April 30, 2026, Php242.2 million is outstanding under this facility.

An agreement for the establishment of a Php500 million CTS Facility was executed by Cazneau and BDO in July 2024 for financing receivables from buyers of commercial lots in Sevina Park. As of April 30, 2026, Php472.7 million is outstanding under this facility.

An agreement for the establishment of a CTS Facility was executed by Cazneau and BDO in October 2025 for financing receivables from buyers of units and parking slots in Sevina Park Villas and Una Apartments. As of April 30, 2026, the facility amounts to Php1 billion, of which Php310.0 million is outstanding.

Contract to Sell Facilities for Bhavana

In June 2025, BPI approved the renewal of the Php1.2 billion CTS Facility available for financing receivables from buyers of units and parking slots in Lucima. As of April 30, 2026, Php576.9 million is outstanding under this facility.

A Memorandum of Agreement for the establishment of a Php500 million CTS Facility was executed by Bhavana and AUB for financing receivables from buyers of units and parking slots in Lucima. As of April 30, 2026, there is no outstanding balance under this loan facility.

An agreement for the establishment of a Php1 billion CTS Facility was executed by Bhavana and BDO in December 2025 for financing receivables from buyers of units and parking slots in Lucima. As of April 30, 2026, Php131.3 million is outstanding under this facility.

Contract to Sell Facilities for Bhavya

An agreement for the establishment of a Php1.5 billion CTS Facility was executed by Bhavana and AUB for financing receivables from buyers of units and parking slots in Eluria. As of April 30, 2026, Php602.0 million remains outstanding under this facility.

An agreement for the establishment of a Php1 billion CTS Facility was executed by Bhavana and BPI for financing receivables from buyers of units and parking slots in Eluria. As of April 30, 2026, Php730.5 million remains outstanding under this facility.

Contract to Sell Facilities with Chinabank

In April 2025, Chinabank granted Contract to Sell facilities amounting to a total of Php1.0 billion, intended as a shared facility among Arthaland subsidiaries. The subsidiaries which can avail of the facility include Savya, CLLC, Bhavana, Bhavya and Cazneau, with no individual sublimit. In June

2025, Chinabank granted an additional Contract to Sell Facility amounting to Php500 million, with the same terms and conditions.

As of April 2026, outstanding balances under these facilities amount to Php1.2 billion for Cazneau and Php224 million for Bhavya.

Short Term Loan Facilities

ALCO has the following short-term unsecured loan facilities with various lenders:

(i) Php350 million short-term, unsecured facility with BDO which has been drawn in full as of April 30, 2026;
(ii) Php300 million short-term unsecured facility with no outstanding balance to date and Php10 million bills purchase line with CTBC Bank;
(iii) Php50 million short-term unsecured facility which is fully drawn to date and Php300 million bills purchase line with Union Bank of the Philippines;
(iv) Php500 million unsecured revolving credit line with Philippine National Bank ("**PNB**") of which Php100 million has been drawn as of April 30, 2026, and Php30 million domestic bills purchase line which has not been drawn;
(v) Php1.45 billion unsecured, short-term facility with Union Bank Trust of which Php1.18 million has been drawn as of April 30, 2026;
(vi) Php300 million domestic bills purchase line from BPI which has not been drawn to date.
(vii) Php400 million unsecured, short-term facility with Land Bank of the Philippines, of which Php300 million has been drawn as of April 30, 2026.

CLLC secured the following short-term unsecured loan facilities:

(i) a Php1.26 billion unsecured, short-term facility with Union Bank Trust which has been full drawn as of April 30, 2026.

(ii) a Php30 million Domestic Bills Purchase Line with Unionbank which has not been drawn as of April 30, 2026.

Savya secured the following short-term unsecured loan facilities:

(i) a Php500 million unsecured, short-term facility with Union Bank Trust of which Php465 million has been drawn as of April 30, 2026.

Cazneau secured the following short-term unsecured loan facilities:

(i) a Php250 million unsecured, short-term facility with UnionBank Investment Management and Trust Corporation which has been fully drawn as of April 30, 2026.

5. Construction Contracts

On April 11, 2018, CLLC issued a letter of award to DDT Konstract, Inc. for general construction contract over Cebu Exchange.

In August 2019, Savya issued a letter of award to Datem Construction, Inc. for general construction contract over Savya Financial Center.

On September 2, 2019, Savya issued a letter of award to Datem Incorporated for the designing, construction, testing, and completion of certain works over Savya Financial Center.

On September 23, 2020, Cazneau issued a letter of award to Interfield Construction Corporation ("**ICC**") for the performance of general construction works for blocks 3 and 5 and amenities for the Sevina Park Villas.

On March 15, 2021, Cazneau issued a letter of award to James Construction for CPO1.2a Take Over Works construction contract over Sevina Park – Block 3 and 5 Villas.

On March 15 2021, Cazneau issued a letter of award to Oikodomeo Construction Corp. for CPO1.2b Take Over Works construction contract over Sevina Park – Block 3 and 5 Villas.
On March 15, 2021, Cazneau issued a letter of award to CICJ General Construction & Building Maintenance Inc. for the CPO1.2d Take Over Works construction contract over Sevina Park – Block 3 and 5 Villas.

On August 31, 2021, Cazneau issued a letter of award to Terp Asia Construction Corporation for the performance of general construction works for batch 1 and 2 of block 6 and the amenities and pavilion for the Sevina Park Villas.

On November 22, 2021, Bhavana Properties issued a letter of award to Monocrete Construction Philippines, Inc. for CP02 General Construction Works construction contract over Lucima.

On July 9, 2021, Cazneau issued a letter of award to James Construction for CPO1.2j Take Over Works construction contract over Sevina Park – Cluster 2A and 3F (5 units).

On February 7, 2022, Cazneau issued a letter terminating the engagement of ICC as of February 5, 2022. The letter cited ICC to be in material breach of its obligations under the construction contract for Sevina Park Villas.

On May 2, 2022, Cazneau issued a letter of award to CICJ General Construction & Building Maintenance Inc. for CPO1.2f Take Over Works construction contract over Sevina Park – Block 3 and 5 Villas.

On May 2, 2022, Cazneau issued a letter of award to James Construction for the CPO1.2g Take Over Works construction contract over Sevina Park – Block 3 and 5 Villas.

On May 13, 2022, Cazneau issued a letter of award to James Construction for CPO1.2h Take Over Works construction contract over Sevina Park – Block 3 and 5 Villas.

On June 30, 2022, Cazneau issued a letter of award to James Construction for CPO1.2i Take Over Works construction contract over Sevina Park – Block 3 and 5 Villas: 3-24 and 5-15.

On November 2022, Cazneau issued a letter of award to Terp Asia Construction Corporation for the performance of general construction works for the batch 3 and 4 of block 6 for the Sevina Park Villas.

On January 19, 2023, Bhavya issued a letter of award to Datem Incorporated for general construction works for Eluria.

On August 17, 2023, Cazneau issued a letter of award to ASEC Development and Construction Corporation for general construction works for Una Apartments Tower 1.

On October 1, 2024, Bhavana issued a Notice of Termination of Contract to Monocrete Construction Philippines, Inc. ("**Monocrete**"), the General Contractor of Lucima. The decision to terminate the contract with Monocrete allows Arthaland to take control over the works and complete the project according to its quality standards. Following the takeover, Bhavana awarded works to new contractors (e.g., ASEC Development and Construction Corporation, KGB Schneiden Corp., Concrete Solution Builder and Supply) in various stages to complete the project.

On May 29, 2025, Cazneau issued a letter of award to ASEC Development and Construction Corporation for the general construction works for Una Apartments Tower 2.

We have engaged the services of Mitsubishi Jisho Design Asia to do the masterplan of the estate for Project Vanilla. As of date, the Final Master Plan has been completed and approved by the landowners.

6. Acquisition of Property

Acquisition of CCTs in Midland Mansions

On February 24, 2025, Arthaland's subsidiary, Zileya Land Development Corporation executed a contract to sell for the sale of 26 CCTs of Midland Mansions Condominium located at 839 Arnaiz Avenue, Legaspi Village, Makati City. The transaction shall be for a total consideration of Php1,486,058,000.00 to be paid in three tranches subject to completion of certain conditions. To date, the total purchase price has been fully paid and the relevant deeds of absolute sale for the 26 CCTs have been executed. Further, all of the 26 CCTs have been transferred under ZLDC's name.

Prior to the acquisition, Zileya already held 22 CCTs, representing 47.4% ownership of the property with a total area of 2,018 sqm. The subsequent purchase of condominium titles, covering the remaining 52.6%, completed Zileya's acquisition of 100% ownership of the property.

Following the consolidation of ownership, the mother title covering the entire 2,018 sqm property has been transferred under the name of ZLDC.

Acquisition of 50% of 5-hectare property in Banilad for Project Vanilla

Furusato Land Corporation ("**FLC**") acquired 50% of a 5-hectare property along Banilad Road, Cebu City. Approximately three hectares shall be developed into finished lots which will be distributed equally between FLC and the landowner while the remaining two hectares will consist of common areas, including roads and related infrastructure, which will eventually be conveyed to the Estate Association. The following definitive agreements were executed to document the intention of the parties:

Land Allocation Agreement

On May 29, 2025, FLC and the Landowner SPVs entered into and executed a Land Allocation Agreement to set out the specific finished lots that will be distributed equally between FLC and the Landowner SPVs.

Land Development Agreement

On May 29, 2025, FLC and the Landowner SPVs entered into a Land Development Agreement designating FLC as the developer for purposes of carrying out the site development of Phase 1 of the Estate. FLC, as the developer, shall be responsible for securing the necessary permits, and undertaking the necessary development works , including the engagement of the consultants and contractors for the site development of Phase 1 of the Estate.

Sale and Purchase Agreement

On May 30, 2025, FLC, the Landowner SPVs, and the Seller executed a Sale and Purchase Agreement ("**SPA**") for the acquisition of Phase 1 of the Estate with a total area of 50,758 sqm. The total consideration for FLC's purchase of the 50% interest of Phase 1 of the Estate amounts to Php2,661,555,127.66 and shall be payable in four tranches until 2028.

To date, FLC has paid a total of Php1.3 billion representing the downpayment and the second payment to the Landowner. The titles covering Phase 1 of the Estate composed of 14 TCTs have been transferred under the name of FLC and Landowner SPVs as co-owners. The parties are currently in process of subdividing the titles in accordance with the Land Allocation Agreement.

Acquisition of 3,700 sqm property for Project Liv

On August 7, 2024, Arthaland's wholly-owned subsidiary, Sotern Land Corporation, signed a Memorandum of Agreement ("**MOA**") with the owners of parcels of land with an aggregate area of approximately 3,700 sqm. The purchase price is payable in three tranches, with each tranche subject to the fulfillment of specific terms and conditions as set forth in the MOA.

In 2025, SLC completed the acquisition of the property for a total consideration of Php1,027,125,000.00. Accordingly, Deeds of Absolute Sale covering the 4 lots comprising the property have been executed. As of date, 2 of the 4 titles have been transferred under the name of SLC, while the transfer of the remaining 2 titles is currently in process.

Acquisition for Project Olive

On January 29, 2021, ALCO executed a Contract to Sell for 27 parcels of land with an aggregate area of 11,862 sqm for a total consideration of Php2,019,063,877.74 which shall be payable in tranches over 270 days from favorable completion of due diligence over the property. The acquisition of the property is subject to the fulfillment (to the satisfaction of the Company) of several prescribed conditions for consummation of the purchase and the payment of the consideration of the Company.

On December 5, 2023, Arthaland's wholly-owned subsidiary, Pradhana executed a MOA superseding the Contract to Sell dated January 29, 2021. The MOA contains the definitive terms and conditions for the acquisition from sellers and agents of 61 residential lots with an aggregate area of 26,185 sqm including the following:

- The transaction shall be for a total consideration of Php4,022,792,420.50 exclusive of VAT;
- The purchase price payable to the sellers shall be paid by Pradhana over four tranches;

- The service fees payable to the agents is broken down into six components which shall be paid by Pradhana to the agents upon the fulfillment of terms and conditions for each component.

To date, the sellers and agents are completing the conditions and documents required to trigger the release of the first tranche of the purchase price.

DISTRIBUTION METHODS

ALCO employs five (5) sales operations head in charge of overseeing the sales efforts of the Company's sales infrastructure. As of April 30, 2026, the Company engages the services of twenty (20) sales directors, seventy (70) sales managers, ninety-eight (98) deputy sales managers and one hundred nineteen (119) sales associates on a contractual basis. These sales managers and sales associates coordinate and deal with commission-based sales professionals who sell to ALCO's customers. The structure applies to both individual and corporate sales.

COMPETITION

Significant barriers to entry into the market are the considerable capital needed for the acquisition and development of land, the development expertise and reputation required from an experienced management team, and the technical know-how, to name a few.

ALCO faces competition from other domestic property developers, and the level of competition depends on product types, target market segments, location of developments and pricing, among others. Competition is also present in the procurement of raw materials, particularly in a tight supply market.

ALCO views as direct competition the major property players which are into the middle and high market categories for high-rise residential developments in the vicinity of ALCO's investment properties. Further, ALCO competes with these property developers for high-caliber sales/leasing agents and brokers.

ALCO considers two (2) direct competitors in the high-end residential market segment in terms of comparable quality of development and pricing of products – Ayala Land, Inc. and Rockwell Land Corporation. These companies have been in the business many years earlier than ALCO and they have strong brand equity, long track record, and big balance sheets. In the office development front, ALCO competes with both large and medium-scale developers such as Ayala Land, Inc., The Net Group, Daiichi Properties, and other local developers, particularly in Cebu City. These companies are considered to have the greater share of the market at the moment. With the Company's entry into the broader mid-market segment, it recognizes key competitors such as Avida Land Corporation (a subsidiary of Ayala Land Inc.), DMCI Homes, Robinsons Land Corporation, and Megaworld Corporation. These established firms have a long-standing presence and strong brand recognition in the industry. ALCO aims to provide top-quality sustainable products within this market catering to the growing demand for eco-friendly products tailored to the needs of the mid-market consumers.

In the office development front, ALCO competes with both large and medium-scale developers such as Ayala Land, Inc., The Net Group, Daiichi Properties, and other local developers, particularly in Cebu City. These companies are considered to have the greater share of the market now.

ALCO has the ability to grow and compete in its chosen segment, despite the presence of these larger, more established competitors. Given ALCO's strict adherence to quality, innovation and sustainability, the desirability of the project locations, its competitive pricing schemes and commitment to its projects even after sales, it is able to compete quite effectively.

ALCO intends to primarily capitalize on its niche market by developing projects in distinct locations, which are unique and special in terms of design, high quality of construction, and sustainable and wellness features. Although most of ALCO's developments cater to the luxury and upscale market segments, the Company intends to strengthen its portfolio by venturing into the broader midscale market segment.

ALCO is the pioneer in sustainable developments, being the first and only company to have a portfolio of office and residential projects that is 100% certified as sustainable under the LEED, BERDE, EDGE and WELL certification programs. It intends to continue to provide distinctive products with better quality at competitive pricing. ALCO is able to achieve this given its strong but lean management team as well as its organization as a whole.

INDUSTRY OVERVIEW

The property development sector remains inherently cyclical and closely linked to economic growth, consumer and business confidence, access to financing, interest rate movements, construction costs, and the political and regulatory environment.

The Philippine economy decelerated in 2025, with GDP expanding by 4.4%, below the government's 5.5%–6.5% target and marking the third consecutive year of underperformance. Growth slowed sharply in the fourth quarter to 3.0%, reflecting the impact of weather-related disturbances, reduced investment activity, and weakened confidence. On the demand side, household final consumption expenditure grew by 4.6%, while gross capital formation declined by 2.1%, driven largely by lower government infrastructure spending toward year-end. These conditions underscore the property sector's sensitivity to economic momentum, investment cycles, and confidence.

The residential real estate sector is primarily driven by household income growth, employment conditions, housing affordability, and access to credit. Overseas Filipino workers ("**OFWs**") continue to represent a significant source of housing demand, particularly in the affordable and mid-market segments. Accordingly, the sector remains exposed to economic conditions in key overseas labor markets, including the United States, the Middle East, and parts of Europe and Asia-Pacific. Disruptions affecting overseas employment, remittance flows, exchange rates, or geopolitical stability may adversely affect residential demand and absorption.

The office market remains closely linked to the information technology and business process management ("**IT-BPM**") sector, which predominantly serves foreign clients. While the United States and Europe remain major markets, the industry has increasingly diversified toward Australia, New Zealand, and other Asia-Pacific economies. In parallel, the sector is transitioning from traditional voice-based services toward higher-value, knowledge-based activities, including financial, legal, healthcare, engineering, and digital services. Office demand is therefore subject to global economic conditions, outsourcing strategies, technological change, and evolving workplace models.

Inflation edged higher in early 2026, driven mainly by higher energy-related costs and services, while remaining within the central bank's target range. Elevated energy prices and input costs may increase construction expenses, operating costs, and household expenditures. Although the Bangko Sentral ng Pilipinas ("**BSP**") has reduced policy rates to support growth amid softening domestic demand, future monetary policy actions remain dependent on inflation developments and confidence conditions. Any reversal of the easing cycle could raise borrowing and mortgage rates, affecting housing affordability and project returns.

Geopolitical tensions in the Middle East pose additional risks to the Philippine economy through potential increases in global oil prices, inflationary pressures, foreign exchange volatility, and remittance flows. Prolonged disruptions may weigh consumer spending, investment sentiment, and financing conditions.

Office Segment – Metro Manila

Office Supply

As of the end of Q1 2026, total office stock in Metro Manila stood at approximately 15 million square meters and is projected to expand to around 16.7 million square meters by end-2030, reflecting a steady pipeline of new developments.

By year-end 2026, the major central business districts ("**CBDs**"), particularly Makati City and Fort Bonifacio ("**BGC**"), are expected to account for approximately 40% of the total office supply, underscoring their continued dominance as premier office locations.

From 2026 to 2030, the bulk of new office completions is anticipated to be concentrated in key CBDs, including Makati, Quezon City, Mandaluyong, and the Bay Area. This geographic distribution of future supply highlights sustained developer focus on established and emerging business districts, supported by infrastructure developments and evolving occupier preferences.

Metro Manila Annual Office Supply (in '000 sqm of GLA)

Submarket	As of Q1 2026	9M 2026F	2027F	2028F	2029F	2030F	End 2030F
Makati CBD	3,397		11	66	51	274	3,800
Fort Bonifacio	2,729		22	40	37		2,800
Ortigas Center	2,354	60					2,400
Bay Area	1,545	92	33	60	70		1,800
Quezon City	1,265	86		90	80	61	1,600
Alabang	869	32					901
Makati Fringe	802	76		21			899
C5 Corridor	781		15	48			844
Others	675	111	36				822
Mandaluyong	542	48	91	64		61	806
Metro Manila	14,961	505	208	388	238	396	16,695

Source: Colliers International 2026 Q1 Property Briefing

Demand

In its Q1 2026 property briefing, Colliers reported a projected office vacancy rate of 19% for Metro Manila, alongside a forecasted full-year net take-up of approximately 400,000 square meters. As of Q1 2026, recorded net absorption reached 73,000 square meters, indicating a steady, albeit moderated, pace of market recovery.

Office demand remains resilient despite a 13% year-on-year decline in leasing activity, with momentum improving on a quarterly basis, as evidenced by a 12% quarter-on-quarter increase. This suggests a gradual rebound in occupier confidence amid evolving market conditions.

Demand continues to be driven primarily by shared services and third-party outsourcing ("**3PO**") firms, which account for the largest share of transaction volumes. These are followed by government agencies and traditional corporates, reflecting a broadening tenant base supporting market absorption.

Notably, Fort Bonifacio ("**BGC**") continues to maintain strong leasing momentum, benefiting from its modern office stock, high-quality infrastructure, and sustained appeal to multinational occupiers and outsourcing firms.

Lease rates

According to Colliers' Q1 2026 property briefing, average office lease rates across Metro Manila have remained generally stable, reflecting a balance between persistent vacancy pressures and sustained demand in prime submarkets. Headline lease rates ranged widely from approximately Php450.00 to Php2,400.00 per square meter per month, depending on location, building grade, and specifications.

Makati Central Business District ("**CBD**") continues to command the highest lease rates in the market, with headline rents ranging from about Php1,300.00 to Php2,400.00 per square meter per month. This premium is supported by Makati's established status as the country's premier financial hub, limited availability of Grade A spaces, and strong demand from traditional corporate occupiers.

Bonifacio Global City ("**BGC**") follows, with lease rates typically ranging between Php1,100.00 and Php1,600.00 per square meter per month. BGC's relatively new office stock, modern building specifications, and appeal to multinational firms and IT-BPM occupiers underpin its ability to sustain upper-mid to high rental levels. Lease rates in BGC have remained stable, indicating continued occupier interest despite elevated overall vacancy in Metro Manila.

Similarly, Ortigas Center has maintained stable rental levels, supported by its competitive pricing and availability of both traditional and flexible workspaces. While generally priced below Makati and BGC, Ortigas continues to attract cost-sensitive occupiers seeking accessible locations with established infrastructure.

Overall, the stability in lease rates across key CBDs suggests that landlords in prime locations are maintaining pricing discipline despite market headwinds. This resilience is largely driven by sustained demand for quality office spaces, even as higher vacancies in non-core locations continue to exert downward pressure on average rents across the broader Metro Manila market.

Office Segment – Cebu

The Cebu office market continues to position itself as a strong and viable alternative to Metro Manila, supported by its competitive operating environment and established office submarkets.

As of Q1 2026, Metro Cebu's total office stock reached approximately 1.54 million square meters, with an additional 208,000 square meters of new supply expected to be delivered between 2026 and 2029. This pipeline reflects sustained developer confidence in the market's long-term growth prospects.

Vacancy in Metro Cebu stood at 16% in Q1 2026, representing a notable 5.6 percentage-point improvement year-on-year, according to Colliers. This decline in vacancy signals a gradual recovery in leasing activity and steady occupier demand.

Key submarkets such as Cebu Business Park and Cebu IT Park continue to outperform the broader market. These areas posted lower vacancy levels of approximately 12%–13%, below the Metro Cebu average, while commanding headline lease rates at the upper end of the market range (Php450.00 to Php900.00 per square meter per month). Their strong performance underscores sustained demand for prime office locations.

While provincial office transactions declined by 32% year-on-year, Cebu remains attractive to both investors and occupiers. This is driven by its relatively lower occupancy costs compared to Metro Manila, deep talent pool for the IT-BPM sector, and improving market fundamentals, which collectively support its position as a key regional office hub.

Residential Segment

Metro Manila Annual Residential Supply (in condominium units)

In its Q1 2026 property briefing, Colliers reported that the residential sector in Metro Manila had a relatively strong start to the year, albeit tempered by geopolitical uncertainties arising from the Middle East crisis.

The report highlighted a continued shift in demand toward the affordable and economic condominium segments, which are gradually catching up in terms of take-up. In Q1 2026, approximately 2,000 condominium units were completed, with an additional 12,900 units expected to be delivered over the remainder of the year.

Colliers also noted a more balanced geographic distribution of new condominium supply for 2026. The Bay Area is projected to account for the largest share at 32%, followed by the C5 Corridor (26%) and Ortigas Center (24%). Despite this incoming supply, overall levels remain below pre-POGO benchmarks.

However, elevated vacancy continues to weigh on the market. Residential vacancy in Metro Manila stood at 24.7% in Q1 2026 and is projected to further increase to a record high of 25.6% by year-end. The Bay Area remains the primary contributor, with vacancy levels in the submarket expected to reach 59.4% by end-2026.

While affordable and economic segments accounted for the majority of take-up during the first quarter, a significant portion of unsold ready-for-occupancy ("**RFO**") units remain concentrated in the lower mid-income to upper mid-income segments, representing nearly 50% of total unsold inventory.

Encouragingly, there are early signs of improving market absorption. Inventory life for condominium units shortened from 8.0 years in Q4 2025 to 6.8 years in Q1 2026, indicating a gradual recovery in buyer sentiment. The improved take-up in the affordable and economic segments is partly attributed to government housing initiatives such as the Pambansang Pabahay Para sa Pilipino ("**4PH**") Program.

Meanwhile, OFW remittances remain a key demand driver. In Q1 2026, Colliers reported that a record-high 17.1% of OFW household expenditures were allocated to housing purchases. Remittances from the Middle East accounted for approximately 18% of total inflows in 2025, reflecting steady growth of nearly 4% since 2020.

Several risks continue to pose potential disruptions to the residential sector. These include exposure to fluctuations in OFW remittances, rising inflation which may delay big-ticket purchases, elevated construction costs leading to project delays, and continued interest rate pressures resulting in higher borrowing costs and mortgage rates.

SUPPLIERS

Construction of ALCO's project/s is awarded to qualified reputable construction firms subject to a bidding process and management's evaluation of contractors' qualifications and satisfactory working relationships. Construction materials, primarily cement and rebars, are normally provided by the contractors as part of their engagement. In instances when management finds it to be more cost-effective, ALCO may opt to procure owner-supplied construction materials.

ALCO's material suppliers as well as the products and services supplied to ALCO as of the date of this Prospectus are summarized below:

Supplier	Products and Services Provided
Datem Incorporated	General contractor for Savya Financial Center
DDT Konstract, Inc.	General contractor for Cebu Exchange
Datem Incorporated	General contractor for Arya
Megawide Construction Corporation	General contractor for ACPT
Monocrete Construction Philippines, Inc.[15]	General contractor for Lucima
Datem Incorporated	General contractor for Eluria
ASEC Development Corporation	General contractor for Una Apartments Tower One and Two
Sasaki and Associates	Masterplanner for Sevina Park
Mitsubishi Jisho Design Asia PTE. LTD.	Masterplanner for Project Vanilla
Visionary Architecture, Inc.	Masterplanner for Project Vanilla (Local Counterpart)
Kengo Kuma and Associates	Architecture Services for the first tower of Project Vanilla
Skidmore, Owings & Merrill, LLP	Architecture Services for ACPT
Rchitects, Inc.	Architecture Design Services for Savya
Leandro V. Locsin and Partners	Architecture Services for Sevina Park
S+A Singapore Pte. Ltd.	Architecture Consultancy Services for CD & SD for Lucima
Michael Banak Architecture	Architecture Services for Eluria
GF and Partners, Architects	Architecture Services (Architect of Record) for Lucima
Aidea Inc.	Architecture Services (Architect of Record) for Eluria
Visionary Architecture, Inc.	Architecture Services for Liv
AEDAS	Architecture Services (Architect of Record) for Sondris
Casas + Architects, Inc.	Architecture Services forSondris
Arcadis Philippines Inc.	Quantity Surveyor for Arya, ACPT, Cebu Exchange, Savya, Una Apartments, Eluria, Lucima, Sondris and Project Vanilla
Metri Quantity Surveyors	Quantity Surveyor for Sevina Park

Supplier	Products and Services Provided
Danilo C. Mancita, Inc.	Construction Manager for Arya
AECOM Philippines Consultants Corp.	Quantity Surveyor for Eluria
JCV & Associates	Project Manager for Lucima and Eluria Quantity Surveyor for Liv
Design Coordinates Inc.	Project Manager for Liv and Sondris
Arthaland Prestige Property Solutions	Project Manager for Una Apartments

The Company employs competitive bidding process for all our projects. As a result, no two projects which are under construction have the same general contractor at all times. The contracts with each general contractors are described under material agreements and the contracts are also attached to the filing with the SEC. Please refer to the discussion on Construction Contracts under Material Agreements in pages [159] for more details on the general contractors for all our projects.

Arthaland also employs competitive bidding for several services for mechanical, electrical, plumbing, and fire protection ("**MEPFs**"). As such, we have no dependence on one major supplier for our projects.

DEPENDENCE ON CERTAIN CUSTOMERS

As a general rule, the Company has a broad customer base and is not materially dependent on a single or a few customers. However, in August 2024, Bhavana executed contracts-to-sell with a single buyer amounting to approximately Php1 billion covering 3,500 sqm of condominium units in Lucima. The contracts were executed on an arms-length basis and contain customary terms and conditions considering the bulk nature of the transaction. This transaction is a one-off occurrence. The Company's selling programs remained structured to reach a broader customer base.

TRANSACTIONS WITH AND/OR DEPENDENCE ON RELATED PARTIES

In the regular conduct of business, ALCO and its wholly owned subsidiaries enter into intercompany transactions, primarily advances necessary to carry out their respective functions subject to liquidation and reimbursements for expenses. ALCO ensures that while these transactions are made substantially on the same terms as with other individuals and businesses of comparable risks, they are fair and treated at arm's length.

ALCO also ensures compliance with BIR Revenue Regulations No. 19-2020 and BIR Revenue Regulation No. 34-2020 on related party transaction disclosures. To comply with the above BIR regulations and documentation, the Company has engaged Reyes Tacandong & Co. ("**RTC**") to assist in reviewing the intercompany transactions pursuant to the above regulations. The Company, likewise, submits BIR Form No. 1709 together with the Annual Income Tax Return on an annual basis.

Please refer to page [251] for a discussion on Certain Relationships and Related Transactions for a more comprehensive discussion of transactions with related parties

PATENTS, TRADEMARKS AND COPYRIGHTS

ALCO's operations are not dependent on patents, trademarks, copyrights and the like, although ALCO, on its own behalf and those of its subsidiaries, sought from the Intellectual Property Office of the Philippines and was granted the exclusive use of the tradenames, logos and taglines "Arthaland Future

Proof by Design", "Arthaland Century Pacific Tower", "ARTHALAND Building Sustainable Legacies", "Cebu Exchange", "Savya Financial Center", "Sevina Park", "Lucima", "Eluria", "Una Apartments", "Sondris", "The Potager Gardens by Arthaland", "The Potager Garden", "The Garden of Simples", "Emera", "Arthaland Prestige Property Solutions" and "NAVIS by Arthaland". The tradename "Arya Residences" now belongs to Arya Residences Condominium Corporation.

As of the date of this Prospectus, the Company has registered the following trademarks with respect to its business:

Mark		Number	Registration Date	Expiration Date
Arthaland Century Pacific Tower	ARTHALAND CENTURY PACIFIC TOWER	4-2016-012422	January 19, 2017	January 19, 2027
Arthaland Future Proof by Design	ARTHALAND FUTURE PROOF BY DESIGN	4-2019-003408	August 1, 2019	August 1, 2029
Arya Residences	ARYA RESIDENCES	4-2019-003407	July 11, 2019	July 11, 2029
Sevina Park	SEVINA PARK	4-2019-006509	October 3, 2019	October 3, 2029
Savya Financial Center	SAVYA FINANCIAL CENTER	4-2019-006508	December 29, 2019	December 29, 2029
ARTHALAND Building Sustainable Legacies	ARTHALAND BUILDING SUSTAINABLE LEGACIES	4-2019-018161	October 9, 2020	October 9, 2030
Cebu Exchange	CEBU EXCHANGE	4-2019-003406	November 19, 2022	November 19, 2032
The Potager Gardens by Arthaland	The Potager Gardens by Arthaland (wordmark)	4-2021-528412	April 8, 2023	April 8, 2033
The Garden of Simples	The Gardens of Simple (wordmark)	4-2021-529055	November 5, 2022	November 5, 2032
The Potager Garden	The Potager Garden (wordmark)	4-2021-528976	April 16, 2022	April 16, 2032
NAVIS by Arthaland	NAVIS by Arthaland (wordmark)	4-2021-512097	September 9, 2023	September 9, 2033
Emera	Emera (wordmark)	4-2021-517034	July 9, 2022	July 9, 2032
Arthaland Prestige Property Solutions	Arthaland Prestige Property Solutions (wordmark)	4-2022-505485	January 7, 2023	January 7, 2033
Eluria	Eluria (wordmark)	4-2022-501729	July 16, 2022	July 16, 2032
Lucima	Lucima (wordmark)	4-2022-501730	June 4, 2022	June 4, 2032

Mark		Number	Registration Date	Expiration Date
Una Apartments	Una Apartments (wordmark)	4-2022-516722	January 7, 2023	January 7, 2033
Sondris	Sondris (wordmark)	4-2025-528767	December 14, 2025	December 14, 2035

NEED FOR GOVERNMENT APPROVAL FOR PRINCIPAL PRODUCTS OR SERVICES

ALCO secures various government approvals such as Environmental Compliance Certificates ("**ECC**"), development permits and licenses to sell as part of its normal course of business.

ALCO is required to strictly follow the guidelines of the DENR. In order to secure environmental permits, including the ECC for its projects, the Company undertakes to conduct certain studies including but not limited to an Engineering Geological and Geohazard Assessment Report ("**EGGAR**"), traffic and flood studies. The cost of these studies is less than 0.5% of total cost of the project, which is not significant compared to the total cost.

ALCO does not foresee any material or adverse effect of existing and probable government regulations on its business.

As of the date of this Prospectus, ALCO and its subsidiaries have secured such governmental approvals, permits and licenses issued by the relevant government bodies or agencies listed below, as which are necessary to conduct their business and operations. While the governmental approvals, permits and licenses required for specific projects have either been secured or are currently being processed by the relevant government bodies or agencies, as indicated in the list below.

CORPORATE PERMITS

Arthaland Corporation

Name of Permit	Issuing Agency	License/ Permit No.	Issue Date	Expiry Date
1. Certificate of Registration- BIR Forms 2303	Bureau of Internal Revenue ("**BIR**")	OCN 126RC20240000000286 TIN 004-450-721-000	July 6, 1998	N/A
2. Business Permit	City of Taguig	LCN-20-004292	March 19, 2026	December 31, 2026
3. Barangay Business Clearance	Barangay Fort Bonifacio, City of Taguig	N/A	March 30, 2026	N/A
4. Sanitary Permit to Operate	Office of the City Health Officer, Taguig City	A4260319-24103	March 25, 2026	December 31, 2026
5. Certificate Employer's Registration	Pag-IBIG	Employer No. 204213480002	August 31, 2016	N/A
6. Certificate Employer's Registration	Social Security System ("**SSS**")	SSS Employer No. 03-9211531-5-000	August 23, 2016	N/A
7. Certificate Employer's Registration	PhilHealth	PhilHealth Employer No. 001000014010	August 23, 2016	N/A
8. Certificate Registration	PEZA	Certificate of Registration No. 08-10-F (IT)	April 16, 2009	N/A

Urban Property Holdings, Inc.

Name of Permit	Issuing Agency	License/ Permit No.	Issue Date	Expiry Date
1. Certificate of Registration- BIR Forms 2303	Bureau of Internal Revenue ("**BIR**")	OCN 044RC20240000000272 TIN 004-477-699-000	July 13, 1998	N/A
2. Business Permit	City of Taguig	LCN-20-004561	March 19, 2026	December 31, 2026
3. Barangay Business Clearance	Barangay Fort Bonifacio, City of Taguig	N/A	March 30, 2026	N/A

Name of Permit	Issuing Agency	License/ Permit No.	Issue Date	Expiry Date
4. Sanitary Permit to Operate	Office of the City Health Officer, Taguig City	A4260319-23989	March 25, 2026	December 31, 2026

Cazneau, Inc.

Name of Permit	Issuing Agency	License/ Permit No.	Issue Date	Expiry Date
1. Certificate of Registration- BIR Forms 2303	Bureau of Internal Revenue ("**BIR**")	OCN 044RC20240000000273 TIN 007-089-627-000	August 27, 2008	N/A
2. Business Permit	City of Taguig	LCN-20-004560	March 5, 2026	December 31, 2026
3. Barangay Business Clearance	Barangay Fort Bonifacio, City of Taguig	N/A	March 30, 2026	N/A
4. Sanitary Permit to Operate	Office of the City Health Officer, Taguig City	A4260302-22491	March 3, 2026	December 31, 2026

Manchesterland Properties, Inc.

Name of Permit	Issuing Agency	License/ Permit No.	Issue Date	Expiry Date
1. Certificate of Registration- BIR Forms 2303	Bureau of Internal Revenue ("**BIR**")	OCN 044RC20240000000245 TIN 006-939-384-000	March 28, 2008	N/A
2. Business Permit	City of Taguig	LCN-20-011924	March 17, 2026	December 31, 2026
3. Barangay Business Clearance	Barangay Fort Bonifacio, City of Taguig	N/A	March 30, 2026	N/A
4. Sanitary Permit to Operate	Office of the City Health Officer, Taguig City	A4260317-23880	March 25, 2026	December 31, 2026

Arthaland Prestige Property Solutions (formerly "Emera Property Management, Inc.")

Name of Permit	Issuing Agency	License/ Permit No.	Issue Date	Expiry Date
1. Certificate of Registration- BIR Forms 2303	Bureau of Internal Revenue ("**BIR**")	OCN 044RC20230000004014 TIN 007-089-597-000	August 27, 2008	N/A
2. Business Permit	City of Taguig	LCN-20-004559	March 2, 2026	December 31, 2026
3. Barangay Business Clearance	Barangay Fort Bonifacio, City of Taguig	N/A	March 30, 2026	N/A
4. Sanitary Permit to Operate	Office of the City Health Officer, Taguig City	A4260302-22489	March 3, 2026	December 31, 2026

Zileya Land Development Corporation

Name of Permit	Issuing Agency	License/ Permit No.	Issue Date	Expiry Date
1. Certificate of Registration- BIR Forms 2303	Bureau of Internal Revenue ("**BIR**")	OCN 044RC20240000000243 TIN 009-195-830-000	January 5, 2016	N/A
2. Business Permit	City of Taguig	LCN-20-020068	June 8, 2026	December 31, 2026
3. Barangay Business Clearance	Barangay Fort Bonifacio, City of Taguig	Serial No. 101000, s. 2026	June 10, 2026	N/A
4. Sanitary Permit to Operate	Office of the City Health Officer, Taguig City	A4260608-27490	June 8, 2026	December 31, 2026
5. Locational Clearance	City Planning and Development Office, Taguig City	Decision No. 1-0084-16	January 14, 2016	N/A

Cebu Lavana Land Corp.

Name of Permit	Issuing Agency	License/ Permit No.	Issue Date	Expiry Date
1. Certificate of Registration- BIR Forms 2303	Bureau of Internal Revenue ("**BIR**")	OCN 044RC20210000006437 TIN 009-129-450-000000	October 2, 2015	N/A

Name of Permit	Issuing Agency	License/ Permit No.	Issue Date	Expiry Date
2. Business Permit	City of Taguig	LCN-20-019642	March 17, 2026	December 31, 2026
3. Barangay Business Clearance	Barangay Fort Bonifacio, City of Taguig	N/A	March 30, 2026	N/A
4. Sanitary Permit to Operate	Office of the City Health Officer, Taguig City	A4260317-23879	March 25, 2026	December 31, 2026
5. Locational Clearance	City Planning and Development Office, Cebu	LC16-02-03-02	April 21, 2016	N/A
6. Certificate of Registration	PEZA	Certificate of Registration No. EZ 22-17	June 22, 2022	N/A

Savya Land Development Corporation

Name of Permit	Issuing Agency	License/ Permit No.	Issue Date	Expiry Date
1. Certificate of Registration- BIR Forms 2303	Bureau of Internal Revenue ("**BIR**")	OCN 044RC20230000005342 TIN 009-559-200-000	February 23, 2017	N/A
2. Business Permit	City of Taguig	LCN-20-023117	March 17, 2026	December 31, 2026
3. Barangay Business Clearance	Barangay Fort Bonifacio, City of Taguig	N/A	March 30, 2026	N/A
4. Sanitary Permit to Operate	Office of the City Health Officer, Taguig City	A4260317-23878	March 25, 2026	December 31, 2026

Bhavya Properties Inc.

