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

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 September 12, 2025.

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

Arthaland Corporation (“**ALCO**” or the “**Company**”) is a company incorporated under the laws of the Philippines, which is listed on the Main Board of the Philippine Stock Exchange (“**PSE**”) and the Philippine Dealing and Exchange Corp. (“**PDEx**”).

This Prospectus relates to the registration of the Consolidated Leasing Agreements executed by the Company relating to its Consolidated Leasing Solutions Program (“**CLS Program**”) (the “**Relevant Contracts**”) pursuant to SEC Memorandum Circular No. 12, Series of 2024 (“**SEC RENT Securities Circular**”). Capitalized terms used have the meanings given to them in the *Definition of Terms* section.

Prior to the issuance of the SEC RENT Securities Circular, the CLS Program was launched as an initiative of the Company designed to improve the accessibility and leasing viability of smaller office units within certain developments. The CLS Program addresses the challenge faced by owners of smaller office units in attracting multinational or large corporate tenants that typically require larger contiguous spaces and prefer to deal with a single leasing entity. Under the CLS Program, the Company acts as the exclusive leasing agent of multiple unit owners by consolidating units located on designated floors in its projects and offering them as a single leasable space to meet a prospective tenant’s size and configuration requirements (the “**Lease Pool Floor**” and as the context may require, the “**Lease Pool**”).

As of this date, certain commercial units of Cebu Exchange and Savya Financial Center, developed by Cebu Lavana Land Corp. (“**CLLC**”) and Savya Land Development Corporation (“**SLDC**”), respectively, which are subsidiaries of ALCO (each a “**Developer**”), are under the CLS Program.

Cebu Exchange, a 38-storey office building in Barangay Lahug, Cebu City, was developed by CLLC starting in 2016 and completed in 2023. It holds LEED Gold, EDGE Advanced, and BERDE 5-Star certifications, with WELL precertification since 2020 and plans for EDGE Zero Carbon certification. Designed as a world-class workplace, it features four retail floors and spans 108,564 square meters (“**sqm**”), making it the largest multi-certified green and healthy building in the Philippines.

In February 2019, SLDC launched the development of Savya Financial Center, comprising of two office towers with a gross floor area of 59,763 sqm, located in Arca South, Taguig City. The North and South Towers were substantially completed in 2023. The project received LEED Gold precertification in 2019, WELL precertification in 2021, EDGE Advanced Preliminary, and WiredScore Gold in 2024. It is on track to achieve its BERDE and EDGE Zero Carbon certifications.

All units in Cebu Exchange and Savya Financial Center are office units, except for the ground floor units which are retail units.

The Lease Pools in Cebu Exchange and Savya Financial Center consist of a total of **166** units with a total gross leasable area (GLA) of **38,692.71** sqm.

In respect of Cebu Exchange, 142 units are enrolled under the CLS Program. Of the foregoing 142 units, 140 are currently leased to third party lessees under executed Contracts of Lease. Moreover, of the foregoing 142 units, 44 units are still owned by CLLC, the developer of Cebu Exchange.

In respect of Savya Financial Center, 24 units are enrolled under the CLS Program, but none of them currently being leased to third party lessees.

Thus, there are units in both Cebu Exchange and Savya Financial Center which are currently enrolled in the CLS Program and are currently vacant and not leased to third parties. These units are available for lease consolidation or pooling.

The remaining 224 units in Cebu Exchange and 244 units in Savya Financial Center do not form part of any Lease Pools and consist of units (i) sold to third party buyers, and (i) unsold units owned by the Developers, CLLC and SLDC. These unsold units will not be subject of the CLS Program when offered for sale or lease.

The Relevant Contracts consist of the Company's executed Consolidated Leasing Agreements under its CLS Program. Related to the Consolidated Leasing Agreements are the Contracts to Sell for the purchase of the units under the CLS Program and the Contracts of Lease for the lease over the units under the CLS Program.

Under the Contract to Sell, which is executed between the Developer and the buyer of a unit, units located on Lease Pool Floors are automatically enrolled in the CLS Program. In such cases, the purchaser of a unit or several units on Lease Pool Floors (the "**Unit Buyer**", "**Unit Owner**" or "**Investor**") authorizes the Company to act as its leasing representative with respect to these units. The Contract to Sell does not contain any undertaking by the Company to generate or guarantee profits for Unit Buyers.

The Consolidated Leasing Agreement, on the other hand, is executed between the Company and a Unit Buyer, and under the said agreement, the Unit Buyer as lessor appoints the Company as its exclusive leasing representative. The Company, as such exclusive leasing representative, is authorized to negotiate lease terms, execute lease agreements, collect rental payments, withhold applicable taxes, and administer leasing matters on behalf of the Unit Buyer.

The Contract of Lease is executed between the Unit Owners, as lessors represented by the Company, and the lessee. In this arrangement, the Company signs and administers leases on behalf of the Unit Owners but does not guarantee tenancy, occupancy, or income at any given time.

All disclosures, reports, and filings of the Company made after the date of this Prospectus (the "**Company Disclosures**") and submitted to the SEC, PSE and PDex pursuant to the Revised Corporation Code, the Securities Regulation Code and its implementing regulations, and the relevant regulations of the aforesaid exchanges, 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 PSE Electronic Disclosure Generation Technology (or PSE EDGE), and the PDS Group website. 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 information contained in this Prospectus relating to the Company, its operations and the Relevant Contracts has been supplied by the Company, unless otherwise stated herein. To the best of its knowledge and belief, the Company which has taken reasonable care to ensure that such is the case, confirms that, as of the date of this Prospectus, the information contained in this Prospectus relating to it and its operations is correct, and that there is no material misstatements or omission of facts which would make any statement in this Prospectus misleading in any material respect and that the Company hereby accepts full and sole responsibility for the accuracy of information contained in the Prospectus with respect to the same.

No 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 and must be ignored.

This Prospectus does not constitute an offer or any securities, or any offer to sell or solicitation of any offer to buy any of the securities of the Company in any jurisdiction, to or from any person to whom it is unlawful to make such offer or solicitation in such jurisdiction.

The distribution of this Prospectus may, in certain jurisdictions, be subject to legal restrictions. The Company requires persons into whose possession this Prospectus comes, to inform themselves of the applicable legal requirements under the laws and regulations of the countries of their nationality, residence or domicile, and as to any relevant tax or foreign exchange control laws and regulations affecting them personally.

Before making an investment decision in relation to the Relevant Contracts (such as a decision to hold or enter into as an assignee of a Relevant Contract), Unit Owners or Investors must rely on their own due diligence examination of the Company and the terms of the Relevant Contracts including the risks involved. The Unit Owners or Investors should be aware that risks and uncertainties might occur. Each Unit Owner or Investor must comply with all laws applicable to it and must obtain the necessary consent, approvals or permission for its purchase, offer or sale under the laws and regulation in force to which it is subject.

The lands on which Cebu Exchange and Savya Financial Center are located have been conveyed to the condominium corporations thereof, namely Cebu Exchange Condominium Corporation and Savya Financial Center Condominium Corporation. 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. On the other hand, Republic Act No. 4726 (otherwise known as The Condominium Act) provides that 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. The law also provides that where the common areas in the condominium project are owned by the owners of separate units as co-owners thereof, no condominium unit therein shall be conveyed or transferred to persons other than Filipino citizens, or corporations at least 60% of the capital stock of which belong to Filipino citizens, except in cases of hereditary succession. Where the common areas in a condominium project are held by a corporation, no transfer or conveyance of a unit shall be valid if the concomitant transfer of the appurtenant membership or stockholding in the corporation will cause the alien interest in such corporation to exceed the limits imposed by existing laws. Accordingly, ownership by foreign nationals of the Condominium Units shall be subject to the applicable foreign equity ownership limitation.

Unless otherwise indicated, all information in this 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 implication that the information contained herein is correct as of any date subsequent to the date hereof or that there has been no change in the affairs of the Company since such date.

A REGISTRATION STATEMENT RELATING TO THESE SECURITIES HAS BEEN FILED WITH THE PHILIPPINE SECURITIES AND EXCHANGE COMMISSION BUT HAS NOT YET BEEN DECLARED EFFECTIVE. THIS PROSPECTUS SHALL NOT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY.

[*Signature page follows*.]

ARTHALAND CORPORATION

By:

JAIME C. GONZÁLEZ
President

REPUBLIC OF THE PHILIPPINES)
CITY OF) ss.

SUBSCRIBED AND SWORN to before me this ____________ in ________ affiant exhibiting to me his Passport No. P5521740A issued on 5 January 2018 as competent evidence of identity.

Doc No. : ________.
Page No. : ________.
Book No. : ________.
Series of 2025.

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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; 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 Philippine, Asian or global economies;
- any future political instability in the Philippines, Asia or other regions;
- changes in interest rates, inflation rates and the value of the Peso against the U.S. Dollar and other currencies;
- changes in government regulations, including tax laws, or licensing requirements in the Philippines, Asia or other regions; and
- competition 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 expressly disclaims any obligation or undertaking to release, publicly or otherwise, any updates or revisions to any forward-looking statement contained herein to reflect any change in the expectations of 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 as of 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 Relevant Contracts" 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
ALCO, Arthaland, the Company	:	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
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
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
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
Cazneau	:	Cazneau Inc.
CBD	:	Central Business District
CCT	:	Condominium Certificate of Title
CLLC	:	Cebu Lavana Land Corp.
CLA, Consolidated Leasing Agreement	:	The Consolidated Leasing Agreement executed by and between the Company and a Unit Buyer, which formalizes the Company's appointment as the exclusive leasing representative of such Unit Buyer
CLS Program	:	The Consolidated Leasing Solutions Program whereby multiple unit owners appoint the Company as their exclusive leasing agent to offer their units as one consolidated lease pool to third party tenants, with the corresponding lease income distributed to participating unit owners in accordance with the terms and conditions of the Relevant Contracts.
Consolidated Equity	:	The total stockholders' equity of the Company 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
Contract to Sell	:	The Contract to Sell executed between the Project Developer and a Unit Buyer, which provides for the sale of a Condominium Unit and stipulates the Unit Buyer's agreement that the Condominium Unit forms part of the CLS Program
Contract of Lease	:	The Contract of Lease executed between a Unit Buyer, as lessor and represented by the Company, and a third-party lessee, which sets forth the standard lease terms governing the lease of identified Condominium Units in the Project
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

Condominium	:	An interest in a real property consisting of a separate interest in a unit in a residential, industrial, or commercial building and an undivided interest in common, directly or indirectly, in the land in which it is located and in other common areas of the building
Condominium Certificate of Title, CCT	:	Title document obtained from the Registry of Deeds of the city in which the property is at, showing ownership of a Condominium Unit
Condominium Unit	:	The unit or units in Cebu Exchange and Savya Financial Center identified to be under the CLS Program of the Company
CPG	:	CPG Holdings, Inc.
CREATE Law	:	Republic Act No. 11534 or the Corporate Recovery and Tax Incentives for Enterprises Act
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 Company'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 Company's consolidated financial statements prepared in accordance with PFRS
Current Ratio	:	The ratio of Current Assets to Current Liabilities
Debt-to-Equity Ratio	:	The result obtained by dividing (i) the amount of interest-bearing (current and non-current) debt of the Company by (ii) the Consolidated Equity of the Company, in each case as appearing in the Company's latest consolidated audited balance sheet; provided: (a) that if the Company 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 Company 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 Company 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
Developer	:	Subsidiaries of ALCO, such as but not limited to CLLC and SLDC, which are domestic corporations engaged in the development of real estate projects including the CLS Program.
DHSUD	:	Department of Human Settlements and Urban Development
ECC	:	Environmental Compliance Certificate
EDGE	:	International Finance Corporation's Excellence in Design for Greater Efficiencies
FLC	:	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
Government	:	The Philippine Government
IFC	:	International Finance Corporation
ITAD	:	International Tax Affairs Division of the Bureau of Internal Revenue
ITH	:	Income Tax Holiday
IWBI	:	International Well Building Institute

Kashtha	:	Kashtha Holdings, Inc.
Lease Pool	:	Designated units in the Company's condominiums that form part of the CLS Program in Cebu Exchange and Savya Financial Center
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
Lessee	:	A person who holds the lease of a property; a tenant
Lessor	:	A person who leases or lets a property to another; a landlord
MCIT	:	Minimum Corporate Income Tax
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
OLSA	:	Omnibus Loan and Security Agreement
PAS	:	Philippine Accounting Standards
PD 957	:	Presidential Decree No. 957, as amended
PDEx	:	Philippine Dealing & Exchange Corp.
Pesos, ₱, ₱ 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
Pradhana	:	Pradhana Land, Inc.
Project	:	Cebu Exchange or Savya Financial Senter
Project Developer	:	Cebu Lavana Land Corp. or Savya Land Development Corporation
POC	:	Percentage of Completion
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
REIT Law	:	Republic Act No. 9856 or the Real Estate Investment Trust (REIT) Act of 2009
Relevant Contracts	:	The Consolidated Leasing Agreement entered into by the Company and the Unit Owner under the CLS Program
Rental Payment	:	Payment made periodically by a lessee to a lessor in return for the use of apartment, condominium, room or other property
Revised REIT IRR	:	SEC Memorandum Circular No. 1, Series of 2020 or the Revised Implementing Rules and Regulations of Republic Act No. 9856
SLC	:	Sotern Land Corporation
SLDC	:	Savya Land Development Corporation
SEC	:	Philippine Securities and Exchange Commission
SEC Permit to Sell	:	The Permit to Sell issued by the SEC in connection with the Relevant Contracts
SIPP	:	Strategic Investment Priority Plan
SOM	:	Skidmore, Owings & Merrill
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
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
Unit Owner or Unit Buyer or, as the context may require, Investor	:	An owner of a Condominium Unit pursuant to the Relevant Contracts
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 its development and management of properties that adhere to global and national standards in green buildings.

ALCO is the recipient of various awards in the Philippines and in Asia. It was recognized as the *Best Boutique Developer (Philippines)* by the Asia Property Awards and the Philippines Property Awards in 2018. In 2019, the Company received three more recognitions from the Philippines Property Awards including *Special Recognition in Sustainable Development, Special Recognition in Design and Construction* and *Special Recognition in CSR*. In 2023, the Company was recognized as an EDGE Champion by the IFC in the EDGE Champions Summit Asia 2023 held in Singapore for accelerating the adoption of green building option in the Philippines.

In 2025, Arthaland's follow-on offering of 4,964,860 Series F Preferred Shares was awarded the Best Sustainable Preferred Shares at The Asset Triple A Sustainable Finance Awards, successfully raising ₱2.5 billion. In 2023, Arthaland's ₱3 billion Tranche 2 ASEAN Green Bonds offering was awarded Green Project Deal of the Year under the category Best Deals – ASEAN in The Asset Triple A Sustainable Infrastructure Awards 2023. In 2020, Arthaland's ₱3 billion Tranche 1 ASEAN Green Bond offering was also 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.

ALCO's flagship projects likewise received recognition locally and internationally. Arya was awarded *Best Green Feature Development* by the Japan International Property Awards (2018), *Best Residential High-Rise Development (Philippines)* by the Asia Pacific Property Awards (2014), and *Best Condo Development (Philippines)* by the South East Asia Property Awards (2012). ACPT likewise received awards including *Best Office Development and Best Green Development* from the Philippines Property Awards (2019), *Best Commercial Green Development in Asia* from the Asia Property Awards (2019) and *Best Green Feature Development* from the Japan International Property Awards (2019). *Cebu Exchange*, on the other hand, was awarded *Best Office High Rise Development* from the Japan International Property Awards (2019). Furthermore, Savya Financial Center became the first office building in the Philippines to receive the WiredScore Gold Certification (2024).

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,

[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 and subsequent paragraphs of this section.
[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.

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 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, 2024, 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, and Series D 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 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, while all Series C Preferred Shares were redeemed as of June 27, 2024 and their cancellation are presently in process.

ALCO's developments are registered or are set to be registered under the USGBC's LEED, a globally recognized green building rating system that warrants comprehensive, inclusive and calibrated measures in ensuring sustainability and environmentally sound practices, PGBC BERDE program, IFC's EDGE program and IWBI Well program. ALCO's adherence to these ratings for all its projects demonstrates its strong commitment to environmentally responsible building practices. In 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. In 2025, ACPT became the first office building in the country to receive dual certification comprising of the LEED Gold certification and the BERDE 4-star certification.

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:

[3] Includes 125,000,000 indirectly owned shares.

Project Name	GFA (in square meters [sqm])	NLA/ NSA (in sqm)	Location	Development Type	Year or Expected Year of Completion
Arya	76,284	67,876	BGC, Taguig City	Residential	Tower I - 2013 Tower II - 2016
ACPT	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	130,976	98,734	Biñan, Laguna	Mixed use	In phases from 2022 onward
Lucima	28,063	21,927	Makati City	Residential	Estimated initial handover by January 2027
Eluria	14,656	11,729	Makati City	Residential	2025
Makati CBD Residential 1	32,256	24,414	Makati City	Residential	2030
Project Olive	254,979	187,279	Metro Manila	Mixed Use	In phases from 2031 onward
Project Vanilla[4]	200,158	144,114	Cebu City	Mixed Use	In phases from 2030 onward
Liv	52,212	41,611	Metro Manila	Residential	Liv North – 2030 Liv South – estimated 2032

Arya

Arya is a multi-awarded, two-tower, high-end residential project located at the corner of 8th Avenue and Mckinley Parkway, BGC, Taguig City. 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 it was handed over to buyers in 2016. All the residential units in both Tower 1 and Tower 2 have been sold. 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 has the distinction of being the first high-rise residential building in the Philippines to have received LEED Gold certification from the USGBC as well as BERDE 4-Star certification from the PGBC. It was also awarded with ANZ/PH 3-Star under the pilot program Advancing Net Zero Philippines.