Name of Permit	Issuing Agency	License/ Permit No.	Issue Date	Expiry Date
1. Certificate of Registration- BIR Forms 2303	Bureau of Internal Revenue ("**BIR**")	OCN 044RC20220000000229 TIN 010-364-838-000	July 23, 2019	N/A

Name of Permit	Issuing Agency	License/ Permit No.	Issue Date	Expiry Date
2. Business Permit	City of Taguig	LCN-20-030209	March 5, 2026	December 31, 2026
3. Barangay Business Clearance	Barangay Fort Bonifacio, City of Taguig	N/A	March 30, 2026	N/A
4. Sanitary Permit to Operate	Office of the City Health Officer, Taguig City	A4260305-22915	March 25, 2026	December 31, 2026

Bhavana Properties Inc.

Name of Permit	Issuing Agency	License/ Permit No.	Issue Date	Expiry Date
1. Certificate of Registration- BIR Forms 2303	Bureau of Internal Revenue ("**BIR**")	OCN 044RC20220000000231 TIN 010-359-930-000	July 17, 2019	N/A
2. Business Permit	City of Taguig	LCN-20-030020	March 19, 2026	December 31, 2026
3. Barangay Business Clearance	Barangay Fort Bonifacio, City of Taguig	N/A	March 30, 2026	N/A
4. Sanitary Permit to Operate	Office of the City Health Officer, Taguig City	A4260319-23994	March 25, 2026	December 31, 2026

Pradhana Land Inc.

Name of Permit	Issuing Agency	License/ Permit No.	Issue Date	Expiry Date
1. Certificate of Registration- BIR Forms 2303	Bureau of Internal Revenue ("**BIR**")	OCN 044RC20240000000269TIN 010-397-407-000	September 12, 2019	N/A
2. Business Permit	City of Taguig	LCN-20-030746	March 2, 2026	December 31, 2026
3. Barangay Business Clearance	Barangay Fort Bonifacio, City of Taguig	N/A	March 30, 2026	N/A
4. Sanitary Permit to Operate	Office of the City Health Officer, Taguig City	A4260302-22490	March 3, 2026	December 31, 2026

Kashtha Holdings, Inc.

Name of Permit	Issuing Agency	License/ Permit No.	Issue Date	Expiry Date
1. Certificate of Registration- BIR Forms 2303	Bureau of Internal Revenue ("**BIR**")	OCN 044RC20210000005928 TIN 010-410-757-000	October 3, 2019	N/A
2. Business Permit	City of Taguig	LCN-20-030863	June 10, 2026	December 31, 2026
3. Barangay Business Clearance	Barangay Fort Bonifacio, City of Taguig	Serial No. 100999, s. 2026	June 10, 2026	N/A
4. Sanitary Permit to Operate	Office of the City Health Officer, Taguig City	A4260610-27589	June 11, 2026	December 31, 2026

Sotern Land Corporation

Name of Permit	Issuing Agency	License/ Permit No.	Issue Date	Expiry Date
1. Certificate of Registration- BIR Forms 2303	Bureau of Internal Revenue ("**BIR**")	OCN 044RC20240000007089 TIN 010-815-352-000	April 23, 2024	N/A
2. Business Permit	City of Taguig	LCN-24-03081	March 02, 2026	December 31, 2026
3. Barangay Business Clearance	Barangay Fort Bonifacio, City of Taguig	N/A	March 30, 2026	N/A
4. Sanitary Permit to Operate	Office of the City Health Officer, Taguig City	A4260302-22488	March 03, 2026	December 31, 2026

Furusato Land Corporation

Name of Permit	Issuing Agency	License/ Permit No.	Issue Date	Expiry Date
1. Certificate of Registration- BIR Forms 2303	Bureau of Internal Revenue ("**BIR**")	OCN 044RC20250000005137 TIN 010-900-204-00000	May 23, 2025	N/A
2. Business Permit	City of Taguig	LCN-25-01548	March 2, 2026	December 31, 2026

Name of Permit	Issuing Agency	License/ Permit No.	Issue Date	Expiry Date
3. Barangay Business Clearance	Barangay Fort Bonifacio, City of Taguig	N/A	March 30, 2026	N/A
4. Sanitary Permit to Operate	Office of the City Health Officer, Taguig City	A4260302-22487	March 3, 2026	December 31, 2026

PROJECT PERMITS

Arthaland Century Pacific Tower

Name of Permit	Issuing Agency	License/ Permit No.	Issue Date	Expiry Date
1. Zoning Certification (as "Urban Core Zone")	HLURB	N/A	October 15, 2014	N/A
2. HLURB Development Permit	HLURB	D.P. No. 15-07-042	July 2, 2015	N/A
3. Environmental Compliance Certificate as amended	DENR	ECC-NCR-1410-0384	October 15, 2014	N/A
4. Certificate of Installation of Earthquake Recording Instrumentation	Office of the Building Official, City of Taguig	N/A	July 10, 2018	N/A
5. Certificate of Occupancy	Office of the Building Official, City of Taguig	15-2017-0290	June 29, 2017	N/A
6. Permit to Operate Air Pollution Source Installation	DENR – EMB	PTO-OL-NCR-2024-04786-R	May 28, 2024	May 28, 2029
7. Certificate of Compliance	ERC	COC No. 24-08-S-03498L	August 9, 2024	N/A
8. ECC Amendment	DENR EMB NCR	ECC-NCR-1410-0384	June 18, 2018	N/A
9. Development Permit	HLURB	D.P. No. 15-07-042	July 2, 2015	N/A
10. DP Alteration	DHSUD	A.P. No. 23-11-084	November 10, 2023	N/A
11. Certificate of Registration	DHSUD	172	June 15, 2022	N/A
12. License to Sell	DHSID	444	June 15, 2022	N/A

Name of Permit	Issuing Agency	License/ Permit No.	Issue Date	Expiry Date
13. Fire Safety Inspection Certificate	Taguig City Fire Station, Bureau of Fire Protection	FSIC No. R16 918155	July 17, 2024	N/A
14. Certificate of Occupancy	Office of the Building Official, City of Taguig	No. 15-2017-0290	June 29, 2017	N/A
15. Permit To Operate Air Pollution Source and Control Installations	DENR - EMB	POT-OL-NCR-2024-04786-R	May 28, 2024	May 28, 2029

Arya

Name of Permit	Issuing Agency	License/ Permit No.	Issue Date	Expiry Date
1. Certificate of Registration	Housing and Land Use Regulatory Board ("**HLURB**")	No. 22290	April 26, 2010	N/A
2. Zoning Certification	HLURB	N/A	August 28, 2009	N/A
3. License to Sell (Sale of units in Tower 1)	HLURB	No. 23693	October 13, 2010	N/A
4. License to Sell (Sale of units in Tower 2)	HLURB	No. 25103	November 25, 2011	N/A
5. Certificates of Occupancy (Towers 1 and 2)	DPWH, Office of the Building Official, Taguig City	Nos. 15-2015-0438 and 15-2014-0142	March 6, 2014 and August 20, 2015	N/A
6. Zoning Certification	HLURB	N/A	August 28, 2009	N/A
7. Environmental Compliance Certificate	DENR-EMB	ECC Ref. Code ECC-NCR-0907-0645	October 13, 2011	N/A

Name of Permit	Issuing Agency	License/ Permit No.	Issue Date	Expiry Date
8. Fire Safety Evaluation Clearance	Taguig City Fire Department	Tower 1: R16-20231 Tower 2: R16-191699	Tower 1: July 10, 2012 Tower 2: July 7, 2015	N/A
9. Certificate of Installation of Earthquake Recording Instrumentation	Office of the Building Official, City of Taguig	N/A	September 21, 2016	N/A
10. Certificate of Occupancy (Towers 1 and 2)	Office of the Building Official, City of Taguig	No. 15-2014-0142 and 15-2015-0438	March 6, 2014 and August 20, 2015	N/A
11. Barangay Clearance	Barangay Fort Bonifacio, City of Taguig	Serial No. 005480	January 16, 2019	N/A
12. Permit to Operate Air Pollution Source and Control Installation	DENR – EMB	POA No. 20-POA-J-137607-237	December 21, 2020	October 28, 2025
13. BESC Estate Clearance Certificate	Bonifacio Estate Services Corporation	No. CAA014-2018	May 8, 2019	N/A

Lucima

Name of Permit	Issuing Agency	License/ Permit No.	Issue Date	Expiry Date
1. Barangay Clearance	Barangay Hipodromo, Cebu City	N/A	November 13, 2020	N/A
2. Locational Clearance	City Planning and Development Office, City of Cebu	Locational Clearance No. LC21-02-05-11	April 15, 2021	N/A
3. Zoning Certificate	City Planning and Development Office, City of Cebu	N/A	November 9, 2020	N/A
4. Building Permit	Office of the Building Official, City of Cebu	BOI-2021-500-277	March 24, 2021	N/A

Name of Permit	Issuing Agency	License/ Permit No.	Issue Date	Expiry Date
5. Development Permit	DHSUD	DP No. R7-021-0564	March 9, 2021	N/A
6. Preliminary Approval and Locational Clearance	DHSUD	PALC No. R7-021-0814	March 9, 2021	N/A
7. Environmental Compliance Certificate	DENR-EMB	ECC-OL-R07-2021-0052	February 11, 2021	N/A
8. Fire Safety Evaluation Clearance (Project Union)	Cebu City Fire Station, Cebu Provincial Office, Bureau of Fire Protection	FSEC No. R 07-041174	May 10, 2021	N/A
9. Permit/License to Sell	DHUSD	License No. LS-R07-21-061	July 5, 2021	N/A
10. Certificate of Registration	DHSUD	CR-R07-21-039	July 5, 2021	N/A
11. Additional Time to Develop	DHSUD	N/A	March 7, 2025	September 30, 2026

Cebu Exchange

Name of Permit	Issuing Agency	License/ Permit No.	Issue Date	Expiry Date
1. Barangay Clearance	Barangay Lahug, City of Cebu	N/A	January 13, 2016	N/A
2. Locational Clearance	City Planning and Development Office, City of Cebu	Locational Clearance No. LC16-02-03-02	April 21, 2016	N/A
3. Zoning Certification	City Planning and Development Office, City of Cebu	N/A	March 8, 2013	N/A

Name of Permit	Issuing Agency	License/ Permit No.	Issue Date	Expiry Date
4. Building Permit	Office of the Building Official, City of Cebu	BOI-2017-500-420	August 23, 2017	N/A
5. HLURB Development Permit	HLURB	CVR-016-0397	July 20, 2016	N/A
6. HLURB Preliminary Approval and Locational Clearance	HLURB	CVR-016-0647	July 20, 2016	N/A
7. Environmental Compliance Certificate	DENR-EMB	ECC-R07-1606-0009	June 29, 2016	N/A
8. Fire Safety Evaluation Clearance (Project Salt)	Cebu City Fire Station, Cebu Provincial Office, Bureau of Fire Protection	FSEC No. R 16-00222176	January 19, 2017	N/A
9. Fire Safety Evaluation Clearance (Fee Gallery)	Cebu City Fire Station, Cebu Provincial Office, Bureau of Fire Protection	FSEC No. R 07-001231	November 3, 2017	N/A
10. Certificate of Site Zoning Classification	HLURB Central Visayas	N/A	February 1, 2017	N/A
11. Permit/License to Sell	HLURB Central Visayas	License No. 032788	September 11, 2017	N/A
12. Certificate of Registration	HLURB Central Visayas	No. 028434	September 11, 2017	N/A
13. Advertisement Approval (Billboards, AVP, and brochure approvals)	HLURB Central Visayas	N/A	August 7, 2018 and March 28, 2019, January 14, 2019, and January 14, 2019	N/A
14. PEZA Board Resolution	PEZA	Resolution no. 16-726	December 19, 2016	N/A

Name of Permit	Issuing Agency	License/ Permit No.	Issue Date	Expiry Date
15. Amendment of Environmental Compliance Certificate	DENR-EMB	ECC-R07-1606-0009	February 17, 2021	N/A
16. Certificate of Completion	DHSUD	COC 0230001	January 4, 2023	N/A
17. Certificate of Occupancy	Office of the Building Official, City of Cebu	No. OC-2022-421	September 7, 2022	N/A

Savya Financial Tower

Name of Permit	Issuing Agency	License/ Permit No.	Issue Date	Expiry Date
1. Barangay Clearance	Barangay Western Bicutan, City of Taguig	N/A	June 20, 2018	N/A
2. Locational Clearance	City Planning and Development Office, Taguig City	Decision No. 4-1515-18	October 24, 2018	N/A
3. Certificate of Site Zoning Classification	HLURB	N/A	July 9, 2018	N/A
3. Building Permit	Office of the Building Official, City of Taguig	BP-0143	February 22, 2019	N/A
4. Development Permit	HLURB	D.P. No. 18-10-070	October 23, 2018	N/A
5. Fire Safety Evaluation Clearance (Towers 1 and 2)	Taguig City Fire Station	FSEC No. R 16-95697 and FSEC No. R 16-95698	March 1, 2019	N/A
6. Certificate of Registration	HLURB	CR No. 029476	February 11, 2019	N/A
7. License to Sell (Tower 1)	DHSUD	License to Sell No. 139	October 19, 2023	N/A
8. License to Sell (Tower 2)	DHSUD	License to Sell No. 140	October 19, 2023	N/A

Name of Permit	Issuing Agency	License/ Permit No.	Issue Date	Expiry Date
9. ECC Tower 1	DENR EMB NCR	ECC-OL-NCR-2018-0190	August 24, 2018	N/A
10. ECC Tower 2	DENR EMB NCR	ECC-OL-NCR-2018-0213	September 11, 2018	N/A
11. Laguna Lake Development Clearance	LLDA DENR	LLDA No. 01610	November 9, 2018	N/A
12. Certificate of Completion (North Tower 1)	DHSUD	COC 0000033	December 13, 2023	N/A
13. Certificate of Completion (South Tower 2)	DHSUD	COC 0000034	December 13, 2023	N/A
14. Certificate of Occupancy (North Tower 1)	Office of the Building Official, City of Taguig	No. 15-2021-0380	December 29, 2021	N/A
14. Certificate of Occupancy (South Tower 2)	Office of the Building Official, City of Taguig	No. 15-2022-0428	November 8, 2022	N/A

Sevina Park

Name of Permit	Issuing Agency	License/ Permit No.	Issue Date	Expiry Date
1. Barangay Clearance	Barangay Binan, City of Binan	2018-203	December 10, 2018	N/A
2. Locational Clearance	City Planning and Development Office, City of Binan	Application No. 092200000 Application No. 090243A, 090244A, 090245A	September 7, 2022 September 12, 2025	N/A
3. Building Permit	Office of the Building Official, City of Binan	BP No. 03-190-0262, 03-190-0263, 03-190-0264 BP No. 122-000-673, 122-000-674, 122-000-675 BP No. 0925-0304-A, 0925-0305-A, 0925-0306-A	March 20, 2019 December 7, 2020 September 12, 2025	N/A
4. Development Permit	City Planning and Development Office, City of Binan	CZC-2040-002-2019	February 18, 2019	N/A
5. Certificate of Registration	HLURB	029827	June 17, 2019	N/A
6. Permit/License to Sell	HLURB	034445	June 17, 2019	N/A

Name of Permit	Issuing Agency	License/ Permit No.	Issue Date	Expiry Date
7. Environmental Compliance Certificate	DENR – EMB	ECC-OL-R4A-2019-0119	March 21, 2019	N/A
8. LLDA Clearance	LLDA	BIN21743	May 22, 2019	N/A
9. Zoning Certificate	HLURB STR	HLURB Certification no. 19-266-04	June 17, 2019	N/A
10. Certificates of Occupancy	Office of the Building Official, City of Binan	Certificate No. 122100761 Certificate No. 122100762 Certificate No. 122100763	December 17, 2021	N/A
11. DP Alteration	DHSUD	AP-2040-002-2021	November 3, 2021	N/A
12. Fire Safety Evaluation Clearance	Binan City Station, Laguna Province, Bureau of Fire Protection	FSEC No. R-4A 296446 FSEC No. R-4A296447 FSEC No. R-4A296448	September 21, 2024	N/A
13. Fire Safety Inspection Certificate	Binan City Station, Laguna Province, Bureau of Fire Protection	FSIC No. R-4A6271-31 FSIC No. R-4A6271-32 FSIC No. R-4A6271-33	February 2, 2022	N/A

Courtyard Hall (Sevina Park Phase 1)

Name of Permit	Issuing Agency	License/ Permit No.	Issue Date	Expiry Date
1. Zoning Permit	City Planning and Development Office, City of Binan	N/A	September 18, 2018	N/A
2. Certificate of Occupancy	Office of the Building Official, City of Binan	Certificate No. 091800498	September 26, 2018	N/A
3. Certificate of Registration	HLURB	N/A	N/A	N/A

Una Apartments Tower One

Name of Permit	Issuing Agency	License/ Permit No.	Issue Date	Expiry Date
1. Barangay Clearance	Barangay Binan, City of Binan	N/A	N/A	N/A
2. Locational Clearance	City Planning and Development Office, City of Binan	Application No. 012200058	January 31, 2022	N/A
3. Certificate of Site Zoning Classification	City Planning and Development Office, City of Binan	N/A	November 10, 2021	N/A
4. Building Permit	Office of the Building Official, City of Binan	BP No. 012200074	January 7, 2022	N/A
3. Development Permit	City Planning and Development Office, City of Binan	AP-2040-002-2021	November 3, 2021	N/A
4. Provisional Certificate of Registration	DHSUD	No. 591	June 28, 2022	N/A
5. Provisional License to Sell	DHSUD	No. 767	June 28, 2022	N/A
6. Environmental Compliance Certificate	DENR – EMB	ECC-OL-R4A-2019-0119	March 21, 2019	N/A
7. Certificate of Site Zoning Classification	DHSUD	DHSUD Certification no. 22-107-04	June 14, 2022	N/A
8. Fire Safety Evaluation Clearance	Binan City Station, Laguna Province, Bureau of Fire Protection	FSEC No. R-4A296708	February 2, 2022	N/A
9. Certificate of Registration	DHSUD	No. 1502	November 24, 2023	N/A

Name of Permit	Issuing Agency	License/ Permit No.	Issue Date	Expiry Date
10. License to Sell	DHSUD	No. 1680	November 24, 2023	N/A

Una Apartments Tower Two

Name of Permit	Issuing Agency	License/ Permit No.	Issue Date	Expiry Date
1. Barangay Clearance	Barangay Binan, City of Binan	2023-0064	September 15, 2023	N/A
2. Locational Clearance	City Planning and Development Office, City of Binan	AP NO. 09230023	September 14, 2023	N/A
3. Fire Safety Evaluation Clearance	Binan City Station, Laguna Province, Bureau of Fire Protection	FSEC No. 4A 176174	September 14, 2023	N/A
4. Building Permit	Office of the Building Official, City of Binan	BP-2023090720	September 14, 2023	N/A
5. DP Alteration	DHSUD	AP-23-09-011	September 29, 2023	N/A
6. Certificate of Registration	DHSUD	No. 1502	November 24, 2023	N/A
7. License to Sell	DHSUD	No. 0001681	November 24, 2023	N/A
8. ECC Amendment	DENR-EMB	ECC-OL-R4A-2019-0119	February 14, 2023	N/A

Una Apartments Tower Three

Name of Permit	Issuing Agency	License/ Permit No.	Issue Date	Expiry Date
1. Locational Clearance	City Planning and Development Office, City of Binan	N/A	April 25, 2025	N/A

Name of Permit	Issuing Agency	License/ Permit No.	Issue Date	Expiry Date
2. Fire Safety Evaluation Clearance	Binan City Station, Laguna Province, Bureau of Fire Protection	FSEC No. 4A 061872	May 6, 2025	N/A
3. Building Permit	Office of the Building Official, City of Binan	BP-202505-0276	April 25, 2025	N/A
4. DP Alteration	DHSUD	AP-25-07-09	July 16, 2025	N/A
5. Certificate of Registration	DHSUD	No. 3883	November 7, 2025	N/A
6. License to Sell	DHSUD	No. 4811	November 7, 2025	N/A
7. ECC Amendment	DENR-EMB	ECC-OL-R4A-2019-0119	November 14, 2023	N/A

Sevina Park Arcades

Name of Permit	Issuing Agency	License/ Permit No.	Issue Date	Expiry Date
1. Development Permit	City Planning and Development Office, City of Binan	AP-2040-002-2021	November 3, 2021	N/A
2. Provisional Certificate of Registration	DSHUD	No. 592	June 27, 2022	N/A
3. Certificate of Site Zoning Classification	DHSUD	DHSUD Certification no. 22-108-04	June 14, 2022	N/A
4. Provisional License to Sell	DHSUD	No. 768	June 27, 2022	N/A
5. Environmental Compliance Certificate	DENR – EMB	ECC-OL-R4A-2019-0119	March 21, 2019	N/A
6. Certificate of Site Zoning Classification	DHSUD	DHSUD Certification no. 22-108-04	June 14, 2022	N/A

Project BEAM

Name of Permit	Issuing Agency	License/ Permit No.	Issue Date	Expiry Date
1. Barangay Clearance	Barangay Binan, City of Binan	Control No. 2026-0188	March 17, 2026	N/A
2. Locational Clearance	City Planning and Development Office, City of Binan	N/A	February 10, 2026	N/A
3. Fire Safety Evaluation Clearance	Binan City Station, Laguna Province, Bureau of Fire Protection	R-4A-40303-2843361	February 12, 2026	N/A
4. Building Permit	Office of the Building Official, City of Binan	BP-202602-0100	February 10, 2026	N/A

Eluria

Name of Permit	Issuing Agency	License/ Permit No.	Issue Date	Expiry Date
1. Barangay Clearance	Barangay San Lorenzo, City of Makati	N/A	November 2, 2021	N/A
2. Locational Clearance	City Planning and Development Office, Makati City	COC-BLDG01212216758B-030122-C4E	March 7, 2022	N/A
3. Building Permit	Office of the Building Official, City of Makati	CO5-22-0333	May 17, 2022	N/A
4. Development Permit	DHSUD	DP No. 22-01-002	January 21, 2022	N/A
3. Environmental Compliance Certificate	DENR-EMB	ECC-OL-NCR-2020-0185	December 20, 2020	N/A
4. Temporary License to Sell	DHSUD	No. NCR – 001	April 27, 2022	N/A

Name of Permit	Issuing Agency	License/ Permit No.	Issue Date	Expiry Date
5. Provisional Certificate of Registration	DHSUD	No. 163	April 27, 2022	N/A
6. Provisional License to Sell	DHSUD	No. 457	July 27, 2022	N/A
7. Fire Safety Evaluation Clearance	Makati City Fire Station, National Capital Region, Bureau of Fire Protection	FSEC No. R16-145280	March 8, 2022	N/A
8. Permit to Construct with Undertaking	Makati Central Estate Association, Inc.	PCU 2021-10-004	October 15, 2021	N/A
9. License to Sell	DHSUD	No. 1012	February 16, 2022	N/A
9. Height Clearance Permit	Civil Aviation Authority of the Philippines	No. I-0495-21-819214	May 10, 2021	N/A

Sondris

Name of Permit	Issuing Agency	License/ Permit No.	Issue Date	Expiry Date
1. Barangay Clearance	Barangay San Lorenzo, City of Makati	N/A	October 27, 2025	N/A
2. Locational Clearance	Urban Development Department – Zoning Administration Division, Makati City	COC-OSCP111325005855-111325-C4E	November 20, 2025	N/A
3. Building Permit	Office of the Building Official, City of Makati	C11-2025-1123-B	November 21, 2025	N/A
4. Development Permit	DHSUD	DP No. 25-12-018	January 5, 2026	N/A
5. Environmental Compliance Certificate	DENR-EMB	ECC-OL-NCR-2025-0170	August 9, 2025	N/A

Name of Permit	Issuing Agency	License/ Permit No.	Issue Date	Expiry Date
6. Certificate of Registration	DHSUD	No. 1075	January 20, 2026	N/A
7. License to Sell	DHSUD	No. 1214	January 20, 2026	N/A
8. Fire Safety Evaluation Clearance	Makati City Fire Station, National Capital Region, Bureau of Fire Protection	FSEC No. R16-160302-1841924	November 7, 2025	N/A
9. Height Clearance Permit	Civial Aviation Authority of the Philippines	No. I-0158-25-983826	February 26, 2025	N/A
10. Permit to Construct with Undertaking	Makati Central Estate Association	PCU-2025-10-003	October 15, 2025	N/A

Liv

Name of Permit	Issuing Agency	License/ Permit No.	Issue Date	Expiry Date
1. Barangay Clearance	Barangay Loyola Heights, City of Quezon	N/A	March 7, 2025	N/A
2. Locational Clearance	City Planning and Development Office – Zoning Administration Division, Quezon City	CE No. R2-180725-02608	August 8, 2025	N/A
3. Zoning Certificate	City Planning and Development Office, City of Quezon	ZC-25-044-A ZC-21-153 ZC-21-153A	March 18, 2025, November 9, 2021, November 9, 2021	N/A
4. Building Permit	Department of the Building Official, City of Quezon	BP2508-250529-039	August 8, 2025	N/A
5. Development Permit	DHSUD	D.P. No. 25-05-003	June 2, 2025	N/A

Name of Permit	Issuing Agency	License/ Permit No.	Issue Date	Expiry Date
6. Environmental Compliance Certificate	DENR-EMB	ECR-NCR-2505-0014	June 2, 2025	N/A
7. Certificate of Registration	DHSUD	No. 1059	August 14, 2025	N/A
8. License to Sell	DHSUD	No. 1183	August 14, 2025	N/A
9. Fire Safety Evaluation Clearance	Quezon City Fire Station, National Capital Region, Bureau of Fire Protection	R FSEC-OSS(OL)-R16-183386	August 8, 2025	N/A

RESEARCH AND DEVELOPMENT

There have been no significant Research and Development costs recorded by the Company in the past three years.

EMPLOYEES

As of April 30, 2026, ALCO had a total of 171 personnel, 73 of whom are in management and 98 are non- managers. As of the same period, ALCO also engaged 307 sales agents.

The above personnel are not covered by any collective bargaining agreement.

Additional employees will be hired for the succeeding year but the same will be closely aligned with ALCO's actual and programmed growth.

The above information as well as a summary of benefits and incentives for each employee class is summarized below:

Classifications	**Headcount as of April 30, 2026**	**Estimated additional employees over the next 8 months**	**List of Benefits and Incentives**
STAFF	98	8	Uniform Allowance Communication Allowance HMO Group Life and Accident Insurance Retirement Program
MANAGER	54	3	Car Plan Gas Allowance Communication Allowance HMO Group Life and Accident Insurance Retirement Program
SR. MANAGEMENT	19	0	Car Plan Gas Allowance Communication Allowance HMO Group Life and Accident Insurance Retirement Program
TOTAL	**171**	**11**	

Description of Property

ALCO is the registered owner of the 2,233-sqm property along 5th Avenue corner 30th Street in Bonifacio Global City, Taguig City, Metro Manila, on which ACPT is located. ACPT is mainly leased out to provide a source of recurring income for ALCO. This lot and the building are presently mortgaged with BDO Unibank, Inc.

Cazneau is the registered owner of the eight-hectare property in Biñan City, Laguna, on which will be established the Sevina Park, a master planned residential community that will feature a mix of student and faculty housing, residential villas, a mix of mid-rise residential buildings as well as retail and supplemental amenities which ALCO expects to fully develop in phases, in step with the growth of the market demand and infrastructure in the area. .

CLLC is the owner of two parcels of adjacent land in Barangay Lahug, Cebu City, Philippines with a total area of 8,440 sqms, on which Cebu Exchange is located. Cebu Exchange is a 38-storey office building, which is one of Cebu's largest and tallest office developments catering to Cebu's booming office space market.

MPI was the registered owner of the 6,357 sqm parcel of land along McKinley Parkway on which Arya currently stands. This property was conveyed to Arya Residences Condominium Corporation in December 2016 but MPI retained ownership over the commercial units in The Plaza at Arya Residences and a number of non-appurtenant parking slots therein. One seat in the Board of the Condominium Corporation is reserved for the commercial units in Arya.

SLDC is the registered owner of approximately 6,000-sqm property within the Arca South development in Taguig City where Savya Financial Center is situated. The lot is recorded as a real estate for sale in the books of SLDC.

UPHI is the registered owner of a 33-hectare raw land[19] located at the junction of the city limits of Tagaytay City and the provincial boundaries of Laguna and Batangas. The portion of the property lying within the Tagaytay City limits is nestled along the fairway of Tagaytay Highlands Golf and Country Club. Approximately one hectare of this property is subject of an expropriation proceeding, a full disclosure of which is discussed in the succeeding item.

ZLDC is the registered owner of a 2,018 sqm property located along Arnaiz Avenue, Makati City where Sondris is currently being developed. The property is recorded as a real estate for sale in the books of Zileya. Further, the property including all present and future improvements thereon is currently mortgaged with Bank of the Philippine Islands.

Bhavana is the registered owner of a prime property with a total area of 2,245 sqm, located in Cebu Business Park at the corner of Cardinal Rosales Avenue and Samar Loop inside the Cebu Business Park where Lucima is currently being constructed. This property is recorded as a real estate for sale in the books of Bhavana. Further, the lot including all present and future improvements thereon is currently mortgaged with Bank of the Philippine Islands.

In 2020, ALCO, through its subsidiary, Bhavya, completed the acquisition of a 916 sqm property in Legazpi Village, Makati City. This land, where Eluria is currently being constructed, is owned and recorded as a real estate for sale in the books of Bhavya. The lot including all present and future improvements thereon is currently mortgaged with Bank of the Philippine Islands.

[19] The carrying value of this property amounts to ₱149.80 million. Based on the appraisal report dated December 31, 2025, the fair value of the land amounted to Php1,393 million.

In 2025, ALCO, through Sotern Land Corporation, completed the acquisition of a property with an aggregate area of approximately 3,742 sqm along Katipunan Avenue, Barangay Loyola Heights, Quezon City, for a total consideration of Php1.0 billion. Accordingly, Deeds of Absolute Sale covering the 4 lots comprising the property have been executed. As of date, two (2) of the four (4) titles have been transferred under the name of SLC, while the transfer of the remaining two (2) titles is currently in process. Once registered, this property will be recorded as a real estate for sale in the books of SLC.

In 2025, ALCO, through FLC, acquired 50% of a 5-hectare property along Banilad Road, Cebu City for a total consideration of Php2.7 billion which shall be payable in four tranches until 2028. Approximately three hectares shall be developed into finished lots which will be distributed equally between FLC and the landowner while the remaining two hectares will consist of common areas, including roads and related infrastructure.

To date, FLC has paid a total of Php1.3 billion representing the downpayment and the second payment. The titles covering the 5-hectare property composed of fourteen (14) TCTs have been transferred under the name of FLC and special purpose vehicles of the landowner as co-owners. The parties are currently in process of subdividing the titles in accordance with the agreement.

The Company also intends to acquire land for future project developments including a 3.6-hectare property located at the entry of one of the most prime CBDs in Metro Manila for Project Olive. The acquisition cost for Project Olive amounts to Php4.0 billion. To date, the sellers and agents are completing the conditions and documents required for the acquisition.

BOOK VALUE OF BATANGAS PROPERTIES

Based on available records, it is the understanding of the Company that the Batangas Properties[20], along with 45% of the outstanding shares of UPHI and other real assets, formed part of the security for a loan granted by then EIB to PR Builders Developers and Managers, Inc. ("PR Builders"). Subsequently, the Batangas Properties and other assets comprising the PR Builders account became part of the non-performing asset portfolio of EIB which were sold in 2006 to special purpose vehicles ("SPVs") specializing in the acquisition of similar non-performing assets. Because of the various cases filed by PR Builders, the concerned SPV was unable to consolidate its ownership over the Batangas Properties and the other assets which formed part of the PR Builders account. The SPV subsequently exercised its option to return the Batangas Properties and other assets comprising the PR Builders account to EIB in 2007, and EIB, in turn, returned the amount of Php13 million that SPV had paid for these assets and proceeded to negotiate directly with PR Builders for a compromise so that the former may sell the assets to other interested third parties.

The Company, on the other hand, was interested in acquiring the Batangas Properties for future development. It was also interested in acquiring the shares comprising 45% of the equity of UPHI as the Company already owned the balance of 55%. The acquisition of 100% of UPHI would consolidate the Company's ownership of the underlying asset of UPHI which included a 33-hectare property in Tagaytay. In addition, the Company planned to acquire from the major shareholders of PR Builders ("Spouses Villarin") the 1.8-hectare property in Tagaytay ("Tagaytay Property") which is adjacent to the existing 33-hectare property of UPHI and which is important to the future development of the said 33- hectare property.

[20] Composed of two parcels of agricultural land located at Bo. Niyugan, Laurel, Batangas covered by Transfer Certificates of Title (TCT) Nos. 99702 (56,711sqm) and 99703 (28,356sqm).

Following negotiations with PR Builders, the Absolute Mutual Release and Quitclaim (the "Compromise Agreement") was executed between EIB and PR Builders with the conformity of the Company (then EIB Realty Developers, Inc.) and Spouses Villarin on April 15, 2008.

As a result of the Compromise Agreement, PR Builders waived, ceded and assigned, among others, the following assets to the Company for and in consideration of the amount of Php42.5 million which ALCO paid to PR Builders in 2008 for the benefit of EIB:

- The Batangas Properties, and
- The forty-five percent (45%) equity investment in UPHI.

PR Builders also caused one of its shareholders, Mr. Pablito Villarin, to sell to the Company his rights, title and interest in the 1.8-hectare Tagaytay Property which is adjacent to the 33-hectare property owned by UPHI. The consideration for the Tagaytay Property was included in the Php42.5 million that the Company paid to PR Builders in 2008.

In addition to the Php42.5 million paid to PR Builders, the Company also undertook to pay EIB the sum of Php13 million, the same amount it had returned to the SPV, for the assignment in favor of the Company of EIB's rights, title, interest and participation in the Batangas Properties and the shares in UPHI. The Company's records show that it had paid EIB Php13 million in March 2011. Thereafter, in April 2011, the Deed of Absolute Sale for the Batangas Properties was executed between EIB and the Company.

In documenting the sale of the Batangas Properties, the Company understood that EIB allocated Php9.702 million out of the Php13 million it had received from the Company to the Batangas Properties. Thus, the Deed of Absolute Sale between EIB and ALCO for the Batangas Properties reflected the amount of Php9.702 million.

The total acquisition cost of the Company for the above assets was Php55.5 million, comprised of the Php42.5 million paid to PR Builders in 2008 and the Php13 million paid to EIB in 2011. The carrying values of the Batangas Properties and the Tagaytay Property amounting to Php34.1 million and Php10.9 million[21], or Php45 million combined, represent the amounts allocated to these assets from the total acquisition cost of Php55.5 million.

Information on the carrying values of the Batangas Properties and the Tagaytay Property was disclosed in Note 6.1(b) of the December 31, 2011 Audited Financial Statements of the Company. The same information was disclosed in the Note 7(d) of the December 31, 2008 Audited Financial Statements of the Company.

Based on the appraisal reports dated March 31, 2026, the fair value of the Batangas Properties and the Tagaytay Property amounted to ₱389.2 million.

Operating Lease Commitments as Lessee

ALCO is a lessee under non-cancellable operating leases. For short-term and low value leases, rent expense recognized amounted to Php0.7 million for the period ended March 31, 2026 and in full year, Php11.1 million in 2025, Php6.5 million in 2024, and Php6.1 million in 2023.

[21] Includes amounts paid by Arthaland for taxes and other transfer related expenses for the Tagaytay Property of approximately ₱1.1 million in addition to the ₱55.5 million total amount paid to PR Builders and EIB.

The Group is a lessee under a non-cancellable lease agreement for transportation equipment for a period of three (3) to five (5) years. The ROU assets and lease liabilities amounted to Php50.6 million and Php53.4 million, and Php28.6 million and Php29.6 million as at March 31, 2026 and 2025, respectively.

The table below summarizes the list of properties currently being leased by the Company and its subsidiaries:

Leased Property	Lessor	Lessee	Lease Term	Renewal Option	Lease Rate (Php)	Escalation
Staffhouse	Harley Y. Yunam	Cebu Lavana Land Corp.	February 2024 to January 2027	Renewable	119,070	7% on the 2nd year
Vehicles for management employees	BDO Finance Corporation	Arthaland Corporation	Ranges from 3 to 5 years	Not applicable	Based on the car plan policy	Not applicable

As of date of this Prospectus, ALCO does not have a major lease agreement, as lessee.

Operating Lease Commitments as Lessor

ALCO entered into various lease agreements for ACPT office units for periods ranging from one (1) year to 10 years. Majority of these lease agreements include an annual escalation clause of 5% of the existing lease rental. None of them provide for any contingent rent.

In addition, MPI has various lease agreements for the retail units in Arya Residences. The term of the lease ranges from two (2) to five (5) years. The agreements also provide for various escalation rates for the duration of the lease.

Cazneau also entered into lease agreements for its dormitory units in Courtyard Hall, the term of which is renewable every trimester.

In 2025, SLDC and CLLC entered into lease agreements for the lease of its office and retail units and parking slots in Savya Financial Center and Cebu Exchange Tower, respectively, with lease terms ranging from five (5) to 10 years.

Leasing revenue recognized from these operating leases amounted to Php156.9 million for the period ended March 31, 2026, and in full year, Php705.1 million in 2025, Php414.9 million in 2024, and Php366.3 million in 2023. Lease receivables amounted to Php 60.3 million, Php100.6 million and Php163.1 million as at 31 March 2026, 31 December 2025 and 2024, respectively, while accrued rent receivable amounted to Php72.1 million, Php65.4 million and Php18.0 million for the same period. As at 31 March 2026, 31 December 2025 and 2024, advance rent from tenants amounted to Php103.7 million, Php72.5 million, and Php58.5 million, respectively, while security deposits, which may be applied to unsettled balances or refunded at the end of the lease term, amounted to Php140.6 million, Php147.5 million and Php125.3 million for the same period.

As of April 30, 2026, the following are the relevant information on the leases:

Project	NLA	% Leased out	Escalation	Expiry
ACPT	21,089* sqm	100%*	Range of 3% to 5% p.a. from 2nd to 3rd year of lease term	Substantially all contracts contain lease terms expiring on various dates from 2028 to 2030
ARYA	1,968 sqm	100%	5% p.a. from 2nd year of lease term for 53.2% of leased area. There is no escalation provision for the balance 46.8% of the leased area.	Various dates from 2028 to 2031
COURTYARD HALL	348 beds	57%	Not applicable	2026
CEBU EXCHANGE	20,964	88%	Various escalation rates ranging from 3% to 5% p.a.	Various dates from 2028 to 2030

*Of the 32,016 sqm of NLA, the Company owns 21,089 sqm representing approximately 66% of the total NLA. Of the 21,089 sqm owned by the Company 100% is covered by lease contracts.

The percentage of related party lessees is insignificant compared to the total leasable space of the Company. Related parties who occupy ACPT and Cebu Exchange only represent approximately 1% of respective leasable spaces on these projects, while there are no related party lessees from Courtyard Hall and Arya Plaza.

The Company has a policy of restricting lease agreements with POGOs. As a result, the Company does not have any exposure to the POGO sector.

Legal Proceedings

As of the date of this Prospectus, with the exception of the following cases, neither ALCO nor any of its subsidiaries is a party to any legal action arising from the ordinary course of its respective businesses:

1. Termination of Trust Account

In February 2015, ALCO filed a claim before the Regional Trial Court of Makati City, Branch 149 in relation to the petition for liquidation of Export and Industry Bank (EIB) represented by the Philippine Deposit Insurance Corporation (PDIC). ALCO maintained a Trust Account with EIB prior to its closure in April 2012 and had demanded from PDIC the termination of said account and the release of the owner's duplicate copies of three (3) transfer certificates of title (the "Titles") which had been placed in the custody of the EIB Trust Department. These Titles belong to ALCO and UPHI. ALCO does not have any interest in EIB's remaining assets to be liquidated, but it was constrained to make this claim before the liquidation court, given that PDIC refused to act on the matter.