[4] Formerly known as Project Midtown.

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 addresses the strong demand for office space in BGC with its 34,295 sqm of GFA and 32,016 sqm of NLA. ALCO commenced the development of ACPT in 2014 and started operations in 2018. The Company retains ownership over 21,089 sqm which represents approximately 66% of the 32,016 sqm of ACPT's NLA.

In October 2019, the World Bank Group, through its subsidiary, the IFC, recognized ACPT as the world's first net zero certified building under its EDGE program. This recognition is in addition to the LEED Platinum rating and the BERDE 5-star certification it had achieved previously. In 2020, ACPT was awarded with the WELL Health-Safety Rating seal which certifies the building's safe operations even during the COVID-19 pandemic.

To date, the NLA of ACPT which is owned by ALCO is 100% leased out.

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 GFA of about 108,000 sqm. Cebu Exchange has achieved LEED Gold certification and BERDE Design 5-Star and was awarded the WELL Health Safety Rating Seal. It is on-track to achieve EDGE Zero Carbon certification under the IFC's EDGE program.

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. In 2022, CLLC reclassified 8,059 sqm of office units, 2,628 sqm of retail units and 36 non-appurtenant parking slots in Cebu Exchange from real estate for sale to investment properties to retain these units and generate recurring income from their lease to locators. In 2023, CLLC reclassified an additional 5,316 sqm of office units from its inventory of real estate for sale to investment properties. CLLC reflected pre-tax fair value gains of approximately ₱954 million in 2022 and ₱605 million in 2023 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 June 30, 2025, ₱9.82 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 89% of NSA of Cebu Exchange.

Sevina Park

In September 2016, ALCO, through its 100%-owned subsidiary, Cazneau, acquired eight hectares of land adjacent to the De La Salle University campus in Biñan, Laguna. The property is currently being developed into Sevina Park, a sustainable mixed-use community that will feature a combination of designer villas, residential mid-rise buildings, commercial office buildings, and lots, as well as retail and supplemental amenities, in step with the growth of the market demand and infrastructure in the area. The completion of the Cavite Laguna Expressway, with its expected interconnection with the Manila-Cavite Expressway at Kawit, Cavite, and the South Luzon Expressway at Mamplasan, Laguna interchange, is seen to significantly benefit Sevina Park. The master plan for Sevina Park was designed by Sasaki of Boston.

Sevina Park is recognized as the Philippines' first and only real estate development in the country to have received the LEED Platinum pre-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 the other 4-bedroom villas are on-track to achieve LEED Gold certification. The other villas are on-track for EDGE Advanced certification under the EDGE green building program.

Sevina Park Villas

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 will be 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.

As of June 30, 2025, reservation contracts with a total value of ₱2.21 billion covering approximately 96% of the NSA of the Sevina Park Villas have been executed. As of June 30, 2025, tranche 1, covering the first 43 villas is 100% complete. Tranche 2, covering the next 26 villas is 100% complete. Finally, tranche 3 covering the remaining 39 villas is 14.9% complete.

Una Apartments in Sevina Park

Una Apartments is a five-tower residential development 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 the time of launch at approximately just ₱5 million each while maintaining high quality standards for which Arthaland is known. The mid-rise towers will have multiple sustainability certifications that will let its residents enjoy water and electricity savings by at least 20%.

As of June 30, 2025, the Company has already executed sales reservation contracts with a total value of ₱2.44 billion covering approximately 98% of the NSA for the first tower. The second tower of Una Apartments has already executed sales reservation contracts with a total value of ₱2.49 billion as of June 30, 2025 that covers approximately 70% of the total NSA for the second tower.

The construction of the first tower is on-going and is 67.8% complete as of June 30, 2025 while the second tower is at 7.9% completion.

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 June 30, 2025 with a combined contract price of ₱1.36 billion.

A portion of Sevina Park Arcades is envisioned to be developed into a retail space that includes a supermarket and boutique establishments that will complement the everyday needs of the residents within Sevina Park.

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, WELL pre-certification and EDGE Advanced preliminary certification. It is on-track to achieve BERDE 4-star certification and EDGE Zero Carbon certification.

The North Tower of the Savya Financial Center was launched in February 2019 and handover to buyers commenced in January 2022, consistent with pre-pandemic delivery dates. The South Tower was inaugurated in October 2022. As of June 30, 2025, reservation contracts with a total value of approximately ₱5.8 billion and covering approximately 88% of the NSA of the North Tower have been executed.

Lucima

In August 2019, ALCO, through its special purpose company, Bhavana, purchased a 2,245 sqm property located in Cebu Business Park which is the foremost business district of Cebu City. The property is currently being developed into Lucima, the first and only premiere, multi-certified, sustainable residential high-rise development in Southern Philippines. The project was awarded LEED Gold precertification in 2020 and is on-track to achieve BERDE, EDGE, and WELL certifications. Lucima offers convenient and walkable access to the Ayala Center Cebu mall and other prominent business, commercial, and lifestyle destinations with Cebu Business Park. It will have a gross floor area of approximately 28,000 sqm and it will offer 265 residential units.

Lucima has been enjoying strong market reception since its launch in July 2021. As of June 30, 2025, reservation contracts with a total value of approximately ₱5.2 billion covering approximately 93% of Lucima's NSA have been executed. Lucima achieved structural top-off in September 2023. As of June 30, 2025, construction is 87.5% complete. Handover to buyers will commence by January 2027.

Eluria

Eluria is ALCO's pioneer residential project in Makati City. It 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. 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.

Eluria was launched in November 2022 and is 58.4% complete as of June 30, 2025. As of June 30, 2025, reservation contracts with a total value of approximately ₱3.02 billion covering approximately 52% of Eluria's NSA have been executed. The project achieved structural top-off in Q4 2024 and will start handover by December 2025.

*Makati Central Business District ("**CBD**") Residential Project 1*

The Company, through its wholly-owned subsidiary, ZLDC, acquired condominium certificates of title ("**CCTs**") covering condominium units of Midland Mansions Condominium, including the undivided interest of said units in the underlying land equivalent to 2,018 sqm total lot area. The Company plans to develop it into a high-rise luxury, sustainable, multi-certified residential project. ALCO expects to launch the project by Q4 2025.

Project Olive

ALCO is in the final phase of the acquisition of 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 general area of 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 gross land area. The Company intends to complete the acquisition in phases which will allow it to manage funding requirements over time.

ALCO plans to develop the property into a boutique master planned mixed-use community. The development is envisioned to have 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 by scheduling the launch of the twelve residential towers in phases from 2027 to 2039. Completion is likewise done in phases beginning 2032.

Project Vanilla (previously Project Midtown)

The Company, through its wholly-owned subsidiary, FLC, purchased 50% interest in fourteen parcels of land, all located in Banilad Road, Cebu City. The acquisition program was structured so that each of FLC and its co-buyers will own 50% of the property after completion of the masterplan and site development works. Further, the acquisition program is expected to be completed between 2025 to 2028 to manage the funding requirements.

ALCO plans to develop the property over multiple phases to 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 2037. Completion of the towers is likewise expected to be achieved in phases beginning 2031.

Liv

ALCO completed the acquisition of a 3,700 sqm property located along Katipunan Avenue, Brgy. Loyola Heights, Quezon City and envisions to build a sustainable two-tower, high rise residential condominium development. The first tower, Liv North, was launched in August 2025 and will be completed by the 4th quarter of 2030.

Aside from the projects mentioned above, ALCO is actively evaluating acquisition targets in the business districts of Makati, BGC, and other emerging cities. ALCO will disclose material acquisitions, as they become definite, to its stakeholders through the SEC.

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 response

(For a more detailed discussion, see "Competitive Strengths" on page 53.)

BUSINESS STRATEGIES

The Company's business strategies include the following:

- Growth and diversification strategy
- Focused mid-term land acquisition strategy
- Providing a superior value proposition by maintaining high quality of projects
- Matching of fixed costs with recurring income
- Establishing strategic partnerships

(For a more detailed discussion, see "ALCO's Business Strategy" starting on page 58.)

RISKS OF INVESTING

Prospective investors should consider the following risks of investing in the Relevant Contracts:

- 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'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. The Company's failure to maintain regulatory licenses and permits could materially and adversely affect its operating and financial performance
    - 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.

- Risks relating to the Philippines
    - The Company is exposed to risks related to the slowdown of 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 Relevant Contracts
    - No guaranteed returns or lease income
    - There is no existing market for the Relevant Contracts

(For a more detailed discussion, see "Risk Factors" starting on page 25.)

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.

Risk Factors

General Risk Warning

An investment in the Relevant Contracts involves several risks. The rental income from the Relevant Contracts may vary and are not guaranteed. It may not even materialize at all if there are no lessees. There is an inherent risk that losses may be incurred rather than profit made as a result of buying and selling units that form part of the CLS Program. Past performance is not a guide to future performance. 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 rentals to decline. 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 Relevant Contracts before investing. Investors may request publicly available information on the Relevant Contracts and ALCO from the SEC.

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, Una Apartments, Eluria and Liv North which still face uncertainty in terms of completion and revenue results. In addition, there is no assurance that the Company will be able to successfully complete the necessary property acquisition for its planned projects, such as Project Olive.

Real estate developments are subject to risks such as delays in obtaining financing, finalizing project plans, obtaining approvals, increases in construction costs, natural calamities 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, Una Apartments and Eluria are grounded on sound business strategies based on careful assessment of market demand and trends. For instance, Eluria benefits from the limited supply of comparable ultra-luxury residential developments in the Makati CBD. In addition, the Company was able to capture the increasing demand for high quality products catering to the broader mid-market segment brought about by a continuing housing backlog in the midst of a growing economy. The first tower of Una Apartments was substantially sold out within the first year of launch thereby prompting the earlier launch of the second tower which likewise registered favorable take up within the first months of its launch.

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

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 further undertakes to ensure that any material or substantial adjustment to the use of proceeds, as indicated above, will be approved by the company's BOD and disclosed to the SEC, PSE, and PDEx.

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 mid-term. 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 years' financial performance does not guarantee 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 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 ("**PD**") 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. DHSUD is the administrative agency of the Government that enforces these statutes.

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 licenses 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.

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 Business Operations Group 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.

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 could 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, could 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

There is no guarantee that interest rates, in general, will remain at current levels. 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 notes that in recent years, contractors generally include a larger allowance for movements in component parts due to foreign exchange fluctuations, 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 June 30, 2025, the scheduled collections amounted to ₱17.2 billion and the actual collections amounted to ₱16.7 billion, resulting in a manageable default rate of 0.65% and which was lower than the default rate of 3.39% as of December 31, 2024. The default rate as of June 30, 2025, however, is an improvement from default rate of 3.39% as of December 31, 2024 and 2.70% as of December 31, 2023.

To support the financing requirements of its buyers in the broader mid-market segment, ALCO executed an agreement with the NHMFC to allow ALCO's buyers to avail of the NHMFC's Balai Berde financing program under which buyers may finance up to ₱6.0 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.

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 includes additional contingencies for foreign exchange fluctuations especially for new projects.

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 or for which preliminary agreements have been executed to support the expected closing of transactions for the acquisition of the necessary properties within 2025 including Project Olive, Project Vanilla, Makati CBD Residential Project 1 and Liv North. 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 constantly remains on the lookout for opportunities to acquire properties that will match its developmental plans should any of these on-going discussions be terminated 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 far longer 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 landbank 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" on page 96)

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 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.

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.

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 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.

Cyclicality of Property Development

The property development sector is cyclical and is subject to the Philippines' 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 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 PEZA did not significantly impact 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 were executed for its investment property in Cebu Exchange despite the recent elevated vacancy in Cebu because of the superior sustainability features and quality of Cebu Exchange.

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 of buyers as well as established multinationals as tenants. ALCO has a 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.

On February 14, 2018, the Philippine Interpretation Committee ("**PIC**") issued PIC Q&A 2018-12: PFRS 15 – Implementation Issues Affecting the Real Estate Industry, which provides guidance on some implementation issues affecting the real estate industry due to changes brought by the adoption of PFRS 15. Among the key areas discussed in this issuance are the accounting for significant financing component arising from the difference between the POC of the project and the percentage of collections, and the exclusion of the following costs as input in determining the POC:

a. Land element
b. Connection fees
c. Borrowing cost, and
d. Materials delivered on-site but not yet installed.

Further on October 25, 2018 and February 8, 2019, the SEC issued SEC Memorandum Circular No. 14 Series of 2018 and SEC Memorandum Circular No. 3 Series of 2019, respectively, providing relief to the real estate industry by deferring the application of the provisions of PIC Q&A 2018-12 with respect to the exclusion of land element and uninstalled materials on-site in the POC computation and the accounting for significant financing component. Accordingly, effective January 1, 2018, borrowing costs and connection fees are excluded in determining POC.

On December 19, 2020, the SEC issued SEC Memorandum Circular No. 34 s. 2020 which provides relief to the real estate industry by deferring the application of the provisions of the PIC Q & A No. 2018-12 with respect to the accounting for significant financing component and the exclusion of land in the calculation of POC and IFRIC agenda decision on overtime transfer of constructed goods under PAS 23 – borrowing cost with respect to the accounting of capitalized borrowing cost, for another period of three (3) years or until 2023. Effective January 1, 2024, real estate companies adopted PIC Q & A 2018-12, IFRIC agenda decision on overtime transfer of constructed goods and any subsequent amendments thereof retrospectively or as the SEC will later prescribe.

The Company adopted PFRS 15 using the retrospective approach but deferred the application of the provisions of PIC Q&A No. 2018-12 to January 1, 2024.

Following this, the adoption of the foregoing amendments to PFRS and PIC issuances 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 from 2023. 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 their possible impact 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 stakeholders.

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, 2022, December 31, 2023, December 31, 2024 and June 30, 2025, the Company was fully compliant with these debt covenants.

In calculating its debt-to-equity ratio to test for compliance with its debt covenants, the Company includes the following obligations to determine total debt: (1) bonds payable and loans payable from third party lenders, (2) amount payable for the purchase of interests in a subsidiary and (3) advances from non-controlling interest who are shareholders in the Company's subsidiaries. Below are the calculation for the years ended December 31, 2022, December 31, 2023 and December 31, 2024, and the period ended June 30, 2025.

Amounts in million Pesos	**Six Months Ending June 2025**	**FY December 2024**	**FY December 2023**	**FY December 2022**
A. Debt to Equity Ratio				
1. Bonds payable and loans from third party lenders	**18,635**	**18,432**	**17,128**	**17,690**
Bonds payable	2,962	5,956	5,941	5,926
Loans payable	15,673	12,476	11,187	11,764
2. Amount payable for purchase of interest in a subsidiary	-	-	-	-
3. Advances from non-controlling interest	**963**	**1,010**	**1,102**	**1,102**
Total Debt	**19,598**	**19,442**	**18,230**	**18,792**
Total Equity	**14,259**	**14,252**	**13,116**	**12,060**
Debt to Equity Ratio for loan covenants	**1.37x**	**1.36x**	**1.39x**	**1.56x**
B. Current Ratio				
Current Assets	25,095	25,086	23,621	24,560
Current Liabilities	14,113	15,884	10,168	10,078
Current Ratio for loan covenants	**1.78x**	**1.58x**	**2.32x**	**2.44x**

For the periods ended December 31, 2022, December 31, 2023, December 31, 2024 and June 30, 2025, 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, 2022, December 31, 2023, and December 31, 2024 and the period ended June 30, 2025:

Amounts in million Pesos	FYSix Months Ending June 2025	FY December 2024	FY December 2023	FY December 2022
Debt (Bonds payable and loans from third party lenders)	**18,635**	**18,432**	**17,128**	**17,690**
Total Equity	**14,259**	**14,252**	**14,218**	**13,162**
Debt-to-Equity for internal guidance cap	**1.31x**	**1.29x**	**1.20x**	**1.34x**

Based on the above calculation, the Company's debt-to-equity ratio was within its internal guidance cap of 1.50x for the years ended December 31, 2022, December 31, 2023, December 31, 2024 and for the period ended June 30, 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 on 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 the 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. 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 the firm 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. Each of the condominium corporation which owns the land where the Project is located is likewise subject to foreign ownership limitations.

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.

The lands on which Cebu Exchange and Savya Financial Center are located have been conveyed to the condominium corporations thereof, namely Cebu Exchange Condominium Corporation and Savya Financial Center Condominium Corporation. 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. On the other hand, Republic Act No. 4726 (otherwise known as The Condominium Act) provides that 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. The law also provides that where the common areas in the condominium project are owned by the owners of separate units as co-owners thereof, no condominium unit therein shall be conveyed or transferred to persons other than Filipino citizens, or corporations at least 60% of the capital stock of which belong to Filipino citizens, except in cases of hereditary succession. Where the common areas in a condominium project are held by a corporation, no transfer or conveyance of a unit shall be valid if the concomitant transfer of the appurtenant membership or stockholding in the corporation will cause the alien interest in such corporation to exceed the limits imposed by existing laws. Accordingly, ownership by foreign nationals of the Condominium Units shall be subject to the applicable foreign equity ownership limitation. In view of the above limitation, a Unit Owner will be prevented from selling its Condominium Unit to non-Philippine national if such acquisition will result in the foreign ownership limitation applicable to the condominium corporation being breached.

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 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 it 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 Republic Act (R.A.) No. 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, and failure to do so will result in the sale being cancelled without refund of payments made, all of which will be forfeited in favor of the developer.

While the Company historically has not experienced a material number of cancellations to which the Maceda Law was 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 aid in selling any previously cancelled units to other buyers.

Below is a summary of sale cancellations before, during and after the COVID-19 pandemic:

	Sales Cancellations	
	Value (in ₱ Millions)	**Percentage (%)**
Pre-COVID-19 Pandemic (as of December 31, 2019)	534	5.1%
During COVID-19 Pandemic (as of December 31, 2021)	929	5.5%
After COVID-19 Pandemic:		
As of December 31, 2022	543	2.9%
As of December 31, 2023	1,248	4.8%
As of December 31, 2024	1,699	5.3%

Cancellations during the COVID-19 pandemic as of December 31, 2021 amounted to ₱929 million, representing approximately 5.5% of the value of total reservation sales at the time. The Company notes that this tracks the pre-pandemic cancellation rate as of December 31, 2019 which amounted to about ₱534 million, representing approximately 5.1% of the value reservation sales contracts then. Cancellations amounted to ₱543 million as of December 31, 2022 and ₱1.248 million as of December 31, 2023 representing approximately 2.9% and 4.8% of the value of total reservation sales for these periods, respectively, which were improvements from pre-pandemic sales cancellation rate. As of December 31, 2024 and June 30, 2025, gain on repossessions arising from cancellation of sales due to buyers' default amounted to ₱53.8 million and ₱5.5 million respectively.

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 because of ACPT which is located at the E-Square Information Technology Park, and for Cebu Exchange, and benefits from certain incentives, including, among others, a 5% preferential tax on gross income earned in lieu of all national and local taxes ("**GIT**"), exemption from expanded withholding tax, and eligibility 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, R.A. 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, but reverted to 2% in 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.

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.

R.A. No. 12214, also known as the Capital Markets Efficiency Promotion Act ("**CMEPA**") amended the Tax Code and, among others: (1) reduced the stock transaction tax to 0.1%; (2) subjected interest income to a standardized 20% final income tax; and (3) imposed a documentary stamp tax of 0.75% of the issue price of debt instruments. These amendments in the CMEPA may impact the operations of ALCO, especially considering it is a publicly traded company.

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 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.

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.

Furthermore, 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 its 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 common 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 family 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 which are focused on key urban CBDs in Metro Manila, such as Makati and BGC, and high-growth areas outside Metro Manila, such as Cebu and Biñan, Laguna. 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.

RISKS RELATING TO THE PHILIPPINES

The Company is exposed to risk related to the slowdown of the Philippine economy

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

In 2023, the country's GDP registered growth of 5.6%, reflecting a slowdown from the 7.6% growth registered in 2022. Notably, the Philippines' GDP growth for 2023 outpaced the growth registered by other countries in Asia, including those of China and Malaysia which grew at 5.2% and 3.4% respectively, but fell short of the target of the current administration's economic team of achieving GDP growth of 6% to 7% for 2023. In 2024, the Philippines started with a 5.8% year-on-year GDP growth that peaked at 6.4% in Q3 and eventually fell to 5.23% in Q4.This resulted in full-year GDP growth of 5.6%, which again fell below the administration's 6% to 6.5% target. In 2025, year-on-year GDP growth marginally increased to 5.4% in Q1 and 5.5% in Q2.

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 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 and 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 or will be indicted on corruption charges stemming from allegations of misuse of public funds, extortion, bribery, or usurpation of authority, especially in relation to flood control projects. 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 the 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 January 2020, the Taal Volcano erupted. In July 2022, a 7.0-magnitude earthquake occurred in Tayum, Abra and in December 2023, a 7.6-magnitude earthquake shook Mindanao In 2024, six storm systems—three of which were typhoons—hit the Philippines in under a month. These have resulted in deaths, injuries and damage to public infrastructure and private property. These effects are exacerbated by the country's poor flood control infrastructure. Natural calamities will continue to affect the Philippines, and the Company may incur losses 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

International credit rating agencies issue credit ratings for companies with reference to the country in which they are residents. As a result, the sovereign credit ratings of the Philippines directly affect companies that are residents in the Philippines, such as the Company. Historically the Philippines' sovereign debt has been rated relatively low by international credit rating agencies. In January 2023, Moody's affirmed the Philippines' Baa2 rating with stable outlook and S&P maintained its BBB+ long-term credit rating for the Philippines with a stable outlook. In April 2025, the Japan Credit Rating Agency, Ltd. (JCR) has affirmed the Philippines' investment-grade credit rating of "A-" with a "stable" outlook, while Fitch maintained its long-term foreign-currency issuer default rating at BBB. However, no assurance can be given that Fitch, Moody's, JCR and S&P Global Ratings or any other international credit rating agency, will not downgrade the credit ratings of the Government in the future and, therefore, of Philippine companies, including the Company. Any such downgrade may have a material adverse effect on liquidity in the Philippine financial markets and the ability of the Philippine government and Philippine companies, including the Company, to raise additional financing, and will increase borrowing and other costs.

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.

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 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 Jin Ping, 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 Philippine armed forces have begun joint military exercises in Laoag, Ilocos Norte, in a show of military force and strengthening ties, as regional tensions rise. The US, now under the Trump administration, has 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 CLS PROGRAM AND THE RELEVANT CONTRACTS

Investors should carefully consider the risks associated with the CLS Program and the Relevant Contracts before making any investment decision. The following risks may materially affect returns:

No guaranteed and variable returns

Under the Relevant Contracts, investors are not assured of fixed or guaranteed returns. Distributions depend on the actual performance of the leasing pool and may vary depending on occupancy, prevailing market conditions and other operational factors.

In the same vein, payments under the Relevant Contracts are not fixed obligations of ALCO but are contingent on available distributable amounts from the leasing pool. Investors may receive lower than expected returns or no returns at all for certain periods.

The ability of the leasing pool to generate sufficient revenue depends on the demand for the units in said leasing pool, and ALCO's ability to secure tenants for them. Market downturns, changes in consumer preferences, and adverse economic conditions could negatively affect occupancy levels and rental rates, and consequently, the returns available for distribution.

No ready market

Because there is no ready market for the Relevant Contracts, a Unit Buyer may not be able to readily sell its Condominium Unit which is covered by the Relevant Contract and hence recover any part of the Unit Buyer's investment.

Business Information

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 its development and management of properties that adhere to the global and national standards in green buildings.

ALCO is the recipient of various awards in the Philippines and in Asia. It was recognized as the *Best Boutique Developer (Philippines)* by the Asia Property Awards and the Philippines Property Awards in 2018. In 2019, the Company received three more recognitions from the Philippines Property Awards including *Special Recognition in Sustainable Development, Special Recognition in Design and Construction* and *Special Recognition in CSR*. ALCO's flagship projects likewise received recognition locally and internationally. *Arya* was awarded *Best Green Feature Development* by the Japan International Property Awards (2018), *Best Residential High-Rise Development (Philippines)* by the Asia Pacific Property Awards (2014), and *Best Condo Development (Philippines)* by the South East Asia Property Awards (2012). *ACPT* likewise received awards including *Best Office Development and Best Green Development* from the Philippines Property Awards (2019), *Best Commercial Green Development in Asia* from the Asia Property Awards (2019) and *Best Green Feature Development* from the Japan International Property Awards (2019). *Cebu Exchange*, on the other hand, was awarded *Best Office High Rise Development* from the Japan International Property Awards (2019).

ALCO was incorporated on August 10, 1994[5] 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 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%[6] and 26.02%, respectively, of ALCO's total issued and outstanding common shares. The Company's common shares and Series D 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 and Series E Preferred Shares which are held by a single shareholder remain unlisted. All of ALCO's Series B Preferred Shares were redeemed as of December 6, 2021 and were subsequently cancelled. Its Series C Preferred Shares have been fully redeemed as of June 27, 2024 and their cancelation is currently in process.

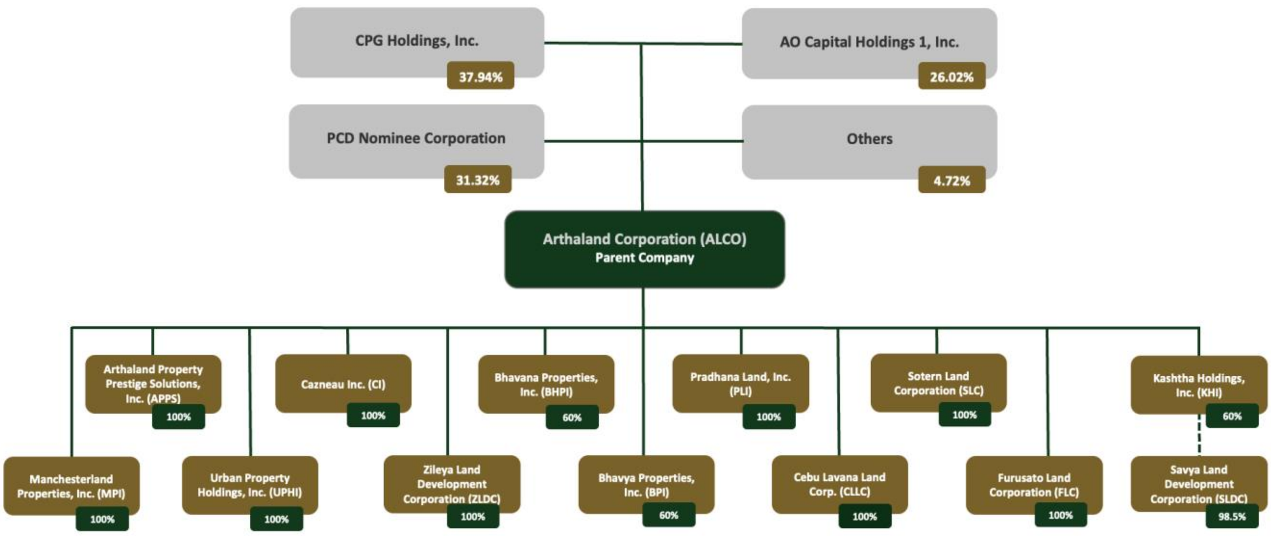
ALCO's developments are registered or are set to be registered under the USBGC's LEED program, a globally recognized green building rating system that warrants comprehensive, inclusive and calibrated measures in ensuring sustainability and environmentally sound practices, PGBC's BERDE program, IFC's EDGE program, and IWBI's Well program. In September 2019, ACPT, ALCO's flagship office development, was recognized as

[5] 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.
[6] Includes 125,000,000 indirectly owned shares.

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.

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. For the full year 2023, the contribution of Cebu Exchange and Savya Financial Center to consolidated revenues went down to about 50% as Eluria initiated revenue recognition during this period. Revenues from development sales were supplemented by lease income from ACPT, retail units in Arya, the dormitory units in Courtyard Hall in Sevina Park, and the retained units for lease in Cebu Exchange. Revenues from the sale of residential units in Una Apartments contributed to consolidated revenues in 2024. New projects in the pipeline are expected to contribute to revenues from 2026 onward.

CORPORATE STRUCTURE



***98.5% of the shares of SLDC is currently registered under Kashtha pending the completion of the capital reorganization of SLDC which will result in Kashtha owning only 50% of SLDC's common shares.*

Subsidiaries and Joint Ventures

i. **Cazneau, Inc.** was incorporated on 31 July 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. ALCO has 100% ownership interest in Cazneau.

   Presently, Cazneau has an authorized capital stock of ₱1,000,000.00. However, on 28 June 2024, its Board of Directors and stockholders approved the increase of the authorized capital stock by ₱25,000,000.00 with the creation of 25,000,000 preferred shares with a par value of ₱1.00 per share. Also on 28 June 2024, ALCO subscribed to 6,250,000 preferred shares at a subscription price of ₱4.00 per share or the total amount of ₱25,000,000.00. The application to amend Cazneau's Articles of Incorporation to reflect the said capital increase is still pending with the SEC, but upon approval thereof, Cazneau will have an authorized capital stock of ₱26,000,000.00 divided into (i) ₱1,000,000.00 common shares consisting of 10,000 common shares with a par value of ₱100.00 per share, and (ii) ₱25,000,000.00 redeemable, non-cumulative, non-voting, and non-participating preferred shares, comprised of 25,000,000 preferred shares with a par value of ₱1.00 per share.

ii. **Cebu Lavana Land Corp.** was incorporated on 11 September 2015 to principally engage in the realty development business. CLLC has an authorized capital stock of ₱200,000,000.00 and its total subscribed and paid-up capital is ₱83,333,300.00. All of CLLC's common and preferred shares are owned by ALCO.

CLLC owns the two parcels of adjacent land located along Salinas Drive, directly across the Cebu IT Park in Cebu City, Philippines, with a total area of 8,440 square meters (sqm) on which Cebu Exchange stands.

iii. **Arthaland Prestige Property Solutions, Inc.** was incorporated on 31 July 2008, to principally engage in property management. The SEC approved the change of the company's name to APPS on 25 May 2023. On 02 February 2024, the SEC also approved the amendment of APPS' Articles of Incorporation to expand its primary purpose to include project management, consultancy, and other manpower services for property developers. The authorized capital stock of APPS is presently ₱25,000,000.00, divided into 250,000 common shares with a par value of ₱100.00 per share with subscribed and paid-up capital at ₱7,000,000.00. ALCO has 100% ownership interest in APPS.

iv. **Manchesterland Properties, Inc.** was incorporated on 27 March 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 thereof to Arya Residences Condominium Corporation in December 2016. MPI still owns the nine (9) commercial units and several parking slots in said development. ALCO has 100% ownership interest in this company. MPI has an authorized capital stock of ₱640,000,000.00 with subscribed and paid-up capital at ₱635,705,000.00.

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

v. **Savya Land Development Corporation** was incorporated on 10 February 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"), the registered owner of Lot 11, *i.e.* the lot adjacent to SLDC's property, with SLDC as the surviving corporation and Arcosouth as the absorbed corporation. Lots 9,10 and 11 have been developed into Savya Financial Center, a two-tower commercial development designed and built with leading-edge sustainable building features.

SLDC's authorized capital stock is ₱200,000,000.00 with total subscribed capital consisting of ₱50,750,000.00 of Common Shares Class A and Class B, and ₱21,469,600.00 of Preferred Shares, while paid up capital consists of ₱12,750,000.00 of Common Shares Class A and Class B, and ₱21,469,600.00 of Preferred Shares. Kashtha Holdings, Inc., a joint venture company between ALCO and Mitsubishi Estate Company, Limited (MEC), owns 98.5% of SLDC's total outstanding common shares. However, in a shareholders' agreement among SLDC, ALCO, and the principal shareholder of Arcosouth, Help Holdings, Inc., it was agreed that SLDC will be owned 50:50 between Kashtha and Help Holdings, Inc., such that the former will have 100% 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, Kashtha is entitled to all the profits from and is responsible for all the funding requirements of the North Tower of Savya Financial Center only.

vi. **Kashtha Holdings, Inc.**, a joint venture company incorporated on 01 October 2019, is 60% owned by ALCO and 40% by Mitsubishi Estate Company Limited (MEC), a corporation duly organized and existing under the laws of Japan. Kashta has an authorized capital stock of ₱50,000,000.00 with total subscribed and paid-up capital at ₱12,500,000.00.

vii. **Urban Property Holdings, Inc.** was incorporated on 23 January 1995 and is presently the registered owner of a 33-hectare property located in Calamba, Laguna, which ALCO may develop in the future subject to market conditions. ALCO has 100% ownership interest in this company. UPHI presently has an authorized capital stock of ₱80,000,000.00 with total subscribed and paid-up capital at ₱20,000,000.00.

viii. **Zileya Land Development Corporation** was incorporated on 28 December 2015, with the primary purpose of engaging in the realty development business. ZLDC is the investment vehicle which ALCO used to acquire the property located at 839 Antonio Arnaiz Avenue, Legazpi Village, 1200 Makati City. ALCO has 100% ownership interest in this company.

ZLDC initially had an authorized capital stock of ₱200,000,000.00. During the meeting of the Board of Directors of ZLDC held on 22 January 2025 and the Special Stockholders' Meeting held on 27 January 2025, approval was obtained for the (i) reclassification of the existing 500,000 non-redeemable, non-cumulative, and voting preferred shares of ZLDC into Preferred Shares Series A, and (ii) increase of the authorized capital stock by ₱20,000,000.00 with the creation of 20,000,000 redeemable, cumulative, and voting Preferred Shares Series B. On 27 January 2025, ALCO subscribed to 7,100,000 Preferred Shares Series B of ZLDC, at a subscription price of ₱100.00 per share, for the total amount of ₱710,000,000.00. The SEC approved the foregoing capital increase and reclassification of shares on 02 September 2025. ZLDC currently has an authorized capital stock of ₱220,000,000.00 with total subscribed and paid-up capital at ₱57,100,000.00.

ix. **Bhavana Properties, Inc.** was incorporated on 15 July 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 located in the corner of Cardinal Rosales Avenue and Samar Loop Road, Cebu City, which is the site of *Lucima*, the first signature residential address from ALCO in the province. Bhavana is 60% owned by ALCO, while the remaining 40% is held by Singapore-based Narra Investment Properties Pte. Ltd. It has an authorized capital stock of ₱100,000,000.00 with total subscribed and paid-up capital at ₱25,450,000.00.

x. **Bhavya Properties, Inc.** was incorporated on 19 July 2019, with the primary purpose of engaging in the realty development business. Bhavya is developing *Eluria*, ALCO's pioneer ultra luxury residential project located at 119 Rada Street, Legazpi Village, Makati City. Bhavya has an authorized capital stock of ₱100,000,000.00 and similar to Bhavana, it is 60% owned by ALCO and 40% by Narra Investment Properties Pte. Ltd. with total subscribed and paid-up capital at ₱27,155,000.00 consisting of 16,293,002 common shares and 10,861,998 preferred shares, both with ₽1.00 par value per share.

xi. **Pradhana Land, Inc.** was incorporated on 09 September 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. Pradhana has an authorized capital stock of ₱100,000,000.00 consisting of 50,000,000 common shares and 50,000,000 preferred shares, both with a par value of₽1.00 per share. Pradhana is wholly-owned by ALCO and as of 31 August 2025, its total subscribed capital stands at ₱42,000,000.00.

xii. **Sotern Land Corporation** was incorporated on 22 April 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. ALCO has 100% ownership interest in this company.