In an Order dated 08 May 2017, ALCO was directed to file the necessary complaint and for PDIC to submit its Answer in order that there is a separate docket and hearing of the same and thereby enable the court to have a full and complete resolution of the issues presented by ALCO.

However, in view of Administrative Matter No. 19-12-02 or the *Rules on Liquidation of Closed Banks* issued on 16 April 2020, ALCO, upon advice of counsel, deemed it more appropriate to have all its claims against EIB ventilated before the liquidation court itself, *i.e.* the Regional Trial Court of Makati City, Branch 149, and for this purpose, filed an Urgent Motion before said court on 13 February 2023 for it to give due course to its foregoing claim.

On 20 October 2023, ALCO and UPHI filed a Motion to Resolve the *Entry of Appearance with Urgent Motion to Give Due Course to the Claim of ALCO and UPHI* stating that PDIC did not include or even mention the Titles in its recent Partial Asset Distribution Plan, which is the reason why it cannot yet file the Final Asset Distribution Plan.

Despite filing a Second Motion to Resolve reiterating the foregoing claim on 15 February 2024, ALCO and UPHI are still awaiting resolution of the matter to date.

2. Quieting of Title

UPHI filed a complaint for quieting of title, among other reliefs, before the Regional Trial Court of Calamba, Laguna, Branch 36 because of the erroneous issuance of tax declarations to several individual defendants by the City of Tagaytay covering UPHI's 33-hectare property registered in Calamba City. It also wanted to seek clarification with respect to which city UPHI is under legal obligation to pay real property taxes, *i.e.,* Calamba City or Tagaytay City.

In a Decision dated 16 December 2019, the court dismissed the complaint for being premature considering both cities claim territorial jurisdiction over the property but there is no pending territorial dispute between them, and that said dispute may only be resolved through a joint session between their respective *Sangguniang Panlalawigan* (should be *Panlungsod*) pursuant to the Local Government Code. There is no cloud over the title and the court ruled that UPHI should continue paying real property tax to Calamba City because of the admission

of Tagaytay City that UPHI's property is titled under the Torrens System which categorically states that it is located in Calamba City. Also, both cities had stipulated that the title to the property is in the custodial jurisdiction and safe keeping of the Register of Deeds of Calamba City, and Tagaytay City did UPHI filed a Motion for Partial Reconsideration of the foregoing Decision. The court granted the same in an Order dated 05 June 2020 and declared, among others, that UPHI is the true and lawful owner of the 33-hectare property registered in its name and enjoined it to continue paying for the real property taxes in Calamba City. Further, in the event the local government of the City of Tagaytay insists that the subject property is within its territorial jurisdiction, the court directed the cities of Calamba and Tagaytay to take the initiative through their respective *Sangguniang Panlungsod* and through a joint session, resolve any territorial dispute between them in accordance with the Local Government Code of 1991. The City of Tagaytay and one of the individual defendants[22] filed an appeal before the Court of Appeals which affirmed the 05 June 2020 Order of the trial court on 31 July 2023 and denied their separate Motions for Reconsideration on 15 February 2024. Both filed petitions for review under Rule 45 of the Rules of Court before the Supreme Court in April 2024 while UPHI submitted its Comment/Opposition to the same in October 2024.

The Supreme Court rendered its Decision on 11 August 2025 (copy received on 13 March 2026) denying the consolidated petitions for review and affirmed the Order of the trial court dated 31 July 2023 and the Resolution of the Court of Appeals dated 15 February 2024. The City of Tagaytay and the lone individual defendant filed their respective Motions for Reconsideration on 07 March 2026 and 24 March 2026.

3. Expropriation

Petitioner National Power Corporation ("**NAPOCOR**") filed in November 1995 before the Regional Trial Court of Calamba, Laguna, Branch 34, a Petition for Expropriation of Properties to be affected by the Tayabas-Dasmariñas 500 kV transmission line right, which included a portion of UPHI's property with an area of about one (1) hectare. The court issued a Writ of Possession in favor of NAPOCOR in 1996.

In July 1999, NAPOCOR and UPHI agreed to refer to commissioners the determination of just compensation for UPHI. UPHI did not question the propriety of expropriation any further but continued to participate in the proceedings, having found NAPOCOR's valuation unreasonable, and to enable it to submit evidence as and when the commissioners required the same. The matter was eventually elevated before the Court of Appeals in 2015 and is still pending resolution to date.

UPHI and the National Transmission Corporation (successor-in-interest of NAPOCOR) instead agreed to enter into an amicable settlement and in April 2024, jointly sought the approval thereof by the trial court but the same was denied because allegedly, the latter had already lost jurisdiction over the main case and no longer has possession nor access to the records, all of which were transmitted to the Court of Appeals. The parties were enjoined to re-file their motion to approve their compromise agreement when the records of the case are remanded back to the trial court.

[22] The lone defendant who appealed is Ms. Rosalinda Reyes.

4. Claim for Refund

a. A buyer[23] offered to purchase a unit in Arya Residences in November 2012, paid the reservation fee but failed to pay the final amortization and other charges which became due in January 2014, on the ground that a viewing of the unit was not allowed beforehand, notwithstanding that pursuant to the Contract to Sell signed, full payment of the account is required prior to turnover of the unit. A viewing of the unit is not scheduled until the account is fully paid since inspection is the initial step of the turnover process. All buyers of Arya Residences were treated in the same manner. In November 2017, the buyer filed a complaint before the Housing and Land Use Regulatory Board ("**HLURB**")[24] and demanded the return of all payments made in a span of one (1) year amounting to P942,718.53. In a Decision dated 05 April 2019, ALCO was directed to refund this amount to the buyer and pay attorney's fees and actual damages in the total amount of P70,000.00.

   On 15 May 2019, ALCO appealed the foregoing Decision before the Office of the President arguing, among others, that Republic Act (R.A.) No. 6552 should have been applied as it is the special law governing transactions that involve, subject to certain exceptions, the sale on installment basis of real property. However, the adverse Decision was affirmed in a Resolution dated 01 October 2021 on the ground of lack of jurisdiction per Section 42 of the Implementing Rules and Regulations of R.A. No. 11201 , i.e. the matter should have been brought before HLURB Arbiters and Commissioners and thereafter, to the Court of Appeals, and not the Office of the President.

   In July 2022, ALCO filed before the Court of Appeals a Petition for Certiorari under Rule 65 of the Rules of Court to annul and reverse the Resolution of the Office of the President as it acted with grave abuse of discretion amounting to lack of jurisdiction, and there being no plain, speedy and adequate remedy in the ordinary course of law available to ALCO. Notwithstanding R.A. No. 11201, HLURB itself had stated in its Notice that "Since the Resolution was promulgated by the Board xxx, appeal therefrom shall still be brought to the Office of the President in accordance with Section 5 of Executive Order No. 648, series of 1981". With this instruction from the quasi-judicial body itself the appeal of whose resolution is sought, ALCO had to follow the said quasi-judicial agency's directive to file its appeal before the Office of the President. The merits of the case should have been looked into and the appeal not denied on a mere technicality.

   The Court of Appeals denied ALCO's Petition for Certiorari in a Decision dated 11 September 2023, and its Motion for Reconsideration on 26 March 2024. ALCO filed before the Supreme Court a Petition for Review on Certiorari under Rule 45 of the Rules of Court on 10 May 2024 and is awaiting resolution of the matter.

b. In March 2019, a husband and his wife[25] agreed to purchase (6) condominium units in Savya Financial Center North Tower, paid the initial downpayment of P20,416,226.20 but defaulted in the rest of their obligations. The sale was duly cancelled, and all payments made were forfeited pursuant to the provisions in the contracts to sell they have executed with SLDC.

   The buyers filed a complaint before the Human Settlements Adjudication Commission ("**HSAC**") on 15 October 2023 demanding a refund of all payments made, as well as

[23] The complainant is Ms. Anita Medina-Yu.
[24] Now Department of Human Settlements and Urban Development.
[25] The complainants are Spouses Cecilia Cuevas and Roger Cuevas.

interests, damages, and attorney's fees against SLDC and certain ALCO officers, claiming that SLDC failed to comply with its undertaking to complete the development and delivery of their units in December 2021.

After undergoing mediation, the spouses agreed to apply their payments to SLDC to the acquisition of another property of ALCO in Cebu City. The Regional Adjudication Branch-National Capital Region of the HSAC rendered judgment based on the said compromise agreement on August 29, 2024.

5. Labor

On 28 June 2022, a former Sales Agent[26] of CLLC filed a complaint against ALCO before the National Labor Relations Commission Regional Arbitration Branch No. VII, Cebu City ("**NLRC**") claiming illegal suspension and demanding payment of back wages, separation pay, 13th month pay, incentive and damages.

The complainant filed on 07 December 2023 before the Court of Appeals a Petition for Certiorari under Rule 65 of the Rules of Court to set aside the foregoing decisions of the Labor Arbiter and the NLRC, which was later dismissed in a Decision dated 31 January 2024.

On 13 February 2024, an Entry of Judgement was issued by the NLRC stating that the Resolution dated 28 September 2023 has already become final and executory on 11 November 2023.

6. Liquidation Proceedings of Lessee

On 15 November 2021, Common Ground Works Philippines, Inc. (CGWPI), a former lessee of ALCO in ACPT (the "Leased Premises"), filed a Petition for Voluntary Liquidation with the Regional Trial Court of Taguig City, Branch 271 seeking to be declared insolvent and praying for the issuance of a liquidation order. ALCO was impleaded as a creditor for unpaid rentals, CUSA, other dues and penalties arising from the leased premises. The Court issued a Liquidation Order dated 19 November 2021 declaring CGWPI insolvent and dissolved.

ALCO filed its Statement of Claims on 14 September 2022 against CGWPI amounting to ₱172,666,437.23 as of 29 July 2022.

On 03 July 2023, the appointed liquidator filed a Motion for Leave of Court to conduct an inventory of CGWPI's assets allegedly being held by ALCO, which Motion was granted *ex parte* in an Order dated 14 July 2023. ALCO filed a Motion for Reconsideration on 31 July 2023 on the ground that all improvements and fixtures introduced by CGWPI in the Leased Premises have already become ALCO's property pursuant to the Contract of Lease given CGWPI's default. The parties are awaiting resolution of the matter.

7. Republic Act No. 26

CLLC filed a Petition to cancel the annotation in Transfer Certificate of Title No. 107-2015002572, one of the parcels of land on which Cebu Exchange now stands. The said annotation is pursuant to Section 7 of Republic Act No. 26 (otherwise known as "*An Act Providing a Special Procedure for the Reconstitution of Torrens Certificates of Title Lost or Destroyed*"). CLLC's title originated from reconstituted certificates of title that were judicially

[26] The complainant is Ms. Ella Dior O. Abad.

reconstituted on 02 March 1950. More than two years have lapsed since then; hence, the recorded encumbrance may now be canceled.

In a Decision dated 17 October 2022, the Regional Trial Court of Cebu City – Branch 23 granted the Petition and directed the Register of Deeds of Cebu City to cancel the annotation pertaining to the reservation or encumbrance made pursuant to Section 7 of Republic Act No. 26. An Order of Finality of said decision was issued on 09 May 2023.

8. Theft

On 8 October 2025, APPS and Cazneau filed a criminal complaint with the Office of the City Prosecutor of Biñan, Laguna against a former APPS employee[27] hired as Property Management Administrative Assistant and assigned to Courtyard Hall. Investigation revealed that said former employee unlawfully collected rent from dormers and deliberately did not remit the same to Cazneau at the time and despite formal demand to do so.

By virtue of a Resolution dated 15 December 2025, fifty-four (54) Information for theft pursuant to Article 308 in relation to Article 39 of the Revised Penal Code, as amended by Republic Act No. 10951, and in relation to Section 6 of Republic Act No. 10175, were filed before the Regional Trial Court of Biñan City, Laguna, Branch 152.

A warrant of arrest was subsequently issued, and the accused was arraigned on 26 February 2026. Trial is ongoing.

9. Construction Industry Arbitration Commission

Monocrete Construction Philippines, Inc. filed a complaint dated 20 January 2026 before the Construction Industry Arbitration Commission in relation to the alleged unpaid obligations of Bhavana Properties, Inc. arising from the Construction Agreement for its project Lucima. Proceedings are ongoing.

The potential effect of the foregoing cases on the financial statements of ALCO and its subsidiaries cannot be determined at the moment. However, it is believed that the effect thereof, if there is any, is not significant.

As of the date of this Prospectus, ALCO and its subsidiaries are not a party to any pending tax assessments and proceedings.

[27] Ms. Mariel P. Galenzoga

Ownership and Capitalization

SHARE CAPITAL

As of April 30, 2026, the Company has a total authorized capital of 16,368,095,199 common shares, of which 5,318,095,199 are issued and outstanding, and 70,000,000 preferred shares, of which 12,500,000 of the Series A Preferred Shares, 6,000,000 of the Series D Preferred Shares, 14,000,000 of the Series E Preferred Shares and 4,964,860 of Series F Preferred Shares are issued and outstanding.

Top 20 Stockholders

Common Shares (As of April 30, 2026)

Name of Shareholders	No. of Shares	%
1. CPG Holdings, Inc.	2,017,619,910	37.938
2. PCD Nominee Corporation – Filipino	1,653,304,346	31.008
3. AO Capital Holdings I, Inc.	1,383,730,000	26.019
4. Elite Holdings, Inc.	119,809,997	2.253
5. Tina Keng	25,000,000	0.470
6. EQL Properties, Inc.	14,671,125	0.276
7. PCD Nominee Corporation – Non-Filipino	14,560,888	0.274
8. Urban Bank Trust Department – A/C No.	4,838,488	0.091
9. RBL Fishing Corporation	4,350,000	0.082
10. Veronica D. Reyes	3,799,272	0.071
11. Veronica D. Reyes and/or Cecilia D. Reyes	2,654,061	0.050
12. Theodore G. Huang and/or Corazon B. Huang	2,501,250	0.047
13. Anito Tan and/or Lita Tan	2,027,049	0.038
14. Kwan Yan Dee and/or Christina Dee	1,631,250	0.031
15. Dante Garcia Santos	1,631,250	0.031
16. Luciano H. Tan	1,505,950	0.028
17. Josefina Tan Cruz	1,488,000	0.028
18. Samuel Uy	1,087,500	0.020
19. Datacom Systems Corp.	1,004,394	0.019
20. Mitsu Machine Phils. Inc.	998,313	0.019
Total	5,258,213,043	98.793

The sole shareholder of the Series A Preferred Shares is MPI, a wholly owned subsidiary of ALCO.

All 20,000,000 Series B Preferred Shares were redeemed as of December 6, 2021, and cancelled from ALCO's capital stock on August 14, 2024, while all 10,000,000 Series C Preferred Shares were redeemed on June 27, 2024, and cancelled from ALCO's capital stock on March 18, 2026.

ALCO's top stockholders of Series D Preferred Shares as of March 31, 2026, are as follows:

Name of Shareholders	No. of Shares	%
1. PCD Nominee Corporation – Filipino	5,920,850	98.6808
2. PCD Nominee Corporation – Non-Filipino	64,100	1.0683
3. G.D. Tan & Co., Inc.	13,000	0.2167
4. Knights of Columbus Fr. George J. Willman	1,000	0.0167
5. KC Philippines Foundation, Inc.	1,000	0.0167
6. Myra P. Villanueva	50	0.0008
Total	6,000,000	100.000

The sole shareholder of Series E Preferred Shares is also MPI.

ALCO's top stockholders of Series F Preferred Shares as of April 30, 2026, are as follows:

Name of Shareholders	No. of Shares	%
1. PCD Nominee Corporation – Filipino	4,949,950	99.6
2. PCD Nominee Corporation – Non-Filipino	14,910	00.003
Total	4,964,860	100.00

SECURITY OWNERSHIP OF CERTAIN RECORD AND BENEFICIAL OWNERS AND MANAGEMENT

As of March 31, 2026, the following are persons directly or indirectly in the record and/or beneficial owner of more than five percent (5%) of any class of the Company's voting securities:

Title of Class	*Name and Address of Record Owners, Relationship with Issuer*	*Name of Beneficial Owner and Relationship to Record Owner*	*Citizenship*	*Number of Shares*	*% Held*
Common	CPG Holdings, Inc. *Stockholder* Suite 701-706, 7th Floor, Centerpoint Condominium, J. Vargas corner GarnetRoad, Ortigas Center, Pasig City	Christopher Paulus Nicholas T. Po, *Stockholder* Leonardo Arthur T. Po, *Stockholder* Teodoro Alexander T. Po, *Stockholder* Ricardo Gabriel T. Po, *Stockholder*	Filipino	2,017,619,910 Direct 125,000,000 Indirect	40.289

Title of Class	*Name and Address of Record Owners, Relationship with Issuer*	*Name of Beneficial Owner and Relationship to Record Owner*	*Citizenship*	*Number of Shares*	*% Held*
Common	AO Capital HoldingsI, Inc. *Stockholder* 7/F Arthaland CenturyPacific Tower, 5th Avenue corner 30th Street, Bonifacio Global City, Taguig City	Jaime C. González, *Stockholder*	Filipino	1,383,730,000 Direct	26.019

As of April 30, 2026, PCD Nominee Corporation (Filipino) is the holder of 1,653,304,346 Common shares, or 31.088% of the total issued and outstanding Common shares of Arthaland.

ALCO is not aware of any voting trust agreements involving its shares.

As of April 30, 2026, to the best of ALCO's knowledge, there is no beneficial owner registered with the PCD Nominee Corporation that holds more than five percent (5%) of a class of shares of the Company.

SECURITY OWNERSHIP OF MANAGEMENT

As of April 30, 2026, there are no shares held or acquired beneficially by any of the directors and executive officers of ALCO other than the following:

Title of Class	*Name and Position of Record Owners*	*Citizenship*	*Amount & Nature of Ownership*	*% of Class*
Common	**Ernest K. Cuyegkeng** *Chairman of the Board*	Filipino	1 Direct and Beneficial Owner	0.00 %
Common	**Jaime C. González** *Vice Chairman and President*	Filipino	76,715,151 Direct and Beneficial Owner	1.44 %
Common	**Jaime Enrique Y. González** *Director*	Filipino	1 Direct and Beneficial Owner	0.00 %

Title of Class	*Name and Position of Record Owners*	*Citizenship*	*Amount & Nature of Ownership*	*% of Class*
Common	**Cornelio S. Mapa, Jr.** *Treasurer and Executive Vice President*	Filipino	1 Direct and Beneficial Owner	0.00 %
Common	**Christopher Paulus Nicholas T. Po** *Director*	Filipino	1 Direct and Beneficial Owner	0.00 %
Common	**Ricardo Gabriel T. Po** *Vice Chairman*	Filipino	1 Direct and Beneficial Owner	0.00 %
Common	**Hans B. Sicat** *Independent Director*	Filipino	1 Direct and Beneficial Owner	0.00 %
Common	**Andres B. Sta. Maria** *Director*	Filipino	1 Direct and Beneficial Owner	0.00 %
None	**Riva Khristine V. Maala** *Corporate Secretary, General Counsel, and Compliance Officer*	Filipino	0	N.A.
None	**Margeline C. Hidalgo** *Assistant Corporate Secretary and Senior Legal Counsel*	Filipino	0	N.A.
		TOTAL	**76,715,158 shares**	

Except as disclosed above, none of the Company's other executive officers or department managers own shares directly or indirectly in the Company. Their ownership in the Company is limited to those indicated in the foregoing.

VOTING TRUST HOLDERS

There are no voting trust holders registered in the books of Company.

CHANGES IN CONTROL

Except for the election of the Board of Directors at the Annual Stockholders' Meeting held on June 27, 2025, the Company has no knowledge of any arrangements that may result in a change in control of the Company.

FOREIGN EQUITY HOLDERS

Common shares owned by foreigners as of April 30, 2026 amount to 15,402,913 or 0.28% of the Company's total number of outstanding shares entitled to vote.

Market Price of and Dividends on the Equity of ALCO and Related Shareholder Matters

Market Information

The common equity of ALCO is listed on the PSE. The high and low sales prices for each period are indicated in the table below.

	2024			2025			2026		
Quarter	High	Low	Close	High	Low	Close	High	Low	Close
1	0.56	0.40	0.47	0.38	0.31	0.31	0.49	0.42	0.43
2	0.54	0.44	0.44	0.47	0.31	0.41	0.46	0.42	N/A
3	0.49	0.36	0.39	0.48	0.41	0.44	N/A	N/A	N/A
4	0.43	0.33	0.37	0.45	0.41	0.42	N/A	N/A	N/A

The closing price of the common shares as of June 15, 2026, is Php0.425 per share.

The approximate number of shareholders on record as of April 30, 2026, is 1,897 for its common shares, one (1) for its Series A Preferred Shares, six (6) for its Series D Preferred Shares and one (1) for its Series E Preferred Shares, and two (2) for Series F Preferred Shares.

Dividends and Dividend Policy

There are no unpaid cumulative dividends on the preferred shares. Also, the declaration of dividends by the Company is always subject to Section 2, Article VII of the By-laws which provides, as follows:

"Dividends shall be declared from the unrestricted retained earnings of the Corporation, including stock dividends from paid-in surplus, at such time and in such amounts as the Board of Directors may determine. Dividend declarations shall not in any manner reduce the paid-in capital of the Corporation. Unless otherwise resolved by the Board of Directors, a fraction of one-half or more of a share owing to a stockholder resulting from a declaration of stock dividends shall be issued as one full share, while a fraction of less than one-half share shall be disregarded.

Declaration of stock dividends shall be submitted to a stockholders' meeting for approval within 40 business days from such approval by the Board of Directors. The record date for stock dividends shall not be earlier than the date of approval by the stockholders.

Declaration of cash dividends shall have a record date which shall not be less than 10 business days but not more than 30 business days from the date of declaration by the Board of Directors."

ALCO declared cash dividends to Common stockholders, as follows:

ALCO declared cash dividends to Common stockholders, as follows:

Declaration Date	Record Date	Payment Date	Amount/Share
June 28, 2013	July 26, 2013	August 22, 2013	0.012
March 10, 2014	March 28, 2014	April 22, 2014	0.036
March 9, 2015	March 23, 2015	April 8, 2015	0.012
February 28, 2017	March 14, 2017	April 7, 2017	0.012
March 21, 2018	April 6, 2018	May 2, 2018	0.012

Declaration Date	Record Date	Payment Date	Amount/Share
June 21, 2019	July 8, 2019	July 31, 2019	0.012
June 26, 2020	July 10, 2020	July 31, 2020	0.012
June 25, 2021	July 9, 2021	July 30, 2021	0.012
June 24, 2022	July 11, 2022	August 4, 2022	0.012
June 30, 2023	July 17, 2023	August 10, 2023	0.012
June 28, 2024	July 19, 2024	August 9, 2024	0.012
June 27, 2025	July 15, 2025	August 8, 2025	0.012

ALCO declared cash dividends to holders of Series B Preferred Shares until the date these shares were redeemed on 06 December 2021, as follows:

Declaration Date	Record Date	Payment Date	Amount/Share
February 8, 2017	February 24, 2017	March 6, 2017	Php1.76145
May 10, 2017	May 25, 2017	June 6, 2017	Php1.76145
August 9, 2017	August 23, 2017	September 6, 2017	Php1.76145
October 26, 2017	November 24, 2017	December 6, 2017	Php1.76145
January 10, 2018	February 9, 2018	March 6, 2018	Php1.76145
May 9, 2018	May 23, 2018	June 6, 2018	Php1.76145
August 1, 2018	August 16, 2018	September 6, 2018	Php1.76145
October 24, 2018	November 12, 2018	December 6, 2018	Php1.76145
February 21, 2019	March 1, 2019	March 6, 2019	Php1.76145
May 8, 2019	May 22, 2019	June 6, 2019	Php1.76145
August 7, 2019	August 22, 2019	September 6, 2019	Php1.76145
October 23, 2019	November 15, 2019	December 6, 2019	Php1.76145
January 29, 2020	February 14, 2020	March 6, 2020	Php1.76145
May 6, 2020	May 21, 2020	June 6, 2020	Php1.76145
August 5, 2020	August 19, 2020	September 6, 2020	Php1.76145
October 21, 2020	November 13, 2020	December 6, 2020	Php1.76145
January 27, 2021	February 15, 2021	March 6, 2021	Php1.76145
May 5, 2021	May 19, 2021	June 6, 2021	Php1.76145
August 4, 2021	August 20, 2021	September 6, 2021	Php1.76145
October 20, 2021	November 16, 2021	December 6, 2021	Php1.76145

ALCO declared cash dividends to holders of Series C Preferred Shares until these shares were redeemed on June 27, 2024, as follows:

Declaration Date	Record Date	Payment Date	Amount/Share
August 8, 2019	September 6, 2019	September 27, 2019	Php1.7319
October 23, 2019	November 29, 2019	December 27, 2019	Php1.7319
January 29, 2020	March 6, 2020	March 27, 2020	Php1.7319
May 6, 2020	June 4, 2020	June 27, 2020	Php1.7319
August 5, 2020	September 4, 2020	September 27, 2020	Php1.7319
October 21, 2020	December 4, 2020	December 28, 2020	Php1.7319
January 27, 2021	March 8, 2021	March 27, 2021	Php1.7319
May 5, 2021	June 7, 2021	June 27, 2021	Php1.7319
August 4, 2021	September 7, 2021	September 27, 2021	Php1.7319
October 20, 2021	December 3, 2021	December 27, 2021	Php1.7319
February 23, 2022	March 10, 2022	March 28, 2022	Php1.7319
May 4, 2022	June 2, 2022	June 27, 2022	Php1.7319

Declaration Date	Record Date	Payment Date	Amount/Share
August 5, 2022	September 1, 2022	September 27, 2022	Php1.7319
October 26, 2022	December 5, 2022	December 27, 2022	Php1.7319
January 25, 2023	March 1, 2023	March 27, 2023	Php1.7319
May 3, 2023	June 1, 2023	June 27, 2023	Php1.7319
August 2, 2023	September 4, 2024	September 28, 2023	Php1.7319
October 25, 2023	November 29, 2023	December 27, 2023	Php1.7319
January 31, 2024	March 1, 2024	March 27, 2024	Php1.7319
May 8, 2024	June 3, 2024	June 27, 2024	Php1.7319

ALCO declared cash dividends to holders of Series D Preferred Shares, as follows:

Declaration Date	Record Date	Payment Date	Amount/Share
January 26, 2022	February 11, 2022	March 3, 2022	Php7.50
May 4, 2022	May 19, 2022	June 3, 2022	Php7.50
August 8, 2022	August 19, 2022	September 3, 2022	Php7.50
October 26, 2022	November 14, 2022	December 5, 2022	Php7.50
January 25, 2023	February 8, 2023	March 3, 2023	Php7.50
May 3, 2023	May 17, 2023	June 3, 2023	Php7.50
August 2, 2023	August 16, 2023	September 3, 2023	Php7.50
October 25, 2023	November 10, 2023	December 3, 2023	Php7.50
January 31, 2024	February 15, 2024	March 3, 2024	Php7.50
May 8, 2024	May 23, 2024	June 3, 2024	Php7.50
August 6, 2024	August 27, 2024	September 3, 2024	Php7.50
November 5, 2024	November 19, 2024	December 3, 2025	Php7.50
January 22, 2025	February 7, 2025	March 3, 2025	Php7.50
May 7, 2025	May 22, 2025	June 3, 2025	Php7.50
August 6, 2025	August 20, 2025	September 3, 2025	Php7.50
October 29, 2025	November 13, 2025	December 3, 2025	Php7.50
January 21, 2026	February 11, 2026	March 3, 2026	Php7.50
May 6, 2026	May 20, 2026	June 3, 2026	Php7.50

ALCO declared cash dividends to holders of Series F Preferred Shares, as follows:

Declaration Date	Record Date	Payment Date	Amount/Share
December 11, 2024	January 21, 2025	February 14, 2025	Php9.1575
March 26, 2025	April 15, 2025	May 14, 2025	Php9.1575
June 27, 2025	July 21, 2025	August 14, 2025	Php9.1575
August 6, 2025	October 21, 2025	November 14, 2025	Php9.1575
January 21, 2026	February 4, 2026	February 16, 2026	Php9.1575
April 8, 2026	April 23, 2026	May 14, 2026	Php9.1575

ALCO and its subsidiaries have not adopted a specific dividend payout policy.

Dividends may be declared at the discretion of the BOD and will depend upon the future results of operations and general financial condition, capital requirements, its ability to receive dividends and other distributions and payments from its subsidiaries, foreign exchange rates, legal, regulatory and contractual restrictions, loan obligations and other factors the BOD may deem relevant.

Similarly, the subsidiaries of ALCO may declare dividends at the discretion of their respective boards of directors and will depend upon the future results of operations and general financial condition, capital requirements, its ability to receive dividends and other distributions and payments from their respective subsidiaries, foreign exchange rates, legal, regulatory and contractual restrictions, loan obligations and other factors their respective boards of directors may deem relevant.

Directors and Executive Officers & Key Persons

The overall management and supervision of the Company is vested in its BOD. The Company's officers and management team cooperate with its BOD by preparing relevant information and documents concerning the Company's business operations, financial condition and results of operations for the review and action by the BOD. At present, the BOD consists of nine members, including two independent directors.

Members of the Board of Directors

All of the Company's directors were elected at the Company's annual stockholders' meeting held last June 27, 2025 and will continue to serve as such until the next annual stockholders' meeting or until their successors have been duly elected and qualified. Information on each member of the Company's BOD as of the date of this Prospectus, including each director's term of office as a director and the period during which the director has served is set out in the table below.

Name	Age	Position in ALCO	Period	Citizenship
Ernest K. Cuyegkeng	80	Chairman/Regular Director	June 24, 2016-Present	Filipino
		Chairman/Independent Director	June 6, 2012 –June 24, 2016	
		Independent Director	May 21, 2007 – June 6, 2012	
Jaime C. González	80	Vice Chairman/Regular Director	August 1, 2016 – Present	Filipino
		President	March 1, 2017–-Present	
		Regular Director	June 6, 2012 – August 1, 2016	
		Chairman/Regular Director	May 21, 2007 – June 6, 2012	
Ricardo Gabriel T. Po	58	Vice Chairman/Regular Director	June 26, 2015–-Present	Filipino
		Regular Director	March 28, 2012 – June 26, 2015	
Jaime Enrique Y. González	49	Regular Director	June 24, 2011 – Present	Filipino
Christopher Paulus Nicholas T. Po	55	Regular Director	June 24, 2011–-Present	Filipino
Cornelio S. Mapa, Jr.	59	Treasurer and Executive Vice President/Regular Director	June 25, 2021–-Present	Filipino

Name	Age	Position in ALCO	Period	Citizenship
Denise Loreena V. De Castro[28]	50	Independent Director	June 30, 2023 – April 8, 2026	Filipino
Hans B. Sicat	65	Independent Director	June 30, 2017 – Present	Filipino
Andres B. Sta. Maria	77	Regular Director	June 27, 2025 - Present	Filipino
		Independent Director	June 24, 2016 – June 27, 2025	

The business experience of each of the Company's directors for the past five years is described below.

Ernest K. Cuyegkeng, Filipino, is presently the Chairman and Director of Phelps Dodge Philippines. His other concurrent positions include President and Director of Seven Seas Resorts & Leisure and Sumifru Philippines, Prople, and KSA Realty. He is also a Trustee of Andres Soriano Foundation and is a member of the Makati Business Club, Management Association of the Philippines and Financial Executive Institute of the Philippines and is also the Treasurer of Columbia University Alumni Association of the Philippines. He holds a Bachelor of Arts degree in Economics and a Bachelor of Science degree in Business Administration, both from the De La Salle University. He also obtained a Master's degree in Business Administration from the Columbia Graduate School of Business in New York.

Jaime C. González, Filipino and a graduate of Harvard Business School (MBA) and De La Salle University in Manila with degrees in Bachelor of Arts in Economics (cum laude) and Bachelor of Science in Commerce (cum laude), is a visionary leader in the Philippine real estate industry, serving as ALCO's Vice Chairman and President since 2017. He is also the founder and Chairman of AO Capital Partners, a financial and investment advisory firm with headquarters in Hong Kong, originally a joint venture with AIG, New York. Mr. González has been involved with a number of other companies internationally, including as an independent director of Euromoney Institutional Investor PLC, a UK publicly listed media company. Apart from these, he was a Managing Director of a large US investment bank with regional responsibilities. He also held the position of Special Trade Negotiator at the Ministry of Trade and Industry in the Philippines and served as the Vice Chairman and President of the Philippine International Trading Corporation, the government's international trading arm. He was once a partner of SGV & Co. with a principal focus on assisting clients in establishing and arranging funding for projects throughout the Asian region. His dedication and passion extend beyond the realm of business. Mr. González is active in socio-cultural organizations such as the Philippine Map Collectors Society, where he is the President, the World President's Organization, and the International Wine and Food Society.

Jaime Enrique Y. González, Filipino, is currently the CEO of IPVI, the Philippines leading venture builder and accelerator. He is also the founder of IPVG Corp., Egames, and IP-Converge, Inc., which are all listed on the PSE. Enrique has spent the last two decades building leading internet, technology and telecom businesses in the Philippines which include leading data center provider that serviced Philippines, HK and Singapore. He has also invested in on-shore and undersea fiber optic cable networks and was the principal shareholder behind Prolexic Technologies (which was acquired by Akamai). He sits on the investment committee of several venture capital funds including Emissary

[28] Ms. De Castro passed away on April 8, 2026.

Capital and is an active investor in the Southeast Asia technology eco-system. Enrique is committed to continuous learning. He went to Harvard Business School (Owner-President Management [OPM] Program), is a Kauffman Fellow and a London Business School alumni, and is also completing another Master's program with Tsinghua University. He allocates a fair amount of time to serve non-profit boards and to 'pay it forward'. He is on the board of Young Presidents' Organization (Philippines), Board of Trustees of Asia Society (Philippines), and serves on the board of the Harvard Business School OPM alumni of the Philippines.

Christopher Paulus Nicholas T. Po, Filipino, is the Executive Chairman of Century Pacific Food, Inc., a food company listed in the PSE. He concurrently serves as Chairman of Shakey's Pizza Asia Ventures, Inc., likewise a listed chain restaurant business, and is an independent director of Maya Bank, Inc. and a director of AB Capital and Investment Corporation. Prior to those roles, he was Managing Director for Guggenheim Partners, a U.S. financial services firm where he was in charge of the firm's Hong Kong office. Previously, he was a Management Consultant at McKinsey & Company working with companies in the Asian region. He also worked as the Head of Corporate Planning for JG Summit Holdings, a Philippine-based conglomerate with interests in food, real estate, telecom, airlines and retail. He graduated in 1991 from the Wharton School and College of Engineering of the University of Pennsylvania with dual degrees in Economics (finance concentration) and applied science (system engineering). He holds a Masters degree in Business Administration from the Harvard University Graduate School of Business Administration. He is a member of the Board of Trustees of the Ateneo de Manila University, serves as a Board member of the Child Protection Network as well as Asia Society Philippines, and is the President of the CPG-RSPo Foundation.

Cornelio S. Mapa, Jr., Filipino, presently the Treasurer and Executive Vice President of ALCO, oversees the Finance, IT, Strategic Procurement, Customer Accounts Management, Construction Cost Control, and Business Development Departments. He previously had several senior executive roles with the Gokongwei Group of companies and its subsidiaries until 2020. His last position was Senior Vice President, Investments and New Builds of JG Summit Holdings, Inc., a role he carried out concurrently as Executive Vice President for Corporate Strategy of Universal Robina Corporation ("**URC**"). He was also the Executive Vice President and Managing Director of the URC Branded Consumer Food Group and before then, he served as Senior Vice President at Robinsons Land Corporation, with the functional role of General Manager of the Commercial Centers Division. Prior to joining the Gokongwei Group of companies, he was Senior Vice President and Chief Financial Officer of Coca Cola Bottlers Philippines, including its subsidiaries, Cosmos Bottling and Philippine Beverage Partners. He was also Senior Vice President and Chief Financial Officer of La Tondeña Distillers, Inc. Mr. Mapa earned his Bachelor of Science degrees in Economics and International Finance from New York University, and obtained his Masters in Business Administration from International Institute for Management Development in Lausanne, Switzerland.

Ricardo Gabriel T. Po, Filipino, is the Vice Chairman of Century Pacific Food, Inc. ("**CNPF**"), and concurrently serves as Vice Chairman of Shakey's Pizza Asia Ventures, Inc. He was the Executive Vice President and Chief Operations Officer of CNPF from 1990 to 2006 and became the Vice Chairman of its Board of Directors in 2006. He graduated magna cum laude from Boston University with a Bachelor of Science degree in Business Management in 1990. He also completed the Executive Education Program (Owner-President Management Program) at Harvard Business School in 2000.

Hans Brinker Sicat, Filipino, is currently a Managing Director in Ares Management Corporation, a U.S. publicly listed alternative investment manager. Hans is with Ares' private equity group, which used to be known as Crescent Point. He has been a leader in the financial services industry for many years and was most recently the Country Manager and Managing Director of ING Bank in the Philippines, a post he occupied from 2017 to 2022. Prior to joining ING, he was the CEO of the PSE from 2011 to 2017

and was concurrent President & CEO of the Securities Clearing Corporation of the Philippines and a Director of the Philippine Dealing System Holdings Corporation, the country's Fixed Income Exchange. Mr. Sicat has been involved with various global and sectoral activities, and has been an Independent Director of a number of private firms in the Conglomerates, TMT and Real Estate spaces. He has been with the Young Presidents' Organization (YPO and YPO Gold) for nearly two decades, an active leader in different roles, including the Chairman for the Philippines' chapter, and a member of the regional South East Asian board and the country Executive Committee. He has also served as a Member of the Board of Directors of the Bankers Association of the Philippines ("BAP") and the Investment House Association of the Philippines ("IHAP"), serving as Committee Chairman for different roles. A mathematician and economist, Mr. Sicat has been a practitioner in the Global Capital Market for over three decades – he was an investment banker with Citigroup and its predecessor firms (Salomon Brothers & Citicorp Securities) in various roles in New York, Hong Kong and the Philippines, including the Country Board of Citigroup Philippines. He finished his coursework for Ph.D. Economics Program at the University of Pennsylvania, Philadelphia. He was conferred an Honorary Doctorate Degree in Business Administration by the Western University in Thailand. He earned his Master of Arts in Economics and Bachelor of Science in Mathematics at the University of the Philippines.

Andres B. Sta. Maria, Filipino, was senior partner and a member of the executive committee of the law firm SyCip Salazar Hernandez & Gatmaitan. For over 25 years until he retired, he headed the firm's Special Projects Group, which focused on acquisitions, privatization, power and energy, and industrial and infrastructure projects. He studied at the University of the Philippines, Cornell University and New York University and holds Bachelor of Science in Business Administration, Bachelor of Laws, and Master of Laws degrees. Before SyCip, he worked with the New York law firms Cleary Gottlieb Steen & Hamilton and Coudert Brothers. Mr. Sta. Maria maintains a private practice in commercial and corporate law.

In addition to the directors listed above, the following are the names, ages and citizenship of the Company's executive officers and significant employees elected and appointed as of the date of this Prospectus.