SLC has an authorized capital stock of ₱100,000,000.00. As of 31 August 2025, SLC's total subscribed capital stands at ₱37,500,000.00 while its paid-up capital is and ₱30,000,000.00.

xiii. **Furusato Land Corporation** was incorporated on 14 May 2025, with the primary purpose of engaging in the realty development business. FLC acquired fifty percent (50%) interest in various parcels of land located in Banilad Road, Cebu City.

FLC has an authorized capital stock of ₱100,000,000.00. As of 31 August 2025, its total subscribed capital stands at ₱59,500,000.00 while its paid-up capital is ₱54,500,000.00. FLC is wholly-owned by ALCO.

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 25.

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

ARTHALAND CORPORATION AND SUBSIDIARIES
SUMMARY OF REVENUE AND NET INCOME
For the years ended December 31, 2022 – 2024 and six months ended June 30, 2025

In ₱ millions	REVENUE (Audited)						REVENUE (Unaudited)	
	2024		2023		2022		H1 2025	
Company	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**
Arthaland Corporation	731	11%	516	8%	549	17%	945	32%
Manchesterland Properties, Inc.	16	0%	6	0%	8	0%	7	0%
Arthaland Prestige Property Solutions, Inc.	133	2%	48	1%	35	1%	36	1%
Cazneau, Inc.	1,947	29%	809	12%	726	23%	790	26%
Urban Property Holdings, Inc.	-	0%	-	0%	-	0%	-	0%
Cebu Lavana Land Corp.	1,408	21%	1,002	15%	521	16%	188	6%
Zileya Land Corporation	-	0%	-	0%	-	0%	-	0%
Savya Land Development Corporation	185	3%	2,393	35%	435	14%	211	7%
Bhavana Properties, Inc.	1,499	22%	1,512	22%	918	29%	303	10%
Bhavya Properties, Inc.	777	12%	566	8%	-	0%	510	17%
Pradhana Land, Inc.	-	0%	-	0%	-	0%	-	0%
Kashtha Holdings, Inc.	-	0%	-	0%	-	0%	-	0%
Sotern Land Corporation	-	0%	-	0%	-	0%	-	0%
Furusato Land Corporation	-	0%	-	0%-	-	0%	-	0%
Total before consolidation	6,696	100%	6,852	100%	3,192	100%	2,990	100%
Consolidation Entries	(472)		(213)		(269)		(780)	
Consolidated Revenues	6,224		6,639		2,923		2,210	

In ₱ millions	NET INCOME (Audited)						NET INCOME (Unaudited)	
	2024		2023		2022		H1 2025	
Company	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**
Arthaland Corporation	907	44%	413	16%	192	11%	506	106%
Manchesterland Properties, Inc.	129	6%	23	1%	8	0%	1	0%
Arthaland Prestige Property Solutions, Inc.	41	2%	3	0%	7	0%	(13)	-3%
Cazneau, Inc.	107	5%	62	2%	250	15%	(29)	-6%
Urban Property Holdings, Inc.	242	12%	(6)	0%	69	4%	72	15%
Cebu Lavana Land Corp.	18	1%	441	17%	546	32%	91	19%
Zileya Land Corporation	(2)	0%	-	0%	(1)	0%	(2)	0%
Savya Land Development Corporation	56	3%	763	30%	61	4%	(2)	0%
Bhavana Properties, Inc.	125	6%	196	8%	109	6%	(61)	-13%
Bhavya Properties, Inc.	51	2%	107	4%	(31)	-2%	46	10%
Pradhana Land, Inc.	-	0%	-	0%	-	0%	2	0%
Kashtha Holdings, Inc.	388	19%	530	21%	513	30%	(1)	0%
Sotern Land Corporation	(2)	0%	-	0%	-	0%	(9)	-2%
Furusato Land Corporation	-	0%	-	0%	-	0%	(121)	-25%
Total before consolidation	2,060	100%	2,532	100%	1,723	100%	479	100%
Consolidation Entries	(1,302)		(1,143)		(850)		(239)	
Consolidated Revenues	758		1,389		873		240	

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 ₱835.00 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 ₱100.00 to ₱1.00. 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 ₱1.00 to ₱0.18 per share, with the corresponding decrease in the authorized capital stock from ₱2.0 Billion to the paid-in capital stock of ₱246,257,136.00 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 ₱1.00 to ₱0.18 per share with the corresponding decrease in the authorized capital stock from ₱2.0 Billion to the paid-in capital stock of ₱246,257,135.82 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 ₱750.00 million subscription of AOCH1, 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 ("**AOI**") and approved the increase of the authorized capital stock by ₱2.70 Billion or 15.0 Billion common shares, *i.e.,* from ₱246,257,135.82 divided into 1,368,095,199 common shares at a par value of ₱0.18 per share, to ₱2,946,257,135.82 divided into 16,368,095,199 common shares also at a par value of ₱0.18 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 ₱2,996,257,135.82 divided into ₱2,946,257,135.82 of common shares (consisting of 16,368,095,199 common shares with a par value of ₱0.18 per share), and ₱50,000,000.00 of redeemable, non-voting and non-participating preferred shares (consisting of 50,000,000 preferred shares with a par value of ₱1.00 per share).

Of the ₱50,000,000.00 increase in capital stock, ALCO issued 12,500,000 cumulative, non-voting, non-participating, non-convertible Peso-denominated Preferred shares to MPI (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.

During the Annual Stockholders' Meeting on June 24, 2022, ALCO approved the amendment of Article Seventh of its AOI by reducing the authorized capital stock by ₱20,000,000.00 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 ₱2,996,257,135.82 to ₱2,976,257,135.82 divided into ₱2,946,257,135.82 of common shares consisting of 16,368,095,199 common shares with a par value of ₱0.18 per share, and ₱30,000,000.00 of preferred shares consisting of 30,000,000 preferred shares with a par value of ₽1.00 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 ₱20,000,000.00, and subsequently approved the proposal to amend Article Seventh of the AOI anew by increasing ALCO's authorized capital stock by ₱50,000,000.00 with the creation of 50,000,000 preferred shares with a par value of ₱1.00 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 MPI 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 ₱1.00 per share (the "**Series E Preferred Shares**"), where 1,500,000 preferred shares came 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 Article Seventh of ALCO's AOI.

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

Upon SEC's approval of ALCO's AOI Amendment on August 14, 2024, the total authorized capital stock of ALCO became ₱3,026,257,135.82 divided into ₱2,946,257,135.82 of common shares consisting of 16,368,095,199 common shares with a par value of ₱0.18 per share, and ₱80,000,000.00 of preferred shares consisting of 80,000,000 preferred shares with a par value of ₱1.00 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 the Series B Preferred shares and Series C Preferred Shares with the trading symbols "ALCPB" and "ALCPC".

As of the date of this Prospectus, CPG and AOCH1 continue to be the largest stockholders of ALCO with 40.29%[7] and 26.02%, respectively, of the total issued and outstanding common shares.

Also as of the date of this Prospectus, the Company has issued ₱6 billion Bonds under its ASEAN Green Bond Program, of which the first tranche amounting to ₱3.00 billion were issued on February 6, 2020 and the second tranche amounting to ₱3.00 billion were issued on December 22, 2022. On February 06, 2025, the first tranche was redeemed as scheduled for a total redemption amount of ₱3.0 billion.

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 project portfolio which is composed entirely of certified sustainable projects. All of its projects adhere to global and national standards for green buildings through the LEED rating system of the USGBC and the BERDE rating system of the PGBC). In 2019 and 2020, ALCO expanded its sustainability commitment by pursuing additional green building rating tools, specifically the EDGE rating system of IFC, and the WELL rating system of the IBWI.

In addition to the certifications for all its projects, ALCO further cemented its commitment to sustainability in 2020 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 officially committed to decarbonizing its portfolio by 2030. In 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 will be able to achieve zero carbon operation footprint for all its tenants and residents in its buildings.

The Company continued to make substantial progress in 2023 on its commitment towards a fully decarbonized portfolio. For the full year ending December 31, 2023, the Company's operating development portfolio composed of Arya, ACPT, Cebu Exchange, and Courtyard Hall and Arthaland Gallery in Sevina Park were able to achieve 59% energy savings, 54% water savings, and 80% avoided 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.

Arya, ALCO's multi-awarded real estate development, utilizes 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 adopt 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. In 2023, Arya's Residences Tower 1 and Tower 2 officially shifted to 100% offsite renewable energy.

[7] Certain shares of CPG are lodged with the Philippine Depository and Trust Corporation under PCD-Filipino.

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. 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 were renewed in January 2022, 2023 and 2024.

Cebu Exchange was completed in 2022. It has achieved LEED Gold certification, BERDE Design 5-Star certification and was awarded the WELL Health-Safety Rating seal in 2022. Its Health-Safety Ratings were renewed in February 2023 and 2024. It achieved EDGE Advanced Preliminary Certificate exemplifying savings in energy use, water use and embodied energy in materials, and is on-track to achieve EDGE Zero Carbon certification under the IFC's EDGE program. 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 a 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 Gold pre-certification and EDGE Advanced preliminary certification. It is on track to achieve BERDE, EDGE and WELL 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 are, as follows:

- 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 pre-certification under the LEED ND 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 is on-track to achieve EDGE Advanced for all Villa types.

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

  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.

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

- ALCO was selected by the WorldGBC, 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 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 the financial advisor and arranger for over 80 major transactions in the Asia Pacific region including the US$1.0 billion AIG Infrastructure Fund, US$15.0 billion Metro Manila toll road projects, and ALCO 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 ₱1.60 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 63 and Certain Relationships and Related Transactions on page 100 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 comfortably within budget, and its on-going projects are likewise expected to be completed within budget. Market reception was very strong across all projects. Its flagship projects Arya and ACPT are 100% sold and 100% leased out, respectively. Its completed projects, Cebu Exchange and Savya Financial Center are 89% and 88% taken up respectively as of June 30, 2025. Likewise, the Company's projects under construction including Lucima, Eluria and Una Apartments were received well by the market because of the careful planning designed to provide products that are unique and are superior in quality.

ALCO also engages best-in-class partners such as construction companies, architectural and design firms, and quantity surveyors. As such, ALCO's projects are excellently executed and are at the forefront of modernity and technology.

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.

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.

ALCO's project portfolio is uniquely positioned in both prime and upcoming locations around the Philippines, thereby allowing it to both realize values from buoyant prices in the central business districts of Bonifacio Global City (Arya and ACPT), Makati CBD (Makati CBD Residential Project 1 and Eluria), Arca South (Savya Financial Center) 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. Laguna's urbanization is well underway, given significant infrastructure development in the area through the Cavite-Laguna Expressway and the presence of key urbanization drivers such as multiple technology parks, auto manufacturing plants and some of the largest IT BPO companies.

With the completion of its capital-raising programs from 2020 to 2024, the Company was able to take a long-term view towards property acquisition for larger properties which the Company can masterplan and develop in phases to ensure a steady pipeline of projects over a period of 10 to 15 years. In August 2025, ALCO, through SLC, acquired a 3,700 sqm property in Barangay Loyola Heights, Quezon City and is now developing Liv North. ALCO has also concluded the acquisition of 50% interest in a 5-hectare property located in the middle of one of the most prime city centers in southern Philippines. It is in the final stages of acquiring a 3.6-hectare property located at the gateway of one of the most prime CBDs in Metro Manila which will benefit from new transportation infrastructure from the government. These properties will allow the Company to offer its unique, specially designed products to a broader market segment.

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, i.e., well below industry averages and at ratios acceptable 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 this to within its internal guidance cap of 1.50x at the consolidated level. 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 June 30, 2025 was reported as 1.37x at the consolidated level.

The Company diligently monitors market conditions to enable it to raise funding from capital markets to fund its growth. Notably, the Company'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 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. For over 20 years, The Asset Triple A Awards have been regarded as one of the most prestigious awards in banking, finance and capital markets in the Asian region. The recognition marks the issuance as the Philippines' first non-bank corporate issuance of ASEAN Green Bonds and highlighted the Company's trailblazing efforts in capital raising.

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. 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 Response

The COVID-19 pandemic highlighted the importance of ALCO's strong fundamentals which allowed the Company to effectively respond to the challenges of the COVID-19 pandemic. By maintaining sufficient flexibility in its timelines and by closely coordinating with its top tier general contractors, the Company was able to deliver Phase 1 and initiate the handover of Phase 2 of Cebu Exchange and the North Tower of Savya Financial Center based on pre-pandemic schedules. 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 of buyers as well as established multinationals as tenants. Given these, the Company saw manageable default, cancellation and pre-termination rates across its projects during and after the COVID-19 pandemic. The Company continues to have the 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.

As a result of the above, the Company was able to take a long-term view towards property acquisition and new launches. Prior to the full lifting of restrictions resulting from the COVID-19 pandemic, ALCO successfully launched Lucima in July 2021, Una Apartments in Sevina Park in September 2022, and Eluria in November 2022. Because of its decision to proceed with the launch of these residential projects, ALCO was able to broaden its sources of revenue generating projects. To note, Lucima, Eluria and Una Apartments started contributing to consolidated revenues in 2022 and 2023 and Q1 2024, respectively. By continuing to work on these projects during the pandemic, the Company was able to secure a steady pipeline that will contribute to its revenues going forward.

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.

Within 2024, ALCO expects to have a total of more than 456,000 sqm of GFA from the completed and current projects in its portfolio. 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%.

Of the target 456,000 sqm of developed GFA, the Company's on-going projects, including Cebu Exchange, Savya Financial Center, Sevina Park, Lucima and Eluria account for all the incremental GFA that ALCO expects to support its growth target. Thus, ALCO has already secured the location and is mobilizing its resources to increase visibility of the successful execution of its growth objectives for 2024.

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 456,000 sqm portfolio in 2024, ALCO expects approximately 50% (about 228,000 sqm) to be in the commercial segment and the balance 50% in the broader mid-scale to ultra-luxury 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 Cebu Exchange and the commercial component of Sevina Park. Of the rest that it plans to develop within Metro Manila, ALCO has 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 by 2024 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 and Eluria.

About 79% of its current product offerings cater to the upscale and luxury market segments, reflecting ALCO's core strength. However, ALCO 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 the Company to broaden the sources of demand for its portfolio.

Focused Mid-Term Land Acquisition Strategy

While the Company carefully executes the successful execution of its on-going projects, it is also preparing to ensure a steady pipeline of projects beyond 2025. To do this, the Company has put in place a focused land mid-term land acquisition strategy that will allow it to acquire larger properties in high growth urban areas which it can masterplan and develop in phases with the objective of maintaining a pipeline of projects beyond 2030. The land acquisition strategy also contains features that provide flexibility to the Company to allow it to manage the funding requirements for the acquisition over a comfortable period.

Over the past years, the Company engaged in negotiations with several landowners for this purpose. It has specifically identified three properties that meet its objectives. The Company is in the final stage of acquisition of a 3.6-hectare property located at the gateway to one of the most prime CBDs in Metro Manila and has concluded the acquisition of 50% interest in a 5-hectare property in the middle of the most prime CBDs in southern Philippines. The development of these properties will allow the Company to have a steady progression of revenues over the long-term.

In addition to properties that will support multi-phase, master-planned community projects, the Company's mid-term plans include the development of Makati CBD Residential 1 and Liv North in northern Metro Manila, to develop single and dual-tower residential projects that will further add to revenues over the medium-term.

With the acquisition of these properties, the Company is expected to achieve approximately 996,000 sqm of total GFA in its portfolio and it 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, Eluria was conceptualized with a vision towards personalized white glove services and concierge solutions. Eluria will have internationally trained hospitality staff assigned to each unit 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.

Another example is Una Apartments which are sold as completely furnished units. For this, ALCO also has collaborated with Ikea which will provide Ikea products for the bedroom, kitchen, living, dining, toilet and bath and utility areas. The Company looks forward to continued partnership with Ikea for its future projects.

Sevina Park will also be the first community to partner with The Medical City (TMC) 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 TMC'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 these developments consistently adhere to high standards.

With the completion of Cebu Exchange and the North and South Tower of Savya Financial Center, the Company intensified its focus on its property management services and re-branded its property management company to APPS. It 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.

In 2020, the Company partnered with the IBWI which crafted the WELL Building Standard to set a global benchmark and to certify buildings that promote and enhance the health and well-being of occupants. ACPT and Cebu Exchange have been awarded with the WELL Health-Safety Rating seal that proves the buildings' safe operations particularly during the COVID-19 pandemic. Savya has achieved WELL pre-certification while other projects under construction including Sevina Park, Lucima and Eluria are WELL-Registered and on-track to obtain the WELL Health-Safety Rating seal. The Company intends for all future projects to obtain the WELL Health-Safety Rating Seal as well.

Matching of Fixed Costs with Recurring Income

To mitigate risk, ALCO maintains a leasing portfolio which is targeted to substantially covers its fixed overhead costs when fully leased out. ALCO's leasing portfolio is currently composed of its retail units in Arya, the office units in ACPT, Courtyard Hall, and 16,003 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. Ltd. ("**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 1 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 Cebu Exchange, ALCO acquired 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 1 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 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 NHMFC allows its buyers to finance up to ₱6.0 million of the purchase price of their residential units with up to 30-year loans at a fixed preferential rate for 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 NHMFC will potentially benefit all of the Company's buyers for its residential projects.

PROJECTS

Arya

Arya is a 507-unit high-end residential project located at the corner of 8^{th} 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 retail units in 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 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. 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 the Best Residential Interior Design by the same body in 2014.