Name	Age	Position	Years Served in the Company	Citizenship
Riva Khristine V. Maala	54	Corporate Secretary and General Counsel	February 08, 2017 – Present	Filipino
		Compliance Officer	March 1, 2017 – Present	
		Assistant Corporate Secretary/ Corporate Information Officer	May 21, 2007 – February 7, 2017	

Name	Age	Position	Years Served in the Company	Citizenship
		Vice President - Investor Relations Officer	October 1, 2012 – February 7, 2017	
Sheryll P. Verano	49	Executive Vice President and Investor Relations Officer	December 18, 2025 - Present	Filipino
		Senior Vice President - Head Strategic Funding and Investments, Corporate Planning and Investor Relations Officer	March 21, 2018 – December 18, 2025	
		Vice President - Head of Strategic Funding and Investments, Corporate Planning and Investor Relations Officer	February 8, 2017 – March 21, 2018	
		Vice President - Head, Strategic Funding and Investments	July 1, 2016 – February 8, 2017	
Oliver L. Chan	45	Executive Vice President	December 18, 2025 – Present	Filipino
		Senior Vice President - Head of Sales Operations and Project Marketing and Leasing Operations	March 21, 2018 – December 18, 2025	

Leilani G. Kanapi	52	Vice President	March 21, 2018 – Present	Filipino
Marivic S. Victoria	54	Chief Finance Officer	October 1, 2022 – Present	Filipino
		Deputy Chief Finance Officer	January 3, 2022 – September 30, 2022	
Joseph R. Feliciano	56	Audit and Risk Head	August 17, 2020 – Present	Filipino
Alex D. Miguel	62	Vice President	April 15, 2024 – Present	Filipino
Felix Cicero C. Tiukinhoy	54	Vice President	August 1, 2023 – Present	Filipino

		Anti-Money Laundering Council Compliance Officer	January 1, 2024 - June 30, 2025	
Maria Elena M. Fajardo	42	Vice President	October 25, 2023 – Present	Filipino
Gerard Vincent Casanova	42	Information and Business Technology Head and Data Privacy Officer	February 1, 2024 – Present	Filipino
Margeline C. Hidalgo	38	Assistant Corporate Secretary	June 24, 2022 – Present	Filipino

The business experiences covering the past five years of the Company's executive officers and significant employees who are expected to make a significant contribution to the business of ALCO are described below.

Riva Khristine V. Maala, Filipino, holds a Bachelor of Arts degree in Philosophy (*cum laude*) and a Juris Doctor degree, both from the University of the Philippines. She was an Associate Attorney of Fortun Narvasa and Salazar Law Offices before working in the banking industry for eleven years as documentation lawyer, among others. Atty. Maala became ALCO's Head of Legal Affairs and Investor Relations on October 1, 2012, and likewise acted as its Assistant Corporate Secretary and Corporate Information Officer until February 8, 2017 when she was appointed as Corporate Secretary and General Counsel. Atty. Maala has been performing the responsibilities of ALCO's Compliance Officer since she was first appointed as its Assistant Corporate Secretary in May 2007, having assisted ALCO's previous compliance officers on their tasks as such. Her appointment as ALCO's Compliance Officer was formalized on June 27, 2025.

Sheryll P. Verano, Filipino, is the Executive Vice President who heads Strategic Funding & Investments and Corporate Planning and is ALCO's Investor Relations Officer. She is a finance professional with over 25 years-experience in financial advisory, debt and equity capital raising, debt restructuring and mergers and acquisitions. Prior to joining ALCO in June 2016, she was Associate Director in American Orient Capital Partners (Philippines) and was with the Global Corporate Finance group of SGV and Co. She received her CFA Charter in 2006 and was one of the topnotchers in the 1999 CPA Board Exams. She graduated cum laude from the University of the Philippines with a Bachelor of Science degree in Business Administration and Accountancy.

Oliver L. Chan, Filipino, is the Executive Vice President who heads Sales and Leasing Operations, Project Marketing, and Management and Project Services. He is a mechanical engineer who obtained his degree from the University of Santo Tomas. Prior to joining ALCO in 2008, he was the Property Manager of Ayala Property Management Corporation who handled the operations of Ayala Land Inc.'s premiere retail and recreation centers, namely, the Greenbelt complex, Ayala Museum, San Antonio Plaza in Forbes Park and the retail spaces at The Residences at Greenbelt. Because of his strong customer service background, he is concurrently the President of Arthaland Prestige Property Solutions, Inc. (formerly Emera Property Management, Inc.), the property management arm of ALCO, and effective October 16, 2022, he was appointed as ALCO's Chief Sustainability Officer.

Marivic S. Victoria, Filipino, was appointed as Chief Finance Officer on October 1, 2022. She is a seasoned executive with more than two (2) decades of experience in Finance, Controllership, Audit and Taxation. Prior to joining ALCO as Deputy Chief Finance Officer on December 15, 2021, she was the Treasurer and CFO of the Philippine office of Capmark Financial Group and Elite Union Group. She started her career in SGV and Company. She is a Certified Public Accountant who obtained her MBA from the joint program of Ateneo de Manila University and Regis University. She completed the Executive Development Program of the Wharton School of the University of Pennsylvania and attended the training on Circular Economy and Sustainability Strategies of the Judge Business School of the University of Cambridge.

Joseph R. Feliciano, Filipino, is the Audit and Risk Head of ALCO. He obtained from Far Eastern University his Bachelor of Science degree in Commerce major in Accounting (*cum laude*). He also earned several units of his Master's degree in Business Administration from the De La Salle University-Graduate School of Business. Mr. Feliciano is a seasoned internal audit professional with more than 25 years work experience. He is a Certified Internal Auditor ("**CIA**") and Certified Public Accountant ("**CPA**"). Prior to joining ALCO, he was the Head of Internal Audit of TrueMoney Phils. He was also previously the Regional Audit Manager for the Asian region of VisionFund International and the Country Audit Head of Sun Life of Canada. He held key audit positions in companies such as Sumisho (subsidiary of Sumitomo Corporation of Japan), Citigroup, ABS-CBN and Manulife. He has recently been elected as a member of the Board of Trustees of the Institute of Internal Auditors ("**IIA**")-Phils for 2023-2024. IIA is a global institute that has a network of affiliates serving members in the fields of

internal auditing, risk management, governance, internal control, IT audit, education, security, and management. He has experience in controllership and finance.

Leilani G. Kanapi, Filipino, joined ALCO in March 2008 initially as part of the Technical Services team. She was eventually appointed as Vice President and tasked to head the Strategic Procurement Department in August 2009. She worked previously with Rockwell Land Corporation where she took on roles in Estate Management, Handover and Project Development. Prior to that, she was with CB Richard Ellis as Business Development and Operations Manager for the Property and Facilities Management Group. Ms. Kanapi graduated from the University of Santo Tomas with a Bachelor of Science degree in Civil Engineering and obtained a Master's degree in Business Administration from Pepperdine University, USA where she also had the opportunity to join the Student Exchange Program in Marseille, France. She has been one of the representatives of Arthaland to the Philippine Green Building Council since 2010. She has also been elected a member of its Board of Trustees for three (3) consecutive years now.

Alex D. Miguel, Filipino, is the Vice President who heads Construction Management. He is a graduate of the Holy Angel University in Angeles City, Pampanga, with a Bachelor of Science degree in Civil Engineering. He has more than 36 years of work experience in Construction Management, specifically estate development and residential and commercial construction for vertical and horizontal projects. He worked previously with D.M. Consunji, Inc., Makati Development Corporation, Alveo Land Corporation, Taft Property Ventures & Development Corporation, Federal Land, and most recently, Shang Properties, Inc**.**

Felix Cicero C. Tiukinhoy, Filipino, was appointed as Vice President and oversees Customer Account Management and Construction Cost and Management. He finished his formal education from De La Salle University with an Economics Degree. He took up his Master's degree in Business Management from the Asian Institute of Management. Prior to joining ALCO, he was the Group CFO of Taft Property Ventures Development Corp. and Midland Development Corp., and, previous to that, the Group Head of their Customer Account Management.

Maria Elena M. Fajardo, Filipino, was appointed as Vice President to head Human Resources and Administration on October 25, 2023. She finished her Bachelor of Arts degree in Political Science with a major in International Relations and Economics, from the University of the Philippines. She took up her Bachelor of Laws degree from San Beda University and is currently doing her Executive MBA at the Asian Institute of Management. Ms. Fajardo worked with the Philippine franchise of a Singapore-based educational institution, Informatics Holdings Philippines, Inc., in 2011, and joined Taft Property Development Corp., the real-estate arm of VICSAL Holdings Corp. of the Gaisano group of companies, in 2015. Prior to joining ALCO, she was the Human Resource Director for Total Rewards and Learning and Organizational Development of PTC Holdings Corp.

Gerard Vincent Casanova, Filipino, was appointed as Information and Business Technology (IT) Head and ALCO's Data Privacy Officer effective on February 1, 2024 following the retirement of Mr. Clarence P. Borromeo on January 31, 2024. He graduated from the De La Salle University where he took up Bachelor of Science in Computer Science. Before joining ALCO in 2021 as Deputy Head of the Department, he worked for SM Investments Corporation, Royal Caribbean Cruises, Star Cruises and Ayala Corporation. He is a results-oriented professional with over 17 years of experience in the field of information technology in different industries and has extensive expertise in product and project management.

Margeline C. Hidalgo, Filipino, holds a Bachelor of Science degree in Economics (*cum laude*) and a Juris Doctor degree, both from the University of the Philippines. She was an Associate Attorney of Angara Abello Concepcion Regala & Cruz Law Offices before working at Bank of Commerce as Legal Officer and subsequently at CBRE GWS Business Support Services Philippines, Inc. as Commercial Counsel for the Asia Pacific region. She joined ALCO in January 2020 and is currently its Assistant Corporate Secretary.

The directors and officers of ALCO believe that good corporate governance is a necessary component of a sound and strategic business management and therefore, undertake every effort necessary to create awareness of this policy and of ALCO's Manual of Corporate Governance (hereinafter, the "Manual") within the entire organization.

ALCO believes that compliance with the principles of good corporate governance starts with its BOD but to ensure adherence to corporate principles and best practices as stated in the Manual and pertinent laws and regulations of the SEC and the PSE, the BOD designated a Compliance Officer tasked to monitor compliance and he reports directly to the BOD.

ALCO recognizes that the most cogent proof of good corporate governance is that which is visible to the eyes of its investors. At the minimum, ALCO provides its shareholders, minority or otherwise, all rights granted to them under the law, particularly the Revised Corporation Code of the Philippines (the "**Corporation Code**"), with the exception of pre-emptive rights. The reports or disclosures required under the Manual and by the SEC and the PSE, including any and all material information that could potentially affect share price, are prepared and submitted through relevant corporate officers of ALCO.

The Company likewise safeguards the independence of its auditors, financial analysts, investment banks, and other relevant third parties through the following measures:

Auditors	Financial Analysts	Investment Banks
Strict observance of rotation requirement	Public disclosure of all financial information as approved by the Audit Committee	Public disclosure of all financial information as approved by the Audit Committee
Access to management	Access to management	Access to management

Manual on Corporate Governance

The Company first adopted a Manual of Corporate Governance (the "**Manual**") in December 2002, which was amended on July 23, 2014, May 31, 2017, May 6, 2020, May 3, 2023[29], and most recently on December 18, 2025 whereby the Governance and Nomination Committee was given the additional function of approving the annual Sustainability Report filed with regulators.

The Manual has been submitted to the SEC in compliance with Revised Code of Corporate Governance SEC Memorandum Circular No. 6, Series of 2009, and SEC Memorandum Circular No. 9, Series of 2014.

The Company's policy of corporate governance is based on its Manual, which provides that it shall institutionalize the principles of good corporate governance in the entire organization. The Manual also provides that, to the extent applicable, it shall also serve as a guide in the management and

[29] The term of the External Auditor was amended in Item 6.B of the Manual which now reads "The External Auditor shall be rotated or changed every seven (7) years or earlier, or the signing partner of the auditing firm assigned to the Corporation, should be changed with the same frequency."

operations of the Company's operating subsidiaries. The BOD periodically reviews its performance to determine the level of compliance of the Board and Senior Management with the Manual and the necessary steps required to improve.

ALCO's Code of Conduct ("**Code**") (which deals with conflict of interest, business and fair dealing, receipt of gifts from third parties, compliance with laws and regulations, trade secrets, nonpublic information, company assets, and employment/labor policies, among others) is part of the orientation of newly hired employees regardless of rank. Each new employee is given a copy of this Code and a letter-agreement he or she must sign to signify his or her undertaking to comply with its provisions. Any violation of any provision of this Code is essentially determined through periodic activities carried out by ALCO's Human Resources Department, reports submitted by the employees themselves, and performance meetings with managers. Disciplinary measures taken are commensurate with the seriousness of the offense and comply with the Labor Code of the Philippines.

Insofar as the directors, the Manual is clear that a director's office is one of trust and confidence. Having vetted his/her qualifications, the Governance and Nomination Committee ensures that ALCO directors shall at all times act in a manner characterized by transparency, accountability and fairness.

As of the date of this Prospectus, ALCO has substantially complied with the Manual and there is no deviation therefrom.

ALCO continuously improves the corporate governance within the organization as the need arises by coming out with policies on specific items addressed in the Manual. For 2022, the Board has approved the Risk Management Framework of the Company, the Insider Trading Policy, the Whistle Blowing Policy, and the Manual on Anti-Money Laundering. In 2024 and 2025, the Company approved its Data Privacy Policy, Manual on Data Privacy, and Anti-Money Laundering Institutional Risk Assessment Framework. The Company also holds townhalls and group sessions among its employees to disseminate these policies for proper implementation.

Independent Directors

The Manual provides that the BOD shall have at least two independent directors or such number that constitutes 20% of the total number of directors of the BOD pursuant to the Company's Articles of Incorporation, whichever is lesser, but in no case less than two (2). During the Annual Stockholders' Meeting of the Company on June 27, 2025, Mr. Hans B. Sicat and Ms. Denise Loreena V. de Castro were elected as independent directors for the term 2025 to 2026. However, on April 8, 2026, Ms. De Castro passed away. Following Section 22 of the Revised Corporation Code that independent directors must be elected by the stockholders present or entitled to vote *in absentia* during the election of directors, two (2) independent directors are to be elected during the scheduled Annual Stockholders Meeting on June 26, 2026.

In addition, the Manual directs that independent directors should always attend board meetings, but their absence shall not affect the quorum requirement. However, the BOD may, to promote transparency, require the presence of at least one independent director in all its meetings.

Independent directors must be independent of management and free from any business or other relationship with the Company which could, or could reasonably be perceived to, materially interfere with his exercise of independent judgment in carrying out his responsibilities as a director and possesses the necessary qualifications and none of the disqualifications for an independent director as provided by the By-laws of the Corporation.

COMMITTEES OF THE BOARD

The BOD has constituted certain committees to effectively manage the operations of the Company. The Company's committees include the Executive Committee, Governance and Nomination Committee, Stock Option and Compensation Committee, and Audit and Risk Committee. A brief description of the functions and responsibilities of the key committees are set out below:

Executive Committee

The Executive Committee is the body to which the BOD may delegate some of its powers and authorities which may lawfully be delegated. It shall be composed of the Chairman, the President and CEO, the Chief Finance Officer and such other officers of the Company as may be appointed by the BOD. The Executive Committee shall adopt and observe its own internal procedures and conduct of business.

The Executive Committee is composed of: Jaime C. González as Chairman, Ricardo Gabriel T. Po as Vice Chairman, and Jaime Enrique Y. González, Cornelio S. Mapa, Jr., and Christopher Paulus Nicholas T. Po as members.

Governance and Nomination Committee

The Governance and Nomination Committee was established by the BOD to assist in developing and maintaining the corporate governance policies of ALCO and providing oversight on the governance affairs of the BOD and ALCO; and in implementing the nomination policies, including overseeing the evaluation of (1) the members of the BOD, at least once a year, and (2) the senior management (those with the rank of Vice President and higher). The Committee is composed of at least three members of the BOD, one of whom must be an independent director.

The present members of the Committee are Ricardo Gabriel T. Po as Chairman and Hans B. Sicat and Andres B. Sta. Maria as members.

Stock Option and Compensation Committee

The Stock Option and Compensation Committee is composed of at least three members of the BOD, one of whom must be an independent director. The Stock Option and Compensation Committee shall, among others, establish a formal and transparent procedure for developing policy on executive remuneration and for fixing the remuneration packages of corporate officers and directors, and provide oversight over remuneration of senior management and other key personnel ensuring that compensation is consistent with the Company's culture, strategy, and control environment.

The Stock Option and Compensation Committee is composed of: Jaime C. González as Chairman and Ricardo Gabriel T. Po as member.

Audit and Risk Committee

The Audit and Risk Committee shall be composed of at least three members of the BOD, at least two of whom shall be independent directors, including the Chairman thereof, and preferably all members shall have accounting, auditing or related financial management expertise or experience. Each member should have adequate understanding at least or competence at most of the Company's financial management system and environment.

The Audit and Risk Committee shall, among others, assist the BOD in the performance of its oversight responsibility for the financial reporting process, system of internal control, audit process and monitoring of compliance with applicable laws, rules and regulations. It shall also review the quarterly, half-year and annual financial statements before their submission to the BOD, with particular focus on: (a) any change/s in accounting policies and practices; (b) major judgmental areas; (c) significant adjustments resulting from the audit; (d) going concern assumptions; (e) compliance with accounting standards; and (f) compliance with tax, legal and regulatory requirements. The Committee also supports the BOD in establishing an enterprise risk management framework for ALCO and its subsidiaries and affiliates. It oversees their respective risk appetites, and identifies, evaluates and mitigates relevant risks affecting them. The Committee is tasked to monitor and approve the overall risk policies and associated practices of ALCO and its related interests.

The Audit and Risk Committee is composed of: Hans B. Sicat as Chairman and Andres B. Sta. Maria and as member.

Family Relationships

With the exception of brothers Ricardo Gabriel T. Po and Christopher Paulus Nicholas T. Po, and father and son Jaime C. González and Jaime Enrique Y. González, the abovementioned incumbent directors and executive officers of ALCO are not related to each other, either by consanguinity or affinity.

Involvement in Certain Legal Proceedings

To the best of the Company's knowledge, there has been no occurrence of any of the following events during the past five years up to the date of this Prospectus, which are material to an evaluation of the ability or integrity of any director, any person nominated to become a director, executive officer or control person of the Company:

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. 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; and

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.

Directors and Executive Officers & Key Persons – Involvement in Certain Legal Proceedings

One director and an officer of the Company are currently parties to legal proceedings which directly involve neither the Company nor their acts as such directors and officers of the Company, but which are nevertheless discussed below. There are no final resolutions on these proceedings at this time.

The Company believes that the involvement of these directors and officer in the said proceedings is not material to an evaluation of the ability or integrity of such person to become a director, executive officer, or control person of the Company.

1. In 2013, the Philippine Deposit Insurance Corporation ("**PDIC**") had filed one and the same complaint against Mr. Jaime C. González, among other former officers of then Export and Industry Bank ("**EIB**"), before (a) the Department of Justice ("**DOJ**"), and (b) the Bangko Sentral ng Pilipinas ("**BSP**") for violation of Section 21 (f)(4) and (f)(10) of Republic Act (R.A.) No. 3591, and Sections 55, 56 and 66 of R.A. No. 8791 in relation to Section 36 of R.A. No. 7653. PDIC alleged that the respondents committed acts which constituted doing business in an unsafe and unsound manner, essentially having concealed from PDIC the engagement as EIB's financial advisor of a company which Mr. González was an officer of, while simultaneously being an officer of EIB. All respondents denied PDIC's accusation and submitted documentary evidence that there was in fact full disclosure to all concerned parties and there was no directive issued by PDIC prohibiting the said engagement.

   In 2014, the DOJ found no probable cause to hold Mr. González and his co-respondents liable for the charges of PDIC against them and dismissed the complaint. PDIC's Motion for Reconsideration was likewise denied. PDIC filed a Petition for Review before the Secretary of Justice which was denied on 18 February 2025. PDIC filed its Motion for Reconsideration of said denial on 10 March 2025 and the same remains pending to date.

   In March 2016, PDIC filed a civil complaint for sum of money against Mr. González, among others, arising from the same set of allegations and circumstances stated in the above complaint PDIC filed with the DOJ and the BSP, i.e. that Mr. González and his co defendants committed fraud with the concealment of the engagement as EIB's financial advisor of the company which Mr. González was an officer of, and demanded from the defendants the return of the payment made by EIB to a third party. The individual defendants denied PDIC's assertions and presented evidence that there was full disclosure of the questioned transaction given that a PDIC officer was a member of EIB's Board of Directors at the time. On 12 November 2021, the trial court denied plaintiff PDIC's application for preliminary attachment without prejudice to further evidence that may be presented in the trial proper to prove the alleged fraud. The complaint was dismissed altogether on 02 April 2025 as PDIC failed to prove its cause of action with clear and convincing evidence. PDIC only established that EIB paid the whole amount to a third party but did not present evidence that any portion of such amount was thereafter paid to the defendants.

   Insofar as the administrative case before the BSP, in a Resolution dated 13 June 2019, the Monetary Board approved the report prepared by the Office of the General Counsel and Legal Services finding Mr. González, among others, administratively liable for violation of banking laws and imposing upon him a fine of P20,000.00. Mr. González filed a Motion for Reconsideration on 09 July 2019 and paid the fine under protest, i.e., without abandoning his Motion for Reconsideration or waiving his legal right to question the Monetary Board Resolution before the proper courts and eventually claim reimbursement for the payment of the fine should said Resolution be set aside. BSP denied the Motion on 07 February 2020, hence, Mr. González filed a Petition for Review before the Court of Appeals. In a Joint Decision dated 15 November 2023, BSP's Resolution dated 13 June 2019 was reversed and set aside, and the Court of Appeals declared that the mere fact that Mr. González and his co-respondents were members of the Board and/or corporate officers of EIB would not conclusively and sweepingly make them administratively liable in the absence of proof that their actions are without justifiable basis and are prompted by manifest partiality, evident bad

faith or gross inexcusable negligence. PDIC filed a Motion for Reconsideration in December 2023 which was denied in a Resolution dated 04 April 2024. PDIC filed a Petition for Review on Certiorari under Rule 45 of the Rules of Court before the Supreme Court on 03 June 2024. The same remains pending resolution to date.

2. In 2015, PDIC filed one and the same complaint against Mr. González, Ms. Angela de Villa Lacson (Arthaland's former President and CEO), Mr. Froilan Q. Tejada (Arthaland's former Chief Finance Officer), and Ms. Riva Khristine V. Maala (Arthaland's Assistant Corporate Secretary at the time), among other former officers of EIB, (a) before the DOJ for violation of Article 315 of the Revised Penal Code in relation to Presidential Decree No. 1689, and of Section 21(f)(10) of R.A. No. 3591, as amended, and (b) before the BSP for violation of Section 37 of R.A. No. 7653. PDIC alleged that the respondents conspired and fraudulently caused EIB to make advances in favor of Arthaland for the alleged purchase by Arthaland of one of EIB's non-performing assets in the sum of P13 million. All respondents denied PDIC's charges against them in their respective counter-affidavits.

   In March 2017, the DOJ charged Mr. González and Ms. Maala, among other respondents in this case, for violation of Sec. 21(f)(10) of R.A. No. 3591, as amended, while the charges for the violation of Article 315 of the Revised Penal Code in relation to Presidential Decree No. 1689 were dismissed. Mr. González and Ms. Maala filed their respective Motions for Partial Reconsideration in December 2018, and in February 2019, the DOJ dismissed altogether the criminal complaint against the respondents for violation of Sec. 21(f)(10) of R.A. No. 3591, as amended. PDIC filed a Petition for Review of the said dismissal before the Office of the DOJ Secretary on 14 May 2019 and there is no decision on the matter to date.

   On the other hand, in May 2017, the BSP issued a Decision formally charging Mr. González, Ms. Maala and the other respondents for committing irregularities under Section 37 of R.A. No. 7653 and unsafe or unsound banking practices under Section 56 of R.A. No. 8791 in relation to Section 37 of R.A. No. 7653. On 11 July 2024, the BSP issued Resolution No. 808 dismissing the administrative charges against Ms. Maala but held Mr. González and other respondents liable and imposed on each of them a fine of P20,000.00 and the penalty of suspension if the offender is a director or officer of a bank, quasi-bank or trust entity9. After BSP denied the respondents' Motion for Reconsideration on 28 November 2024, they filed on 20 December 2024 a Petition for Review under Rule 43 of the Rules of Court with an Urgent Application for Temporary Restraining Order and/or Writ of Preliminary Injunction which remains pending to date.

EXECUTIVE COMPENSATION

Compensation of Directors and Executive Officers

Section 10, Article III of ALCO's By-laws provides that the "BOD is empowered and authorized to fix and determine the compensation of its members, including profit sharing and other incentives, subject to the limitations imposed by law." The directors are paid a per diem only for every Board or committee meeting attended.

Beginning June 2016, the per diem given to each director for each meeting of the Board (special or regular) attended was increased to Php75,000.00 for independent directors and Php10,000.00 for regular directors, except for the Chairman of the Board who receives Php100,000.00. In May 2023, the per diem for regular directors was increased to Php15,000.00 for each Board meeting attended.

Each director is also paid a per diem for each committee meeting he attends, of which he is a member. The per diem for committee meetings was also increased from Php2,500.00 to Php7,500.00 in May 2023. These committees are the Executive Committee, the Audit and Risk Committee, the Stock Option and Compensation Committee, and the Governance and Nomination Committee.

The current members of ALCO's various committees are:

Audit and Risk Committee	Hans B. Sicat, Chairman Andres B. Sta. Maria
Stock Option and Compensation Committee	Jaime C. González, Chairman Ricardo Gabriel T. Po
Governance and Nomination Committee	Ricardo Gabriel T. Po, Chairman Hans B. Sicat Andres B. Sta. Maria
Executive Committee	Jaime C. González, Chairman Ricardo Gabriel T. Po, Vice Chairman Jaime Enrique Y. González Christopher Paulus Nicholas T. Po Cornelio S. Mapa, Jr.

Section 7, Article IV, in turn, provides that the "Chairman, or such other officer(s) as the BOD may authorize, shall determine the compensation of all the officers and employees of the Corporation xxx." Executive directors are also paid a salary and bonus.

The compensation of ALCO's directors for last year and for the period ending December 31, 2025 is as follows:

Name of Director	2025 (Php)	2024 (Php)
Ernest K. Cuyegkeng	1,200,000.00	1,000,000.00
Jaime C. González	180,000.00	187,500.00
Jaime Enrique Y. González	135,000.00	150,000.00
Cornelio S. Mapa, Jr.	180,000.00	135,000.00
Christopher Paulus Nicolas T. Po	180,000.00	165,000.00
Ricardo Gabriel T. Po	135,000.00	180,000.00
Hans B. Sicat	892,500.00	810,000.00
Andres B. Sta. Maria	975,000.00	892,500.00
Denise Loreena V. de Castro	952,500.00	907,500.00
Total	**4,830,000.00**	**4,427,500.00**

The compensation of ALCO's officers and other employees for the last two years is as follows:

2025

	Salary[30]	**Bonus**	**Others**
Executives[31] includes Jaime C. Gonzalez, *Vice Chairman and President*, and the four highest compensated officers: i. Cornelio S. Mapa, Jr., *Treasurer and Executive Vice President* ii. Christopher G. Narciso, *Executive Vice President* iii. Sheryll P. Verano, *Head, Strategic Funding and Investments*, and iv. Marivic S. Victoria, *Chief Finance Officer*	**Php145.17M**	**None**	**None**
Officers (As a group unnamed)[32]	**Php125.86M**	**Php8.32 M**	**None**

2024

	Salary[33]	**Bonus**	**Others**
Executives[34] includes Jaime C. Gonzalez, *Vice Chairman and President*, and the four highest compensated officers: i. Cornelio S. Mapa, Jr., *Treasurer and Executive Vice President* ii. Christopher G. Narciso, *Executive Vice President* iii. Sheryll P. Verano, *Head, Strategic Funding and Investments* iv. Marivic S. Victoria, *Chief Finance Officer*	**Php136.10M**	**Php18.39 M**	**None**
Officers (As a group unnamed)[35]	**Php106.47M**	**Php13.89 M**	**None**

Estimated Compensation for 2026 (Collective)

	Salary[36]	**Bonus**	**Others**
Directors and Executives	Php149.13M	None[37]	None
Officers (As a group unnamed)	Php134.59M		

[30] Rounded-off.
[31] Includes all employees with the rank of Vice President and higher.
[32] Includes all employees with the rank of Manager up to Senior Assistant Vice President.
[33] Rounded-off.
[34] Includes all employees with the rank of Vice President and higher.
[35] Includes all employees with the rank of Manager up to Senior Assistant Vice President.
[36] Rounded-off.
[37] Whether bonuses will be given in 2024 is uncertain at this time.

Standard Arrangement/Material Terms of Any Other Arrangement/Terms and Conditions of Employment Contract with Above Named Corporate/Executive Officers

In ALCO's annual meeting held on 16 October 2009, the stockholders representing more than sixty-seven percent (67%) of all its issued and outstanding common shares which are entitled and qualified to vote approved the 2009 ALCO Stock Option Plan. The total amount of shares which were available for issuance under the plan amounted to 10% of ALCO's total outstanding capital stock at any given time and was equivalent to 531,809,519 shares. The Stock Option and Compensation Committee consisting of at least three (3) directors, one (1) of whom was an independent director, was tasked to administer the implementation of this plan. The SEC approved the 2009 Stock Option Plan on 05 November 2010.

Qualified employees eligible to participate under the plan are (i) members of the Board, with the exception of the independent directors; (ii) President and CEO and other corporate officers, which include the Corporate Secretary and the Assistant Corporate Secretary; (iii) Employees and Consultants who are exercising managerial level functions or are members of the Management Committee; and (iv) Executive officers assigned to ALCO's subsidiaries or affiliates[38].

The Stock Option and Compensation Committee is empowered to determine to whom the Options are to be granted, determine the price the Option is to be exercised (which in no case shall be below the par value of ALCO's common stock), decide when such Option shall be granted and its effectivity dates, and determine the number and class of shares to be allocated to each qualified employee. The Committee will also consider at all times the performance evaluation of the qualified employee and/or the result of the achievement of the objectives of ALCO each year.

The Option Period during which the qualified employee may exercise the option to purchase such number of shares granted will be three (3) years starting with the full year vesting in accordance with the following schedule:

(i) Within the first twelve (12) months from Grant Date - up to 33.33%
(ii) Within the 13th to the 24th month from Grant Date - up to 33.33%
(iii) Within the 25th to 36th month from Grant Date - up to 33.33%.

On the Exercise Date, the qualified employee should pay the full Purchase Price or in such terms as may be decided upon by the Stock Option and Compensation Committee.

In 2010, options equivalent to 164,800,000 were granted but none of the qualified employees exercised their respective rights until the period within which they can do so expired in October 2012.

On 14 December 2018, ALCO's Board of Directors approved granting options equivalent to not more than 90.0 million common shares to its qualified employees as defined above. The Stock Option and Compensation Committee was tasked to administer the implementation of this grant, which will include to whom and when the options are to be granted and the effectivity dates thereof, and the number and class of shares to be allocated to each qualified employee, after considering the performance evaluation of said qualified employees vis-à-vis the result of the achievement of ALCO's objectives for 2018.

[38]ALCO must have at least 50% equity holdings of said subsidiary or affiliate.

The Stock Option and Compensation Committee initially pegged the price the option is to be exercised at the five-day volume weighted average price per share beginning 17 December 2018, or until 21 December 2018. Said price was at ₱0.85 per share.

Although the price of the options granted as abovementioned was reduced to ₱0.50 per share on 25 March 2020, none of the qualified employees exercised their respective rights until the period within which they could do so expired in February 2022.

The term of the 2009 ALCO Stock Option Plan expired in October 2019. A new plan, *i.e.* the 2020 ALCO Stock Option Plan which has substantially the same terms as the 2009 plan was presented during the Annual Stockholders Meeting on 26 June 2020 and stockholders representing at least sixty-seven percent (67%) of the outstanding common shares which are entitled and qualified to vote at the time approved the same.

An application was subsequently filed with the Markets and Securities Regulation Department (MSRD) of the SEC for exemption from registration of the option shares to be allocated under the 2020 Stock Option Plan. However, the MSRD directed the reduction of the shares allocated as option shares from 10% to 5%. Accordingly, the Board of Directors during the joint Board and Stock Option and Compensation Committee meeting held on 22 March 2023 approved the proposed amendments of the Stock Option and Compensation Committee to the 2020 Stock Option Plan where the percentage of shares to be allocated as option shares was reduced from 10% to 5% of the outstanding common stock, or from 531,809,519 to just 265,904,760 common shares, provided that ALCO reserves its right to subsequently increase the allocated number of option shares in accordance with the Securities Regulation Code.

No option shares have been granted by the Corporation to any of its employees under the 2020 Stock Option Plan, as amended pursuant to the directive of the MSRD. Once the Stock Option and Compensation Committee makes a determination to grant option shares to qualified employees, including the final terms thereof which are required for the re-filing of the application,[39] an application will be filed anew with the SEC for exemption from registration of the option shares to be allocated under the 2020 Stock Option Plan.

The closing price of Arthaland's common shares as of June 15, 2026 was Php0.425 per share.

[39] These include the price at which the option is to be exercised (which in no case shall be below the par value of ALCO's common stock), the grant date and effectivity dates, the specific employees who will qualify for the options, and the number and class of shares to be allocated to each qualified employee.

Certain Relationships and Related Transactions

Related party transactions are transfer of resources, services or obligations between the Company and its related parties, regardless of whether a price is charged.

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. These include: (a) individuals owning, directly or indirectly through one or more intermediaries, control or are controlled by, or under common control with the Company; (b) associates; and (c) individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the Company and close members of the family of any such individual. In considering each possible related party relationship, attention is directed to the substance of the relationship and not merely on the legal form.

Intercompany transactions between ALCO and its subsidiaries for the period covered by this Report are discussed in the Audited Financial Statements ("**AFS**") hereto attached.

Transactions between ALCO and its subsidiaries

A summary of related party transactions, between ALCO and its subsidiaries for the three months ended March 31, 2026, and 2025 and the years ended December 31, 2025, 2024 and 2023 are summarized below:

SUBSIDIARY	As of December 31 (Audited)			As of March 31 (Unaudited)	
	2025	2024	2023	Q1 2026	Q1 2025
CLLC	2,611,995,930	2,936,995,930	3,336,796,699	2,511,995,930	2,604,995,930
Cazneau	1,162,187,878	954,545,410	785,834,002	1,312,177,878	976,086,643
Bhavana	680,800,000	331,800,000	331,800,000	904,200,000	331,800,000
ZLDC	324,000,000	527,123,444	432,140,985	324,000,000	527,123,444
Bhavya	476,408,714	314,408,714	314,408,714	476,408,714	344,408,714
SLDC	200,000,000	-	-	200,000,000	-
UPHI	171,567,178	165,067,178	160,928,427	178,328,427	168,328,427
SLC	84,500,000	-	-	84,500,000	16,500,000
PLI	49,573,025	49,573,025	820,084	49,573,025	49,573,025
FLC	31,171,026	-	-	61,171,026	-
KHI	20,100,000	154,500,000	296,767,527	20,100,000	84,300,000
APPS	9,746,956	6,446,956	3,247,353	9,746,956	6,446,956
MPI	4,400,000	4,400,000	6,221,503	4,400,000	4,400,000
Total	5,826,450,707	5,444,860,657	5,668,965,294	6,136,601,955	5,113,963,139

In the normal course of the business, the Company provides management and financial support to its subsidiaries. The financial support is given in the form of cash advances to fund certain financial obligations. ALCO has advances for project development to its subsidiaries such as CLLC, SLDC, Cazneau, Bhavana, Bhavya, SLC, FLC, and ZLDC to finance the construction of its projects with an annual fixed interest rate ranging from 3.5% to 10% p.a. Outstanding balances are unsecured, unguaranteed, interest-bearing, payable on demand, and to be settled in cash. All other remaining

advances received that are not covered by the agreement are unsecured, unguaranteed, noninterest-bearing, payable on demand, and to be settled in cash.

While there have been no guarantees provided or received relating to these amounts, no impairment losses were recognized. This assessment is undertaken each financial year through a review of the subsidiaries' financial position and the perceived condition, existing and prospective, of the market they operate in. These amounts are eliminated to arrive at the consolidated financial statements of ALCO and its subsidiaries.

Advances for Project Development from Non-controlling Interests

The Group has the following transactions with the non-controlling interests:

	Outstanding Balance				
	2023	**2024**	**2025**	**Q1 2026**	**Q1 2025**
HHI	495,919,597	495,919,597	**417,919,597**	417,919,597	495,919,597
Narra	411,200,000	411,200,000	**411,200,000**	411,200,000	411,200,000
SEAIMMO	-	–	**216,000,000**	216,000,000	-
MEC	195,000,000	103,000,000	**13,400,000**	13,400,000	56,200,000
	1,102,119,597	1,010,119,597	**1,058,519,597**	1,058,519,597	963,319,597

SLDC, KHI, Bhavana, Bhavya and ZLDC received advances from related parties. All outstanding balances are unsecured, payable on demand and in cash, and interest-bearing except for advances from HHI

In 2025, KHI and SLDC paid advances to MEC and HHI amounting to Php89.6 million and Php78.0 million, respectively. In 2024, KHI paid advances to MEC amounting to Php92.0 million.

Material Non-controlling Interests

The Group's non-controlling interests amounting to Php2,701.8 million, Php2,695.2 million, Php2,337.6 million, and Php2,385.2 million as at March 31, 2026, December 31, 2025, 2024 and 2023, respectively, pertain to interests in SLDC, KHI, Bhavana, Bhavya and ZLDC.

SLDC

Non-controlling interests over SLDC is 41% as at March 31, 2026, December 31, 2025, 2024 and 2023.

On March 17 and December 17, 2023, the BOD approved the subscription of HHI to 19.1 million and 2.1 million convertible preferred shares at Php 100 per share or a total amount of Php2,114.5 million. The subscription was paid through the conversion of HHI's deposit for future stock subscription amounting to Php1,909.6 million and through cash amounting to Php204.9 million.

Additional paid-in capital arising from the subscription of the convertible preferred shares aggregated Php2,093.0 million.

On October 25 and November 29, 2024, the BOD approved the subscription of convertible preferred shares by Help Holdings Inc. ("HHI") to 147,900 shares and 58,944 shares, respectively, at a subscription price of Php100 per share or total amount of Php 20.7 million. The subscription was fully paid through the conversion of HHI's prior advances to the Corporation in the same amount.

Net income of SLDC allocated to non-controlling interests amounted to Php 3.0 million for the period ended March 31, 2026 and Php137.3 million in 2025, Php150.2 million in 2024 and Php23.7 million in 2023, which were determined based on the agreement between ALCO and HHI.

On February 23, 2024, SLDC's BOD approved the declaration of cash dividends amounting to Php390.0 million or Php780 per share to all stockholders of record on March 12, 2024. The dividends were paid on March 20, 2024.

On June 20, July 25, September 19, and December 11, 2025, the SLDC's BOD approved the subscription of convertible preferred shares by HHI to 27,597 shares, 89,752 shares, 41,156 shares and 446,497 shares, respectively, at a subscription price of Php100.00 per share or total amount of Php2.8 million, Php9.0 million, Php4.1 million, and Php44.6 million, respectively. The subscription was fully paid to SLDC through the conversion of HHI's deposit for future stock subscription. The deposit for future stock subscription was received in 2025 and converted in full during the same year.

The summarized financial information of SLDC, before intercompany eliminations, as at and for the three months ended March 31, 2026 and for the full years ended December 31, 2025 and 2024 are as follows:

	Q1 2026	2025	2024	2023
Current assets	**4,378,139,386**	4,456,029,996	4,567,120,456	5,422,995,479
Noncurrent assets	**886,717,565**	886,761,640	747,296,912	546,589,671
Current liabilities	**(2,621,850,043)**	(2,803,366,800)	(2,476,471,473)	(3,089,109,771)
Noncurrent liabilities	**(312,930,656)**	(216,283,888)	(564,042,530)	(259,108,329)
Net assets	**2,330,076,252**	2,323,140,948	2,273,903,365	2,621,367,050

	Q1 2026	2025	2024	2023
Revenue	**42,625,452**	273,184,403	185,019,836	2,392,608,813
Expenses	**(51,921,697)**	(281,370,185)	(210,296,874)	(1,346,462,251)
Operating income (loss)	**(9,296,245)**	(8,185,782)	(25,277,038)	1,046,146,562
Finance cost	**(29,068,246)**	(124,775,227)	(141,177,624)	(130,048,494)
Other income – net	**6,820,240**	118,109,810	242,994,847	100,760,291
Income (loss) before income tax	**(31,544,250)**	(14,851,199)	76,540,185	1,016,858,359
Provision for (benefit from) income tax	**(7,835,188)**	(3,588,582)	20,229,203	253,662,465
Net income (loss)	**(23,709,063)**	(11,262,617)	56,310,982	763,195,894

	Q1 2026	2025	2024	2023
Net cash flows provided by (used in):				
Operating activities	**69,446,625**	(44,557,574)	177,112,620	1,026,911,397
Investing activities	**(29,456,171)**	121,616,959	75,894,082	188,716,135
Financing activities	**(85,184,677)**	(64,684,062)	(631,925,283)	(1,013,845,574)
Net increase (decrease) in cash and cash equivalents	**(45,194,223)**	12,375,323	(378,918,581)	201,781,958
Cash and cash equivalents at beginning of year	**150,176,128**	137,800,805	516,719,386	314,937,428
Cash and cash equivalents at end of year	**104,981,905**	150,176,128	137,800,805	516,719,386

KHI

The Group has 40% non-controlling interests in KHI. The net losses of KHI allocated to non-controlling interests amounting to Php10.7 million for the period ended March 31, 2026, (Php60.5 million) in 2025, (Php38.2 million) in 2024 and Php295.8 million in 2023, which were determined based on capital contribution.

On August 25, 2023, KHI's BOD approved the declaration of cash dividends amounting to Php530.0 million or Php42.40 per share to all stockholders of record on September 11, 2023. The cash dividends were paid on September 18, 2023.

On February 23, 2024, KHI's BOD approved the declaration of cash dividends amounting to Php390.00 million or Php31.20 per share to all stockholders of record on March 12, 2024. The cash dividends were paid on March 21, 2024. Additionally, the BOD approved to repay the advances to ALCO amounting to Php138.0 million and to MEC amounting to Php92.0 million.

On December 13, 2024, KHI's BOD approved to repay the advances to ALCO amounting to Php70.2 million and to MEC amounting to Php46.8 million which was paid on January 23, 2025.

On June 20, 2025, KHI's BOD approved to repay the advances to ALCO amounting to Php64.2 million and to MEC amounting to Php42.8 million which was paid on July 21, 2025.

The summarized financial information of KHI, before intercompany eliminations, as at and for the three months ended March 31, 2026, and for the full years ended December 31, 2025, and 2024 are as follows:

	Q1 2026	2025	2024	2023
Current assets	**100,133,008**	133,454,689	355,985,185	563,567,784
Noncurrent assets	**83,819,335**	50,327,327	51,450,194	60,674,812
Current liabilities	**(163,474,661)**	(163,167,627)	(384,148,252)	(599,214,172)
Net assets	**20,477,682**	20,614,389	23,287,127	25,028,424

	Q1 2026	2025	2024	2023
Other income – net	**299,600**	3,514,458	404,844,820	548,697,258
Expenses	**(430,465)**	(6,117,487)	(16,205,067)	(18,194,724)
Income (loss) before income tax	**(130,865)**	(2,603,029)	388,639,753	530,502,534
Provision for income tax	**5,841**	69,709	381,050	532,571
Net income (loss)	**(136,706)**	(2,672,738)	388,258,703	529,969,963

	Q1 2026	2025	2024	2023
Net cash flows provided by (used in):				
Operating activities	**(218,056)**	(3,527,965)	(3,625,701)	469,889,770
Investing activities	**-**	224,000,000	629,418,292	521,374,717
Financing activities	**-**	(224,000,000)	(624,265,253)	(988,793,999)
Net increase (decrease) in cash and cash equivalents	**(218,056)**	(3,527,965)	1,527,338	2,470,488
Cash and cash equivalents at beginning of year	**1,158,814**	4,686,779	3,159,441	688,953

Cash and cash equivalents at end of year	**940,758**	1,158,814	4,686,779	3,159,441

Bhavana and Bhavya

In December 2021, ALCO sold, transferred and conveyed in favor of Narra Investment Properties Pte. Ltd. ("**Narra**"), by way of secondary sale, all of its rights, title and interest in and to 40% of the common shares of stock of Bhavana and Bhavya, or 20,000,000 common shares of stock thereof, as well as its shareholder advances and accrued interest receivables aggregating Php449.4 million in exchange for Php446.8 million. The transfer of Bhavana and Bhavya shares decreased the effective ownership of ALCO from 100% to 60%.

The net income (loss) of Bhavana and Bhavya allocated to non-controlling interests amounting to (Php13.2 million) and Php14.1 million, respectively, for the period ended March 31, 2026. In 2025, net income (loss) of Bhavana and Bhavya allocated to non-controlling interests amounted to (Php149.8 million) and Php66.0 million, respectively, which were determined based on capital contribution. In 2024, net income of Bhavana and Bhavya allocated to non-controlling interests amounted to Php50.0 million and Php20.4 million, respectively. In 2023, net income of Bhavana and Bhavya allocated to non-controlling interests amounted to Php78.3 million and Php42.9 million, respectively.

In 2023, Narra also subscribed to 442,000 preferred shares of Bhavya for a total subscription amount of Php44.2 million.

On February 16, 2023, Bhavana's BOD approved the appropriation of Php110.0 million retained earnings to provide additional reserves for the ongoing construction of Lucima.

On March 20, 2024, the BOD approved the subscription of Narra to 300,000 preferred shares of Bhavya at the price of Php100.00 per share, or a total of Php30.0 million.

In December 2024, Narra subscribed to 180,000 preferred shares of Bhavana at the price of Php100.00 per share, or a total of Php27.0 million.

The summarized financial information of Bhavana, before intercompany eliminations, as at and for the three months ended March 31, 2026 and for the full years ended December 31, 2025, 2024 and 2023 are as follows:

	Q1 2026	2025	2024	2023
Current assets	**3,403,658,454**	3,355,264,128	3,456,855,114	3,025,412,720
Noncurrent assets	**103,531,519**	90,900,806	50,844,308	53,303,805
Current liabilities	**(2,017,559,206)**	(2,200,516,259)	(1,847,265,788)	(1,205,715,743)
Noncurrent liabilities	**(1,719,749,952)**	(1,442,881,885)	(1,483,272,161)	(1,646,930,267)
Net assets	**(230,119,185)**	(197,233,210)	177,161,473	226,070,515

	Q1 2026	2025	2024	2023
Revenue	**37,685,463**	755,761,469	1,498,794,548	1,512,300,615
Expenses	**(82,032,239)**	(1,261,246,647)	(1,339,717,677)	(1,257,960,075)
Operating income (loss)	**(44,346,776)**	(505,485,178)	159,076,871	254,340,540
Other income – net	**539,378**	6,499,591	8,359,714	6,632,700
Income (loss) before income tax	**(43,807,398)**	(498,985,587)	167,436,585	260,973,240

Provision for (benefit from) income tax	**(10,921,424)**	(124,590,904)	42,417,787	65,161,316
Total comprehensive income (loss)	**(32,885,974)**	(374,394,683)	125,018,798	195,811,924

	Q1 2026	2025	2024	2023
Net cash flows provided by (used in):				
Operating activities	**(143,543,075)**	(136,216,446)	(78,870,446)	(142,388,675)
Investing activities	**63,225**	545,223	91,277,535	(27,067,756)
Financing activities	**145,163,831**	46,464,874	38,823,281	177,775,984
Net increase (decrease) in cash and cash equivalents	**1,683,981**	(89,206,349)	51,230,370	8,319,553
Cash and cash equivalents at beginning of year	**24,186,653**	113,393,002	62,162,632	53,843,079
Cash and cash equivalents at end of year	**25,870,634**	24,186,653	113,393,002	62,162,632

The summarized financial information of Bhavya, before intercompany eliminations, as at and for the three months ended March 31, 2026 and for the full years ended December 31, 2025, 2024 and 2023 are as follows:

	Q1 2026	2025	2024	2023
Current assets	**4,396,177,952**	4,042,066,991	2,504,747,283	1,899,729,027
Noncurrent assets	**59,835,765**	313,596,170	312,474,027	185,223,883
Current liabilities	**(2,910,886,083)**	(2,630,902,076)	(1,178,025,349)	(985,025,718)
Noncurrent liabilities	**(1,182,338,357)**	(1,397,283,538)	(1,476,838,682)	(925,874,631)
Net assets	**362,789,277**	327,477,547	162,357,279	174,052,561

	Q1 2026	2025	2024	2023
Revenue	**329,342,920**	1,373,074,624	777,396,827	565,910,408
Expenses	**(282,626,348)**	(1,144,290,425)	(712,038,594)	(426,187,267)
Operating income	**46,716,572**	228,784,199	65,358,233	139,723,141
Other income – net	**657,893**	3,431,300	4,858,118	3,185,506
Income before income tax	**47,374,465**	232,215,499	70,216,351	142,908,647
Provision for income tax	**12,062,737**	67,095,231	19,118,170	35,766,156
Total comprehensive income	**35,311,728**	165,120,268	51,098,181	107,142,491

	Q1 2026	2025	2024	2023
Net cash flows provided by (used in):				
Operating activities	**(53,104,294)**	(709,009,347)	(398,524,546)	(449,043,721)
Investing activities	**4,717**	(591,614)	21,740,678	(35,224,623)
Financing activities	**74,887,049**	671,257,360	402,074,916	474,316,962
Net increase (decrease) in cash and cash equivalents	**21,787,472**	(38,343,601)	25,291,048	(9,951,382)
Cash and cash equivalents at beginning of year	**25,120,013**	63,463,614	38,172,566	48,123,948
Cash and cash equivalents at end of year	**46,907,485**	25,120,013	63,463,614	38,172,566

ZLDC

In December 2025, ALCO sold, transferred and conveyed in favor of SEAIMMO, by way of secondary sale, all of its title, ownership, rights and interest in and to 40% of its common and preferred shares, or 200,000 common shares and 2,840,000 Series B Preferred Shares thereof, as well as its shareholder advances aggregating Php216.0 million. The transfer of shares decreased the effective ownership of ALCO from 100% to 60%. ALCO has a receivable from SEAIMMO related to the sale and assignment of advances amounting to Php204.8 million and Php724.8 million as of March 31, 2026, and December 31, 2025, respectively.

The net loss of Zileya allocated to non-controlling interests amounting to (Php17.3 million) for the period ended March 31, 2026, in which were distributed based on the capital contribution.

As at March 31, 2026, and December 31, 2025, the Group has 40% non-controlling interest in ZLDC.

The summarized financial information of ZLDC, before intercompany eliminations, as at and for the three months ended March 31, 2026, and for the full year ended December 31, 2025, are as follows:

	Q1 2026	2025
Current assets	**2,550,696,747**	2,478,182,540
Noncurrent assets	**80,571,977**	81,502,198
Current liabilities	**(264,776,051)**	(13,299,985)
Noncurrent liabilities	**(1,705,791,90)**	(1,842,553,338)
Net assets	**660,700,766**	703,831,415
Expenses	**36,698,554**	28,677,254
Finance costs	**21,546,385**	29,940,894
Interest income	**(766,655)**	(654,696)
Loss before income tax	**57,478,283**	57,963,452
Benefit from income tax	**(14,347,633)**	(15,731,941)
Total comprehensive loss	**43,130,651**	42,231,511
Net cash flows provided by (used in):		
Operating activities	**(35,329,790)**	(1,820,568,759)
Investing activities	**(5,221,678)**	-
Financing activities	**31,181,960**	1,843,547,015
Net increase in cash and cash equivalents	**(9,369,508)**	22,978,256
Cash and cash equivalents at beginning of year	**48,390,970**	25,412,714
Cash and cash equivalents at end of year	**39,021,462**	48,390,970

Management's Discussion and Analysis of Results of Operations and Financial Condition

This discussion summarizes the significant factors affecting the consolidated financial performance, financial position and cash flows of ALCO and its subsidiaries for the three-year period ended December 31, 2025 and for the three months ended March 31, 2026 and 2025. The following discussions are lifted from the 2025 annual report (SEC Form 17-A) and March 31, 2026 quarterly report (SEC Form 17-Q) filed with the SEC and should be read in conjunction with the attached audited consolidated statements of financial position of ALCO as of December 31, 2025, 2024 and 2023, and the related consolidated statements of comprehensive income, changes in equity and cash flows for each of the three years in the period ended December 31, 2025 as well as the unaudited interim condensed financial statements of ALCO as of March 31, 2026.

INTERIM PERIODS

KEY PERFORMANCE INDICATORS
MARCH 2026 vs DECEMBER 2025 vs MARCH 2025

RATIO	FORMULA	MAR 2026	DEC 2025	MAR 2025
Current Ratio	Current Assets / Current Liabilities	**1.76:1**	1.86:1	1.68:1
Acid Test Ratio	Quick Assets / Current Liabilities	**0.22:1**	0.32:1	0.38:1
Solvency Ratios	Net Income before depreciation / Total liabilities	**0.01:1**	0.01:1	0.01:1
Debt-to-Equity Ratio	Total Liabilities / Total Equity	**2.24:1**	2.26:1	1.74:1
Debt to Equity Ratio for Loan covenant	Total Debt [Bonds and loans payable and amount payable for deferred purchase price of property] to Total Equity [Total Equity and Advances from non-controlling interest]*	**1.52:1**	1.50:1	1.23:1
Asset-to-Equity Ratio	Total Assets / Total Equity	**3.24:1**	3.26:1	2.74:1
Interest Rate Coverage Ratio	Pretax Income before Interest / Interest expense	**1.80:1**	1.57:1	1.85:1
Profitability Ratio	Net Income attributable to equity holders of the Parent Company / Total Equity	**0.02:1**	0.03:1	0.01:1
Return on Equity	Net Income / Average Equity excluding Preferred Shares	**2.87%**	2.82%	2.14%
Return on Assets	Net Income / Average Total assets	**0.54%**	0.92%	0.52%
Net Profit Margin	Net Income / Revenue	**21%**	8%	17%
Basic Earnings per Share	Net income less dividends declared / Outstanding common shares	**0.0319**	0.0185	0.0108
Price to Earnings Ratio	Market Price per share / Earnings per share	**13.48:1**	22.72:1	29.23:1
Dividend Yield	Dividends per share / Market price per share	**2.79%**	2.86%	3.81%

December 2025 ratio is based on full year income while March 2026 and March 2025 ratios are based on three-month income.
**Mar 2025: Total Debt [Bonds and loans payable, amount payable for purchase of interest in a subsidiary and advances from non-controlling interest] to Total Equity*

FINANCIAL POSITION
MARCH 2026 vs DECEMBER 2025

	MAR 31, 2026	DEC 31, 2025	% Change
Cash and cash equivalents	**Php1,152,711,454**	Php1,381,114,743	-17%
Financial assets at fair value through profit or loss (FVPL)	**325,488,024**	271,312,173	20%
Receivables	**2,215,659,923**	3,415,177,569	-35%
Creditable withholding taxes	**1,186,043,334**	1,125,196,039	5%
Input value-added tax (VAT)	**1,008,622,035**	912,807,838	10%
Contract Assets	**9,527,678,626**	8,891,243,368	7%
Real estate for sale	**12,838,325,129**	13,106,806,103	-2%
Investment properties	**17,636,841,942**	16,569,289,505	6%
Property and equipment	**331,020,470**	312,362,975	6%
Other Assets	**1,873,026,442**	1,721,732,425	9%
Total Assets	**48,095,417,379**	47,707,042,738	1%
Accounts payable and other liabilities	**6,521,271,752**	7,010,503,043	-7%
Loans payable	**19,240,783,704**	18,699,823,576	3%
Bonds payable	**2,967,303,846**	2,965,754,165	0%
Contract liabilities	**616,064,789**	595,701,610	3%
Advances from non-controlling interests	**1,058,519,597**	1,058,519,597	0%
Net retirement liability	**63,405,638**	53,898,518	18%
Net deferred tax liabilities	**2,803,071,027**	2,674,091,353	5%
Total Liabilities	**33,270,420,353**	33,058,291,862	1%
Equity attributable to equity holders of the Parent Company			
Capital stock	**1,004,721,996**	1,004,721,996	0%
Additional paid-in capital	**6,464,321,710**	6,464,321,710	0%
Treasury shares	**(1,000,000,000)**	(1,000,000,000)	0%
Parent Company's preferred shares held by a subsidiary	**(26,500,000)**	(26,500,000)	0%
Retained earnings	**5,467,291,263**	5,297,671,791	3%
Other equity reserves	**213,316,409**	213,316,409	0%
	12,123,151,378	11,953,531,906	1%
Non-controlling interests	**2,701,845,648**	2,695,218,970	0%
Total Equity	**14,824,997,026**	14,648,750,876	1%
Total Liabilities and Equity	**Php48,095,417,379**	Php47,707,042,738	1%

The Company's total assets as of March 31, 2026 is at Php48.1 billion from Php47.7 billion last December 31, 2025.

Causes for any material changes (+/- 5% or more) in the financial statements

17% Decrease in Cash and Cash Equivalents
The decrease is largely due to payments related to operations of the group.

20% Increase in Financial Assets at Fair Value through Profit or Loss
The increase is due to new investments made in this period.

35% Decrease in Receivables
The decrease is mainly from the collections received from customers and SEAIMMO from the sale of 40% interest in ZLDC.

5% Increase in Creditable Withholding Taxes
The increase is mainly due to the recognition of project management fees for new projects, resulting in higher income subject to withholding.

10% Increase in Input Value-added Tax (VAT)
The increase is primarily driven by payments for construction costs and management fees incurred during the period.

7% Increase in Contract Assets
The increase is due to new real estate contracts recognized during the period mainly from buyers of Eluria and UNA Apartments.

6% Increase in Investment Properties
The increase is mainly attributable to the reclassification of Cebu Exchange assets from real estate for sale, supplemented by fair value adjustments during the period.

6% Increase in Property and Equipment
The increase mainly reflects the ongoing construction of showroom for new project Liv.

21% Increase in Other Assets
The increase is primarily driven by the annual prepayment of taxes on the company's properties and assets subject to amortization during the year.

Total liabilities saw a slight 1% increase to Php33.3 billion this quarter, up from Php33.1 billion at the end of 2025, due to the following:

7% Decrease in Accounts Payable and Other Liabilities
The decrease is mainly due to payment of accrued construction-related obligations during the period.

18% Increase in Retirement Liability
The increase is due to additional provision of retirement expense for the period.

5% Increase in Net Deferred Tax Liabilities
The increase was primarily attributable to taxes arising from the recognition of fair value gain on investment properties.

Total equity grew to Php14.8 billion by March 31, 2026 from Php14.6 billion at the end of 2025.

FINANCIAL POSITION
MARCH 2025 vs DECEMBER 2024

	MAR 31, 2025	DEC 31, 2024	% Change
Cash and cash equivalents	**Php2,061,542,060**	Php4,045,963,662	-49%
Financial assets at fair value through profit or loss (FVPL)	**943,353,878**	1,895,958,320	-50%
Receivables	**2,243,951,810**	1,771,675,289	27%
Contract Assets	**7,506,579,225**	7,625,261,813	-2%
Real estate for sale	**7,992,475,070**	7,271,174,737	10%
Investment properties	**15,077,706,212**	14,590,019,555	3%
Property and equipment	**298,218,424**	301,618,461	-1%
Other Assets	**3,178,387,413**	3,040,062,731	5%
Total Assets	**39,302,214,092**	40,541,734,568	-3%
Accounts payable and other liabilities	**4,519,073,998**	4,262,192,735	6%
Loans payable	**13,731,723,869**	12,476,024,751	10%
Bonds payable	**2,961,216,773**	5,955,532,419	-50%
Contract liabilities	**561,080,193**	428,492,840	31%
Advances from non-controlling interests	**963,319,597**	1,010,119,597	-5%
Net retirement liability	**35,424,838**	27,371,514	29%
Net deferred tax liabilities	**2,168,185,697**	2,129,697,872	2%
Total Liabilities	**24,940,024,965**	26,289,431,728	-5%
Equity attributable to equity holders of the Parent Company			
Capital stock	**1,004,721,996**	1,004,721,996	0%
Additional paid-in capital	**6,464,321,710**	6,464,321,710	0%
Treasury stock – at cost	**(1,000,000,000)**	(1,000,000,000)	0%
Parent Company's preferred shares held by a subsidiary – at cost	**(26,500,000)**	(26,500,000)	0%
Retained earnings	**5,320,484,890**	5,263,177,339	1%
Other equity reserves	**208,982,963**	208,982,963	0%
	11,972,011,559	11,914,704,008	0%
Non-controlling interests	**2,390,177,568**	2,337,598,832	2%
Total Equity	**14,362,189,127**	14,252,302,840	1%
Total Liabilities and Equity	**Php39,302,214,092**	Php40,541,734,568	-3%

The Company's total assets as of March 31, 2025 is at Php39.3 billion from Php40.5 billion last December 31, 2024.

Causes for any material changes (+/- 5% or more) in the financial statements

49% Decrease in Cash and Cash Equivalents
The decrease is largely due to repayment of loans and bonds and payment for land acquisitions.

50% Decrease in Financial Assets at Fair Value through Profit or Loss
The decrease is largely due to repayment of loans and bonds and payment for land acquisitions.

27% Increase in Receivables
The increase is mainly due to receivables from sales of residential and commercial units and from leasing operations.

10% Increase in Real Estate for Sale
This is mainly due to land acquisition for future developments.

5% Increase in Other Assets
The increase is largely due to higher input tax credits and creditable withholding taxes.

Total liabilities decreased 5% from Php26.3 billion on December 31, 2024 to Php24.9 billion as at March 31, 2025 due to the following:

6% Increase in Accounts Payable and Other Liabilities
The increase is mainly due to advances from buyers of residential and commercial units.

10% Increase in Loans Payable
The increase pertains mainly to additional loans to finance the development of the ongoing projects of the Group.

50% Decrease in Bonds Payable
The decrease is mainly due to redemption of ALCO's P3 billion ASEAN Green Bonds Tranche 1.

31% Increase in Contract Liabilities
The increase is due to payments received from buyers of residential units for which the related revenue has not yet been recognized.

5% Decrease in Advances from Non-Controlling Interests
The decrease is due to repayment of advances from a stockholder.

29% Increase in Retirement Liability
The increase is due to additional provision of retirement expense for the period.

Total equity as of March 31, 2025 is Php14.4 billion from P=14.3 billion last December 31, 2024.

RESULTS OF OPERATIONS
MARCH 2026 vs MARCH 2025

	MAR 31, 2026	% of Sale	MAR 31, 2025	% of Sale	% Change
Revenues	**Php1,120,222,840**	**100%**	Php1,146,513,547	100%	-2%
Cost and Expenses	**681,929,869**	**61%**	664,997,991	58%	3%
GROSS INCOME	**438,292,971**	**39%**	481,515,556	42%	-9%
Administrative expenses	**289,421,256**	**26%**	252,259,802	22%	15%
Selling and marketing expenses	**175,653,958**	**16%**	179,735,144	16%	-2%
OPERATING EXPENSES	**465,075,214**	**42%**	431,994,946	38%	8%
OTHER OPERATING INCOME (EXPENSES)					
Finance costs	**(423,138,793)**	**38%**	(323,433,558)	28%	31%
Net gain on change in fair value of investment properties	**742,150,074**	**66%**	484,728,260	42%	53%
Other income – net	**46,772,297**	**4%**	60,834,669	5%	-23%
INCOME BEFORE INCOME TAX	**339,001,335**	**30%**	271,649,981	24%	25%
PROVISION FOR INCOME TAX	**102,933,849**	**9%**	71,297,989	6%	44%
NET INCOME	**236,067,486**	**21%**	200,351,992	17%	18%
NET INCOME ATTRIBUTABLE TO:					
Equity holders of Parent Company	**260,085,177**	**23%**	147,773,256	13%	76%
Non-controlling interests	**(24,017,691)**	**-2%**	52,578,736	5%	-146%
	Php236,067,486	**21%**	Php200,351,992	17%	18%

The Group's consolidated net income rose 18%, reaching Php236.1 million compared to Php200.4 million in the previous period.

Causes for any material changes (+/- 5% or more) in the financial statements

15% Increase in Administrative Expenses
The increase is mainly attributed to higher personnel expenses incurred for the period.

31% Increase in Finance Costs
The increase is due to the additional loans secured by the group.

53% Increase in Net Gain on Change in Fair Value of Investment Properties
This pertains to the revaluation gain recognized from the reclassification of Cebu Exchange assets from real estate for sale to investment properties, following a change in intended use from sale to leasing and long-term capital appreciation.

23% Decrease in Other Income - net
The decrease is mainly driven by a drop in interest earnings and gains on financial assets at FVPL.

44% Increase in Provision for Income Tax
The increase is primarily attributed to higher taxable income in the first quarter of 2026.

FULL YEAR

FINANCIAL RATIOS

	December 2025	December 2024	December 2023
Current/Liquidity Ratio (Current Assets over Current Liabilities)	**1.86:1**	1.58:1	2.32:1
Solvency Ratio (Net income before Depreciation over Total Liabilities)	**0.01:1**	0.03:1	0.06:1
Debt-to-Equity Ratio (Total Liabilities to Total Equity)	**2.26:1**	1.84:1	1.84:1
Debt-to-Equity Ratio for Loan Covenant (Total Debt [interest-bearing borrowings and liabilities for deferred purchase price of property]* to Total Equity (includes advances from non-controlling interest in 2025)	**1.50:1**	1.36:1	1.39:1
Asset-to-Equity Ratio (Total Assets over Total Equity)	**3.26:1**	2.84:1	2.84:1
Interest Rate Coverage Ratio (Pre-tax income before Interest over Interest Expense)	**1.57:1**	1.74:1	2.81:1
Profitability Ratio (Net income over Total Equity)	**0.03:1**	0.05:1	0.11:1

**Advances from non-controlling interest were included in total debt in 2024 and 2023.*

FINANCIAL POSITION
31 December 2025 vs. 31 December 2024

	31 Dec 2025	31 Dec 2024	Change
Cash and cash equivalents	**Php1,381,114,743**	Php4,045,963,662	-66%
Financial assets at fair value through profit or loss (FVPL)	**271,312,173**	1,895,958,320	-86%
Receivables	**3,415,177,569**	1,771,675,289	93%
Creditable withholding taxes	**1,125,196,039**	862,328,524	30%
Input value-added tax (VAT)	**912,807,838**	463,784,660	97%
Contract Assets	**8,891,243,368**	7,625,261,813	17%
Real estate for sale	**13,106,806,103**	7,271,174,737	80%
Investment properties	**16,569,289,505**	14,590,019,555	14%
Property and equipment	**312,362,975**	301,618,461	4%
Other Assets	**1,721,732,425**	1,713,949,547	0%
Total Assets	**47,707,042,738**	40,541,734,568	18%
Accounts payable and other liabilities	**7,010,503,043**	4,262,192,735	64%
Loans payable	**18,699,823,576**	12,476,024,751	50%
Bonds payable	**2,965,754,165**	5,955,532,419	-50%
Contract liabilities	**595,701,610**	428,492,840	39%
Advances from non-controlling interests	**1,058,519,597**	1,010,119,597	5%

	31 Dec 2025	31 Dec 2024	Change
Net retirement liability	**53,898,518**	27,371,514	97%
Net deferred tax liabilities	**2,674,091,353**	2,129,697,872	26%
Total Liabilities	**33,058,291,862**	26,289,431,728	26%
Capital stock	**1,004,721,996**	1,004,721,996	0%
Additional paid-in capital	**6,464,321,710**	6,464,321,710	0%
Treasury stock – at cost	**(1,000,000,000)**	(1,000,000,000)	0%
Parent Company's shares held by a subsidiary	**(26,500,000)**	(26,500,000)	0%
Retained earnings	**5,297,671,791**	5,263,177,339	1%
Other equity reserves	**213,316,409**	208,982,963	2%
Total equity attributable to Equity Holders of the Parent Company	**11,953,531,906**	11,914,704,008	0%
Non-controlling interests	**2,695,218,970**	2,337,598,832	15%
Total Equity	**14,648,750,876**	14,252,302,840	3%
Total Liabilities and Equity	**Php47,707,042,738**	Php40,541,734,568	18%

ALCO's total resources reached Php47.71 billion as of 31 December 2025, higher by 18% from the Php40.54 billion recorded on 31 December 2024, due to the following:

66% Decrease in Cash and Cash Equivalents
The decrease is largely due to payment for land and property acquisitions and repayment of Green Bonds Tranche 1, net of additional loan proceeds.

*86% Decrease in Financial Assets at Fair Value through Profit or Loss ("**FVPL**")*
The decrease is mainly due to repayment of Green Bonds Tranche 1.

93% Increase in Receivables
This is due to increased billings from ongoing projects and the receivable recorded from the sale of ALCO's 40% interest in Zileya.

30% Increase in Creditable Withholding Taxes
The increase is mainly due to the recognition of project management fees from newly launched projects, resulting in higher income subject to withholding.

97% Increase in Input Value-Added Tax
The increase is primarily driven by property acquisition, as well as payments for construction costs and management fees incurred during the year.

17% Increase in Contract Assets
The increase is due to new real estate contracts recognized during the period mainly from buyers of Eluria and UNA Apartments.

80% Increase in Real Estate for Sale
This is mainly due to land and property acquisitions in Metro Manila and Cebu for future developments.

14% Increase in Investment Properties
The increase is attributed to the revaluation of office and retail units and land properties of the Group.

64% Increase in Accounts Payable and Other Liabilities
The increase is mainly due to liabilities arising from land acquisition in Cebu, deferred output VAT, and accrual of construction cost for ongoing projects.

50% Increase in Loans Payable
The increase pertains mainly to additional loans to finance the development of the ongoing projects of the group.

50% Decrease in Bonds Payable
The decrease is mainly due to redemption of ALCO's P3 billion ASEAN Green Bonds Tranche 1.

39% Increase in Contract Liabilities
The increase is due to payments received from buyers of residential units for which the related revenue has not yet been recognized.

5% Increase in Advances from Non-Controlling Interests
The increase is mainly attributable to the sale of 40% interest in Zileya, net of repayment of advances in other subsidiaries.

97% Increase in Net Retirement Liability
This is due to additional retirement expense recognized for the year.

26% Increase in Deferred Tax Liabilities
The increase is primarily attributable to taxes arising from the recognition of fair value gains on investment properties.

15% Increase in Non-controlling Interests
The increase is due to the sale of 40% equity interest in Zileya.

FINANCIAL POSITION
31 December 2024 vs. 31 December 2023

	31 Dec 2024	31 Dec 2023	Change
Cash and cash equivalents	**Php4,045,963,662**	Php5,605,296,553	-28%
Financial assets at fair value through profit or loss (FVPL)	**1,895,958,320**	877,853,288	116%
Receivables	**1,771,675,289**	2,211,302,746	-20%
Real estate for sale	**7,271,174,737**	7,548,831,703	-4%
Contract Assets	**7,625,261,813**	5,608,780,240	36%
Investment properties	**14,590,019,555**	13,175,632,447	11%
Property and equipment	**301,618,461**	315,768,669	-4%
Net retirement asset	**–**	14,151,768	-100%
Other Assets	**3,040,062,731**	1,906,428,476	59%
Total Assets	**40,541,734,568**	37,264,045,890	9%
Accounts payable and other liabilities	**4,262,192,735**	3,621,061,114	18%
Loans payable	**12,476,024,751**	11,186,817,196	12%
Bonds payable	**5,955,532,419**	5,941,522,413	0%
Contract liabilities	**428,492,840**	198,350,664	116%

	31 Dec 2024	31 Dec 2023	Change
Advances from non-controlling interests	**1,010,119,597**	1,102,119,597	-8%
Net retirement liability	**27,371,514**	5,145,894	432%
Net deferred tax liabilities	**2,129,697,872**	2,092,857,227	2%
Total Liabilities	**26,289,431,728**	24,147,874,105	9%
Capital stock	**1,004,721,996**	1,005,757,136	0%
Additional paid-in capital	**6,464,321,710**	5,973,360,513	8%
Treasury stock – at cost	**(1,000,000,000)**	(2,000,000,000)	-50%
Parent Company's shares held by a subsidiary	**(26,500,000)**	(12,500,000)	112%
Retained earnings	**5,263,177,339**	5,547,760,292	-5%
Other equity reserves	**208,982,963**	216,566,831	-4%
Total equity attributable to Equity Holders of the Parent Company	**11,914,704,008**	10,730,944,772	11%
Non-controlling interests	**2,337,598,832**	2,385,227,013	-2%
Total Equity	**14,252,302,840**	13,116,171,785	9%
Total Liabilities and Equity	**Php40,541,734,568**	Php37,264,045,890	9%

ALCO's total resources reached Php40.54 billion as of 31 December 2024, higher by 9% from the Php37.26 billion recorded on 31 December 2023, due to the following:

28% Decrease in Cash and Cash Equivalents
The decrease is mainly due to payments for project development costs, dividends, taxes, and investments in money market funds.

*116% Increase in Financial Assets at Fair Value through Profit or Loss ("**FVPL**")*
The increase is attributed to additional investments in money market funds.

20% Decrease in Receivables
The decrease is due to collections from buyers of office and retail units and parking slots of completed projects.

36% Increase in Contract Assets
The increase is due to new real estate contracts recognized during the year primarily from buyers of the residential projects of the Group.

11% Increase in Investment Properties
The increase is attributed to the revaluation of office and retail units and land properties of the Group.

100% Decrease in Net Retirement Asset
The decrease is due to higher retirement expense resulting to net retirement liability.

59% Increase in Other Asset
The increase is largely due to downpayment for property acquisition, advances for project development costs and creditable withholding taxes.

18% Increase in Accounts Payable and Other Liabilities
The increase is mainly due to accrual of construction costs of the ongoing projects of the Group.

12% Increase in Loans Payable
The increase pertains mainly due to additional loans to finance the Group's working capital requirements and on-going project development.

116% Increase in Contract Liabilities
The increase refers to customers deposits received from buyers of residential units for which the related revenue has not yet been recognized.

8% Decrease in Advances from Non-Controlling Interests
This pertains to repayment of advances from non-controlling interests.

432% Increase in Net Retirement Liability
The increase is due to recognition of retirement expense for the year.

8% Increase in Additional Paid-In Capital
The increase is due to the issuance of Series F Preferred Shares with Php1.00 par value per share at the issuance price of Php500.00 per share, net of transaction costs.

50% Decrease in Treasury Stock – at cost
The decrease is largely due to retirement of Series B Preferred Shares for the year.

112% Increase in Parent Company's Shares Held by a Subsidiary
The increase pertains to the subscription of MPI to ALCO's Series E Preferred Shares.

5% Decrease in Retained Earnings
The decrease is due to the restatement of retained earnings resulting from the change in accounting policies and retirement of Series B Preferred Shares.

RESULTS OF OPERATIONS
December 31, 2025 vs. December 31, 2024

	31 Dec 2025	% of Sale	31 Dec 2024	% of Sale	Change
Revenues	**Php5,143,547,529**	100%	Php6,224,024,138	100%	-17%
Cost and expenses	**3,325,772,485**	65%	4,529,324,957	73%	-27%
Gross income	**1,817,775,044**	35%	1,694,699,181	27%	7%
Administrative expenses	**1,107,396,670**	22%	1,009,172,950	16%	10%
Selling and marketing expenses	**598,717,584**	11%	454,809,392	7%	32%
Operating expenses	**1,706,114,254**	33%	1,463,982,342	24%	17%
Income from operations	**111,660,790**	2%	230,716,839	4%	-52%
Net gain on change in fair value of investment properties	**1,940,773,536**	38%	1,933,989,204	31%	0%
Finance costs	**(1,574,883,378)**	31%	(1,486,928,815)	24%	6%
Other income – Net	**397,923,979**	8%	425,884,378	7%	-7%
Income before income tax	**875,474,927**	17%	1,103,661,606	18%	-21%
Provision for income tax	**467,646,277**	9%	345,285,691	6%	35%
Net income	**407,828,650**	8%	758,375,915	12%	-46%

	31 Dec 2025	% of Sale	31 Dec 2024	% of Sale	Change
Other comprehensive income (loss)					
Remeasurement gains (losses) on net retirement asset or liability	**5,777,928**	-	(10,111,824)	-	157%
Income tax benefit (expense) on remeasurement gains or losses	**(1,444,482)**	-	2,527,956	-	-157%
Total comprehensive income	**Php412,162,096**	8%	Php750,792,047	12%	-45%

Results of Operations for the year ended 31 December 2025 compared to the year ended 31 December 2024

17% Decrease in Revenues
Revenues declined as those projects that significantly contributed to revenues in 2024 were fully sold or nearing full sellout in 2025. The decline was partially offset by the contribution from new projects and increase in leasing income.

27% Decrease in Cost and Expenses
This is mainly due to the adjusted construction cost of the ongoing projects that are near completion.

10% Increase in Administrative Expenses
This is largely due to higher taxes, personnel cost, and expenses related to SAP S4HANA migration.

32% Increase in Selling and Marketing Expenses
The increase is mainly attributable to commission, sales and marketing expenses related to new project launch and international sales roadshow.

6% Increase in Finance Costs
The increase is largely due to the additional new loan facilities secured by the group.

7% Decrease in Other Income – Net
This is mainly due to lower interest income, net of the gains from the sale of 40% interest in Zileya.

35% Increase in Provision for Income Tax
The increase is primarily attributable to higher taxable income for the year.

157% Increase in Remeasurement Gains (Losses) on Net Retirement Asset or Liability
This is due to changes in actuarial assumptions or adjustments in the valuation of the retirement plan.

RESULTS OF OPERATIONS
31 December 2024 vs. 31 December 2023

	31 Dec 2024	% of Sale	31 Dec 2023	% of Sale	Change
Revenues	**₱6,224,024,138**	100%	₱6,638,923,582	100%	-6%
Cost and expenses	**4,529,324,957**	73%	3,924,713,673	59%	15%
Gross income	**1,694,699,181**	27%	2,714,209,909	41%	-38%
Administrative expenses	**1,009,172,950**	16%	821,439,823	12%	23%
Selling and marketing expenses	**454,809,392**	7%	529,115,673	8%	-14%
Operating expenses	**1,463,982,342**	24%	1,350,555,496	20%	8%
Income from operations	**230,716,839**	4%	1,363,654,413	21%	-83%
Net gain on change in fair value of investment properties	**1,933,989,204**	31%	974,092,333	15%	99%
Finance costs	**(1,486,928,815)**	24%	(1,020,350,432)	15%	46%
Other income – Net	**425,884,378**	7%	521,253,473	8%	-18%
Income before income tax	**1,103,661,606**	18%	1,838,649,787	28%	-40%
Provision for income tax	**345,285,691**	6%	449,666,103	7%	-23%
Net income	**758,375,915**	12%	₱1,388,983,684	21%	-45%
Other comprehensive income (loss)					
Remeasurement losses on net retirement asset or liability	**(10,111,824)**	-	(6,839,472)	-	48%
Income tax benefit on remeasurement gains or losses	**2,527,956**	-	1,709,868	-	48%
	(7,583,868)		(5,129,604)		
Total comprehensive income	**₱750,792,047**	12%	₱1,383,854,080	21%	-46%

Results of Operations for the year ended 31 December 2024 compared to the year ended 31 December 2023

6% Decrease in Revenues
This is mainly due to higher sales from previous year contributed by the bulk sale of Savya Financial Center's commercial units.