Arthaland Century Pacific Tower

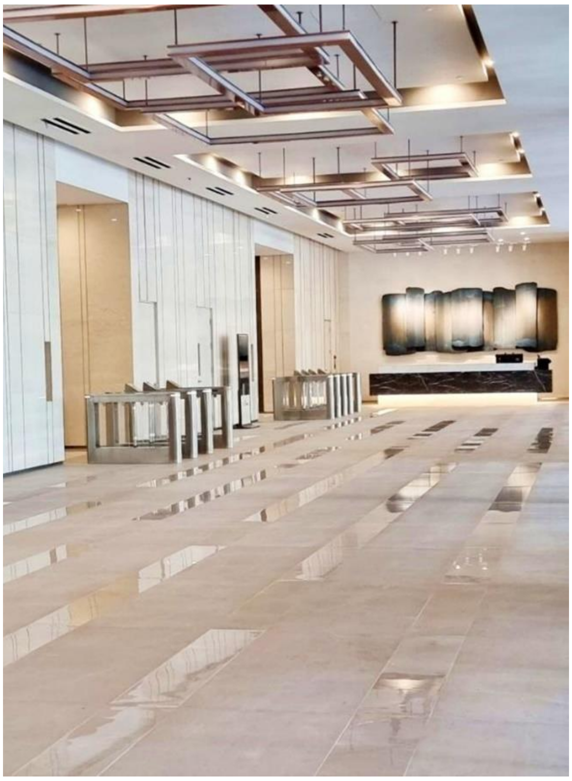
ALCO initiated the development of ACPT in 2014 and started operations in 2018. To date, the NLA of ACPT which is owned by ALCO is 100% leased out.

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 to 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.

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. 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. It is on-track to achieve EDGE Zero Carbon certification under the IFC's EDGE program.

ALCO's design for Cebu Exchange gives it the flexibility to serve the varying needs of locators in Cebu: (i) it 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 other types of 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 Cebu Exchange was 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 which is a Hong Kong based private equity fund set up to pursue investments in Asian property markets, and strong growth phases such as China, India, and Thailand.

ALCO acquired Arch SPV's common and preferred shares in and shareholder advances to CLLC on December 27, 2021 at the time when Cebu Exchange was substantially completed. This transaction is consistent with the investment period for Arch SPV as set forth in the shareholders' agreement between ALCO and Arch SPV. The transaction is also consistent with ALCO's commitment to Cebu Exchange and its intentions to retain office and retail units in the project to boost its recurring income from leasing operations.

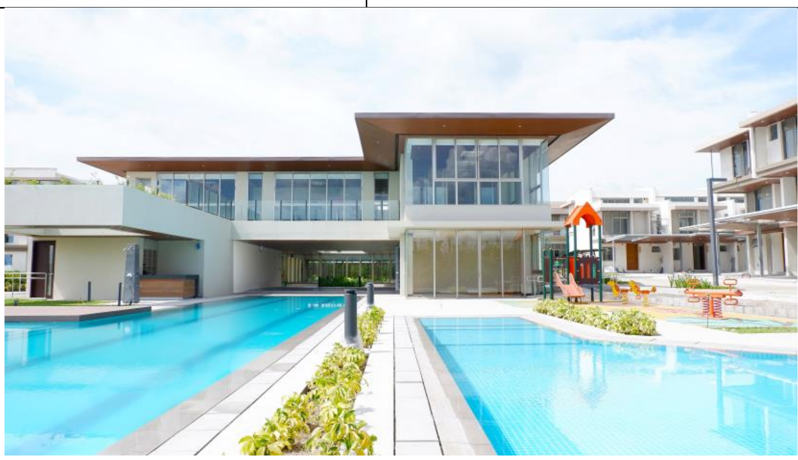
In 2022, CLLC reclassified 8,059 sqm of office units, 2,628 sqm of retail units and 36 non-appurtenant parking slots from real estate for sale to investment properties following its intention to retain these units to generate recurring income from their lease to locators in Cebu Exchange. In 2023, CLLC identified an additional 5,316 sqm of office units from its inventory of real estate for sale to investment properties. CLLC reflected pre-tax fair value gains of approximately ₱954 million in 2022 and ₱605 million in 2023 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.

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[8]. As of June 30, 2025, ₱9.82 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 89% of NSA of Cebu Exchange.

Sevina Park

[8] The declaration of a state of national emergency under Republic Act No. 11469, also known as the "Bayanihan to Heal as One Act," and the imposition of emergency measures by the Inter-Agency Task Force for the Management of Emerging Infectious Diseases in response to the COVID-19 pandemic, including the suspension of operations and construction work in subdivision and condominium projects, have resulted in delays in the development and completion of these projects, as well as in the delivery and turnover of units to buyers. In this regard, the DHSUD granted developers an extension of the project completion period and further allowed them to apply for additional time, to be reckoned from the original completion date indicated in the license to sell.

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 from South Industrial Facilities, Inc. and YCLA Sugar Development Corp. eight hectares of land adjacent to the *De La Salle University Laguna Complex* in Biñan. 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 beds in Courtyard Hall up to August 31, 2025.

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 pre-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. All other villas are on-track for EDGE Advanced certification under the EDGE green building program.

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

As of June 30, 2025, reservation contracts with a total value of ₱2.21 billion covering approximately 96% of the NSA of the Sevina Park Villas have been executed. As of June 30, 2025, tranche 1, covering the first 43 villas is 100% complete. Tranche 2, covering the next 26 villas is 100% complete. Finally, tranche 3 covering the remaining 39 villas is 14.9% complete.

Una Apartments in Sevina Park

Una Apartments

Studio and One-bedroom model unit

Una Apartments is a five-tower residential development 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 ₱5 million while maintaining high quality standards for which Arthaland is known.

The mid-rise towers will have multiple sustainability certifications that will let its residents enjoy water and electricity savings by at least 20%.

One key feature of Una Apartments is that it is equipped with Energy Recovery Ventilator 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 was substantially sold out by year-end 2023. Because of the very strong market reception for Una Apartments, the second tower was launched in November 2023.

As of June 30, 2025, the Company has already executed sales reservation contracts with a total value of ₱2.44 billion covering approximately 98% of the NSA for the first tower. The second tower of Una Apartments has already executed sales reservation contracts with a total value of ₱2.49 billion as of June 30, 2025 that covers approximately 70% of the total NSA for the second tower.

The construction of the first tower is on-going and is 67.8% complete as of June 30, 2025 while the second tower is at 7.9% completion.

Sevina Park Arcades

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 June 30, 2025 with a combined contract price of ₱1.36 billion.

A portion of Sevina Park Arcades is envisioned to be developed into a retail space which includes a supermarket and boutique establishments that will complement the everyday needs of the residents within Sevina Park.

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 received LEED Gold precertification in 2019, WELL precertification in 2021, EDGE Advanced Preliminary, and WiredScore Gold in 2024. It is on track to achieve its BERDE and EDGE Zero Carbon certifications.

The North Tower of the Savya Financial Center was launched in February 2019 and handover to buyers was initiated in January 2022, consistent with pre-pandemic delivery dates. The South Tower was inaugurated in October 2022. SLDC obtained the certificates of completion on December 13, 2023 for both the North Tower and the South Tower of Savya Financial Center. As of June 30, 2025, reservation contracts with a total value of approximately ₱5.8 billion and covering approximately 88% of the NSA of the North Tower have been executed.

Lucima

Lucima building rendering and vicinity map

ALCO, through its subsidiary Bhavana, completed acquired the 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, which is currently being developed into Lucima.

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 either 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.

As of June 30, 2025, reservation contracts with a total value of approximately ₱5.2 billion covering approximately 93% of Lucima's NSA have been executed. Lucima achieved structural top-off in September 2023. As of June 30, 2025, construction is 87.5% complete. Handover to buyers will commence by January 2027.

Eluria

Eluria building rendering

In 2020, ALCO, through its subsidiary, Bhavya, acquired 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. 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 gross floor area 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. Eluria was launched in November 2022 and is 58.4% complete as of June 30, 2025. As of June 30, 2025, reservation contracts with a total value of approximately ₱3.02 billion covering approximately 52% of Eluria's NSA have been executed. The project achieved structural top-off in Q4 2024 and is on-track for completion by 2026.

Makati CBD Residential Project 1

The Company, through its wholly-owned subsidiary, ZLDC, acquired condominium certificates of title ("**CCTs**") covering condominium units of Midland Mansions Condominium, including the undivided interest of said units in the underlying land equivalent to 2,018 sqm total lot area. The Company plans to develop it into a high-rise luxury, sustainable, multi-certified residential project. ALCO expects to launch the project by Q4 2025.

Project Olive

ALCO is in the final phase of the acquisition of 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.

ALCO plans to develop the property into a boutique master planned mixed-use 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. The twelve residential towers are scheduled to be launched in phases from 2027 to 2039 and subsequently completed beginning 2032 for the first tower. As such, Project Olive is expected to support the Company's objective of maintaining a continuous pipeline of projects.

Project Vanilla (previously Project Midtown)

ALCO, jointly with another party, concluded the acquisition of a 5-hectare property in the middle of the most prime city center area in southern Philippines. The acquisition program is structured such that each of ALCO and the other party will own 50% of the property after completion of the masterplan and site development works. Further, the acquisition program is expected to be completed before 2027 to manage funding requirements over time.

ALCO plans to develop the property over multiple phases to provide a steady pipeline of projects which will contribute to the revenues of the Company 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 2037. Completion of the towers is likewise expected to be achieved in phases beginning 2031.

Liv

ALCO, through its wholly-owned subsidiary SLC, completed the acquisition of a 3,700 sqm property located along Katipunan Avenue, Loyola Heights, Quezon City, and envisions to develop it into a sustainable two-tower, high-rise residential condominium development. The first tower, Liv North, was launched in August 2025 and is expected to be completed by the 4th quarter of 2030.

Aside from the projects mentioned above, ALCO is actively evaluating acquisition targets in the business districts of Makati, BGC, and other emerging cities. ALCO will disclose material acquisitions, as they become definite, to its stakeholders through the PSE and SEC.

RELATIVE CONTRIBUTION TO REVENUES PER PRODUCT

The following shows the relative contribution of each project as described above to the total revenues of ALCO for the first half of 2025 and the full year ended 2024, 2023 and 2022:

Amounts in ₱ million	**June 2025**	**2024**	**2023**	**2022**
Real Estate Sales:				
Savya Financial Center	103	185	2,393	435
Lucima	303	1,498	1,512	917
Cebu Exchange	126	1,378	986	520
Sevina Park	82	935	795	722
Eluria	497	768	566	-
Una Apartments	685	991	-	-

Amounts in ₱ million	June 2025	2024	2023	2022
Total Real Estate Sales	1,796	5,758	6,252	2,595
Lease Revenues	369	415	366	308
Interest on real estate sales	27	15	-	-
Project Management Fees	18	35	21	18
Total Revenues	**2,210**	**6,224**	**6,639**	**2,922**

The percentage contribution to revenues and net income of foreign sales in ALCO's projects is not significant as of full year December 31, 2022, 2023, 2024 and for the six-month period ended June 30, 2025.

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 ₱ million	**Period Covered**	**Estimated Revenues in ₱ million**
ACPT	2018 to 2025	2,547.4
Cebu Exchange	2018 to 2026	12,410.1
Savya Financial Center	2019 to 2026	5,930.3
Sevina Park	2018 to 2040	21,532.1
Lucima	2022 to 2027	5,006.7
Eluria	2023 to 2027	5,495.7
Makati CBD Residential 1	2026 to 2030	11,025.5
Project Teal	2026 to 2032	12,576.1
Project Olive	2028 to 2044	104,584.0
Project Vanilla	2027 to 2041	52,859.4

VALUE OF INVENTORY AVAILABLE FOR SALE

The table below summarizes the status, the estimated value of inventory available for sale as of June 30, 2025, and the percentage ownership of ALCO in each of the subsidiaries which undertake its projects as abovementioned. 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%	627
Kashtha and SLDC	Savya North Tower	60%	100%	788
	Savya South Tower	0%*	100%	NA
Cazneau	Sevina Park Villas	100%	Tranche 1 – 100% Tranche 2 – 100% Tranche 3 – 14.9%	101
Cazneau	Una Apartments Tower One	100%	67.8%	36

Company	Project	% Ownership of ALCO	% Completion	Value of inventory remaining
Cazneau	Una Apartments Tower Two	100%	7.9%	1,017
Cazneau	Sevina Park Arcades	100%	100%	315
Bhavana	Lucima	60%	87.5%	367
Bhavya	Eluria	60%	58.4%	2,795
Total				**6,046**

**98.5% of the shares of SLDC is currently registered under Kashtha pending the completion of the capital reorganization of SLDC which will result in Kashtha owning 50% of SLDC's common shares. The shareholders' agreement for SLDC states that the 50% ownership of Kashtha in SLDC 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.*

STATUS PER PROJECT

The following table summarizes the status of each project as of August 31, 2025:

	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) • Initiated handover to buyers in April 2022 as scheduled	NA
Sevina Park	Construction of Sevina Park Villas in various stages of progress • Phase 1: Courtyard Hall – 100% Completed in 2018 • Phase 2: Villas o Overall site development: 89.31% o Construction completion for Tranche 1 of Villas: 100% o Construction completion for Tranche 2 of Villas: 100% o Construction completion for Tranche 3 of Villas: 18.47% o Amenities and pavilion: 97.89% • Phase 3: Apartments	Debt and equity funding required to complete the project are in place

	Project Status	Availability of Funds Required for the Project
	○ Una Apartments, first two towers of the mid-rise residential condominiums, launched in September 2022 and November 2023 ○ Construction completion for the Una Apartments Tower One: 74.76% ○ Construction completion Una Apartments Tower Two: 12.44% • 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: 88.19% • Estimated initial handover by January 2027	Debt and equity funding required to complete the project are in place
Eluria	• Physical accomplishment: 71.91% • Estimated completion by Q4 2025	Debt and equity funding required to complete the project are in place
Makati CBD Residential 1	• Land acquisition in the final stage. Expected to close the acquisition in H2 2025 • Expected launch in Q4 2025	Debt and equity funding required to complete the project are in place.
Project Olive	• Signed agreement for land acquisition is in place • Expected launch of first tower in Q4 2026	Of the ₱1.70 billion equity required from ALCO, P417M has been infused into Pradhana (the project company for Olive). The equity previously allocated to Olive from the ASEAN Green Bonds had been approved for reallocation to other projects such as Teal, Vanilla and Makati CBD Residential 1. As such, the remaining equity requirement for the project will be sourced from internally generated funds and new financing sources at the level of ALCO. Additional term loan of ₱5.00 billion and funding from a strategic partner

	Project Status	Availability of Funds Required for the Project
		amounting to ₱1.00 billion are required to complete the project. Agreement for the term loan is expected by Q3 2026 while agreement for the JV partnership is expected by Q1 2027.
Project Vanilla	• Signed agreement for land acquisition is in place	₱1.14 billion equity required from ALCO is in place. Additional term loan of ₱3.90 billion and funding from a strategic partner amounting to ₱0.76 billion are required for the project. Agreement for the term loan is expected by H1 2026 while the agreement for the JV partnership is expected to be in place by H2 2026.
Liv	• Land acquisition is complete. • Launch of the first tower in September 2025	₱750.00 million equity required from ALCO is in place. Additional term loan of ₱2.32 billion and funding from a strategic partner amounting to ₱.00 million are required to complete the project. Agreement for the term loan is expected by Q4 2025 while the agreement for the JV partnership is expected to be in place by H1 2026.

MATERIAL AGREEMENTS

1. Project Management Contracts

Project Management Agreement between ALCO and CLLC

A Project Management Agreement was entered into by ALCO and CLLC 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 on December 31, 2021. 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

A Project Management and Marketing Agreement was entered into by ALCO, SLDC, and Arcosouth 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 previously registered in the names of SLDC and Arcosouth. The property is now in SLDC's name. 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 on December 13, 2023.

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.

Memorandum of Agreement between ALCO and CLLC

On March 31 2025, ALCO and CLLC executed a Memorandum of Agreement for certain units in Cebu Exchange retained by CLLC. Under the Agreement, ALCO was engaged as project and asset Manager to oversee management, sale, lease, and fit-out construction of the units and parking slots retained by CLLC. ALCO's scope of services covers business planning, design and fit-out construction, procurement, cost management, selling, leasing and marketing operations, sales administration, project financing, and corporate support services.

2. Partnership Agreements

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 ₱900,000,000.00 into CLLC which funds shall be used by CLLC exclusively to refinance the principal amortization for 2021 under the PNB OLSA amounting to ₱900,000,000.00 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 ₱1,100,000,000.00 into CLLC. The advance carries an interest rate of 3.5% and ranks pari-passu with other advances to and loans of CLLC.

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 MEC

In August 2019, ALCO and MEC executed a joint venture agreement to invest in, establish and maintain the joint venture company Kashtha 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 Kastha the direct 50% stockholder in SLDC, and (ii) acquired by assignment the shareholder's advances made by the ALCO to SLDC.

Shareholders' Agreement and Memorandum of Agreement between ALCO and Help Holdings, Inc.

On October 11,2019, ALCO and Help Holdings, Inc., the principal shareholder 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 the North Tower and the South Tower of 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.

- Kashtha 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 shall accrue to the Common A shares. ALCO (and later, Kashtha) was 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 shall accrue to the Common B shares. Help Holdings, Inc. was responsible for ensuring that there is sufficient funding to complete the development of the South Tower.

The agreements require Kashtha to divest from its shareholding in SLDC upon the sale of 100% of the office and retail units in the North Tower.

3. Loan Agreements

*Guidance Line for Term Loan Facility Letter from Philippine National Bank ("**PNB**") to ALCO*

On October 28, 2021, PNB made available to the Company a Guidance Line for Term Loan Facility of up to ₱500 million which was subsequently increased to ₱1.0 billion through the execution of a Loan Agreement on December 13, 2022. 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 with MPI, being the registered owner, as third-party mortgagor, and

b) Unregistered mortgage over 92 parking slots in Arya

As of August 31, 2025 there is an outstanding loan of ₱812.5 million under this facility.