15% Increase in Cost and Expenses
The increase is due to incremental percentage of completion and step-up cost of repossessed units sold for the year.

23% Increase in Administrative Expenses
The increase was largely driven by higher personnel costs and benefits for the year.

14% Decrease in Selling and Marketing Expenses
The decrease is mainly attributed to higher commission expenses incurred last year from the sale of Sevina's commercial lot and bulk sale of SFC commercial units.

99% Increase in Net Gain on Change in Fair Value of Investment Properties
This pertains to the appraisal gain recognized for office and retail units and land properties of the Group.

46% Increase in Finance Costs
The increase is largely due to the adoption of new accounting standard relative to non-capitalization of borrowing cost and recording the same as part of period cost.

18% Decrease in Other Income – Net
The decrease is due to lower interest income and gain on repossession.

23% Decrease in Provision for Income Tax
The decrease is primarily attributed to lower taxable income for the year.

48% Increase in Remeasurement Gains (Losses) on Net Retirement Asset or Liability
This is due to changes in actuarial assumptions or adjustments in the valuation of the retirement plan.

There are no known trends, events or uncertainties that are expected to affect ALCO's continuing operations.

There are no known events that will trigger a direct or contingent financial obligation that is material to ALCO, including any default or acceleration of an obligation.

There are no material off-balance sheet transactions, arrangements, obligations (including contingent obligations), entities or other persons created during the reporting period.

Except as otherwise disclosed separately and excluding those projects already in ALCO's pipeline as outlined in this Report, there are no other material commitments for capital expenditures as of the period herein.

There are no known trends, events or uncertainties that will materially impact sales.

There are no known significant elements of income or loss from continuing operations.

There are no known seasonal aspects that has material effect on the financial statements.

External Audit Fees and Services

The external auditor's fees are based on the estimated time that would be spent on an engagement and ALCO is charged on the experience level of the professional staff members who will be assigned to work for the purpose and generally, on the complexity of the issues involved and the work to be performed, as well as the special skills required to complete the work.

Reyes Tacandong & Co. ("**RT&Co**") was first appointed as ALCO's external auditor in 2012 and remains such to date. Ms. Carolina P. Angeles was the Certifying Partner for the years 2012-2016 and for the years 2024-2025. Ms. Michelle R. Mendoza-Cruz was the Certifying Partner for the years 2017-2023.

Fees and Other Arrangements

The external auditor's fees are based on the estimated time that would be spent on an engagement and ALCO is charged on the experience level of the professional staff members who will be assigned to work for the purpose and generally, on the complexity of the issues involved and the work to be performed, as well as the special skills required to complete the work.

The fees of RT&Co insofar as ALCO is concerned are as follows:

Audit and Non-audit Fees	2025	2024	2023
Total Audit Fees	Php6.20 MM	Php5.67 MM	Php4.37 MM
Non-audit service fees			
Other assurance services[40]	–	3.50 MM	0.25 MM
Tax services[41]	–	0.89 MM	–
All other services[42]	0.70 MM	0.54 MM	0.18 MM
Total Non-Audit Fees	0.70 MM	₱4.93 MM	0.43 MM
Total Audit and Non-Audit Fees	6.90 MM	10.60 MM	4.80 MM

[40] Relates to the listing of Series F Preferred Shares and the Green Bonds issuance and subsequent allocation reporting.
[41] Fees for transfer pricing study.
[42] Refers to fees for Use of Proceed certifications for the Green Bonds Tranche 2 and Series D Preferred Shares (2023) and Series F (2024), and Amendment of the Articles of Incorporation (Increase of authorized capital stock).

Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

There are no disagreements with the external auditor of the Company on accounting and financial disclosure.

Interest of Named Experts

Independent Auditors

The consolidated financial statements of the Company as at and for the years ended December 31, 2025, 2024, and 2023 have been audited by Reyes Tacandong & Co., independent auditors, in accordance with Philippine Standards on Auditing as set forth in their report thereon appearing elsewhere in this Prospectus.

The Audit Committee of the Company, reviews and monitors, among others, the integrity of all financial reports and ensures compliance with both internal financial management manual and pertinent accounting standards, including regulatory requirements. The Audit Committee also performs the following duties and responsibilities relating to the services of the Company's external auditors:

- Assess and monitor the (i) external auditor's professional qualifications, competence, independence and objectivity and require the external auditor to make the statements necessary under applicable auditing standards as regards its relationship and services to the Company, discussing any relationship or services which may derogate its independence or objectivity; and (ii) the effectiveness of the audit process in accordance with applicable standards.

- Obtain objective assurance from the external auditor that the conduct of the audit and the manner of the preparation of the financial statements comply with applicable auditing standards and rules of regulatory bodies, including exchanges on which the securities of the Company are listed.

- Review and approve the nature and scope of the audit plans of the external auditor, including scope, audit resources and expenses, and reporting obligations before the audit commences.

- Review the reports or communications of the external auditor and ensure that management or the Board will provide a timely response to the issues raised in such reports or communications.

- Ensure the development and implementation of policies on the engagement of an external auditor to supply non-audit work, including the fees payable therefor, and evaluate any non-audit work undertaken by the external auditor to ensure that the same does not conflict with its audit functions.

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

Legal Matters

All legal matters in connection with the issuance of the Preferred Shares will be passed upon by SyCip Salazar Hernandez & Gatmaitan ("**SyCipLaw**") for the Company and Romulo Mabanta Buenaventura

Sayoc & de los Angeles ("**Romulo**") for the Lead Underwriter. SyCipLaw and Romulo have no direct interest in the Company.

SyCipLaw and Romulo may from time to time be engaged to advise in the transactions of the Company and perform legal services on the basis that SyCipLaw and Romulo provide such services to their other clients.

The legal counsels will not receive any direct or indirect interest in the Company or in any securities thereof (including options, warrants or rights thereto) pursuant to or in connection with the Offer.

Taxation

The following is a discussion of the material Philippine tax consequences of the acquisition, ownership and disposition of the Offer Shares. This general description does not purport to be a comprehensive description of the Philippine tax aspects of the Offer Shares or of all of the tax considerations that may be relevant to a decision to invest in the Offer Shares and no information is provided regarding the tax aspects of acquiring, owning, holding or disposing of the Offer Shares under applicable tax laws of other applicable jurisdictions and the specific Philippine tax consequence in light of particular situations of acquiring, owning, holding and disposing of the Offer Shares in such other jurisdictions. This discussion is based upon laws, regulations, rulings, and income tax conventions (treaties) in effect as at the date of this Prospectus, and are subject to any changes in law occurring after such date.

The tax treatment applicable to a holder of the Offer Shares may vary depending upon such holder's particular situation, and certain holders may be subject to special rules not discussed below. This summary does not purport to address all tax aspects that may be important to a holder of the Preferred Shares and it does not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as dealers in securities) may be subject to special rates or tax incentives under special laws.

PROSPECTIVE PURCHASERS OF THE OFFER SHARES ARE URGED TO CONSULT THEIR OWN TAX ADVISORS AS TO THE PARTICULAR TAX CONSEQUENCES OF THE OWNERSHIP AND DISPOSITION OF THE OFFER SHARES, INCLUDING THE APPLICABILITY AND EFFECT OF ANY LOCAL OR FOREIGN TAX LAWS.

As used in this section, the term resident alien refers to an individual whose residence is within the Philippines and who is not a citizen of the Philippines while the term non-resident alien means an individual whose residence is not within the Philippines and who is not a citizen of the Philippines. A non-resident alien who stays in the Philippines for an aggregate period of more than 180 days during any calendar year is considered a "non-resident alien doing business in the Philippines"; otherwise, such non-resident alien is considered a "non-resident alien not engaged in trade or business within the Philippines". A "resident foreign corporation" is a foreign corporation engaged in trade or business in the Philippines and a "non-resident foreign corporation" is a foreign corporation that is not engaged in trade or business within the Philippines.

The term "non-resident holder" means a holder of the Offer Shares:

- who is an individual who is neither a citizen nor a resident of the Philippines, or which is a non-resident foreign corporation; and

- should an income tax treaty be applicable, whose ownership of the Offer Shares is not effectively connected with a fixed base or a permanent establishment in the Philippines.

PHILIPPINE TAXATION

The following is a general description of certain Philippine tax aspects of the investment in the Offer Shares. It is based on the present provisions of the Tax Code, as amended by Republic Act No. 10963, otherwise known as the Tax Reform for Acceleration and Inclusion Law ("**TRAIN Law**"), which took effect on January 1, 2018, Republic Act No. 11534, otherwise known as the Corporate Recovery and Tax Incentives for Enterprises Act ("**CREATE Act**"), which took effect on April 11, 2021; Republic Act No. 12066, otherwise known as Corporate Recovery and Tax Incentives for Enterprises to Maximize Opportunities for Reinvigorating the Economy ("**CREATE MORE Act**"), and Republic Act No. 12214,

otherwise known as the Capital Markets Efficiency Promotion Act ("**CMEPA**"), which took effect on July 1, 2025, and the regulations promulgated thereunder and judicial and ruling authorities in force as of the date of this Prospectus, all of which are subject to changes occurring after such date, which changes could be made on a retroactive basis.

As used in this section, the term "resident alien" refers to an individual whose residence is within the Philippines and who is not a citizen thereof. A "non-resident alien" is an individual whose residence is not within the Philippines and who is not a citizen thereof. A non-resident alien who is actually in the Philippines for an aggregate period of more than 180 days during any calendar year is considered a non-resident alien engaged in trade or business in the Philippines"; otherwise, such non-resident alien who is actually within the Philippines for an aggregate period of 180 days or less during any calendar year is considered a non-resident alien not doing business in the Philippines. A "domestic corporation" is created or organized under the laws of the Philippines. A "resident foreign corporation" is a non-Philippine corporation engaged in trade or business in the Philippines. A "non-resident foreign corporation" is a non-Philippine corporation not engaged in trade or business in the Philippines but derives income from sources within the Philippines.

The Offer Shares are intended to be listed with the PSE on Issue Date.

Corporate Income Tax

A domestic corporation is subject to a tax of 25% on its taxable income from all sources within and outside the Philippines effective July 1, 2020, provided that domestic corporations with net taxable income not exceeding Php5,000,000.00 and with total assets not exceeding Php100,000,000.00 (excluding land on which the particular business entity's office, plant, and equipment are situated during the taxable year for which the tax is imposed) (referred to as micro, small, and medium enterprises, or MSMEs), shall be taxed at 20%. Taxable net income refers to items of gross income specified under the Tax Code, less itemized deductions under Section 34 of the Tax Code or those allowed under special laws, or the optional standard deduction ("**OSD**") equivalent to an amount not exceeding 40% of the corporation's gross income. Passive income of a domestic corporation is taxed as follows: (a) gross interest income from Philippine currency bank deposits and yield from deposit substitutes, trust funds and similar arrangements as well as royalties from sources within the Philippines which are generally taxed at the lower final withholding tax rate of 20% of the gross amount of such income; and (b) interest income from a depository bank under the expanded foreign currency deposit system which is subject to a final tax at the rate of 15% of such income. Beginning July 1, 2020 and until June 30, 2023, a minimum corporate income tax of 1% of the gross income as of the end of the taxable year is imposed on a domestic corporation beginning on the fourth taxable year immediately following the year in which such corporation commenced its business operations, when the minimum corporate income tax is greater than the ordinary corporate income tax, provided that after June 30, 2023, the rate of minimum corporate income tax shall be 2% of the gross income as of the end of the taxable year. Any excess of the minimum corporate income tax, however, over the ordinary corporate income tax shall be carried forward and credited against the latter for the three immediately succeeding taxable years. Likewise, subject to certain conditions, the minimum corporate income tax may be suspended with respect to a corporation which suffers losses (1) on account of a prolonged labor dispute, or (2) because of force majeure, or (3) because of legitimate business reverses.

Taxes on Dividends on the Offer Shares

General Rules

Cash and property dividends actually or constructively received from a domestic corporation by individual shareholders who are either Philippine citizens or resident aliens are subject to a final withholding tax at the rate of 10%. On the other hand, cash and property dividends actually or constructively received by non-resident alien individuals engaged in trade or business in the Philippines are subject to a final withholding tax on dividends derived from Philippine sources at the rate of 20% of the gross amount, subject to applicable preferential tax rates under tax treaties in force between the Philippines and the country of domicile of such non-resident alien individual. Non-resident alien individuals not engaged in trade or business in the Philippines are subject to a final withholding tax on dividends derived from Philippine sources at the rate of 25% of the gross amount, subject, however, to the applicable preferential tax rates under tax treaties executed between the Philippines and the country of residence or domicile of such non-resident foreign individuals.

Cash and property dividends received from a domestic corporation by another domestic corporation or by resident foreign corporations are not subject to tax. On the other hand, cash and property dividends received by a non-resident foreign corporation from a domestic corporation are subject to a 25% final withholding tax, which dividend tax rate may be reduced to 15% if the country in which the non-resident foreign corporation is domiciled allows a credit against the tax due from the non-resident foreign corporation, for taxes deemed to have been paid in the Philippines equivalent to 15%, which represents the difference between the regular income tax rate and the 15% tax rate on dividends. Moreover, the reduced dividend tax rate may be further minimized if tax treaty relief is available to the non-resident foreign corporation. Depending on the country of residence of the non-resident foreign corporation, with which the Philippines has an existing tax treaty, the tax rate may go as low as 10%.

Stock dividends distributed pro rata to any holder of the Offer Shares are not subject to Philippine income tax. However, the subsequent sale, exchange or disposition of the Offer Shares received as stock dividends by the holder is subject to either the capital gains tax or stock transaction tax. For the sale of domestic shares not traded through the PSE, a tax rate of 15% is imposed on net capital gains. On one hand, if the shares are listed and sold through the PSE, a tax rate of 1/10 of 1% of the gross value in money of the shares of stock is imposed in lieu of the net capital gains tax.

The Philippine tax authorities have prescribed certain procedures through Revenue Memorandum Order ("**RMO**") No. 014-21, for availment of tax treaty relief. Assuming the payments to be made by the Issuer are subject to withholding tax, a non-Philippine holder may avail of the lower withholding tax rates allowed under an applicable tax treaty with the Philippines by submitting to the Issuer the following: (a) duly accomplished BIR Form No. 0901 indicating the basis for the preferential tax treaty rate; (b) Tax Residency Certificate for the relevant period duly issued by the tax authority of the residence of the non-Philippine holder; (c) original consularized or apostilled Special Power of Attorney ("**SPA**") of the signing officer; or SPA issued by the non-Philippine holder to his/her authorized representative, which shall expressly state and include the authority to sign the BIR Form No. 0901; and (d) the tax treaty and the relevant provision therein relied upon by the non-Philippine holder in availing of the lower withholding tax rates; and (e) such other documents as may be required by the BIR including the supporting documents required under RMO No. 14-2021.

In case the Company used the regular tax rates applicable under the Tax Code, non-resident foreign corporations or individuals who intend to obtain a confirmation of entitlement to treaty benefits may file a Tax Treaty Relief Application ("**TTRA**") with BIR's International Tax Affairs Division ("**ITAD**") after

it has received the dividends with supporting documents specified in RMO No. 14-2021 in relation to Revenue Memorandum Circular ("**RMC**") No. 77-2021. If the BIR determines that the withholding tax rate applied is higher than the rate that should have been applied, the BIR will issue a certificate confirming the non-resident income recipient's entitlement to treaty benefits, and the non-resident may apply for a refund of excess withholding tax with the BIR within the two-year period provided in Section 229 of the Tax Code. The claim for refund of the holder may be filed simultaneously with the tax treaty relief application.

However, because the refund process in the Philippines could be cumbersome, requiring the filing of an administrative claim and the possible filing of a judicial appeal, it may be impractical to pursue such refund.

Tax Sparing Rate for Non-Resident Foreign Corporations

The 25% income tax rate for dividends paid to a non-resident foreign corporation ("**NRFC**") may be reduced to a lower rate of 15% if tax sparing applies, which is when: (i) the country where the non-resident foreign corporation is domiciled imposes no tax on foreign sourced dividends or (ii) the country of domicile of the non-resident foreign corporation allows at least 10% credit equivalent for taxes deemed to have been paid in the Philippines.

In order to avail of the 15% tax sparing rate, RMO No. 46-2020 (*Guidelines and Procedures for the Availment of the Reduced Rate of 15% on Intercompany Dividends Paid by a Domestic Corporation to a Non-Resident Foreign Corporation Pursuant to Section 28(B)(5)(B) of the National Internal Revenue Code of 1997, as amended dated December 23, 2020*) requires the non-resident foreign corporation availing itself of the tax sparing rate to file an application with the BIR for a confirmatory ruling on its entitlement to the tax sparing rate. RMO No. 46-2020 likewise states the following general requirements that shall accompany the first application for the reduced dividend rate of 15% in a given taxable year:

> (1) letter-request which shall provide a background of the transaction, the relief sought and the legal basis;
>
> (2) duly accomplished BIR Form No. 0901-TS;
>
> (3) original copy of the apostilled/duly authenticated Tax Residence Certificate issued by the tax authority of the country of the domicile;
>
> (4) apostilled/duly authenticated copy of the NRFC's articles of incorporation and proof of establishment in its country of residence;
>
> (5) original copy of apostilled/duly authenticated SPA issued by the NRFC to its authorized representative;
>
> (6) certified true copy of the BOD' resolution of the domestic corporation approving the issuance of dividends, which shall include the amount of dividends, and dates of declaration, record and payment, among others;
>
> (7) original copy of the sworn statement executed by the corporate secretary of the domestic corporation stating the legal and beneficial owners, if applicable, of all issued and outstanding shares as of record date, their corresponding subscriptions, date/s of acquisition, percentage of ownership and the allocation of dividend;

(8) certified true copy of the GIS of the domestic corporation for the year or period immediately preceding the date of declaration, whichever is more applicable

(9) certified true copy of the AFS of the domestic corporation stamped "received" by the BIR and Securities and Exchange Commission, which was used as the basis of such dividend declaration; and

(10) proof of remittance of the dividend payments.

The application must be filed within 90 days from "the remittance of the dividends or from the determination by the foreign tax authority of the deemed paid tax credit/non-imposition of tax because of the exemption, whichever is later." A domestic corporation is not required to first secure a ruling from the BIR in order to use the tax sparing rate when it remits the dividends but it is required to determine if under the law of the country of domicile of the non-resident foreign corporation, such non-resident foreign corporation is granted the applicable "deemed paid" tax credit, or an exemption from income tax on such dividends.

The abovementioned tax rates are without prejudice to applicable preferential tax rates under income tax treaties in force between the Philippines and the country of domicile of the non-resident holder. (Please see discussion on tax treaties below.)

Tax Treaty Relief

The BIR recently revised its procedures for availment of tax treaty relief on dividends by issuing RMO No. 14-2021 (Streamlining the Procedures and Documents for the Availment of Treaty Benefits, dated March 31, 2021), as clarified by RMC No. 77-21 (Clarification on Certain Provisions of RMO No. 14-21, dated June 15, 2021). In accordance with the foregoing regulations, all income items derived by non-resident taxpayers entitled to tax treaty relief shall be confirmed by the BIR through the filing of: (i) a request for confirmation by the withholding agent, or (b) a tax treaty relief application by the non-resident taxpayer, with the required supporting documents in either case.

(i) Request for Confirmation

The withholding agent/income payor may apply the preferential tax treaty rate on the dividend income of the non-resident foreign shareholder by relying on the submission by such shareholder of the following documents before the dividend income is paid: (a) an application form for treaty purposes (BIR Form 0901-D for dividends), (b) an authenticated/apostilled tax residency certificate duly issued by the relevant foreign tax authority in favor of the shareholder, and (c) the relevant provision of the applicable tax treaty which prescribes the preferential tax treatment on dividend income. If the tax treaty rate was applied, the withholding agent/income payor must file with the BIR's ITAD a request for confirmation of the use of the tax treaty rate. The request for confirmation must be filed at any time after the close of the taxable year and in no case later than the last day of the fourth month following the close of such taxable year when the dividend is paid or becomes payable.

RMC No. 77-21 prescribes the filing of one consolidated request for confirmation per non-resident income recipient, regardless of the number and type of income payments during the year. RMC No. 77-21 also provides for a list of all documentary requirements that have to be submitted in support of the request for confirmation.

If the BIR determines that the withholding tax rate used is lower than the applicable tax rate that should have been applied, or that the non-resident taxpayer is not entitled to treaty benefits, the

request for confirmation will be denied and it will require the withholding agent/income payor to pay the deficiency taxes plus surcharge, interest and penalties.

(ii) Tax Treaty Relief Application

In case the withholding agent/income payor used the regular rate under the Tax Code, the non-resident foreign shareholder may, at any time after its receipt of the dividend income, file a TTRA with ITAD. Similar to a request for confirmation, the TTRA must also be supported by the documents specified in RMC No. 77-21.

If the BIR determines that the withholding tax rate applied is higher than the rate that should have been applied, the BIR will issue a certificate confirming the non-resident income recipient's entitlement to treaty benefits, and the shareholder may apply for a refund of excess withholding tax within the two-year period provided in Section 229 of the Tax Code. The claim for refund of the shareholder may also be filed simultaneously with the TTRA. If the regular tax rate is withheld by the issuer instead of the reduced rates applicable under an income tax treaty, the non-resident holder of the shares may file a claim for refund from the BIR. However, because the refund process in the Philippines requires the filing of an administrative claim and the submission of supporting information, and may also involve the filing of a judicial appeal, it may be impractical to pursue such a refund.

Most tax treaties to which the Philippines is a party provide for a preferential tax rate of either 15% or 25%, in cases where the dividend arises in the Philippines and is paid to a resident of the other contracting state. Most income tax treaties also provide that reduced withholding tax rates shall not apply if the recipient of the dividends, who is a resident of the other contracting state, carries on business in the Philippines through a permanent establishment and the holding of the relevant dividend-earning interest is effectively connected with such permanent establishment. In these cases, however, the provisions on business profits or independent personal services under the tax treaty shall apply.

RMC No. 076-20 (Clarifying Certain Issues on the Filing of the Related Party Transaction Form) clarifies that the TTRAs filed with the ITAD relative to payments made to related parties must be indicated in the Related Party Transaction Form (BIR Form No. 1709). The dividends itself between and among related parties (either paid or payable, received or receivable) should likewise be disclosed in the Related Party Transaction Form. As proof of dividends payments to related parties, certain documents such as a notarized BOD' resolution approving the issuance of dividends, a certification under oath by the corporate secretary/custodian banks/depository account holders/broker dealers stating in detail the legal and beneficial owners of all issued and outstanding shares as of record date, their corresponding subscriptions, date/s of acquisition, percentage of ownership and the allocation of dividend, and proof of payment of such dividends must be maintained by the Company.

Transfer taxes (*e.g.* documentary stamp tax, local transfer tax) may be payable if the dividends declared are property dividends, depending on the type of property distributed as dividends. Stock dividends distributed *pro rata* to any holder of shares of stock are generally not subject to Philippine income tax. However, the sale, exchange or disposition of shares received as stock dividends by the shareholder is subject to stock transaction tax if the transfer is through a local stock exchange; or if the transfer is made outside of the exchange, capital gains tax; and documentary stamp tax.

Sale, Exchange or Disposition of Shares after the Offer Period

Capital gains tax

The net capital gains realized by a citizen, resident alien, non-resident alien, whether or not engaged in trade or business within the Philippines, or a domestic corporation (other than a dealer in securities) during each taxable year from the sale, exchange or disposition of shares of stock outside the facilities of the PSE, are subject to capital gains tax at the rate of 15% of the net capital gains realized during the taxable year.

The net capital gains realized by a resident foreign corporation or a non-resident foreign corporation during each taxable year from the sale, exchange or disposition of shares of stock in a domestic corporation outside the facilities of the PSE are subject to the rate of 15% of the net capital gains realized during the taxable year.

If an applicable income tax treaty exempts net gains from such sale from capital gains tax, an application for tax treaty relief must be filed with the BIR in accordance with BIR regulations, and approved by the BIR, to avail of the exemption. (Please see discussion on tax treaties.) The transfer of shares shall not be recorded in the books of a company, unless the BIR has issued a Certificate Authorizing Registration ("**CAR**").

Donor's tax

The sale, exchange or disposition of shares of stock in a domestic corporation outside the facilities of the PSE may also be subject to the 6% donor's tax under Section 100 of the Tax Code if the shares of stock are transferred for less than an adequate and full consideration in money or money's worth to the extent of the amount by which the fair market value of the shares of stock exceeded the value of the consideration. However, a sale, exchange, or other transfer of the shares of stock made in the ordinary course of business (a transaction which is a *bona fide*, at arm's length, and free from any donative intent), will be considered as made for an adequate and full consideration in money or money's worth.

Taxes on transfer of shares listed and traded at the PSE

A sale, barter, exchange, or other disposition of the Offer Shares effected through the facilities of the PSE by a resident or a non-resident individual or by a domestic or foreign corporation, other than a dealer in securities, is subject to a stock transaction tax at the rate of 1/10 of 1% of the gross selling price or gross value in cash of the Offer Shares sold, bartered, exchanged, or otherwise disposed, unless an applicable treaty exempts such sale from the said tax. The said tax shall be paid by the seller or transferor. The stock transaction tax is classified as a percentage tax and is paid in lieu of capital gains tax. Gains on any such sale or disposition are not subject to income tax. In addition, a value added tax of 12% is imposed on the commission earned by the PSE-registered broker who facilitated the sale, barter, exchange, or disposition through the PSE, which is generally passed on to the client.

The stock transaction tax will not apply if the shares are sold outside the facilities of the PSE, including during a trading suspension. PSE Memorandum CN-No. 2012-0046 dated August 22, 2012 provides that immediately after December 31, 2012, the Philippine SEC shall impose a trading suspension for a period of not more than six (6) months, on shares of a listed company who has not complied with the Rule on Minimum Public Ownership ("**MPO**") which requires listed companies to maintain a minimum percentage of listed securities held by the public at 10% of the listed companies issued and outstanding shares at all times. SEC Memorandum Circular No. 13, Series of 2017 (the "**SEC 2017 Circular**"), which

took effect on December 5, 2017, requires a higher MPO requirement of 20%. The SEC 2017 Circular covers any company applying for the registration of its shares of stocks for the purpose of conducting an IPO from December 5, 2017 but does not cover existing publicly-listed companies as they remain subject to the 10% MPO requirement. The sale of such listed company' shares during the trading suspension may be effected only outside the trading system of the PSE and shall therefore be subject to taxes on the sale of shares that are not listed or traded at the stock exchange (generally, these are capital gains tax and documentary stamp tax).

The stock transaction tax will also not apply if the shares sold are issued by a corporation that does not meet the MPO requirement, even if the sale is done through the facilities of the PSE. Revenue Regulations No. 16-2012 ("**R.R. 16-12**") provides that the sale, barter, transfer, and/or assignment of shares of listed companies that fail to meet the MPO requirement after December 31, 2012 will be subject to capital gains tax and documentary stamp tax. R.R. 16-12 also requires publicly listed companies to submit public ownership reports to the BIR within 15 days after the end of each quarter.

Preferential Rates under the Income Tax Treaties

The following table lists some of the countries with which the Philippines has tax treaties and the tax rates currently applicable to non-resident holders who are residents of those countries:

Country	**Dividends (%)**	**Stock transaction tax on sale or disposition effected through the PSE (%)**[9]	**Capital Gains Tax Due on Disposition of Shares Outside the PSE**
Canada	25[1]	0.6	May be exempt[13]
China	15[2]	Exempt[10]	May be exempt[13]
France	25[3]	Exempt[11]	May be exempt[13]
Germany	15[4]	Exempt[12]	May be exempt[13]
Japan	15[5]	0.6	May be exempt[13]
Singapore	25[6]	0.6	May be exempt[13]
United Kingdom	25[7]	0.6	Exempt[14]
United States	25[8]	0.6	May be exempt[13]

Notes:

(1) 15% if the recipient company which is a resident of Canada controls at least 10% of the voting power of the company paying the dividends; 25% in all other cases.

(2) 10% if the beneficial owner is a company which holds directly at least 10% of the capital of the company paying the dividends; 15% in all other cases.

(3) 15% if the recipient company (excluding a partnership) holds directly at least 10% of the voting shares of the company paying the dividends; 15% in all other cases.

(4) *5% if the recipient company (excluding a partnership) holds directly at least 70% of the capital of the company paying the dividends; 10% if the recipient company (excluding a partnership) holds directly at least 25% of the capital of the company paying the dividends.; 15% in all other cases*

(5) *10% if the recipient company holds directly at least 10% of either the voting shares of the company paying the dividends or of the total shares issued by that company during the period of six months immediately preceding the date of payment of the dividends; 15% in all other cases.*

(6) *15% if during the part of the taxable year of the paying company which precedes the date of payment of dividends and during the whole of its prior taxable year at least 15% of the outstanding shares of the voting shares of the paying company were owned by the recipient company; 25% in all other cases.*

(7) *15% if the recipient company is a company which controls directly or indirectly at least 10% of the voting power of the company paying the dividends; 25% in all other cases.*

(8) *20% if during the part of the taxable year of the paying company which precedes the date of payment of dividends and during the whole of its prior taxable year, at least 10% of the outstanding shares of the voting shares of the paying corporation were owned by the recipient corporation; 25% in other cases. Notwithstanding the rates provided under the Convention between the Government of the Republic of the Philippines and the Government of the United States of America with respect to Taxes on Income, corporations which are residents of the United States may avail of the 15% withholding tax rate under the tax-sparing clause of the Philippine Tax Code provided certain conditions are met.*

(9) *If the stock transaction tax is not expressly included in the tax treaty, the income recipient will be subject to stock transaction tax at the rate of 0.6% of the gross selling price as provided under Section 127 of the Tax Code as amended by Section 39 of the TRAIN.*

(10) *Article 2(2)(b) of the Agreement between the Government of the Republic of the Philippines and the Government of the People's Republic of China for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income was signed on November 18, 1999.*

(11) *Article 1 of the Protocol to the Tax Convention between the Government of the Republic of the Philippines and the Government of the French Republic Signed on January 9, 1976 was signed in Paris, France on June 26, 1995.*

(12) *Article 2 (3)(a) of Agreement between the Government of the Republic of the Philippines and the Federal Republic of Germany for the Avoidance of Double Taxation with Respect to Taxes on Income and Capital signed on September 9, 2013.*

(13) *Capital gains are taxable only in the country where the seller is a resident, provided the shares are not those of a corporation, the assets of which consist principally of real property situated in the Philippines, in which case the sale is subject to Philippine taxes.*

(14) *Under the income tax treaty between the Philippines and the United Kingdom, capital gains on the sale of the shares of Philippine corporations are subject to tax only in the country where the seller is a resident, irrespective of the nature of the assets of the Philippine corporation.*

When availing of capital gains tax exemption on the sale of shares of stock under an income tax treaty, a certification from the BIR on the exemption from capital gains tax pursuant to the tax treaty shall be necessary in order to completely implement the transfer. For sale of shares made outside the PSE, a CAR from the BIR is required before the transfer is registered in the stock and transfer book. The BIR issues the CAR only after verifying that the applicable taxes have been paid. Thus, in lieu of proof of payment of capital gains tax, the tax treaty relief ruling should be submitted to the BIR office processing the CAR.

The requirements for a tax treaty relief application in respect of capital gains tax or the stock transaction tax on the sale of shares are set out in Revenue Memorandum Order No. 14-2021 (*Streamlining the Procedures and Documents for the Availment of Treaty Benefits dated March 31, 2021*), as clarified by Revenue Memorandum Circular No. 77-21 (*Clarification on Certain Provisions of Revenue Memorandum Order No. 14-21, dated June 15, 2021*), BIR Form No. 0901-C, and other BIR issuances. These include a Tax Residency Certificate ("**TRC**") for the relevant period, duly issued by the tax authority of the foreign country in which the income recipient is a resident. Non-resident legal person or arrangements are also required to submit an authenticated copy of their Articles/Memorandum of Incorporation/Association, Trust Agreement, or equivalent document

confirming its establishment or incorporation, with an English translation thereof if in foreign language.

In availing tax treaty benefits, the withholding agent may rely on the submitted BIR Form No. 0901 (Application Form for Treaty Purposes), TRC, and the relevant provision of the tax treaty on whether to apply the treaty rates. If the withholding agent applied the treaty rates, he shall file with the BIR ITAD a request for confirmation on the correctness of the withholding tax rates applied on the income. The request for confirmation shall be filed any time after the transaction but not shall not be later than the last day of the fourth (4^{th}) month following the close of the taxable year when the income is pair or when the transaction is consummated.

If the regular rates have been imposed on the income, the non-resident shall file a TTRA with ITAD to prove its entitlement to treaty benefits. Failure to prove the same may result in the confirmation of the tax rate previously applied on the income, and in the eventual denial of the TTRA.

If the BIR determines that the withholding tax rate applied is lower than the rate that should have been applied on an item of income pursuant to the treaty, or that the non-resident taxpayer is not entitled to treaty benefits, it will issue a BIR Ruling denying the request for confirmation or TTRA. Consequently, the withholding agent shall pay the deficiency tax plus penalties

If the withholding tax rate applied is proper or higher than the rate that should have been applied, the BIR will issue a certificate confirming the non-resident income recipient's entitlement to treaty benefits. In the latter case, the taxpayer may apply for a refund of excess withholding tax.

Documentary Stamp Taxes on Shares

The original issuance of the Offer Shares is subject to a documentary stamp tax of 75% of 1% of the par value of the shares of stock issued.

The transfer of shares is subject to a documentary stamp tax of Php1.50 for each Php200.00, or a fractional part thereof of the par value of the shares transferred. However, the sale, barter, or exchange of the Offer Shares listed on the PSE, if made through the facilities of the PSE, shall be exempt from documentary stamp tax.

The documentary stamp tax for the transfer of shares must be paid by the transferor of the Offer Shares. However, if such transferor enjoys exemption from the documentary stamp tax, the transferee who is not exempt shall be directly liable for the documentary stamp tax.

Estate and Gift Taxes

Shares of stock in a domestic corporation are considered under Philippine law to be situated in the Philippines and any gain derived from their sale is entirely from Philippine sources; hence, such gain is subject to Philippine income tax and the transfer of such shares by gift (donation) or succession is subject to the donors' tax or estate tax.

The transfer of the Offer Shares upon the death of a registered holder to his heirs by way of succession, whether such an individual was a citizen of the Philippines or an alien, regardless of residence, shall be subject to an estate tax which is levied on the net estate of the deceased at a uniform rate of 6%. An investor shall be subject to donor's tax at a uniform rate of 6% based on the value of the total gift on the transfer of the Offer Shares by gift in excess of Php250,000.00 made during a calendar year, regardless of the relation of the donor to the donee.

The estate or donor's taxes payable in the Philippines may be credited with the amount of any estate or donor's taxes imposed by the authority of a foreign country, subject to limitations on the amount to be credited, and the tax status of the donor. The estate tax and the donor's tax, in respect of the Offer Shares, shall not be collected: (1) if the decedent at the time of his death or the donor at the time of the donation was a citizen and resident of a foreign country which at the time of his death or donation did not impose a transfer tax of any character, in respect of intangible personal property of citizens of the Philippines not residing in that foreign country, or (2) if the laws of the foreign country of which the decedent or donor was a citizen and resident at the time of his death or donation allows a similar exemption from transfer or death taxes of every character or description in respect of intangible personal property owned by citizens of the Philippines not residing in that foreign country.

In case the Offer Shares are transferred for less than an adequate and full consideration in money or money's worth, the amount by which the fair market value of the Offer Shares exceeded the value of the consideration may be deemed a gift, and donor's taxes may be imposed on the transferor of the Offer Shares, based on Section 100 of the Philippine Tax Code, provided that a transfer of property made in the ordinary course of business (a transaction which is a bona fide, at arm's length, and free from any donative intent), will be considered as made for an adequate and full consideration in money or money's worth.

Taxation outside the Philippines

The tax treatment of a non-resident holder in jurisdictions outside the Philippines may vary depending on the tax laws applicable to such holder by reason of its domicile or business activities and such holder's particular situation. This Prospectus does not discuss the tax considerations of non-resident holders of shares of stock under laws other than those of the Philippines.

EACH PROSPECTIVE HOLDER SHOULD CONSULT WITH HIS OWN TAX ADVISER AS TO THE PARTICULAR TAX CONSEQUENCES TO SUCH HOLDER OF PURCHASING, OWNING AND DISPOSING OF THE OFFER SHARES, INCLUDING THE APPLICABILITY AND EFFECT OF ANY STATE, LOCAL AND NATIONAL TAX LAWS.

Regulatory Framework

The statements herein are based on the laws in force as of the date of this Prospectus and are subject to any changes in law occurring after such date, which changes could be made on a retroactive basis. The following summary does not purport to be a comprehensive description of all of the regulatory and environmental considerations that may be relevant to the Company or the offering.

Revised Corporation Code

Republic Act No. 11232, also known as the Revised Corporation Code, was signed into law on February 20, 2019 and took effect on February 23, 2019. Among the notable amendments in the Revised Corporation Code are as follows: (i) corporations are now generally given a perpetual existence; (ii) a new section on one-person corporation was added; (iii) the requirement that at least 25% of the authorized capital stock must be subscribed, and at least 25% of the subscribed shares must be paid-up upon incorporation was removed; (iv) stockholders can now vote in absentia; (v) incorporators now include any person, partnership, association or corporation; and (vi) the powers of the SEC to prosecute and investigate offenses under the Revised Corporation Code have been expanded.

The Revised Corporation Code refers to the Philippine Competition Act in case of covered transactions under said law involving the sale, lease, exchange, mortgage, pledge, or disposition of properties or assets; increase or decrease in the capital stock, incurring creating or increasing bonded indebtedness; or mergers or consolidations covered by the Philippine Competition Act thresholds.

Securities Regulation Code

The Securities Regulation Code ("**SRC**"), formally known as Republic Act No. 8799, was enacted on July 19, 2000, replacing the Revised Securities Act of 1982. The SRC governs the securities market in the Philippines, seeking to protect investors, develop an efficient and transparent capital market, and establish comprehensive regulatory oversight over securities transactions and market participants.

The SRC applies to all transactions involving securities in the Philippines, including the issuance, registration, and trading of securities. It regulates both the primary and secondary markets to ensure fair trading practices, prevent fraud, and safeguard public interests. Key provisions of the SRC include:

- **Registration of Securities**: Securities to be offered for sale or distribution to the public must be registered with the SEC. The registration requires the issuer to file a registration statement and comply with the disclosure standards set forth in the SRC.
- **Disclosure Requirements**: The SRC mandates continuous disclosure of material information by issuers of registered securities, including annual and quarterly reports, to ensure that investors have adequate and accurate information to make informed decisions.
- **Anti-Fraud**: The SRC prohibits fraudulent activities, including insider trading, market manipulation, and deceptive practices, which could harm investors or distort the integrity of the market.

The 2015 Implementing Rules and Regulations of the SRC or the 2015 SRC Rules, which implement the provisions of the SRC, provide further clarity and procedural guidelines for compliance with the law. These rules ensure that market participants fully understand their obligations under the SRC and the steps necessary to comply with SEC regulations.

SEC RENT

On 16 July 2024, the SEC released Memorandum Circular No. 12, Series of 2024 ("**Securing & Expanding Capital in Real Estate Investments Transactions**" or "**SEC RENT**"), which recognizes the significant role that the real estate industry has to the Philippine economy, particularly as it is a key driver of economic growth and job creation, and supports industries such as construction, finance and retail. It states that "*investing or participating in rental property projects may involve the sale or offer for sale or distribution of investment contracts, certificate of participation or participation in a profit sharing agreement to property owners as investors."* Recognizing that these investments contracts are considered as securities within the context of the SRC, the SEC included in the SEC RENT a set of guidelines for the registration of securities for real estate companies issuing investment contracts, certificate of participation, participation in a profit sharing agreements, and other forms of securities issued by real estate developers and/or managers in relation to rental pool agreements.

Under the SEC RENT, a registrant is eligible to subsequently offer securities upon compliance with the following requirements:

a. The registrant must have complied with the reporting requirements under the SRC Implementing Rules and Regulations and the Revised Corporation Code for at least 12 calendar months immediately preceding the filing of the registration statement and have timely filed all required reports with the SEC during the same period;
b. The registrant must have uploaded in its official website all required reports;
c. The registration statement and/or offer circular/supplement is not subject to any pending proceeding nor was the subject of any refusal order or stop order; and
d. The registrant is not subject of any pending proceeding under the SRC in connection with an offering.

Laws on housing and land projects

Republic Act No. 11201: Department of Human Settlements and Urban Development Act

Republic Act No. 11201 or the Department of Human Settlements and Urban Development Act, which was signed into law on February 14, 2019, created the Department of Human Settlements and Urban Development (the "**DHSUD**"), through the consolidation of the HLURB and the Housing and Urban Development Coordinating Council ("**HUDCC**").[43] The DHSUD has been mandated to act as the primary national government entity responsible for the management of housing, human settlement, and urban development, and the sole and main planning and policymaking, regulatory, program coordination, and performance monitoring entity for all housing, human settlement, and urban development concerns, primarily focusing on the access to and the affordability of basic human needs. Its powers and functions include the regulation of housing and real estate development.

The DHSUD exercises administrative supervision over the following housing agencies, which shall remain attached for purposes of policy and program coordination, monitoring, and evaluation: (a) National Housing Authority ("**NHA**"), (b) NHMFC, (c) Home Development Mutual Fund ("**HDMF**"), and (d) Social Housing Finance Corporation (SHFC).

The HSAC was reconstituted from the HLURB and is mandated to adjudicate, among others, disputes relating to real estate development, homeowners' association, and appeals from decision of local and

[43] In view of this law, Republic Act No. 11201, references to "HLURB" in certain laws and regulations mentioned in this section "Regulatory Framework" have been changed to "DHSUD". Such similar references have been also used elsewhere in this Prospectus.

regional planning and zoning bodies. Hence, the adjudicatory functions of the HLURB are transferred to the HSAC, and HLURB is attached to the DHSUD for policy, planning and program determination only.

On 19 July 2019, the implementing rules and regulations ("**IRR**") of Republic Act No. 11201 were approved. These describe in more detail the functions of the DHSUD and enumerate the functions of the HLURB that were transferred to it, such as, among others, its regulatory functions, including the formulation, promulgation, and enforcement of rules, standards and guidelines over subdivisions, condominiums, and similar real estate developments. The IRR of Republic Act No. 11201 also enumerates the oversight and monitoring functions of the Department and its powers and functions in relation to public housing and urban development.

Presidential Decree No. 957: The Subdivision and Condominium Buyers' Protective Decree

Presidential Decree No. 957, or the Subdivision and Condominium Buyers' Protective Decree ("**PD 957**"), as amended, is the principal statute regulating the development and sale of real property as part of a condominium project or subdivision. It was enacted pursuant to the policy of the state to ensure that real estate subdivision owners, developers, operators, and/or sellers provide and properly maintain roads, drainage, sewerage, water systems, lighting systems and other similar basic requirements in order to guarantee the health and safety of home and lot buyers. PD 957 covers condominium and subdivision projects for residential, commercial, industrial, and recreational areas as well as open spaces and other community and public areas in the project. The DHSUD is the administrative agency of the government which, together with local government units ("**LGUs**"), enforces PD 957 and has jurisdiction over real estate trade and business.

All subdivision and condominium plans for residential, commercial, industrial and other development projects are required to be filed with and approved by the DHSUD and the relevant LGU of the area where the project is situated. Approval of such plans is conditional on, among other things, the developer's financial, technical, and administrative capabilities. Before it is approved, the subdivision plan must comply with the Subdivision Standards and Regulations. On the other hand, the condominium plan, in addition to complying with the same procedure, must also comply with Presidential Decree No. 1096, or the National Building Code, with respect to the building(s) included in the condominium project. The owner or developer shall submit the condominium plan in accordance with the requirements of the National Building Code to the building official of the city or municipality where the property lies and the same shall be acted upon subject to the conditions and in accordance with the procedure prescribed in Section 4 of Republic Act No. 4726, or the Condominium Act.

Alterations of approved condominium plans affecting significant areas of the project, such as infrastructure and public facilities, also require prior approval of the DHSUD and the city or municipal engineer.

The development of subdivision and condominium projects can only commence after the relevant government body has issued the required development permit and the necessary building or construction permits in accordance with the requirements of the city or municipality where the property lies. The issuance of a development permit is dependent on, among other things: (i) compliance with the required project standards and technical requirements that may differ depending on the nature of the project; and (ii) issuance of the barangay clearance, the locational and zoning clearance, permits issued by the DENR (such as the ECC or Certificate of Non-Coverage ("**CNC**"), conversion order or exemption clearance from the DAR, permit to drill from the National Water Resources Board, and such other permits and approvals. In cases where the property involved is

located in an area already classified as residential, commercial, industrial or other similar development purposes, a DAR conversion order shall no longer be required as a precondition for issuance of Certificate of Registration and License to Sell ("**LTS**").

Developers who sell lots or units in a subdivision or a condominium project are required to register the project with and obtain a LTS from the DHSUD. Subdivision or condominium units may only be sold or offered for sale after a LTS has been issued by the DHSUD. Further, to ensure that the owner or developer of a proposed subdivision or condominium project shows firm commitment to proceed with a project, current DHSUD regulations require minimum developments before the issuance of a license to sell: (a) for subdivision projects, proof of land clearing and grubbing, road tracing and entrance gate if included in the brochure or advertisement; and (b) for condominium projects, excavation per approved plan/excavation permit. Developers must also include a statement in their LTS that buyers of houses and lots, lots, or condominiums shall be given the option to avail of a home financing scheme of their choice.

As a requisite for the issuance of a LTS by the DHSUD, developers are required to file with the DHSUD any of the following to guarantee the construction and maintenance of the roads, gutters, drainage, sewerage, water system, lighting systems, and full development of the subdivision or condominium project and compliance with the applicable laws, rules and regulations:

1. a surety bond callable upon demand equivalent to 20% of the development cost of the unfinished portion of the approved plan, issued by a duly accredited bonding company (whether private or government), and acceptable to the DHSUD;

2. a real estate mortgage executed by the applicant developer as mortgagor in favor of the Republic of the Philippines, as represented by the DHSUD, as mortgagee, over property other than that subject of the application, free from any liens and encumbrance and provided that the value of the property, computed on the basis of the zonal valuation of the Bureau of Internal Revenue, shall be at least 20% of the total development cost; or

3. other forms of security equivalent to 10% of the development cost of the unfinished portion of the approved plan which may be in the form of the following:

    a) a cash bond;
    b) a fiduciary deposit made with the cashier and/or disbursing officer of the DHSUD;
    c) a certificate of guaranty deposit issued by any bank or financing institution of good standing in favor of the DHSUD for the total development cost;
    d) a letter from any bank of recognized standing certifying that so much has been set aside from the bank account of the developer in favor of the DHSUD, which amount may be withdrawn by the DHSUD at any time the developer fails or refuses to comply with its duties and obligations under the bond contract; or
    e) any irrevocable credit line to be utilized in the development of the project from any bank of recognized standing and a refinancing re-structuring program indicating sources of funding from duly accredited funding institutions.

The DHSUD is vested with quasi-judicial powers and regulatory functions necessary for the enforcement and implementation of PD 957. Among these regulatory functions are: (i) regulation of the real estate trade and business; (ii) registration of subdivision lots and condominium projects; (iii) issuance of LTS subdivision lots and condominium units in the registered units; (iv) approval of performance bond and the suspension of LTS; (v) registration of dealers, brokers and salesman engaged in the business of selling subdivision lots or condominium units; (vi) revocation of registration

of dealers, brokers, and salesmen; (vii) approval of mortgage on any subdivision lot or condominium unit made by the owner or developer; (viii) granting of permits for the alteration of plans and the extension of period for completion of subdivision or condominium projects; (ix) approval of the conversion to other purposes of roads and open spaces found within the project which have been donated to the city or municipality concerned; (x) regulation of the relationship between lessors and lessees; and (xi) hear and decide cases on unsound real estate business practices, claims involving refund filed against project owners, developers, dealers, brokers or salesmen, and cases of specific performance.

The DHSUD is also authorized, *motu proprio* or upon verified complaint filed by a buyer of a subdivision lot or condominium unit, to revoke the registration of any subdivision project or condominium project and the LTS any subdivision lot or condominium unit in said project upon showing that the owner or dealer:

a) is insolvent;
b) has violated any of the provisions of PD 957, or any applicable rule or regulation of the DHSUD, or any undertaking under his/its bond;
c) has been or is engaged or is about to engage in fraudulent transactions;
d) has made any misrepresentation in any offer supplement, prospectus, brochure, circular, or other literature about the subdivision project or condominium project that has been distributed to prospective buyers;
e) is of bad business repute; or
f) does not conduct his business in accordance with law or sound business principles.

A License or Permit to Sell may only be suspended, cancelled or revoked after a written notice to the developer has been served and all parties have been given an opportunity to be heard in compliance with the DHSUD's rules of procedure and other applicable laws.

Executive Order No. 71, *Series of 1993*

Under *Executive Order No. 71*, *Series of 1993*, cities and municipalities assume the powers of the DHSUD over the following:

a) approval of preliminary as well as final subdivision schemes and development plans of all subdivisions, residential, commercial, industrial, and for other purposes;
b) approval of preliminary as well as final subdivision schemes and development plans of all economic and socialized housing projects;
c) evaluation and resolution of opposition against issuance of development permits for any of said projects; and
d) monitoring the nature and progress of its approved land development projects, to ensure their faithfulness to the approved plans and its specifications.

Republic Act No. 7279: Urban Development and Housing Act of 1992

Republic Act No. 7279, as amended, or the Urban Development and Housing Act of 1992, requires developers of proposed subdivision projects to develop an area for socialized housing equivalent to at least 15% of the total subdivision area or total subdivision project cost, and at least five percent (5%) of condominium area or project cost, at the option of the developer, within the same city or municipality, whenever feasible, and in accordance with the standards set by the DHSUD and other existing laws. Alternatively, the developer may opt to buy socialized housing bonds issued by various accredited government agencies, enter into joint venture arrangements with other developers

engaged in socialized housing development, or undertake the other manners of compliance under HLURB Memorandum Circular No. 9, series of 2018.

In case the developer is a BOI-registered entity, the BOI Memorandum Circular No. 2022-006, series of 2022, provides that the use of escrow shall be an acceptable mode of compliance to the socialized housing requirement.

Republic Act No. 9646: Real Estate Service Act

Real estate dealers, brokers, and salesmen are also required to register with the DHSUD before they can sell lots or units in a registered subdivision or condominium project. Furthermore, no person shall practice or offer to practice real estate service in the Philippines, unless he/she has satisfactorily passed the licensure examination given by the Professional Regulatory Board of Real Estate Service. Under Republic Act No. 9646, or the Real Estate Service Act, every applicant seeking to be registered and licensed as a real estate service practitioner, except a real estate person, must undergo a licensure examination. The real estate service practitioners required to take the licensure examination are:

1. Real estate consultants — duly registered and licensed natural persons who, for a professional fee, compensation or other valuable consideration, offer or render professional advice and judgment on: (i) the acquisition, enhancement, preservation, utilization or disposition of lands or improvements thereon; and (ii) the conception, planning, management and development of real estate projects;

2. Real estate appraisers — duly registered and licensed natural persons who, for a professional fee, compensation or other valuable consideration, perform or render, or offer to perform services in estimating and arriving at an opinion of or act as an expert on real estate values, such services of which shall be finally rendered by the preparation of the report in acceptable written form;

3. Real estate assessors – duly registered and licensed natural persons who work in a LGU and perform appraisal and assessment of real properties, including plants, equipment, and machineries, essentially for taxation purposes; or

4. Real estate brokers — duly registered and licensed natural persons who, for a professional fee, commission or other valuable consideration, act as an agent of a party in a real estate transaction to offer, advertise, solicit, list, promote, mediate, negotiate or effect the meeting of the minds on the sale, purchase, exchange, mortgage, lease or joint venture, or other similar transactions on real estate or any interest therein.

Republic Act No. 4726: The Condominium Act

Under the Condominium Act, the owner of a project shall, prior to the conveyance of any condominium therein, register a Declaration of Restrictions ("**Declaration**") relating to such project, which restrictions shall constitute a lien upon each condominium unit in the project, and shall insure to and bind all condominium owners in the project. Such liens, unless otherwise provided, may be enforced by any condominium owner in the project or by the management body of such project. The Register of Deeds ("**RD**") shall enter and annotate the declaration of restrictions upon the certificate of title covering the land included within the project.

The Declaration shall provide for the management of the project by anyone of the following management bodies: a condominium corporation, an association of the condominium owners, a

board of governors elected by condominium owners, or a management agent elected by the owners or by the board named in the Declaration. It shall also provide for voting majorities *quorums*, notices, meeting date, and other rules governing such body or bodies.

Further, any transfer or conveyance of any unit or an apartment, office or store or other space, shall include the transfer or conveyance of the undivided interests in the common areas, or, in a proper case, the membership or shareholdings in the condominium corporation.

A condominium corporation shall not, during its existence, sell, exchange, lease, or otherwise dispose of the common areas owned or held by it in the condominium project unless authorized by the affirmative vote of a simple majority of the registered owners with prior notification to all registered owners. Further, the condominium corporation may expand or integrate the project with another upon the affirmative vote of a simple majority of the registered owners, subject only to the final approval of the DHSUD.

HLURB Memorandum Circular No. 03, Series of 2016

HLURB Memorandum Circular No. 03, Series of 2016, or the 2015 Guidelines on Time Completion (the "**Guidelines**") provides that projects required by law to be registered with the DHSUD such as industrial, commercial and residential subdivisions, residential or commercial condominiums, and similar projects, such as memorial parks, should be completed within one year from the date of the issuance of the license, or any other period fixed by the DHSUD ("**Time of Completion**"). Failure to comply with the Time of Completion will: (1) entitle buyers to exercise their rights under PD 957 and the Civil Code of the Philippines in addition to other rights and remedies under other laws; and (2) subject the owner or developer to administrative fines, sanctions, and penalties which may include the suspension of the LTS and a cease-and-desist order.

The DHSUD shall rely on the work program or program of development submitted during the application for a Certificate of Registration and LTS in determining the applicable Time of Completion of a project.

Residential subdivision projects are subject to different Times of Completion for the land and the housing components. The Time of Completion for land development, which includes land clearing and grubbing, road construction, installation of power and water distribution system, construction of drainage and sewerage systems, and other developments, will depend on the work program or program of development submitted by the owner or developer. All subdivision amenities and facilities such as clubhouse, playgrounds, sports facilities and other infrastructures included in the approved project plans, brochures, offer supplement, prospectus, printed matters, letters, or any forms of advertisement shall be developed and completed within the period for the project's land development. Meanwhile, the completion and delivery of any housing unit purchased shall be explicitly provided in the contract to sell or any purchase agreement, and absent any indication thereof, will not exceed one year from the date of purchase.

For condominium projects, all facilities and amenities included in the approved project plans, brochures, offer supplement, prospectus, printed matters, letters, or any forms of advertisement shall be completed in accordance with the work program or program of development of the project.

The Guidelines also provides that the Time of Completion which shall include the date, time and year shall be indicated in the LTS of the project, which shall be binding and obligatory on the part of the owner or developer, unless a shorter period of completion or delivery is represented in any form of advertisement. The Time of Completion should be indicated in any advertisement of a project.

As a general rule, the Time of Completion is non-extendible, except in the following instances and upon the posting of a bond or security:

1. Existence of sub-soil conditions discoverable only after actual excavation and would require additional excavation time;

2. Occurrence of a fortuitous event completely independent of the will of the owner or developer, that requires reconstruction or causes delays in the project, and renders its completion within the original approved period impossible in a normal manner;

3. Issuance of a lawful order of a court, other government agency or local government unit that temporarily enjoins the development of the project, unless such issuance is caused by the fault, mistake or negligence of the owner or developer.

If an owner or developer wishes to apply for additional time due to the foregoing grounds, it shall file a sworn application with the Regional Field Office of the DHSUD where the project is registered, including a proof of notice to all lot or unit buyers, a revised work program with computation of remaining cost of completion and other requirements, within 60 days from the discovery of the unfavorable sub-soil conditions, the occurrence of the fortuitous event, or from receipt of the order or issuance of a court or government body.

The owner or developer of a project that is not completed on time will be given a Notice of Alleged Reported Violation requiring it to explain under oath why no administrative fine and sanctions and cease- and-desist order should be imposed against it. Should the owner or developer fail to comply with the order or justify the non-completion of a project, an order imposing administrative fines and sanction shall be issued, and the owner or developer shall be required to submit additional documentations on the project.

Upon review of the submitted documents, a final order shall be issued requiring the completion of the project within such period as may be fixed by the DHSUD, and a performance bond shall be secured conditioned on this undertaking. In case of non-completion of the project within the approved Time of Completion, an administrative fine shall be imposed in accordance with the approved Schedule of Fines and other existing DHSUD guidelines, the LTS shall be suspended, and a cease-and-desist order shall be issued enjoining the owner or developer from further selling any lot, including any building or improvement thereon, or any unit in a project, from advertising the project, and from collecting amortization payment, until the completion of the project and issuance of a Certificate of Completion.

HLURB Resolution No. 985, Series of 2019: 2019 Real Estate Development Monitoring Rules of HLURB

On June 17, 2019, the HLURB (now the DHSUD) released HLURB Resolution No. 985 entitled Approving the 2019 Administrative Rules of Procedure in the Monitoring of Real Estate Development Projects and Imposition of Sanctions for Violation of Presidential Decree No. 957 and Other Related Laws and their Implementing Rules and Regulations. This is primarily aimed at ensuring the faithful observance by owners and/or developers of their obligation to fully develop the project on time and in accordance with the approved development plan, contractual stipulations, sales representations, and pertinent conditions imposed in clearances, permits and licenses.

The Regional Officer shall have jurisdiction and power to investigate land use or development projects in real estate transactions to determine whether the said project satisfactorily complies with the terms and conditions of the clearance, permit, license, approval or certificate, and to verify reports of alleged

violations of the laws, rules and regulations implemented by the DHSUD. The Regional Officer may issue an Authority to Monitor specific projects, issue cease-and-desist orders restraining the commission or continuance of acts complained of, impose fines and penalties for violations of laws, rules and regulations, cite any person in indirect contempt, and issue writs or alias writs of execution to enforce orders and rulings of the Regional Office.

DHSUD Department Order No. 2023-007, Series of 2023

Department Order No. 2023-004, Series of 2023, authorizes the issuance of Certificates of Registration and Licenses to Sell for projects with certificates of title annotated with lien or encumbrance under Section 4, Rule 74 of the Rules of Court, or Section 7 of Republic Act No. 26, provided that the rules and requirements are strictly complied with.

The applications for the issuance of the Certificate of Registration or LTS for projects with certificates of title annotated with lien or encumbrance under Section 4, Rule 74 of the Rules of Court may be accepted and/or granted provided that: (1) the application is filed within the two-year period from date of inscription of the annotation; and (2) the developer shall: (a) post an adequate surety bond to answer for any claim that might be charged against the property; and (b) execute and submit an undertaking under oath that he shall immediately cause the cancellation of the annotation after the lapse of the two-year period, there being no timely petition filed by any excluded heir or creditor. If the application is filed after the two-year period from date of inscription, a bond shall not be required, provided the developer submits proof of fling of appropriate petition for the cancellation of such annotation.

The application for the issuance of the Certificate of Registration or LTS for a project with a reconstituted certificate of title annotated with lien or encumbrance under Republic Act No. 26 may only be accepted and/or granted provided that: (1) the two-year period has lapsed and no petition was filed by any person for the annotation of any right or interest not noted on the reconstituted title; (2) the developer shall submit proof of filing of the appropriate petition for the cancellation of the annotation; and (3) the developer shall post a bond.

Notwithstanding the foregoing, the developer shall timely deliver the unitized or subdivided title in favor of the buyer in accordance with the contract to sell or any other purchase agreement, free from any lien or encumbrance. The cost of the cancellation of the annotation shall fully be for the account of the developer.

Real estate sales on installments

Republic Act No. 6552: Maceda Law

The provisions of Republic Act No. 6552, or the Maceda Law, apply to all transactions or contracts involving the sale or financing of real estate on installment payments, including residential condominium units but excluding industrial lots, commercial buildings and sales to tenants under Republic Act No. 3844, as amended.

Under the provisions of the Maceda Law, where a buyer of real estate has paid at least two years of installments, the buyer is entitled to the following rights in case he/she defaults in the payment of succeeding installments:

1. To pay, without additional interest, the unpaid installments due within the total grace period earned by him/her, which is fixed at the rate of one month for every one year of installment

payments made. However, the buyer may exercise this right only once every five years during the term of the contract and its extensions, if any.

2. If the contract is cancelled, the seller shall refund to the buyer the cash surrender value of the payments on the property equivalent to 50% of the total payments made, and in cases where five years of installments have been paid, an additional 5% every year (but with a total not to exceed 90% of the total payments); Provided, that the actual cancellation of the contract shall take place after 30 days from receipt by the buyer of the notice of cancellation or the demand for rescission of the contract by a notarial act and upon full payment of the cash surrender value to the buyer.

The computation of the total number of installment payments made includes down payments, deposits, or options on the contract.

In the event that the buyer has paid less than two years of installments, the seller shall give the buyer a grace period of not less than 60 days from the date the installment became due. If the buyer fails to pay the installments due at the expiration of the grace period, the seller may cancel the contract after 30 days from receipt by the buyer of the notice of cancellation or the demand for rescission of the contract by a notarial act.

The buyer has the right to sell his/her rights or assign the same to another person or to reinstate the contract by updating the account during the grace period and before actual cancellation of the contract.

Zoning and land use

Republic Act No. 7160: Local Government Code of the Philippines

A city or municipality may, through an ordinance passed by the *Sanggunian*, after conducting public hearings for the purpose, authorize the reclassification of agricultural lands and provide for the manner of their utilization or disposition in the following cases: (i) when the land ceases to be economically feasible and sound for agriculture as determined by the Department of Agriculture ("**DA**"); or (ii) where the land shall have substantially greater economic value for residential, commercial, or industrial purposes, as determined by the *Sanggunian* concerned; provided that such reclassification shall be limited to the following percentage of total agricultural land area at the time of the passage of the ordinance:

1. For Highly Urbanized and Independent Component Cities, fifteen percent (15%);

2. For Component Cities and First to Third Class Municipalities, ten percent (10%);

3. For Fourth to Sixth Class Municipalities, five percent (5%).

Zoning ordinances may also limit land use. Once enacted, a comprehensive land use plan approved by the relevant LGU may restrict land use in accordance with such land use plan. Zoning ordinances may also classify lands as commercial, industrial, residential, or agricultural. Lands may also be further re-classified based on an LGU's future projection of needs.

Republic Act No. 6657: Comprehensive Agrarian Reform Law of 1988

Under Republic Act No. 6657, as amended, or the Comprehensive Agrarian Reform Law of 1988, and

such other rules and regulations currently in effect in the Philippines, land classified for agricultural purposes as of or after June 15, 1988 cannot be converted to non-agricultural use without the prior approval of the DAR.

Republic Act No. 11231: Agricultural Free Patent Reform Act

This Act removes restrictions imposed on the registration, acquisition, encumbrance, alienation, transfer, and conveyance of lands covered by free patents to allow the efficient and effective utilization of these lands. Under this Act, agricultural public lands alienated or disposed in favor of qualified public land applicants under Section 44 of Commonwealth Act No. 141, as amended, shall not be subject to restrictions imposed under Sections 118, 119 and 121 thereof regarding acquisitions, encumbrances, conveyances, transfers, or dispositions. Agricultural free patent shall now be considered as title in fee simple and shall not be subject to any restriction on encumbrance or alienation.

This Act has retroactive effect and any restrictions regarding acquisitions, encumbrances, conveyances, transfers, or dispositions imposed on agricultural free patents issued under Section 44 of Commonwealth Act No. 141, as amended, before the effectivity of this Act shall be removed and are hereby immediately lifted.

Republic Act No. 12001: Real Property Valuation and Assessment Reform Act

The Republic Act No. 12001 or the Real Property Valuation and Assessment Reform Act ("**RPVARA**") was enacted on June 13, 2024 and took effect on July 5, 2024. The implementing rules and regulations of RPVARA took effect on January 11, 2025. Under Section 14 of the RPVARA, all real properties, whether taxable or exempt, must be valued based on prevailing market values in the locality where the property is situated. This ensures a standardized approach to property valuation nationwide, ensuring that property assessments reflect current market conditions. To implement this, provincial, municipal, and city assessors are required to prepare the Schedule of Market Values ("**SMV**") for different classes of real property within their respective LGUs.

Upon approval by the Secretary of Finance, the SMV will serve as the basis for the local assessor's general revision of property assessments and classifications and for the Sanggunian's adjustment of assessment levels and tax rates for LGUs. It will also be used to determine market values for other property-related taxes, such as local transfer tax, sand and gravel tax, community tax, and various fees and charges. The Commissioner of Internal Revenue will use the SMV, or the actual gross selling price indicated in property transaction documents—whichever is higher—to calculate any internal revenue tax.

While the new SMVs are under development, the BIR will continue to use existing SMVs, zonal values, or the actual price stated in transaction documents, whichever is higher, for computing internal revenue tax.

Section 30 of RPVARA provides a relief measure in the form of a real property tax amnesty, aimed at encouraging delinquent property owners to settle their tax liabilities. This amnesty covers penalties, surcharges, and interest on unpaid real property taxes, including those associated with the Special Education Fund, idle land tax, and other special levies, accrued before RPVARA took effect. The amnesty period is limited to two years from the law's effectivity date, allowing property owners to settle their delinquent taxes through a one-time payment or installment plan. The deadline for the tax amnesty is July 5, 2026.

However, the amnesty does not apply to all delinquent properties. Specifically, it excludes (1) delinquent properties sold at public auction to cover tax liabilities; (2) properties with delinquent taxes being paid under a compromise agreement; and (3) properties involved in pending court cases over real property tax delinquencies.

Property registration and nationality restrictions

Presidential Decree No. 1529: Property Registration Decree

The Philippines has adopted a system of land registration, which evidences land ownership that is binding on all persons. Once registered, title to registered land becomes indefeasible after one year from the date of entry of the decree of registration except with respect to claims noted on the certificate of title. Title to registered lands cannot be lost through adverse possession or prescription. Presidential Decree No. 1529, as amended, or the Property Registration Decree, codified the laws relative to land registration and is based on the generally accepted principles underlying the Torrens System.

After proper survey, application, publication, service of notice and hearing, unregistered land may be brought under the system by virtue of judicial or administrative proceedings. In a judicial proceeding, the Regional Trial Court within whose jurisdiction the land is situated confirms title to the land. Persons opposing the registration may appeal the judgment to the Court of Appeals and ultimately to the Supreme Court within 15 days from receiving notice of judgment. Upon finality of judgment, the appropriate RD may issue an Original Certificate of Title ("**OCT**"). The decree of registration may be annulled on the ground of actual fraud within one year from the date of entry of the decree of registration. Similarly, in an administrative proceeding, the land is granted to the applicant by the DENR's issuance of a patent. The patent becomes the basis for issuance of the OCT by the RD. All land patents (i.e., homestead, sales and free patents) must be registered with the appropriate RD since the conveyance of the title to the land covered thereby takes effect only upon such registration.

The act of registration shall be the operative act to convey or affect the land insofar as third persons are concerned, and in all cases under the said decree, the registration shall be made in the office of the RD for the province or city where the land lies. Every conveyance, mortgage, lease, lien, attachment, order, judgment, instrument, or entry affecting registered land, if registered, filed or entered in the office of the RD for the province or city where the land to which it relates lies, shall be constructive notice to all persons from the time it is registered, filed, or entered in the records of the RD.

All interests in registered land less than ownership (such as liens created by mortgages and leases) shall be registered by filing with the RD the instrument which creates or transfers or claims such interests and by a brief memorandum thereof made by the RD upon the certificate of title and signed by him. A similar memorandum shall also be made on the owner's duplicate.

Any subsequent transfer or encumbrance of the land must be registered in the system in order to bind third persons. Subsequent registration and a new Transfer Certificate of Title in the name of the transferee will be granted upon presentation of certain documents and payment of fees and taxes.

All documents evidencing conveyances of subdivision and condominium units should also be registered with the RD. Title to the subdivision or condominium unit must be delivered to the purchaser upon full payment of the purchase price. In the event a mortgage over the lot or unit is outstanding at the time of the issuance of the title to the buyer, the owner or developer shall redeem the mortgage or the corresponding portion thereof within six months from such issuance in order that

the title over any fully paid lot or unit may be secured and delivered to the buyer. To evidence ownership of condominium units, the RD issues a Condominium Certificate of Title.

Article XII, Section 7 of the Constitution; Commonwealth Act No. 141

Article XII, Section 7 of the Constitution, in relation to Chapter 5 of the Commonwealth Act No. 141, states that no private land shall be transferred or conveyed except to citizens of the Philippines or to corporations or associations organized under the laws of the Philippines at least 60% of whose capital is owned by such citizens. While the Philippine Constitution prescribes nationality restrictions on land ownership, there is generally no prohibition against foreigners owning buildings and other permanent structures. However, pursuant to Republic Act No. 4726 (as amended), with respect to condominium developments, the ownership of condominium units where the common areas in the condominium project are co-owned by the owners of the separate units or owned by a corporation is limited to up to 40% foreign equity.

Republic Act No. 7042, as amended: Foreign Investments Act of 1991

Republic Act No. 7042, otherwise known as the Foreign Investments Act of 1991, as amended, and the Twelfth Regular Foreign Investment Negative List, provide that certain investment areas and economic activities are nationalized or partly nationalized, such that the operation and/or ownership thereof are wholly or partially reserved for Filipinos. Under these regulations, ownership of private lands and condominium units is partly nationalized with up to only 40% foreign equity.

Environmental laws and safety standards

Environmental Impact Statement System

Development projects that are classified by law as environmentally critical or projects within statutorily defined environmentally critical areas are required to obtain an ECC prior to commencement. The DENR, through its regional offices or through the Environmental Management Bureau ("**EMB**"), determines whether a project is environmentally critical or located in an environmentally critical area. As a requisite for the issuance of an ECC, an environmentally critical project is required to submit an Environmental Impact Statement ("**EIS**") to the EMB while a project in an environmentally critical area is generally required to submit an Initial Environmental Examination ("**IEE**") to the proper DENR regional office. In the case of an environmentally critical project within an environmentally critical area, an EIS is required. The construction of major roads and bridges is considered an environmentally critical project for which EIS and ECC are mandatory. In determining the scope of the EIS System, two factors are considered: (i) the nature of the project and its potential to cause significant negative environmental impacts, and (ii) the sensitivity or vulnerability of environmental resources in the project area.

The EIS refers to both the document and the study of a project's environmental impact, including a discussion of the direct and indirect consequences of the project to human welfare and ecological as well as environmental integrity. The IEE refers to the document and the study describing the environmental impact, including mitigation and enhancement measures, for projects in environmentally critical areas.

While an EIS or an IEE may vary from project to project, as a minimum, each contains all relevant information regarding the project's environmental effects. The entire process of organization, administration, and assessment of the effects of any project on the quality of the physical, biological, and socio-economic environment as well as the design of appropriate preventive, mitigating and

enhancement measures is known as the EIS System. The EIS System successfully culminates in the issuance of an ECC. The issuance of an ECC is a government certification that the proposed project or undertaking will not cause a significant negative environmental impact, that the proponent has complied with all the requirements of the EIS System and that the proponent is committed to implement its approved Environmental Management Plan in the EIS or, if an IEE was required, that it shall comply with the mitigation measures provided therein.

Project proponents that prepare an EIS are required to establish an Environmental Guarantee Fund ("**EGF**") when the ECC is issued for projects determined by the DENR to pose a significant public risk to life, health, property, and the environment or where the project requires rehabilitation or restoration. The EGF is intended to meet any damages caused by such a project as well as any rehabilitation and restoration measures. Project proponents that prepare an EIS are required to include a commitment to establish an Environmental Monitoring Fund ("**EMF**") when an ECC is eventually issued. In any case, the establishment of an EMF must not be later than the initial construction phase of the project. The EMF shall be used to support the activities of a multi-partite monitoring team organized to monitor compliance with the ECC and applicable laws, rules, and regulations.

While a development project may not fall under the categories wherein an ECC is required, it is still required to obtain a CNC from the EMB or the DENR Regional Office. The applicant must submit a Project Description to the EMB, which will then evaluate whether or not an ECC is required for the project. If an ECC is not required, then the EMB will issue a CNC to be submitted to the DHSUD.

Aside from the EIS and IEE, engineering, geological and geo-hazard assessments are also required for ECC applications covering subdivisions, housing, and other land development and infrastructure projects.

Presidential Decree No. 1096: National Building Code of the Philippines

Under the Building Code, in order for a person or corporation to erect, construct, alter, repair, move, convert, or demolish any building or structure, a building permit must first be secured from the Building Official assigned at the place where the building work is to be done. A building permit is a written authorization granted by the building official to an applicant allowing him to proceed with the construction of a building after plans, specifications, and other pertinent documents required for the construction of the structure have been found to be in conformity with the Building Code.

All buildings or structures as well as accessory facilities thereto shall conform in all respects to the principles of safe construction under the Building Code and must be suited to the purpose for which they are designed. Buildings or structures and all parts thereof as well as all facilities found therein shall be maintained in safe, sanitary, and good working condition.

The land or site upon which will be constructed any building or structure, or any ancillary or auxiliary facility thereto, shall be sanitary, hygienic, or safe. In the case of sites or buildings intended for use as human habitation or abode, the same shall be at a safe distance, as determined by competent authorities, from streams or bodies of water and/or sources of air considered to be polluted; from a volcano or volcanic site and/or any other building considered to be a potential source of fire or explosion.

Aside from the building permit under the Building Code, an applicant in specific instances may be required to secure a Height Clearance Permit from the Civil Aviation Authority of the Philippines.

Republic Act No. 9514: Fire Code of the Philippines

Republic Act No. 9514, otherwise known as the Fire Code of the Philippines, seeks to ensure public safety and promote economic development by preventing and suppressing all kinds of destructive fires. Compliance with the following requirements is expected from building owners, administrators, and occupants: (i) inspection requirements; (ii) safety measures for hazardous materials; (iii) safety measures for hazardous operations or processes; (iv) provisions on fire safety construction, protective and warning systems; and (v) abatement of fire hazards.

Non-compliance with the said requirements may result in the imposition of administrative fines and penalties.

Presidential Decree No. 1067: The Water Code of the Philippines

Presidential Decree No. 1067, otherwise known as The Water Code of the Philippines, requires a water permit for the utilization, exploitation, and appropriation of natural bodies of water, except in certain instances provided under the Water Code of the Philippines. Examples of the use of water include domestic, municipal, irrigation, power generation, fisheries, livestock raising, industrial, and recreational. Only citizens of the Philippines, of legal age, as well as juridical persons, who are duly qualified by law to exploit and develop water resources, may apply for water permits. Any person who desires to obtain a water permit shall file an application who shall make known said application to the public for any protests. The right to the use of water is deemed acquired as of the date of filing of the application for a water permit in case of approved permits, or as of the date of actual use in a case where no permit is required. All water permits granted shall be subject to conditions of beneficial use, adequate standards of design and construction, and such other terms and conditions as may be imposed. Such permits shall specify the maximum amount of water which may be diverted or withdrawn, the maximum rate of diversion or withdrawal, the time or times during the year when water may be diverted or withdrawn, the point or points of diversion or location of wells, the place of use, the purposes for which water may be used, and such other requirements as may be deemed desirable.

Appropriation of water without obtaining the necessary water permit when applicable may expose such entity to the imposition of penalties. Water permits may be also revoked after due notice and hearing on grounds of non-use; gross violation of the conditions imposed in the permit; unauthorized sale of water; willful failure or refusal to comply with rules and regulations or any lawful order; pollution, public nuisance, or acts detrimental to public health and safety; when the appropriator is found to be disqualified under the law to exploit and develop natural resources of the Philippines; when, in the case of irrigation, the land is converted to non-agricultural purposes; and other similar grounds.

Republic Act No. 9275: The Philippine Clean Water Act of 2004

The Clean Water Act of 2004 or Republic Act No. 9275 aims to protect the country's water bodies from pollution from land-based sources (i.e., industries and commercial establishments, agriculture, and community or household activities) in the pursuit of economic growth in a manner consistent with the protection, preservation, and revival of the quality of the country's fresh, brackish, and marine waters. It provides for a comprehensive and integrated strategy to prevent and minimize pollution through a multisectoral and participatory approach involving all the stakeholders.

It requires owners or operators of facilities that discharge regulated effluents (i.e., wastewater from commercial facilities) to secure a permit to discharge from the DENR. The discharge permit shall be

the legal authorization granted by the DENR to discharge wastewater. The discharge permit shall specify among others, the quantity and quality of effluent that said facilities are allowed to discharge into a particular water body, with compliance schedule and monitoring requirement.

All development projects, installations and activities that discharge liquid waste into and pose a threat to the environment of the Laguna de Bay Region are also required to obtain a discharge permit from the Laguna Lake Development Authority.

Republic Act No. 8749: The Philippine Clean Air Act of 1999

In pursuit of balancing development and environmental protection, the Clean Air Act of 1999 or Republic Act No. 8749 was enacted to create a holistic national program of air pollution management and encourage cooperation and self-regulation among citizens and industries through the application of market-based instruments. It sets air quality standards and emission limits for different industries and sources of air pollution. The DENR is granted authority to issue permits as it may determine necessary for the prevention and abatement of air pollution. Said permits cover emission limitations for the regulated air pollutants to help attain and maintain the ambient air quality standards. Non-compliance or violations of the law or its rules and regulations may expose the violator to the imposition of fines and penalties.

Republic Act No. 9003: The Ecological Solid Waste Management Act of 2000

Republic Act No. 9003, otherwise known as The Ecological Solid Waste Management Act of 2000, aims to ensure the protection of the public health and environment by adopting a systematic, comprehensive, and ecological solid waste management program using environmentally-sound methods that maximize the utilization of valuable resources and encourage resource conservation and recovery. It also provides guidelines for avoidance and reduction of solid waste through various measures, such as mandatory segregation of solid wastes and recycling. The law extends both fiscal and non-fiscal incentives to those who have undertaken outstanding and innovative projects, technologies, processes, and techniques or activities in re-use, recycling, and reduction. Violations therewith may result in the imposition of fines and penalties.

Business Permits

Before any corporation may commence business operations within a locality, it must secure the requisite permits, clearances, and licenses from the relevant LGU where it is situated. Usually, it is assumed that a corporation has complied with all of the permitting requirements of the LGU if it is issued a business permit. These permits, clearances, and licenses must be renewed on an annual basis. Requirements and deadlines vary depending on the locality.

Failure to obtain the necessary business permit means that a corporation may not be allowed to operate its business within the relevant locality. The LGU may impose fines and penalties for failure of an entity to register, which fines and penalties may vary depending on the locality. The LGU may also shut down the existing operations of a business establishment until the permits, clearances, and licenses are obtained and the corresponding fees and penalties as assessed by the LGU are settled.