*<u>₱1.43B Standby Term Loan and P200M Facility Letter from Bank of the Philippine Island ("**BPI**") to ALCO</u>*

On October 28, 2022, BPI granted (1) a ₱1.85 billion standby term loan facility and (2) a ₱200 million revolving promissory note line (RPNL), both of which were available for drawdown by ALCO or any of its subsidiaries. Following this, ALCO allocated the amounts of ₱250 million, ₱500 million, and ₱300 million short term loan/RPNL facilities, respectively, to each of Bhavana, Bhavya and Savya.

On June 11, 2024, BPI amended the credit facilities to (1) a ₱1.43 billion standby term loan facility and (2) a ₱200 million RPNL, both of which were still available for drawdown by ALCO or any of its subsidiaries.

On June 20, 2025, BPI amended the credit facilities to (1) ₱1 billion short-term loan and (2) ₱600 million RPNL, both of which were still available for drawdown by ALCO or any of its subsidiaries.

As of August 31, 2025:

- Bhavana has no outstanding short-term loan/RPNL facility with BPI;
- Bhavya has ₱281 million outstanding under the short-term loan/RPNL facility with BPI; and
- SLDC has ₱707 million outstanding under the short-term loan/RPNL facilities with BPI

<u>₱1.0B Sustainability-Linked Loan Facility between ALCO, CLLC and China Bank Corporation</u>

On March 27, 2025, ALCO, CLLC and China Bank Corporation enter into an Omnibus Loan and Security Agreement (OLSA) where China Bank made available to the company a sustainability-linked loan facility of up to ₱1,000,000,000 which the Company drew in full on May 27, 2025. The proceeds from the term loan were used to finance project development and land acquisition, to refinance existing debt and for other general corporate purposes.

The term loan is secured by the following:

a) First-ranking real estate mortgage over 38 Cebu Exchange Tower Properties owned by CLLC; and
b) First-ranking security interest, or assignment of, the DSRA.

<u>₱1.44B Term Loan between SLDC and BDO</u>

On August 13, 2021, BDO granted SLDC a ₱1,440,000,000.00 term loan facility which was available in single or multiple drawdowns up to May 14, 2022, payable based on a quarterly principal repayment schedule beginning on February 28, 2022 up to its maturity date on August 29, 2023.

The term loan is secured by the following:

1. A real estate mortgage over 50% of the land on which Savya Financial Center now stands, covered by Transfer Certificate of Title (TCT) No. 164-20180000374 and a portion corresponding to 848 sqm of the land covered by TCT No. 164-2018000375. This was documented by a Real Estate Mortgage Agreement executed on August 13, 2021 with SLDC as mortgagor and BDO as mortgagee, and

2. A Continuing suretyship of ALCO in the amount of ₱720,000,000.00 documented by a Continuing Suretyship Agreement executed by ALCO in favor of BDO on August 13, 2021.

The ₱1.44B term loan was fully drawn by SLDC and was used to prepay the ₱1.44B outstanding loan under the OLSA between SLDC and BPI.

SLDC repaid the term loan in full on August 29, 2023.

Real Estate Mortgage Agreement for ₱1.8 billion term loan of Help Holdings, Inc.

On August 4, 2021, SLDC, as third-party accommodation mortgagor, and BDO, as mortgagee, executed a Real Estate Mortgage Agreement to secure the ₱1.8 billion term loan of Help Holdings, Inc., ALCO's Filipino strategic partner in SLDC. The real estate mortgage covers 50% of the land on which Savya Financial Center now stands, covered by TCT No. 164-2018000713 and a portion corresponding to 1,077 sqm of the land covered by TCT No. 164-2018000375. The proceeds of the loan was used by Help Holdings, Inc. to infuse into SLDC which SLDC will, in turn, use to partially fund the development cost of the South Tower of Savya Financial Center.

Contract to Sell Facilities for SLDC

An agreement for the establishment of a CTS Facility was executed by SLDC and BDO in February 2023 for financing receivables from buyers of units and parking slots in Savya Financial Center. As of August 31, 2025, the facility amounts to ₱1.0 billion of which ₱257.7 million is outstanding.

₱3.0 billion Term Loan between ALCO and Union Bank (Debt Capital Market)

On January 24, 2025, Union Bank of the Philippines granted a ₱3,000,000,000.00 term loan facility through private debt offering which was available for drawdown by ALCO and CLLC.

As of August 31, 2025, ALCO has ₱855.9 billion outstanding loan.

Short Term Loan Facilities

ALCO secured the following short-term unsecured loan facilities from various lenders:

(i) ₱1.350 billion short-term, unsecured facility from BDO which has been drawn in full as of August 31, 2025.

(ii) ₱300 million short-term unsecured facility of which ₱187.5 million has been drawn as of August 31, 2025, and ₱10 million bills purchase line from CTBC Bank;

(iii) ₱605 million short-term unsecured facility of which ₱50.0 million has been drawn as of August 31, 2025, and ₱300 million bills purchase line from Union Bank of the Philippines ("**Union Bank**");

(iv) ₱500 million unsecured revolving credit line from PNB of which ₱400 million has been drawn as of August 31, 2025, and ₱30 million domestic bills purchase line which has not been drawn;

(v) ₱1.45 billion unsecured, short-term facility from Union Bank Trust of which ₱1,364.2 million has been drawn as of August 31, 2025;

(vi) ₱300 million domestic bills purchase line from BPI which has not been drawn to date; and

(vii) ₱400 million unsecured, short-term facility from Land Bank of the Philippines which has been fully drawn as of August 31, 2025.

CLLC secured the following short-term unsecured loan facilities:

(i) a ₱1.38 billion short-term, unsecured facility from Union Bank of which ₱1.320 billion has been drawn as of August 31, 2025;

(ii) a ₱300 million Domestic Bills Purchase Line from Union Bank which has not been drawn as of August 31, 2025.

Savya secured the following short-term unsecured loan facilities:

(i) a ₱500 million unsecured, short-term facility from Union Bank Trust of which ₱484.1 million has been drawn as of August 31, 2025.

4. Construction Contracts

On April 11, 2018, CLLC issued to DDT Konstract, Inc. a letter of award for general construction contract over Cebu Exchange.

In August 2019, SLDC issued to Datem Construction, Inc. a letter of award for general construction contract over Savya Financial Center.

On September 2, 2019, SLDC issued to Datem Incorporated a letter of award for the design, construction, testing, and completion of certain works over Savya Financial Center.

5. Contracts to Sell

122 Contracts to Sell, **98** involving Cebu Exchange and **24** involving Savya Financial Center, were executed between the periods August 14, 2017 up to December 29, 2024. All the units which were subject to these Contracts to Sell form part of the CLS Program

6. Consolidated Leasing Agreements

For Cebu Exchange, a total of **99** Consolidated Leasing Agreements were executed, **55** of which were executed with corporate entities and **44** of which were executed with individuals. Except for two (2) units which have no existing tenants, contracts of lease with third party lessees have been executed based on **97** Consolidated Leasing Agreements.

Insofar as Savya Financial Center, a total of **24** Consolidated Leasing Agreements were executed, eight (**8**) of which were executed with corporate entities, and **16** of which were executed with individuals.

7. Contracts of Lease

Six (**6**) Contracts of Lease were executed with third party lessees for the following lease pools:

Lease Pool 1

A contract of lease was executed over the ground floor units H, I, and J in Cebu Exchange on June 01, 2024 for a term of five (5) years.

Lease Pool 2

A contract of lease was executed over units located on the 17th, 18th, 19th, 27th, and 28th floors of Cebu Exchange on June 19, 2023 for a term of five (5) years. The same lessee executed an additional contract of lease over units located in units located on the 15th, 16th, and 22nd floors in Cebu Exchange on June 19, 2024 for a term of 47 months.

Lease Pool 3

A contract of lease was executed over units 26A, 26B, 26C, 26D, 26E, 26F, 26G, and 26L of Cebu Exchange on July 10, 2024 for a term of ten (10) years.

Lease Pool 4

A contract of lease was executed over units 30D, 30E, 30L, 31A, 31B, 31C, 31D, 31E, 31F, 31G, 31H, 31I, 31J, 31K, and 31L on May 01, 2024 for a term of five (5) years.

Lease Pool 5

A contract of lease was executed over units 32C, 32D, and 32E on May 01, 2024 for a term of five (5) years.

8. Marketing Contracts

Vitamin B Inc. was engaged by CLLC to deliver services for brand strategy and positioning, brand identity creation, campaign development, digital advertisements, video shoot, print advertorials, billboard, and project presentation for Cebu Exchange and Savya Financial Center through various signed proposals executed from 2019 to 2020. These engagements had a period of only six (6) months from commencement and have since expired.

DISTRIBUTION METHODS

ALCO employs four (4) sales operations head, two regional sales operations director, and eleven (11) area sales operations directors in charge of overseeing the sales efforts of the Company’s sales infrastructure. As of August 31, 2025, the Company engages the services of thirteen (13) sales directors, thirty-eight (38) sales managers, forty-one (41) deputy sales managers and one hundred eight (108) 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

In May 2023, the World Health Organization declared that COVID-19 was no longer considered as a global health emergency. Subsequently, in July 2023, Presidential Proclamation No. 297 was issued and lifted the State of Public Health Emergency that had prevailed over the Philippines. However, headwinds from the global front given the effects of the Russia-Ukraine war, Israel-Hamas war, the generally sustained tight monetary policy implemented by the US Federal Reserves to ease up inflation, and the corresponding over-all tightening of monetary policies in various countries, including the Philippines, partially offset gains from the complete lifting of restrictions due to the COVID-19 pandemic.

Given the above, the Philippines saw a slowdown in GDP growth which registered at 5.6% for the full year 2023 as compared to the 7.6% growth registered for the full year 2022. Notably, the Philippines' GDP growth for 2023 outpaced the growth registered by other countries in Asia, including those of China and Malaysia which grew at 5.2% and 3.4%, respectively. Despite the headwinds, the Philippine economy is expected to grow above 6% over the medium term backed by large investments in infrastructure and economic reforms by the Marcos Jr. administration, including the passage of the proposed Public-Private Partnership (PPP) Act that will streamline the PPP process and will aid private sector investments towards the Philippines' large infrastructure projects.

Fundamentally, the Philippines' attractiveness as a business location remains strong, given that rental rates and capital values in Metro Manila and other urban areas remain lower than most of the developed countries in the region. In addition, the Philippines continues to offer a supply of young, educated talent at lower cost than comparative talent in the region. In addition, the Marcos administration expressed its intention to put in place certain policies that will be supportive to the real estate sector including continuation of necessary infrastructure projects, support for ecozones to drive investments, and the promotion of tourism, among others. We believe that these core characteristics and government support will drive continued growth over the long-term for the Philippine real estate sector.

In the near-term, residential and office supply are expected to improve with the completion of projects that were stalled during the pandemic, and launches of new projects are likewise expected in the horizon. While the lingering effects of high vacancy in office sector remained elevated in 2024 due to expected completion of new office spaces, there will be a gradual decline over time as a steady increase in transactions for new office space had been observed given return to office protocols of companies in 2023. Vacancy is expected to go down and rental rates will recover for the residential sector following demand from local employees as well as rising demand from returning expatriates.

Office Segment – Metro Manila

Office Stock. As of end of Q1 2024, the total supply of office space in Metro Manila is at 14.3 million sqm and is expected to increase to 16.1 million sqm by the end of 2027. The central business districts of Makati City and Fort Bonifacio accounted for around 42% of total office space by year-end 2023. From 2023 to 2027, the bulk of new office supply is expected to come from the central business districts in Quezon City, Fort Bonifacio, Ortigas, and the Bay Area, as well as to the fringe areas of Ortigas and Makati. Supply of new office space is expected to taper off from 2025 to 2027.

Metro Manila Annual Office Supply
(in '000 sqm of GLA)

Submarket	End-2023	2024F	2025F	2026F	2027F	End-2027
Makati CBD	3,367	52	-	-	-	3,420
Fort Bonifacio	2,647	51	8	79	71	2,856
Ortigas Center	2,323	46	35	-	12	2,415
Quezon City	1,656	73	212	126	67	2,135
Bay Area	1,437	100	39	-	57	1,633
Alabang	868	38	-	-	16	921
Makati Fringe	720	71	-	95	-	886
Ortigas Fringe	632	48	19	121	154	974
Others	640	74	52	42	28	836
Metro Manila	14,290	553	365	463	405	16,076

Source: Colliers International 2024 Q1 Property Briefing

Demand. In its Q1 2024 briefing, Colliers International noted the sustained improvement in the level of transactions in the office sector which posted an 88% increase in volume of office space transacted for first quarter of 2024 over the same period in 2023. Traditional sectors and IT-BPM continued to provide stable source of demand for office space during this period.

The over-all vacancy in Metro Manila was at 19.0% as of the end of Q1 2024 which posted a slight improvement over the vacancy of 19.3% as of end of 2023. Vacancy is expected to increase further to 19.6% between 2023 to 2024 due to the completion of several office projects during this period, expected surrenders from pre-pandemic leases and the effect of the upcoming US elections which is tempered by a gradual increase in transactions for office space. Among the different business districts, Fort Bonifacio, Makati CBD and Ortigas Center experienced more benign vacancy rates at 15.4%, 10.2% and 14.0% respectively. The excess supply is expected to be absorbed over the next years as the new supply tapers off while the net take-up steadily improves.

Lease rates. In the Q1 2024 property briefing of Colliers, average lease rates in Metro Manila improved by 0.6% as compared to the previous quarter. With the expected continued improvement in volume of office transactions and the tapering off of new supply in the coming years, recovery is expected to take effect within 2024. Colliers expects average lease rates in 2024 to marginally increase by 2.5%. Among the business districts in Metro Manila, premium and Grade A office spaces in Makati CBD continue to command the highest headline average lease rate per sqm at ₱1,200 – 1,700 per sqm. Meanwhile, headline lease rates for Grade A office space in Fort Bonifacio held steady at ₱1,100 – 1,500 per sqm as of Q1 2024.

Office Segment – Cebu

In Collier's property briefing for Q4 2023, Cebu had a total office stock of 1.45 million sqm of leasable space as of end of 2023 and is expected to increase to 1.75 million sqm by end of 2028. Cebu Business Park and Cebu IT Park continue to be the main source of new office stock and is estimated to account for about 63% of the total Cebu office stock by end 2028.

Cebu Annual Office Supply
(in '000 sqm of GLA)

Submarket	End-2023	2024F	2025F	2026F	2027F	2028F	End-2028
Cebu Business Park (CBP)	445.4	-	5	-	57	-	507.5
CBP Fringe	112.5	-	-	-	-	21	133.6
Cebu IT Park (CITP)	558.7	17	19	-	-	-	594.2
CITP Fringe	20.8	-	-	-	-	-	20.9
Mandaue	122.1	7	20	-	-	-	149.3
Mactan	86.2	8	-	-	-	-	94.6
North Reclamation	61.4	57	37	-	-	-	154.9
Others	42.7	19	-	32	-	-	93.4
Metro Cebu	1,449.9	108	81	32	57	21	1,748.4

Source: Colliers International Q4 2023 Property Briefing

Cebu continues to be a viable alternative to Metro Manila as a business location because it allows companies to tap into the large talent pool in southern Philippines, to achieve geographical diversification benefits and to average down on their rental costs. The average rental rate in the most prime central business districts in Cebu continues to be less than half the lease rate for Grade A office space in Makati and Fort Bonifacio. Transaction activities marginally declined for 2023 but is still a marked improvement as compared to 2021. The demand is primarily driven by the IT-BPM firms who are seeking to expand their operations in Cebu.

With the level of business activity closing in to pre-pandemic level, vacancy rates in the prime central business districts of Cebu Business Park and Cebu IT Park started to ease down from 18.7% and 20.0% as of year-end 2022 to 14.9% and 19.1% as of year-end 2023, respectively. Mandaue also exhibited significant improvement in vacancy rate from 21.5% as of year-end 2022 to 13.3% as of year-end 2023. For full year 2024, analysts expect net take up of office space to increase steadily although new supply is still expected to outpace net take up during this period. Given this trend, overall vacancy in Cebu is expected to marginally increase to about 21% during this period.

Residential Segment

Metro Manila Annual Residential Supply
(in condominium units)

In its Q1 2024 property briefing, Colliers expects an increase in residential vacancy rates by end of 2024 given the sizable amount of condominium units that will be completed within the year. Vacancy rates are expected to recover beginning in 2025. While the elevated vacancy puts downward pressure on the rental rates, Colliers still expects marginal improvement in lease rates following demand from local employees due to return to traditional office set-up as well as rising demand from expatriates.

As of year-end 2023, there were about 155,000 condominium units in Metro Manila. In 2024, an additional 11,300 units is expected of which about 63% will come from residential projects in the Bay Area. Over the next 2 years, the bulk of new supply is expected to come from this area as well and by 2026, we expect more condominium units in the Bay Area compared to either Makati CBD or Fort Bonifacio. Despite the new supply, vacancy rates are expected to gradually drop across all business districts in the medium term from 2025 onward following a slight increase expected for 2024.

Average vacancy is at 17.0% as of end of Q1 2024 and is expected to go up to 17.7% by year-end 2024 following the expected completion of 11,290 units, the largest new supply since 11,200 units completed in 2019. Despite this, we expect residential rental rates to steadily improve consistently between 2024 to 2026 particularly those located within the major business hubs. This is mainly due to increasing demand from local employees following return-to-office protocols and returning foreign expatriates.