Intellectual Property

Under the Intellectual Property Code of the Philippines, the rights to a trademark are acquired through the registration with the Bureau of Trademarks of the Intellectual Property Office, which is the principal government agency involved in the registration of brand names, trademarks, patents and other registrable intellectual property materials.

Upon registration, the Intellectual Property Office shall issue a certificate of registration to the owner of the mark, which shall confer the right to prevent all third parties not having the owner's consent from using in the course of trade identical or similar signs or containers for goods or services which are identical or similar to those in respect of which the mark is registered. The said certificate of registration shall also serve as prima facie evidence of the validity of registration and the registrant's ownership of the mark. A certificate of registration shall remain in force for an initial period of 10 years and may be renewed for periods of 10 years at its expiration, subject to the submission of Declarations of Actual Use.

Real property taxation

Republic Act No. 7160: Local Government Code of the Philippines

Real property taxes are payable annually or quarterly based on the property's assessed value. Assessed values are determined by applying the assessment levels (fixed by ordinances of the concerned *Sanggunian*) against the fair market values of real property. Under Republic Act No. 7160, as amended, or the Local Government Code of the Philippines, the assessed value of property and improvements varies depending on the location, use and nature of the property. Land is ordinarily assessed at 20% to 50% of its fair market value; buildings may be assessed up to 80% of their fair market values; and machinery may be assessed at 40% to 80% of its fair market value. Real property taxes may not exceed 2% of the assessed value in municipalities and cities within Metro Manila or in other chartered cities and 1% in all other areas. A province or city, or a municipality within Metro Manila may also levy and collect an annual tax of 1% on the assessed value of real property which shall be in addition to the basic real property tax to accrue exclusively to the Special Education Fund of the LGU where the property is located.

In the event there are unpaid real property taxes relating to real property, such taxes constitute a lien on the property which shall be superior to any other lien, mortgage, or encumbrance of any kind whatsoever, and shall be extinguished only upon payment of the delinquent taxes and penalties. Failure to pay the real property tax will result in the payment of interest at the rate of 2% per month on the unpaid amount or a fraction thereof, until the delinquent tax shall have been fully paid; provided, however, that in no case shall the total interest on the unpaid tax or portion thereof exceed 36 months.

Construction license

A regular contractor's license is required to be obtained from the Philippine Contractors Accreditation Board ("**PCAB**"). In applying for and granting such license, the PCAB takes into consideration the applicant-contractor's qualifications and compliance with certain minimum requirements in the following criteria: (i) financial capacity, (ii) equipment capacity, (iii) experience of the firm, and (iv) experience of technical personnel. Philippine laws also require a contractor to secure construction permits and environmental clearances from appropriate government agencies prior to actually undertaking each project.

In the case of *Philippine Contractors Accreditation Board v. Manila Water Co., Inc*. (G.R. No. 217590, March 10, 2020), the Supreme Court held that foreigners could obtain regular licenses from the PCAB. It ruled that the construction industry is not one which the Constitution has reserved exclusively for Filipinos. Neither do the laws enacted by Congress show any indication that foreigners are proscribed from entering into the same projects as Filipinos in the field of construction. "Private Domestic Construction Contracts" has also been removed from the Foreign Investments Negative List since 1998. This means that the restriction on foreign investments in private construction contracts was already lifted as early as 1998. Thus, the provision requiring foreigners to obtain a special license has been declared null and void, along with the provision limiting the regular license to construction firms at least 60% of which is owned by Filipinos.

It is to be noted, however, that as of date, the PCAB has not made any issuance implementing the Supreme Court's decision in *Philippine Contractors Accreditation Board v. Manila Water Co., Inc*. Additionally, PCAB still issues a Regular License and a Special License, and a Regular License is "issued to a domestic construction firm (a sole proprietorship/partnership/corporation) with at least 60% Filipino equity".

Referral to Arbitration

Executive Order No. 1008 vests the CIAC with original and exclusive jurisdiction over disputes arising from, or connected with, contracts entered into by parties involved in construction in the Philippines, whether the dispute arises before or after the completion of the contract, or after the abandonment or breach thereof. These disputes may involve government or private contracts. The jurisdiction of the CIAC may include, but is not limited to, violation of specifications for materials and workmanship, violation of the terms of agreement interpretation and/or application of contractual time and delays, maintenance and defects, payment, default of employer or contractor, and changes in contract cost.

CIAC may acquire jurisdiction in two ways, either by providing an arbitration clause in the contract between the parties, or by agreement of the parties to submit the dispute to the CIAC. Thus, the fact that the parties incorporated an arbitration clause in their contract is sufficient to vest the CIAC with jurisdiction over any construction controversy, notwithstanding any reference made to another arbitral body. CIAC's jurisdiction over construction disputes is conferred by law, and thus, cannot be waived by mere agreement of the parties.

Under the 2023 CIAC Rules of Procedure, a CIAC final arbitral award becomes executory upon the lapse of 15 days from receipt thereof by the parties. If recourse is taken against a final award and a TRO or a writ of preliminary injunction is issued either by the Supreme Court or by the Court of Appeals, such arbitral award shall become executory only upon the issuance of the entry of judgment, or upon the lapse/lifting of the TRO or the dissolution of the preliminary injunction.

Liability of Engineers, Architects, and Contractors

Under Republic Act No. 386 or the Civil Code of the Philippines, as amended, the engineer or architect who drew up the plans and specifications for a building is liable for damages if, within 15 years from the completion of the structure, the same should collapse by reason of a defect in those plans and specifications, or due to defects in the ground. The contractor is likewise responsible for the damages if the edifice falls, within the same period, on account of construction defects or the use of materials of inferior quality, or due to any violation of the terms of the construction contract. If the engineer or architect supervises the construction, he/she shall be solidarily liable with the contractor. The acceptance of the building after completion does not imply waiver of any of the causes of action by

reason of any of the aforementioned defects. The action arising therefrom must be brought within 10 years following the collapse of the building.

Tax Incentives

Republic Act No. 11534, or the Corporate Recovery and Tax Incentives for Enterprise Act ("**CREATE Act**"), amended the corporate income tax and incentive laws, such as the Omnibus Investment Code of 1987 (Executive Order No. 66) and Special Economic Zone Act of 1995 (Republic Act No. 7916, as amended), and codified the incentives system under a new Title XIII: Tax Incentives in the Tax Code.

The Fiscal Incentives Review Board ("**FIRB**") is the government agency that exercises policymaking and oversight functions over investment promotion agencies ("**IPAs**") such as the Board of Investments ("**BOI**") and the PEZA. Under a delegated authority from the FIRB, IPAs have the power to grant incentives where the investment capital for a project equals Php15 billion or below. All incentive applications for projects with investment capital exceeding Php15 billion remain within the jurisdiction of the FIRB.

Only registered business enterprises engaged in projects or activities specified in the SIPP, the national development plan formulated by the BOI in coordination with the FIRB and the IPAs, may enjoy incentives to the extent of their approved registered project or activity under the SIPP. Generally, these incentives include the grant of ITH, Special Corporate Income Tax ("**SCIT**") rate, enhanced deductions ("**ED**"), duty exemption on importation of capital equipment, raw materials, spare parts, or accessories, and value-added tax exemption on importation and value-added tax zero-rating on local purchases.

The available incentives depend on the industry tier and geographic location of the registered activity and whether the production/output is for export or the domestic market. The incentives available to an export enterprise include (a) an ITH for a minimum of 4 years and a maximum of seven 7 years; (b) VAT and duty exemption on the importation of capital equipment, raw materials, spare parts, and accessories directly and exclusively used in the registered project or activity for 17 years from the date of registration with the IPA; and (c) VAT zero-rating on local purchases of goods and services directly and exclusively used in the registered project or activity, also for 17 years from the date of registration with the IPA. After the lapse of the ITH, and for a period of 10 years thereafter, an export enterprise may avail itself of SCIT of 5% on gross income earned in lieu of all national and local taxes, or ED for items such as additional depreciation, labor expenses, R&D expenses, training expenses, power expenses, and the carrying over of net operating losses. A domestic market enterprise is entitled to the same ITH incentive as an export enterprise but is entitled to duty exemption for only 12 years from the date of registration with the IPA, 5 years of ED after the lapse of the ITH, but no entitlement to the VAT incentive, and no option to avail of the SCIT.

In addition to the incentives above, projects or activities of registered enterprises located in areas recovering from an armed conflict or a major disaster, as determined by the Office of the President, shall be entitled to two additional years of ITH. The period of availment of the foregoing incentives shall commence from the actual start of commercial operations with the registered business enterprise availing of the tax incentives within three years from the date of registration, unless otherwise provided in the SIPP and its corresponding guidelines.

Special Economic Zone

A special economic zone or ecozone is a comprehensive land use plan generally created by proclamation of the President of the Philippines. These are areas earmarked by the government for development into balanced agricultural, industrial, commercial, and tourist/recreational regions.

An ecozone may contain any or all of the following: industrial estates, export processing zones, free trade zones, and tourist/recreational centers.

The PEZA is the government agency that operates, administers, and manages designated special economic zones. It is tasked to promote investments, extend assistance, register, grant incentives to, and facilitate the business operations of investors in export-oriented manufacturing and service facilities inside PEZA special economic zones. The Special Economic Zone Act of 1995, as amended by the CREATE Act, provides for the legal framework and mechanisms for the creation, operation, administration, and coordination of special economic zones in the Philippines.

PEZA-registered enterprises located in an ecozone are entitled to fiscal and non-fiscal incentives such as ITH, SCIT, ED, duty-free importation of equipment, machinery, and raw materials, and VAT zero-rating as discussed above.

Enterprises offering IT services (such as call centers and other Business Process Outsourcing firms using electronic commerce) located in a PEZA-registered IT Park, IT Building, or Ecozone, are entitled to fiscal and non-fiscal incentives as provided under the CREATE Act. An IT Park is an area that has been developed into a complex capable of providing infrastructure and support facilities required by IT enterprises, as well as amenities required by professionals and workers involved in IT enterprises, or easy access to such amenities. An IT Building is an edifice, a portion or the whole of which, provides such infrastructure, facilities, and amenities.

PEZA requirements for the registration of an IT Park or IT Building vary depending on whether it is located within or outside Metro Manila. These PEZA requirements include clearances or certifications issued by the city or municipal legislative council, the DAR, the National Water Resources Board, and the DENR.

Enterprises registered with IPAs and enjoying incentives prior to the effectivity of the CREATE Act are allowed to continue availing their incentive subject to the following sunset provisions:

a. Those enjoying the ITH are allowed to continue with the availment of the ITH for the remaining period of the ITH as specified in the terms and conditions of their registration;
b. Those granted ITH but have not yet availed of the incentive may use the ITH for the period as specified in the terms and conditions of their registration;
c. Those granted ITH and are entitled to the 5% tax on gross income earned incentive after the ITH shall be allowed to avail of the 5% tax on gross income provided the 5% tax shall be allowed for only 10 years; and
d. Those availing of the 5% tax on gross income earned shall be allowed to continue availing the tax incentive at the rate of 5% for 10 years.

Anti-Money Laundering Act and its Amendments

Republic Act No. 9160, or the Anti-Money Laundering Act of 2001 (as amended, "**AMLA**"), criminalizes, among other acts, the act of making the proceeds or money from an unlawful activity appear to have originated from legitimate sources. To monitor or detect these transactions, covered institutions or persons are required to report (a) transactions that meet a minimum threshold amount; and (b) transactions considered suspicious, regardless of whether such meet the minimum threshold amount, to the Anti-Money Laundering Council ("**AMLC**").

In 2013, the AMLA was amended by Republic Act No. 10365 to consider the failure to report covered or suspicious transactions a money laundering offense. The AMLA was further amended in 2021 by Republic Act No. 11521, which took effect on January 30, 2021, making real estate developers ("**REDs**") and real estate brokers ("**REBs**"), among others, as covered persons. Thus, REDs and REBs are now required to report covered and suspicious transactions to the AMLC.

For REBs and REDs, covered transaction refers to a single cash transaction involving an amount in excess of Php7,500,000.00 or its equivalent in any other currency.

While suspicious transactions are those: (i) with no underlying legal or trade obligation, purpose, or economic justification; (ii) client is not properly identified; (iii) the amount involved is not commensurate to the client's financial capacity; (iv) perceived to be structured to avoid being reported or are related to any unlawful activity; (v) involves any circumstance that deviates from the client's profile or past transactions with covered persons; and (vi) any transaction that is similar or analogous to any of the foregoing.

Under Section 42 of AMLC Regulatory Issuance (B) No. 1 Series of 2018, all covered and suspicious transactions must be reported to the AMLC within 5 days from occurrence. For suspicious transactions, "occurrence" is the date of determination of the suspicious nature of the transaction, which shall be made not more than 10 days from date of transaction.

To enable covered persons to file reports, Sec. 4, Rule 22 of the 2018 Implementing Rules and Regulations ("**2018 AMLA IRR**") provides that all covered persons shall register with the AMLC's electronic reporting system in accordance with the registration and reporting guidelines. Registration with the AMLC is online and free.

The 2018 AMLA IRR further provides that for existing covered persons who were not yet registered shall not be cited for non-registration, provided that they shall apply for registration 30 working days from effectivity of the 2018 AMLA IRR. Newly covered persons shall apply for registration within 30 working days from the issuance of license by their respective government agencies. REDs and REBs must have registered with the AMLC by March 16, 2021.

Non-registration is an administrative offense penalized under the Rules of Procedure on Administrative Cases. Failure to register would mean failure to electronically file covered and suspicious transaction reports with the AMLC, which is a money laundering offense per Sec. 4 of the AMLA, as amended.

Company Policies on Anti-Money Laundering and Countering the Financing of Terrorism

AMLC Regulatory Issuance No. 03, series of 2021 or the 2021 Anti-Money Laundering / Counter-Terrorism Financing Guidelines for Designated Non-Financial Businesses and Professions provides that REDs and REBs must apply the following principles in their businesses: (a) conformity with high ethical standards and observance of good corporate governance; (b) know sufficiently their customers and clients; (c) adopt and effectively implement an appropriate Anti-Money Laundering and/or Countering the Financing of Terrorism risk management system; (d) comply fully with existing Anti- Money Laundering and Terrorist Financing laws and regulations; and (e) full cooperation with the AMLC.

The following are also required: (a) designation of Compliance Officer and/or Office; (b) implementation of a money laundering and terrorism financing prevention program; (c) establishment of an internal controls and internal audit program; (d) adoption of a policy on customer due diligence; (e) adoption of a monitoring and reporting system; (f) keeping of records of customers' transactions

and documents during customer due diligence for five years; (g) creation of a relevant employee training program on anti-money laundering and countering terrorist financing; (h) adoption of written procedures for cooperating and complying with investigations, assessments, directives and orders of the AMLC, appropriate government agencies and the courts; and (i) identification and assessment of money laundering/ terrorist financing risks that may arise in relation to the development of new products and business practices.

Philippine Competition Act

Republic Act No. 10667, or the Philippine Competition Act ("**PCA**"), is the primary competition policy of the Philippines. It aims to enhance economic efficiency and promote free and fair competition in trade, industry, and all commercial economic activities.

The PCA prohibits and imposes sanctions on:

1. Anti-competitive agreements between or among competitors, which restrict competition as to price or other terms of trade, and those fixing price at an auction or in any form of bidding, including cover bidding, bid suppression, bid rotation and market allocation, and other analogous practices of bid manipulation; and those which have the object or effect of substantially preventing, restricting, or lessening competition;

2. Practices which are regarded as abuse of dominant position, by engaging in conduct that would substantially prevent, restrict, or lessen competition; and

3. Merger or acquisitions which substantially prevent, restrict, or lessen competition in the relevant market or in the market for goods or services.

The PCA, as amended, provides for mandatory notification to the Philippine Competition Commission ("**PCC**") where the value of such transaction exceeds Php2,900,000,000.00, and where the size of the ultimate parent entity of either party exceeds Php7,000,000,000.00 ("Size of Party"). Notification is also mandatory for JV transactions if either (a) the aggregate value of the assets that will be combined in the Philippines or contributed into the proposed JV exceeds Php2,900,000,000.00; or (b) the gross revenues generated in the Philippines by the assets to be combined in the Philippines or contributed into the proposed JV exceed Php2,900,000,000.00. Pursuant to PCC Resolution No. 01-2024, starting March 1, 2024, mergers and acquisitions that exceed a size of party of Php7,800,000,000.00 and the value of transaction exceeds Php3,200,000,000.00. The revised thresholds shall also apply to JV transactions.

The PCC may conduct investigation of any merger that it has reasonable grounds to believe is likely to substantially prevent, restrict, or lessen competition in the market. There may be reasonable grounds to believe that a merger is likely to or has substantially prevent, restrict, or lessen competition in the market where there are preliminary indications that customers may be adversely affected, there are possibilities for foreclosure, a high degree of market concentration exists, either of the merger parties has high market shares, the merger takes place in a critical industry, among others.

Pursuant to the PCA, the DHSUD issued Department Circular No. 2023-015 on November 24, 2023, adopting the National Competition Policy in the regulation of subdivision and condominium projects and homeowners and homeowners' association. The said Circular provides that the DHSUD and all its bureaus and services concerned shall ensure the enactment and implementation of specific policies and measures that: (i) prohibit or restrict practices that hamper or impede competition; and (ii)

promote entry, operation and growth of businesses to increase number of players and level their playing fields for equal opportunities to encourage job creation and inclusive economic growth.

The Philippine Stock Market

The information presented in this section has been extracted from publicly available documents which have not been prepared or independently verified by the Company.

THE EXCHANGE

The PSE is the only stock exchange in the Philippines. It is one of the oldest stock exchanges in Asia, having been in continuous operation since the establishment of the Manila Stock Exchange in 1927. The PSE previously maintained two trading floors, one in Makati City and the other in Pasig City, which were linked by an automated trading system that integrated all bid and ask quotations from the bourses. In February 2018, the PSE transferred to its new office located at the PSE Tower, Bonifacio Global City, Taguig City. The PSE Tower houses the PSE corporate offices and a single, unified trading floor.

BRIEF HISTORY

The Philippines initially had two stock exchanges, the Manila Stock Exchange, which was organized in 1927, and the Makati Stock Exchange, which began operations in 1963. Each exchange was self-regulatory, governed by its respective Board of Governors elected annually by its members.

Several steps initiated by the Government have resulted in the unification of the two bourses into the PSE. The PSE was incorporated on July 24, 1992 as a non-stock corporation by officers of both the Makati and the Manila Stock Exchanges. In March 1994, the licenses of the two exchanges were revoked. The PSE previously maintained two trading floors, one in Makati City and the other in Pasig City, which were linked by an automated trading system that integrated all bid and ask quotations from the bourses. In February 2018, the PSE transferred to its new office located at the PSE Tower, Bonifacio Global City, Taguig City. The PSE Tower houses the PSE corporate offices and a single, unified trading floor.

In June 1998, the SEC granted the PSE "Self-Regulatory Organization" status, allowing it to impose rules as well as implement penalties on erring trading participants and listed companies. On August 8, 2001, the PSE completed its demutualization, converting from a non-stock member-governed institution into a stock corporation in compliance with the requirements of the SRC. Each of the 184 member-brokers was granted 50,000 shares of the new PSE at a par value of Php1.00 per share. In addition, a trading right evidenced by a "Trading Participant Certificate" was immediately conferred on each member-broker allowing the use of the PSE's trading facilities. As a result of the demutualization, the composition of the PSE Board of Governors was changed, requiring the inclusion of seven brokers and eight non-brokers, one of whom is the President. On December 15, 2003, the PSE listed its shares by way of introduction at its own bourse as part of a series of reforms aimed at strengthening the Philippine securities industry.

Classified into financial, industrial, holding firms, property, services, and mining and oil sectors, companies are listed either on the PSE's Main Board or the Small, Medium and Emerging Board. On April 3, 2013, the PSE issued Rules on Exchange Traded Funds ("**ETF**") which provides for the listing of ETFs on an ETF Board separate from the PSE's existing boards. Previously, the PSE allowed listing on the First Board, Second Board or the SME Board. With the issuance by the PSE of Memorandum No. CN-No. 2013-0023 dated June 6, 2013, revisions to the PSE Listing Rules were made, among which changes are the removal of the Second Board listing and the requirement that lock-up rules be embodied in the articles of incorporation of the issuer. Each index represents the numerical average of the prices of component stocks.

The PSE has an index, referred to as the PSEi (previously "**PHISIX**"), which, as of the date thereof, reflects the price movements of selected stocks listed on the PSE, based on traded prices of stocks from the various sectors. The PSE shifted from full market capitalization to free float market capitalization effective as of April 3, 2006, simultaneous with the migration to the free float index and the renaming of the PHISIX to PSEi. The PSEi is composed of 30 selected stocks listed on the PSE. In July 2010, the PSE's new trading system, now known as PSE Trade, was launched. In June 2015, the PSE Trade system was replaced by PSE Trade XTS.

The PSE launched its Corporate Governance Guidebook in November 2010 as another initiative of the PSE to promote good governance among listed companies. It is composed of ten guidelines embodying principles of good business practice and is based on internationally recognized corporate governance codes and best practices.

With the increasing calls for good corporate governance and the need to consistently provide full, fair, accurate and timely information, the PSE has adopted an online daily disclosure system to improve the transparency of listed companies and enhance access to such reports by the investing public. In December 2013, the PSE replaced its Online Disclosure System ("**OdiSy**") with a new disclosure system, the PSE EDGE, which was acquired from the Korea Exchange and is a fully automated system, equipped with a variety of features to (i) further standardize the disclosure reporting process of listed companies on the PSE, (ii) improve investors' disclosure searching and viewing experience and (iii) enhance overall issuer transparency in the market.

In January 2018, the PSE transferred to its new office located at the PSE Tower, Bonifacio Global City, Taguig City, which currently houses the unified trading floors in Makati City and Pasig City. On March 22, 2018, the PSE completed a stock rights offering of 11,500,000 common shares which were offered at the price of Php252.00 per share, or a total of Php2,898,000,000.00. The proceeds of the stock rights offering were used to fund the acquisition of PDS and capital expenditure requirements of the PSE. As of March 31, 2026, the PSE has an authorized capital stock of Php120 million composed of 106 million common shares with a par value of Php1.00 per share and 14 million preferred shares with a par value of Php1.00 per share, of which 82,356,205 common shares are issued and outstanding.

The table below sets out movements in the composite index from 2005 to 2024, and shows the number of listed companies, market capitalization, and value of shares traded for the same period:

Year	Composite Index at Closing	Number of Listed Companies	Aggregate Market Capitalization (in Phpbillion)	Combined Value of Turnover (in Phpbillion)
2005	2,096.0	237	5,948.4	383.5
2006	2,982.5	240	7,172.8	572.6
2007	3,621.6	244	7,978.5	1,338.3
2008	1,872.9	246	4,069.2	763.9
2009	3,052.7	248	6,029.1	994.2
2010	4,201.1	253	8,866.1	1,207.4
2011	4,372.0	253	8,697.0	1,422.6
2012	5,812.7	254	10,930.1	1,771.7
2013	5,889.8	257	11,931.3	2,546.2
2014	7,230.6	263	14,251.7	2,130.1
2015	6,952.1	265	13,465.2	2,151.4
2016	7,629.7	268	14,438.8	1,929.5
2017	8,558.4	267	17,538.1	1,958.4
2018	7,466.0	267	16,146.7	1,736.8

Year	Composite Index at Closing	Number of Listed Companies	Aggregate Market Capitalization (in Phpbillion)	Combined Value of Turnover (in Phpbillion)
2019	7,815.3	271	16,710	1,770.0
2020	7,139.7	274	15,888.9	1,770.9
2021	7,122.6	276	18,081.1	2,232.5
2022	6,566.4	286	16,560.0	1,790.0
2023	6,540.0	283	16,740.0	1,474.9
2024	6,528.8	283	20,007.6	1,494.9
2025	6,052.92	282	19,730.0	1,780.0

Source: PSE and PSE Annual Reports.

TRADING

The PSE is a double auction market. Buyers and sellers are each represented by stockbrokers. To trade, bid or ask prices are posted on the PSE's electronic trading system. A buy (or sell) order that matches the lowest asked (or highest bid) price is automatically executed. Buy and sell orders received by one broker at the same price are crossed at the PSE at the indicated price. Transactions are generally invoiced through a confirmation slip sent to customers on the trade date (or the following trading day). Payment of purchases of listed securities must be made by the buyer on or before the third trading day (the settlement date) after the trade.

Equities trading on the PSE starts at 9:30 a.m. and ends at 12:00 p.m. for the morning session, and resumes at 1:00 pm and ends at 3:00 pm for the afternoon session. Trading days are Monday to Friday, except legal and special holidays and days when the BSP clearing house is closed and such other days as may be declared by the SEC or the PSE, to be a non-trading day.

Minimum trading lots range from 5 to 1,000,000 shares depending on the price range and nature of the security traded. The minimum trading lot for the Company's Shares is 5 shares. Odd-sized lots are traded by brokers on a board specifically designed for odd-lot trading.

To maintain stability in the stock market, daily price swings are monitored and regulated. Under current PSE regulations, whenever an order will result in a breach of the trading threshold of a security within a trading day, the trading of that security will be frozen. Orders cannot be posted, modified or cancelled for a security that is frozen. In cases where an order has been partially matched, only the portion of the order that will result in a breach of the trading threshold will be frozen. Where the order results in a breach of the trading threshold, the following procedures shall apply:

- In case the static threshold is breached, the PSE will accept the order, provided the price is within the allowable percentage price difference under the implementing guidelines of the revised trading rules (i.e., 50% of the previous day's reference or closing price, or the last adjusted closing price); otherwise, such order will be rejected. In cases where the order is accepted, the PSE will adjust the static threshold to 60%. All orders breaching the 60% static threshold will be rejected by the PSE.

- In case the dynamic threshold is breached, the PSE will accept the order if the price is within the allowable percentage price difference under the existing regulations (i.e., 20% for security cluster A and newly-listed securities, 15% for security cluster B and 10% for security cluster C); otherwise, such order will be rejected by the PSE.

As of June 15, 2026, there are 121 active PSE Trading Participants.

NON-RESIDENT TRANSACTIONS

When the purchase/sale of Philippine shares involves a non-resident, whether the transaction is effected in the domestic or foreign market, it will be the responsibility of the securities dealer/broker to register the transaction with the BSP. The local securities dealer/broker shall file with the BSP, within three business days from the transaction date, an application in the prescribed registration form. After compliance with other required undertakings, the BSP shall issue a Certificate of Registration. Under BSP rules, all registered foreign investments in Philippine securities including profits and dividends, net of taxes and charges, may be repatriated.

SETTLEMENT

The Securities Clearing Corporation of the Philippines ("**SCCP**") is a wholly owned subsidiary of the PSE, and was organized primarily as a clearance and settlement agency for SCCP-eligible trades executed through the facilities of the PSE. SCCP received its permanent license to operate on January 17, 2002. It is responsible for: (1) synchronizing the settlement of funds and the transfer of securities through delivery versus payment, as well as clearing and settlement of transactions of clearing members, who are also PSE Trading Participants; (2) guaranteeing the settlement of trades in the event of a PSE Trading Participant's default through the implementation of its "Fails Management System" and administration of the Clearing and Trade Guaranty Fund, and; (3) performance of risk management and monitoring to ensure final and irrevocable settlement.

SCCP settles PSE trades on a two-day rolling settlement environment, which means that settlement of trades takes place two days after transaction date (T+2). The deadline for settlement of trades is 12:00 noon of T+2. Securities sold should be in scripless form and lodged under the book entry system of the PDTC. Each PSE Trading Participant maintains a Cash Settlement Account with one of the ten (10) existing Settlement Banks of SCCP which are Asia United Bank Corporation ("**AUB**"), BDO Unibank, Inc. ("**BDO Unibank**"), China Banking Corporation ("**Chinabank**"), Deutsche Bank ("**DB**"), East West Banking Corporation ("**EW**"), The Hongkong and Shanghai Banking Corporation Limited ("**HSBC**"), Maybank Philippines, Inc. ("**Maybank**"), Metropolitan Bank & Trust Company ("**Metrobank**"), Rizal Commercial Banking Corporation ("**RCBC**") and Union Bank of the Philippines ("**Unionbank**"). Payment for securities bought should be in good, cleared funds and should be final and irrevocable. Settlement is presently on a broker level.

SCCP implemented its Central Clearing and Central Settlement ("**CCCS**") system on May 29, 2006. CCCS employs multilateral netting, whereby the system automatically offsets "buy" and "sell" transactions on a per issue and a per flag basis to arrive at a net receipt or a net delivery security position for each clearing member. All cash debits and credits are also netted into a single net cash position for each clearing member. Novation of the original PSE trade contracts occurs, and SCCP stands between the original trading parties and becomes the Central Counterparty to each PSE-eligible trade cleared through it.

SCRIPLESS TRADING

In 1995, the PDTC, was organized to establish a central depository in the Philippines and introduce scripless or book-entry trading in the Philippines. On December 16, 1996, the PDTC was granted a provisional license by the SEC to act as a central securities depository.

All listed securities at the PSE have been converted into book-entry settlement in the PDTC. The depository service of the PDTC provides the infrastructure for lodgment (deposit) and upliftment (withdrawal) of securities, pledge of securities, securities lending and borrowing and corporate actions including shareholders' meetings, dividend declarations and rights offerings. The PDTC also provides

depository and settlement services for non-PSE trades of listed equity securities. For transactions on the PSE, the security element of the trade will be settled through the book-entry system, while the cash element will be settled through the current settlement banks, BDO Unibank, RCBC, Metropolitan Bank & Trust Company, Deutsche Bank, UnionBank, The Hongkong and Shanghai Banking Corporation Limited, Maybank and Asia United Bank Corporation.

In order to benefit from the book-entry system, securities must be immobilized into the PDTC system through a process called lodgment. Lodgment is the process by which shareholders transfer legal title (but not beneficial title) over their shares of stock in favor of PCD Nominee Corporation ("**PCD Nominee**"), a corporation wholly owned by the PDTC whose sole purpose is to act as nominee and legal title holder of all shares of stock lodged into the PDTC. "Immobilization" is the process by which the warrant or share certificates of lodging holders are cancelled by the transfer agent and the corresponding transfer of beneficial ownership of the immobilized shares to PCD Nominee will be recorded in the issuer's registry. This trust arrangement between the participants and PDTC through PCD Nominee is established by and explained in the PDTC Rules and Operating Procedures approved by the SEC. No consideration is paid for the transfer of legal title to PCD Nominee. Once lodged, transfers of beneficial title of the securities are accomplished via book-entry settlement.

Under the current PDTC system, only participants (e.g. brokers and custodians) will be recognized by the PDTC as the beneficial owners of the lodged equity securities. Thus, each beneficial owner of shares, through his participant, will be the beneficial owner to the extent of the number of shares held by such participant in the records of the PCD Nominee. All lodgments, trades and uplifts on these shares will have to be coursed through a participant. Ownership and transfers of beneficial interests in the shares will be reflected, with respect to the participant's aggregate holdings, in the PDTC system, and with respect to each beneficial owner's holdings, in the records of the participants. Beneficial owners are thus advised that in order to exercise their rights as beneficial owners of the lodged shares, they must rely on their participant-brokers and/or participant custodians.

Any beneficial owner of shares who wishes to trade his interests in the shares must execute the trade through a participant. The participant can execute PSE trades and non-PSE trades of lodged equity securities through the PDTC system. All matched transactions in the PSE trading system will be fed through the SCCP and into the PDTC system. Once it is determined on the settlement date (T+3) that there are adequate securities in the securities settlement account of the participant-seller and adequate cleared funds in the settlement bank account of the participant-buyer, the PSE trades are automatically settled in the CCCS system, in accordance with the SCCP and PDTC Rules and Operating Procedures. Once settled, the beneficial ownership of the securities is transferred from the participant-seller to the participant-buyer without the physical transfer of stock certificates covering the traded securities.

If a shareholder wishes to withdraw his stockholdings from the PDTC System, the PDTC has a procedure of upliftment under which PCD Nominee will transfer back to the shareholder the legal title to the shares lodged. The uplifting shareholder shall follow the Rules and Operating Procedure of the PDTC for the upliftment of shares lodged under the name of PCD Nominee. The transfer agent shall prepare and send a Registry Confirmation Advice to the PDTC covering the new number of shares lodged under PCD Nominee. The expenses for upliftment are generally on the account of the uplifting shareholder.

The difference between the depository and the registry would be on the recording of the shares in the issuing corporations' books. In the depository set-up, shares are simply immobilized, wherein customers' certificates are cancelled and a confirmation advice is issued in the name of PCD Nominee Corp. Transfers among/between broker and/or custodian accounts, as the case may be, will only be made within the book-entry system of PDTC. However, as far as the issuing corporation is concerned,

the underlying certificates are in the nominee's name. In the registry set-up, settlement and recording of ownership of traded securities will already be directly made in the corresponding issuing company's transfer agents' books or system. Likewise, recording will already be at the beneficiary level (whether it be a client or a registered custodian holding securities for its clients), thereby removing from the broker its current "de facto" custodianship role.

AMENDED RULE ON LODGMENT OF SECURITIES

On June 24, 2009, the PSE apprised all listed companies and market participants through Memorandum No. 2009-0320 that commencing on July 1, 2009, as a condition for the listing and trading of the securities of an applicant company, the applicant company shall electronically lodge its registered securities with the PDTC or any other entity duly authorized by the SEC, without any jumbo or mother certificate, in compliance with the requirements of Section 43 of the SRC. In compliance with the foregoing requirement, actual listing and trading of securities on the scheduled listing date shall take effect only after submission by the applicant company of the documentary requirements stated in Article III, Part A of the PSE's Revised Listing Rules.

For listing applications, the amended rule on lodgment of securities is applicable to:

- the offer shares/securities of the applicant company in the case of an initial public offering;
- the shares/securities that are lodged with the PDTC, or any other entity duly authorized by the SEC in the case of a listing by way of introduction;
- new securities to be offered and applied for listing by an existing listed company; and
- additional listing of securities of an existing listed company.

Pursuant to the said amendment, the PDTC issued an implementing procedure in support thereof as follows:

- For new companies to be listed at the PSE as of July 1, 2009 the usual procedure will be observed but the Transfer Agent of the companies shall no longer issue a certificate to PCD Nominee Corp. but shall issue a Registry Confirmation Advice, which shall be the basis for the PDTC to credit the holdings of the Depository Participants on listing date.
- On the other hand, for existing listed companies, the PDTC shall wait for the advice of the Transfer Agents that it is ready to accept surrender of PCNC jumbo certificates and upon such advice the PDTC shall surrender all PCNC jumbo certificates to the Transfer Agents for cancellation. The Transfer Agents shall issue a Registry Confirmation Advice to PCNC evidencing the total number of shares registered in the name of PCNC in the issuer's registry as of confirmation date.

Further, the PSE apprised all listed companies and market participants on May 21, 2010, through Memorandum No. 2010-0246 that the Amended Rule on Lodgment of Securities under Section 16 of Article III, Part A of the Revised Listing Rules of the PSE shall apply to all securities that are lodged with the PDTC or any other entity duly authorized by the PSE.

ISSUANCE OF STOCK CERTIFICATES FOR CERTIFICATED SHARES

On or after the listing of the shares on the PSE, any beneficial owner of the shares may apply with PDTC through his broker or custodian-participant for withdrawal from the book-entry system and return to the conventional paper-based settlement. If a shareholder wishes to withdraw his

stockholdings from the PDTC system, the PDTC has a procedure of upliftment under which the PCD Nominee will transfer back to the shareholder the legal title to the shares lodged. The uplifting shareholder shall follow the Rules and Operating Procedures of the PDTC for the uplifting of the shares lodged under the name of the PCD Nominee. The transfer agent shall prepare and send a Registry Confirmation Advice to the PDTC covering the new number of shares lodged under the PCD Nominee.

Upon the issuance of stock certificates for the shares in the name of the person applying for upliftment, such shares shall be deemed to be withdrawn from the PDTC book-entry settlement system, and trading on such shares will follow the normal process for settlement of certificated securities. The expenses for upliftment of the shares into certificated securities will be charged to the person applying for upliftment. Pending completion of the upliftment process, the beneficial interest in the shares covered by the application for upliftment is frozen and no trading and book-entry settlement will be permitted until the relevant stock certificates in the name of the person applying for upliftment shall have been issued by the relevant company's transfer agent.

AMENDED RULE ON MINIMUM PUBLIC OWNERSHIP

Under the PSE Amended Rule on Minimum Public Ownership, listed companies are required, at all times, to maintain a minimum percentage of listed securities held by the public of 10.0% of the listed companies' total issued and outstanding shares (i.e., exclusive of treasury shares), or at such percentage that may be prescribed by the PSE. For purposes of determining compliance with the MPO, shares held by the following are generally considered "held by the public": (a) individuals (for as long as the shares held are not of a significant size (i.e., less than 10.0%) and are non-strategic in nature; (b) trading participants (for as long as the shares held are non-strategic in nature); (c) investment and mutual funds; (d) pension funds; (e) PCD nominees if this account constitutes a number of shareholders, none of which has significant holdings (provided that if an owner of shares under the PCD Nominee has a shareholding that is 10% or more of the total issued and outstanding shares, then this shareholder is considered a principal stockholder); and (f) social security funds.

Listed companies that become non-compliant with the MPO on or after January 1, 2013 will be suspended from trading for a period of not more than six months and will automatically be delisted if it remains non-compliant with the MPO after the lapse of the suspension period. Suspended or delisted shares will not be traded on the exchange. In addition, sale of shares of listed companies that do not maintain the MPO are not considered publicly listed for taxation purposes and should, therefore, be subjected to capital gains tax and documentary stamp tax.

On August 4, 2020, the PSE issued Guidelines on MPO Requirement for Initial and Backdoor Listings, effective immediately. Under the guidelines, companies applying for initial listing through an initial public offering are required to have a minimum public offer size of 20% to 33% of its outstanding capital stock, as follows:

Market Capitalization	Minimum Public Offer
Not exceeding Php500 million	33% or Php50 million, whichever is higher
Over Php500 million to Php1 billion	25% or Php100 million, whichever is higher
Over Php1 billion	20% or Php250 million, whichever is higher

A company listing through an initial public offering is required to maintain at least 20% public ownership level at all times, whether the listing is initial or through backdoor listing. For companies

doing a backdoor listing, the 20% MPO requirement shall be reckoned from the actual issuance or transfer (as may be applicable) of the securities which triggered the application of the Backdoor Listing Rules or from actual transfer of the business in cases where the Backdoor Listing Rules are triggered by a substantial change in business.

In accordance with the SEC Memorandum Circular No. 13 Series of 2017 issued on December 1, 2017, the MPO requirement on companies that undertake initial public offerings was increased from 10.0% to 20.0%, while existing publicly listed companies as of December 2017 remain to be subject to the 10.0% MPO. The PSE rule on MPO requires that listed companies shall, at all times, maintain a minimum percentage of listed securities held by the public of 10.0% or 20.0%, as applicable, of the listed companies' issued and outstanding shares, exclusive of any treasury shares. Pursuant to PSE Circular No. 2020-0076, the 20% MPO requirement will also apply to companies applying for listing by way of introduction and companies undertaking a backdoor listing. Notwithstanding such rules, however, real estate investment trusts must comply with the minimum of public ownership requirements prescribed by the REIT Act of 2009.

On May 13, 2026, the PSE issued CN-No. 2026-0020 on the 2026 Proposed Revisions to the Amended Rule on Minimum Public Ownership. However, it is noted that the proposed revisions are not yet effective as of date of this Prospectus.

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Appendix

Consolidated Audited Financial Statements for December 31, 2025, 2024 and 2023……F-1
Consolidated Unaudited Financial Statements for March 31, 2026 and 2025……F-2