Location	**End-2023**	**2024F**	**2025F**	**2026F**	**End-2026**	**% Change (2026 vs end of 2023)**
Alabang	5,660	570	1,880	340	8,440	49.2%
Araneta City	5,140	-	-	-	5,140	0.0%
Eastwood City	9,630	-	-	-	9,630	0.0%
Fort Bonifacio	42,550	1,300	1,470	820	46,140	8.4%
Makati CBD	29,210	280	840	1,460	31,790	8.8%
Bay Area	36,860	7,120	2,270	340	46,590	26.4%
Ortigas Center	19,830	2,030	1,090	2380	25,330	27.7%
Rockwell Center	5,830	-	-	-	5,830	0.0%
	154,700	**11,290**	**7,540**	**5,350**	**178,880**	**15.6%**

Source: Colliers International Q1 2024 Briefing

Over the long-term, the outlook for the residential sector continues to be very positive driven by the expanding infrastructure network as major projects under the government's Build, Better, More program achieve completion and the passing of major economic reforms such as the proposed PPP Act.

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

Supplier	Products and Services Provided
Megawide Construction Corporation	General contractor for ACPT
Monocrete Construction Philippines, Inc.[9]	General contractor for Lucima
Datem Incorporated	General contractor for Eluria
ASEC Development Corporation	General contractor for Una Apartments
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)
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)
Aidea Inc.	Architecture Services (Architect of Record)
Visionary Architecture, Inc.	Architecture Services for Project Teal
Casas + Architects, Inc.	Architecture Services for Makati CBD Residential Project 1
Arcadis Philippines Inc.	Quantity Surveyor for Arya, ACPT, Cebu Exchange, Savya, Una Apartments, and Eluria
Metri Quantity Surveyors	Quantity Surveyor for Sevina Park
BK Asia Pacific (Philippines) Inc.	Quantity Surveyor for Lucima
Danilo C. Mancita, Inc.	Construction Manager for Arya
AECOM Philippines Consultants Corp.	Quantity Surveyor for Eluria
Design Coordinates Inc.	Project Manager for Eluria

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 page 82 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.

[9] On October 1, 2024, Bhavana Properties, Inc. issued a Notice of Termination of Contract to Monocrete Construction Philippines, Inc. (Monocrete), the General Contractor of Project Lucima. The decision to terminate the contract with Monocrete allows Arthaland to take control over the works and complete the project. Additional contractors have been engaged to do finishing works.

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. 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. 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 100 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”, “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

Mark		Number	Registration Date	Expiration Date
Savya Financial Center		4-2019-006508	December 29, 2019	December 29, 2029
ARTHALAND Building Sustainable Legacies		4-2019-018161	October 9, 2020	October 9, 2030
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
Una Apartments	Una Apartments (wordmark)	4-2022-516722	January 7, 2023	January 7, 2033

NEED FOR GOVERNMENT APPROVAL FOR PRINCIPAL PRODUCTS OR SERVICES

ALCO secures various government approvals such as the 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 the government approvals, permits and licenses issued by the relevant bodies or agencies listed below, as these are necessary to conduct their business and operations, while those approvals, permits and licenses required for specific projects have either been secured or are currently being processed by the relevant bodies or agencies, as also 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	January 22, 2025	December 31, 2025
3. Barangay Business Clearance	Barangay Fort Bonifacio, City of Taguig	Serial No. 101700 s. 2025	February 13, 2025	N/A
4. Sanitary Permit to Operate	Office of the City Health Officer, Taguig City	A41901-1015425012241-14369	January 22, 2025	December 31, 2025
5. Certificate of Employer's Registration	Pag-IBIG	Employer No. 204213480002	August 31, 2016	N/A
6. Certificate of Employer's Registration	Social Security System (SSS)	SSS Employer No. 03-9211531-5-000	August 23, 2016	N/A
7. Certificate of Employer's Registration	PhilHealth	PhilHealth Employer No. 001000014010	August 23, 2016	N/A
8. Certificate of Registration	Philippine Economic Zone Authority (PEZA)	Certificate of Registration No. 08-10-F (IT)	April 16, 2009	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
2. Business Permit	City of Taguig	LCN-20-019642	January 22, 2025	December 31, 2025
3. Barangay Business Clearance	Barangay Fort Bonifacio, City of Taguig	Serial No. 101705, s. 2025	February 13, 2025	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	A4250122-14358	January 22, 2025	December 31, 2025
5. Locational Clearance	City Planning and Development Office, Cebu	LC16-02-03-02	April 21, 2016	N/A
6. Certificate of Registration	Philippine Economic Zone Authority (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	January 22, 2025	December 31, 2025
3. Barangay Business Clearance	Barangay Fort Bonifacio, City of Taguig	Serial No. 101711, s. 2025	February 13, 2025	N/A
4. Sanitary Permit to Operate	Office of the City Health Officer, Taguig City	A4250122-14358	January 22, 2025	December 31, 2025
5. Locational Clearance	City Planning and Development Office, Cebu	5-1515-18	October 24, 2018	N/A

PROJECT PERMITS

Cebu Exchange

No.	Permit of License	Issuing Agency	Permit & License No.	Issue Date	Expiration Date
1.	Zoning Certification	City Planning and Development Office, City of Cebu	N/A	March 8, 2013	N/A
2.	Development Permit	Housing and Land Use Regulatory Board (HLURB)	CVR-016-0397	July 20, 2016	N/A
3.	Environmental Compliance Certificate	Department of Environment and Natural Resources - Environmental Management Bureau (DENR-EMB)	ECC-R07-06160009	July 17, 2016	N/A
4.	Environmental Compliance Certificate (Amendment)	DENR-EMB	ECC-R07-06160009	February 17, 2021	N/A
5.	Fire Safety Evaluation Clearance	Cebu City Fire Station, Cebu Provincial Office, Bureau of Fire Protection	FSEC No. R 07-1038256	November 07, 2024	N/A
6.	Permit/License to Sell	HLURB Central Visayas	License No. 032788	September 11, 2017	N/A
7.	Certificate of Registration	HLURB Central Visayas	No. 028434	September 11, 2017	N/A
8.	PEZA Board Resolution	PEZA	Resolution no. 16-726	December 19, 2016	N/A
9.	Building Permit	Office of the Building Official, Cebu City	Permit No. B01-2017-500-420	August 23, 2017	N/A

No.	Permit of License	Issuing Agency	Permit & License No.	Issue Date	Expiration Date
10.	Certificate of Completion	Department of Human Settlements and Urban Development (DHSUD)	COC No. R7-023-0001	January 04, 2023	N/A
11.	Occupancy Permit	Office of the Building Official, Cebu City	No. OC-2022-0421	October 10, 2002	N/A

Savya Financial Center

No.	Permit of License	Issuing Agency	Permit & License No.	Issue Date	Expiration Date
1.	Zoning Classification	HLURB	N/A	July 9, 2018	N/A
2.	Development Permit	HLURB	D.P. No. 18-10-070	October 23, 2018	N/A
3.	Environmental Compliance Certificate (ECC) North Tower	DENR EMB NCR	ECC-OL-NCR-2018-0190	August 24, 2018	N/A
4	Environmental Compliance Certificate (ECC) South Tower	DENR EMB NCR	ECC-OL-NCR-2018-0213	September 11, 2018	N/A
5.	Fire Safety Inspection Certificate	Taguig City Fire Station	FSEC No. R 16-6857483	September 19, 2024	N/A
6.	Certificate of Registration	HLURB	CR No. 029476	February 11, 2019	N/A
7.	License to Sell (North Tower)	HLURB	License to Sell No. 140	February 11, 2019	N/A
8.	License to Sell (South Tower)	DHSUD	License to Sell No. 140	October 19, 2023	N/A
9.	Laguna Lake Development Clearance	Laguna Lake Development Authority (LLDA) - DENR	LLDA No. 01610	November 9, 2018	N/A
10.	Building Permit	Office of the Building Official, Taguig City	BP-0143-02-22-19	January 29, 2019	N/A

No.	Permit of License	Issuing Agency	Permit & License No.	Issue Date	Expiration Date
11.	Certificate of Completion (North Tower)	DHSUD	COC 0000033	December 13, 2023	N/A
12.	Certificate of Completion (South Tower)	DHSUD	COC 0000034	December 13, 2023	N/A
13.	Occupancy Permit (North Tower)	Office of the Building Official, Taguig City	No. 15-2021-0380	December 29, 2021	N/A
14.	Occupancy Permit (South Tower)	Office of the Building Official, Taguig City	No. 15-2022-0428	November 08, 2022	N/A

RESEARCH AND DEVELOPMENT

There is no significant Research and Development costs recorded by the Company in the past three years.

EMPLOYEES

As of August 31, 2025, ALCO had a total of 174 personnel, 101 of whom are in management and 73 are non-managers. As of the same period, ALCO also engaged 210 sales agents.

The above personnel are not covered by any collective bargaining agreement.

Additional employees will be hired for the succeeding year months 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 August 31, 2025	Estimated additional employees over the next 4 months	List of Benefits and Incentives
STAFF	101	3	Uniform Allowance Communication Allowance HMO Group Life and Accident Insurance Retirement Program
MANAGER	61	3	Car Plan Gas Allowance Communication Allowance HMO Group Life and Accident Insurance Retirement Program

Classifications	Headcount as of August 31, 2025	Estimated additional employees over the next 4 months	List of Benefits and Incentives
SENIOR MANAGEMENT	12	0	Car Plan Gas Allowance Communication Allowance HMO Group Life and Accident Insurance Retirement Program
TOTAL	**174**	**6**	

LEGAL PROCEEDINGS

As of August 31, 2025, 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 their 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 its subsidiary 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 May 08, 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 April 16, 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 October 20, 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.

On February 15, 2024, ALCO and UPHI filed its Second Motion to Resolve reiterating the foregoing claim. They 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 December 16, 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 safekeeping of the Register of Deeds of Calamba City, and Tagaytay City did not make any claim or request for the transfer of said title to its own custodial jurisdiction and safe keeping.

UPHI filed a Motion for Partial Reconsideration of the foregoing Decision. The court granted the same in an Order dated June 05, 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 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 make 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[10] filed an appeal before the Court of Appeals which affirmed the June 05, 2020 Order of the trial court on July 31, 2023 and denied their separate Motions for Reconsideration on February 15, 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. There is no resolution on the matter.

3. Expropriation

Petitioner 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 as it did not question the propriety of expropriation any further. UPHI nevertheless 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.

In April 2024, UPHI and the National Transmission Corporation (successor-in-interest of NAPOCOR) agreed to enter into an amicable settlement and 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.

4. Claim for Refund

[10] The lone defendant who appealed is Ms. Rosalinda Reyes.

a. A buyer[11] offered to purchase a unit in Arya 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)[12] and demanded the return of all payments made in a span of one (1) year amounting to ₱942,718.53. In a Decision dated April 05, 2019, ALCO was directed to refund this amount to the buyer and pay attorney's fees and actual damages in the total amount of ₱70,000.00.

   On May 15, 2019, ALCO appealed the foregoing Decision before the Office of the President arguing, among others, that 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 October 01, 2021 on the ground of lack of jurisdiction per Section 42 of the Implementing Rules and Regulations of R.A. No. 11201[13], *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.

   In its Decision dated September 11, 2023, the Court of Appeals denied ALCO's Petition for Certiorari. ALCO filed a Motion for Reconsideration which was also denied on March 26, 2024. ALCO filed 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[14] agreed to purchase six (6) condominium units in Savya Financial Center North Tower, paid the initial downpayment of ₱20,416,226.20, but defaulted on 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 October 15, 2023 demanding a refund of all payments made, as well as 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

[11] The complainant is Ms. Anita Medina-Yu.
[12] Now Department of Human Settlements and Urban Development.
[13] Department of Human Settlements and Urban Development Act
[14] The complainants are Spouses Roger and Cecilia Cuevas.

Region of the HSAC rendered judgment based on the said compromise agreement on August 29, 2024.

5. Labor

a. In an Order dated July 03, 2017, the Department of Labor and Employment (DOLE) found ALCO non-compliant with certain labor standards per Rules 1020, 1030, 1040, 1050 and 1065 of the Occupational Safety and Health Standards. Records, however, show that ALCO was in fact compliant. A Memorandum of Appeal was filed in October 2017 because serious errors in the findings of fact were committed by DOLE which, if not corrected, would cause grave or irreparable damage or injury to ALCO. Among the reliefs sought are the recall of the Order for Compliance and a finding that ALCO is fully compliant with labor laws and occupational health and safety standards.

   In a Resolution dated March 24, 2021, the DOLE granted ALCO's appeal and found the Order dated July 03, 2017 complied with.

b. In an Order dated November 29, 2017, the DOLE found that ALCO did not comply with and failed to effect corrective actions on noted deficiencies per Rules 1050, 1060 and 1065 within the period prescribed by the Labor Laws Compliance Officer. A Memorandum of Appeal was filed in February 2018 seeking, among others, the recall of the Order for Compliance and a finding that ALCO is fully compliant. ALCO did institute corrective measures and in fact completed the noted deficiencies prior to the issuance of the Order for Compliance.

   In a Resolution dated April 20, 2021, the DOLE granted ALCO's appeal and set aside the Order dated November 29, 2017.

c. On June 28, 2022, a former Sales Agent[15] 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.

   In a Decision dated February 17, 2023, the Labor Arbiter dismissed the complaint for lack of merit as the complainant failed to prove that an employer-employee relationship exists between her and ALCO. Complainant's appeal before the NLRC was denied on June 15, 2023. In a Resolution dated September 28, 2023, the NLRC denied complainant's Motion for Extension to File a Motion for Reconsideration for lack of merit, as well as the appended Motion for Reconsideration dated 07 August 2023 for being filed out of time.

   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 February 13, 2024, an Entry of Judgement was issued by the NLRC stating that the Resolution dated 28 September 2023 had already become final and executory on November 11, 2023 and is now being recorded in the Book of Entries of Judgement.

6. Liquidation Proceedings of Former Lessee

On November 15, 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

[15] The complainant is Ms. Ella Dior O. Abad.

penalties arising from the leased premises. The Court issued a Liquidation Order dated November 19, 2021 declaring CGWPI insolvent and dissolved.

ALCO filed its Statement of Claims on September 14, 2022 against CGWPI amounting to ₱172,666,437.23 as of July 29, 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 July 31, 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 TCT No. 107-2015002572, one of the parcels of land on which its property Cebu Exchange is constructed. The said annotation is pursuant to Section 7 of R.A. 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 reconstituted on March 02, 1950. More than two years have lapsed since then; hence, the recorded encumbrance may now be canceled.

In a Decision dated October 17, 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 R.A. No. 26. An Order of Finality of said Decision was issued on May 09, 2023.

8. Reconstitution of Lost Title

ZLDC filed on May 28, 2025 before the Regional Trial Court of Makati City, Branch 145 a petition for the reconstitution of a lost condominium certificate of title ("**CCT**")[16] of the property it had acquired in 2019. When said property was about to be transferred in ZLDC's name, it was discovered that the owner's duplicate copy of the CCT was missing and could not be surrendered to the Registry of Deeds. The case was considered submitted for decision on August 12, 2025 but there is no resolution to date.

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.

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.

In the regular conduct of its 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 these transactions are made substantially on the same terms as with other individuals and businesses of comparable risks, and that they are fair and treated at arm's length.

[16] Condominium unit 704 (PI-7A) of Mid-land Mansions Condominium

Interest Free Loan provided by Centrobless

The construction of ACPT is partially funded by a non-interest bearing loan from Centrobless Corporation (an investment vehicle of CPG), amounting to ₱1.6 billion with a maturity date of December 31, 2018, payable in cash or in kind at the option of the creditor.

Centrobless Corporation exercised its option to be repaid through the *dacion en pago* of office units in ACPT representing approximately 30% of ACPT's NLA.

Interest Free Loan provided by SOPI

In June 2017, SOPI, a company majority-owned and chaired by ALCO Director Jaime Enrique Y. González, extended to ALCO a non-interest-bearing loan amounting to ₱207 million, with a maturity date of December 31, 2018, and payable in cash or in kind at the option of SOPI.

The parties executed the Deed of Absolute Sale via Dacion En Pago of the 28th floor of ACPT, and ten (10) parking slots therein on February 2, 2024.

Transactions between ALCO and its subsidiaries

A summary of related party transactions, between ALCO and its subsidiaries for the six months ended June 30, 2025 and 2024, and the years ended December 31, 2024, 2023 and 2022 are summarized below:

	As of December 31 (Audited)			**As of June 30 (Unaudited)**	
SUBSIDIARY	**2024**	**2023**	**2022**	**2025**	**2024**
CLLC	2,936,995,930	3,336,796,699	3,336,778,117	2,691,995,930	3,337,148,405
Cazneau	954,545,410	785,834,002	742,317,243	902,454,350	823,435,302
ZLDC	527,123,444	432,140,985	432,138,939	527,123,444	457,141,412
Bhavya	314,408,714	314,408,714	314,408,714	386,408,714	314,408,714
Bhavana	331,800,000	331,800,000	331,800,000	331,800,000	331,800,000
Kashtha	154,500,000	296,767,527	296,760,701	84,300,000	292,500,000
UPHI	165,067,178	157,667,178	85,366,273	167,567,178	163,528,427
MPI	4,400,000	6,221,503	5,857,429	4,400,000	6,283,959
APPS	6,446,956	3,247,353	2,966,916	9,746,956	3,610,473
PLI	49,573,025	820,084	819,159	49,573,025	820,084
SLDC	-	-	-	200,000,000	395,500,000
SLC	-	-	-	49,500,000	987
FLC	-	-	-	220,500	-
Total	5,444,860,657	5,665,704,045	5,549,213,491	5,405,090,097	6,126,177,763

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, Kashtha, Cazneau, Bhavana and Bhavya to finance the construction of its projects with an annual fixed interest rate of 3.5% 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			
	June 30, 2025	**December 31, 2024**	**December 31, 2023**	**December 31, 2022**
HHI	**495,919,597**	495,919,597	495,919,597	495,919,597
Narra	**411,200,000**	411,200,000	411,200,000	411,200,000
MEC	**56,200,000**	103,000,000	195,000,000	195,000,000
TOTAL	**963,319,597**	1,010,119,597	1,102,119,597	1,102,119,597

	Outstanding Balance			
	June 30, 2025	**December 31, 2024**	**December 31, 2023**	**December 31, 2022**
HHI	**495,919,597**	495,919,597	495,919,597	495,919,597
Narra	**411,200,000**	411,200,000	411,200,000	411,200,000
MEC	**56,200,000**	103,000,000	195,000,000	195,000,000
TOTAL	**963,319,597**	1,010,119,597	1,102,119,597	1,102,119,597

SLDC, KHI, Bhavana and Bhavya received advances from related parties. All outstanding balances are unsecured, noninterest-bearing, and payable on demand and in cash.

On June 1, 2020, the Parent Company assigned 40% of its advances to KHI amounting to ₱195.0 million, in favor of MEC, and bear interest at 3.5% per annum. Interest expense incurred amounted to 6.8 million in 2023 and 2022. These are unsecured, unguaranteed, and payable on demand and in cash. In March 2024, KHI partially repaid ₱92.0 million of the outstanding advances to KHI. Additionally, the Board of Directors of KHI approved to repay the advances to ALCO amounting to ₱138.0 million.

In December 2021, the Parent Company assigned 40% of its advances amounting ₱411.2 million and accrued interest amounting to ₱38.2 million in Bhavana and Bhavya in favor of Arch SPV 2.

Use of Proceeds

ALCO estimates that the net proceeds from the Relevant Contracts will amount to approximately ₱16,008,554.56 consisting of service fees for the entire term of the executed contracts of lease of third-party lessees, computed as follows:

No.	Lease Pool	Gross Rent	Service Fee
1.	Lease Pool 1	₱656,335,340.62	₱9,030,891.49
2.	Lease Pool 2	₱147,856,108.03	₱2,884,470.76
3.	Lease Pool 3	₱158,704,364.76	₱3,078,864.68
4.	Lease Pool 4	₱27,071,087.16	₱525,179.09
5.	Lease Pool 5	₱25,213,862.75	₱489,148.94
	Total	**₱1,015,180,763.32**	**₱16,008,554.96**

Pursuant to the Relevant Contracts, the service fee is equivalent to two percent (2%) of the total rent payable over the entire term of each Contract of Lease executed with third-party lessees. The total service fee indicated above is net of VAT and creditable withholding tax.

The amounts indicated above as total Gross Rent and total Service Fee are mere estimates only based on the assumptions that there will be no early termination of the Contracts of Lease and no default in the payment of rentals by the lessees. Accordingly, the total Gross Rent and total Service Fee may be lower than as indicated in the table above.

The proceeds from the Relevant Contracts are intended to cover tax and administrative fees.

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.

Summary of the Relevant Contracts

The following information does not purport to be a complete listing of all the rights, obligations, and privileges attaching to or arising from the CLS Program. It is taken from, and is qualified in its entirety by, the remainder of this Prospectus and the underlying documentation (Contract to Sell, Consolidated Leasing Agreement, and Contract of Lease). Prospective participants are enjoined to perform their own independent investigation and analysis of ALCO and the Relevant Contracts. Each prospective participant must rely on its own appraisal of Arthaland and the CLS Program 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 participate, and must not rely solely on any statement or the significance, adequacy, or accuracy of any information contained herein

DESCRIPTION OF THE CONSOLIDATED LEASING SOLUTIONS PROGRAM

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

	Investment Contract
	Certificate of Interest
	Participation in a profit-sharing agreement
✓	Others (specify): **Relevant Contracts under the Consolidated Leasing Solutions Program**

Set forth below is information relating to the CLS Program and the features of the contractual arrangements among ALCO, the Developers CLLC and SLDC, and the Unit Buyers. This information is only a summary and is further qualified by reference to the applicable laws and regulations within the Philippines, the Articles of Incorporation and By-laws of ALCO, as may be amended from time to time, and the Master Deed for Cebu Exchange and Savya Financial Center, as may be amended from time to time.

Company	ALCO
Projects and Developers	Cebu Exchange of Cebu Lavana Land Corp. Savya Financial Senter of Savya Land Development Corporation
Structure	Under the CLS Program, certain (but not all) commercial units in Cebu Exchange and Savya Financial Center are designated as belonging to the "Lease Pool Floors". The following are the agreements executed in connection with the CLS Program: 1. the Contract to Sell, which is between the Project Developer and a buyer of a unit that is part of the CLS Program (the "**Unit Buyer**"), that provides for the sale and purchase of the unit as well as the agreement by the Unit Buyer that the unit is part of the CLS Program; 2. the Consolidated Leasing Agreement, which is between Arthaland and a Unit Buyer, that formalizes ALCO's appointment as the exclusive leasing representative of such Unit Buyer; and 3. the Contract of Lease, which is between a Unit Buyer (as the lessor and represented by the Company) and third party lessee, that sets out the standard lease terms in respect of the lease of identified units in a project.

	Upon execution of a Contract to Sell over a commercial unit that belongs to a Lease Pool Floor, a Unit Buyer is considered to have automatically enrolled such commercial unit into the CLS Program. Legal title and ownership remain with the Project Developer until the Unit Buyer has fully paid the purchase price for the commercial unit and complied with all contractual obligations. The execution of a Deed of Absolute Sale, and in turn, the conveyance of the Developer's title and interest in the unit, shall only occur once (a) the Unit Buyer has fully paid the purchase price and any applicable penalties, interest, and advances; (b) the Unit Buyer has complied with all obligations under the contract; and (c) the relevant Register of Deeds has issued the title to the Seller. The Unit Buyer's failure to meet any of these conditions entitles the Project Developer to withhold title and delivery of the commercial unit. Together with the execution of a Contract to Sell, a Unit Buyer is also required to sign a Consolidated Leasing Agreement, by virtue of which ALCO acts as the exclusive leasing representative of the Unit Buyer, empowered to negotiate lease terms, execute leases on their behalf, collect rent and deposits, withhold applicable taxes, and charge service fees and commissions. Once the Company has found a third party lessee for the Lease Pool Floor, a Contract of Lease is executed between the Company on behalf of the Unit Buyers owning the relevant commercial units belonging to such Lease Pool floor, and such lessee. The Contract of Lease sets out the standard lease terms between the Unit Buyers (as the lessors) and the third party lessee, with the Company acting as the leasing representative of each Unit Buyer/lessor, responsible for billing, collection, and administration.
CLS Units	CLS Units shall refer to: 1. The following units in Cebu Exchange and Savya Financial Center which have been sold to third parties and for which CLAs have been executed: **Cebu Exchange | Sold Units** GF-I, GF-J, 15F-B, 15F-C, 15F-D, 15F-H, 15F-I, 15F-J, 15F-K, 15F-L, 16F-B, 16F-H, 16F-I, 16F-J, 16F-K, 17F-B, 17F-C, 17F-D, 17F-E, 17F-H, 17F-I, 17F-J, 17F-K, 18F-A, 18F-B, 18F-C, 18F-D, 18F-E, 18F-F, 18F-G, 18F-H, 18F-I, 18F-J, 18F-K, 18F-L, 19F-A, 19F-B, 19F-C, 19F-D, 19F-E, 19F-F, 19F-G, 19F-I, 19F-J, 19F-L, 19F-M, 19F-N, 19F-O, 19F-P, 19F-R, 22F-A, 22F-B, 22F-C, 22F-D, 22F-E, 22F-F, 22F-G, 22F-H, 22F-I, 22F-K, 22F-L, 22F-M, 22F-N, 22F-O, 22F-P, 22F-Q, 22F-R, 26F-C, 26F-D, 27F-A, 27F-J, 27F-K, 28F-A, 28F-B, 28F-C, 28F-D, 28F-E, 28F-F, 28F-G, 28F-H, 28F-I, 28F-J, 28F-K, 28F-L, 30F-D, 31F-B, 31F-C, 31F-G, 31F-H, 31F-I, 31F-J, 31F-K, 32F-A, 32F-B, 32F-C, 32F-D, 32F-E **TOTAL: 98** **Savya Financial Center | Sold Units** 9F-902, 9F-903, 9F-904, 9F-908, 9F-909, 10F-1007A, 10F-1007B, 10F-1008, 10F-1009, 10F-1010, 10F-1011, 12F-1202, 12F-1203, 12F-1204, 12F-1208, 12F-1209, 12F-1210, 12F-1205A, 12F-1205B, 12F-1206B, 12F-1207A, 12F-1207B, 12F-1212A, 12F-1212B **TOTAL: 24**

<table>
<tr><td></td><td>2. The following units in Cebu Exchange which have not been sold to third parties but form part of Lease Pools with existing Lessors (hereinafter, the "CLS Inventory"):

<table>
<tr><th>Cebu Exchange | CLS Inventory</th></tr>
<tr><td>15F-E, 16F-D, 17F-A, 17F-L, 19F-H, 19F-K, 19F-Q, 22F-J, 26F-G, 27F-B, 27F-C, 27F-E, 27F-H, 27F-I, 31F-A, 31F-D, 31F-E, 31F-F, 31F-L</td></tr>
<tr><td>TOTAL: 19</td></tr>
</table></td></tr>
<tr><td>Eligibility Requirements</td><td>Participants who shall qualify to participate in the CLS Program shall be:

(1) Unit Buyers of CLS Units who, as of the date of this Prospectus, have executed (i) Contracts to Sell, and (ii) CLAs with ALCO; and
(2) Any qualified buyer under Philippine law who will execute a (i) Contract to Sell for the purchase of CLS Inventory, and (ii) CLA with ALCO. Unit Buyers become lessors under the CLS Program and authorize the Company to act as leasing agent.

There are no classes of certificates or participation interests to be issued.</td></tr>
<tr><td>Payments to the Company (as Exclusive Leasing Agent)</td><td>Under the Consolidated Leasing Agreement, a Unit Buyer undertakes to pay the Company a commission fee when the commercial unit is leased out at the following rates:

<table>
<tr><th>Lease Term</th><th>Amount Equivalent to the Rent Below</th></tr>
<tr><td>Three-year lease term</td><td>One-month rent</td></tr>
<tr><td>Four to five-year lease term</td><td>1.5-month rent</td></tr>
<tr><td>More than five-year lease term</td><td>Two-month rent</td></tr>
</table>
Commission fee is payable by the Unit Buyer upon the execution of the Contract of Lease with the lessee. 90% of the Commission Fee is remitted by the Company to third party brokers, while 10% is remitted to APPS for account management.

The Company is compensated through a two percent (2%) annual service fee which is intended to cover tax and administrative fees. Since the Company is subject to tax both on pass thru collections of Rental Payments (tax real estate sellers pay 75% of 1% [0.075%]) of gross sales/receipts) and on the service fee (tax on other income), the two percent (2%) annual service fee is intended to cover these taxes, as well as administrative fees.

The Company does not collect a separate "joining fee".</td></tr>
<tr><td>Payments to the Unit Buyers (as Lessors); Ownership and Title</td><td>Unit Buyers are entitled to their pro-rata share in net rental income actually received from tenants leasing the Lease Pool Floor where their unit is located.

Under the Contract of Lease, the lessee is obligated to pay the amount equivalent to three-month rent in advance, within the first seven (7) calendar days of each calendar quarter. Distribution to the Unit Buyers of their share in the net rental income is made within five (5) working days from receipt by the Company of the rent from the lessee.

Unit Buyers retain ownership and title to their units.</td></tr>
</table>

Conditions to Receipt of Distributions	Distributions depend on the Lease Pool Floor being actually leased to third-party tenants and the Company receiving the rent. If a Lease Pool Floor remains vacant, no distribution accrues to Unit Buyers. ALCO does not guarantee rental income or occupancy.
Restrictions on Ownership	Units in Lease Pool Floors are deemed automatically included in the CLS Program. Transfers of ownership are subject to annotation of the Consolidated Leasing Agreement on the condominium title and continuation of obligations thereunder.
Term	The Consolidated Leasing Agreement is for 10 years from acceptance by the Unit Buyer of the unit, and in case there is an existing Lease Contract upon the expiry of the original 10-year period, it will be subject to an automatic extension equivalent to the unexpired term of such Lease Contract.

The terms of issuance and transfer under the Relevant Contracts are governed by the Contract to Sell and related agreements. Unit Buyers pay the purchase price pursuant to the Contract to Sell, and the transfer of title occurs only upon full payment and compliance with all contractual obligations.

No certificates or securities are issued under the Relevant Contracts. Ownership transfers are effected through the Register of Deeds, with the annotation of the Consolidated Leasing Agreement carried forward on the condominium title. Fees are limited to ALCO's service fees and leasing commissions, as provided in the Consolidated Leasing Agreement.

Except for the CLS Inventory of Cebu Exchange, the Company is not doing any other current offering under the CLS Program. The CLS Program is also not being registered under a delayed or continuous offering.

TARGET MARKET

The target market of the condominium units belonging to the Lease Pool Floor comprised of investors seeking to own commercial units and earn passive income in the form of rent from such assets.

On the tenant side, the target market comprises of multinational and large corporate tenants seeking sustainable, certified green office spaces in Cebu, through Cebu Exchange, and in Taguig, through Savya Financial Center.

DETERMINATION OF PURCHASE PRICE

The determination of the purchase price of units is based on prevailing market conditions, the project location, and the valuation made by the Developers. Rental rates under the Contracts of Lease are standardized on a per-pool basis and are subject to uniform lease terms.

INVESTOR RESTRICTIONS

There are no additional investor restrictions imposed under the Relevant Contracts, as participation is limited to purchasers of units that are enrolled in the program.

Transfers of units that form part of the Relevant Contracts are subject to the annotation of the Consolidated Leasing Agreement on the condominium title and the continuation of obligations thereunder

Plan of Distribution

Except for the CLS Inventory of Cebu Exchange, the Company is not doing any current offering under the CLS Program. The CLS Program is also not being registered under a delayed or continuous offering.

For the CLS Inventory of Cebu Exchange, ALCO will make the Relevant Contracts available to qualified Unit Buyers through the direct selling efforts of its in-house sales and marketing team and through accredited real estate brokers and agents engaged by the Company and its Project Developer CLLC. The Relevant Contracts will not be offered internationally and will be limited to prospective buyers in the Philippines.

The following persons will offer and sell units covered by the Relevant Contracts on behalf of ALCO:

Name	Relationship to ALCO	Address	Tel. No.	Compensation received for selling CLS Inventory
Michelle T. Tuason	Employee	7/F Arthaland Century Pacific Tower, 5th Avenue cor. 30th Street, BGC, Taguig	mttuason@arthaland.com	Salary and commission
Anna B. Marco	Employee	7/F Arthaland Century Pacific Tower, 5th Avenue cor. 30th Street, BGC, Taguig	abmarco@arthaland.com	Salary and commission
Steven Dexter T. Chan	Employee	7/F Arthaland Century Pacific Tower, 5th Avenue cor. 30th Street, BGC, Taguig	sdchan@arthaland.com	Salary and commission
Gian Carlo Flores	Accredited / Contracted Seller	7/F Arthaland Century Pacific Tower, 5th Avenue cor. 30th Street, BGC, Taguig	gflores@partners.arthaland.com	Allowance and commission
Kaira Ysabelle Golez	Accredited / Contracted Seller	7/F Arthaland Century Pacific Tower, 5th Avenue cor. 30th Street, BGC, Taguig	kygolez@partners.arthaland.com	Allowance and commission
Ricardo Dizon, Jr.	Accredited / Contracted Seller	7/F Arthaland Century Pacific Tower, 5th Avenue cor. 30th Street, BGC, Taguig	rdizon@partners.arthaland.com	Allowance and commission

If the CLS Program is distributed through ALCO's employees, the plan of distribution will consist of direct marketing to prospective Unit Buyers, including presentations, project briefings, and client referrals, with compensation limited to their regular salaries. Accredited real estate brokers and agents, if engaged, will be compensated in accordance with industry-standard brokerage commissions.

Capitalization

The following table sets forth the unaudited interim **consolidated debt and capitalization** of ALCO as of June 30, 2025. This table should be read in conjunction with the more detailed information and audited consolidated financial statements, including notes thereto, found in Appendix "A" of the Prospectus.

	As of June 30, 2025 (Unaudited)	**December 31, 2024 (Audited)**
Accounts payable and other liabilities	4,482,936,554	4,262,192,735
Loans Payable	15,672,698,816	12,476,024,751
Bonds Payable	2,962,686,036	5,955,532,419
Contract Liabilities	719,094,105	428,492,840
Advances from non-controlling interests	963,319,597	1,010,119,597
Net retirement liability	43,478,162	27,371,514
Net deferred tax liabilities	2,309,031,277	2,129,697,872
Total Liabilities	**27,153,244,547**	**26,289,431,728**
Capital stock	1,004,721,996	1,004,721,996
Additional paid-in capital	6,464,321,710	6,464,321,710
Treasury stock – at cost	(1,000,000,000)	(1,000,000,000)
Parent Company's shares held by a subsidiary – at cost	(26,500,000)	(26,500,000)
Retained earnings	5,228,479,547	5,263,177,339
Other Equity Reserves	208,982,963	208,982,963
Non-controlling interests	2,379,387,872	2,337,598,832
Total Equity	**14,259,394,088**	**14,252,302,840**
Total Capitalization	**₱41,412,638,635**	**₱40,541,734,568**

Outstanding Securities and Principal Shareholders

SHARE CAPITAL

As of June 30, 2025, the Company has a total authorized capital stock of 3,026,257,135.82, of which 5,318,095,199 are issued and outstanding, and 80,000,000 preferred shares, of which 12,500,000 of the Series A Preferred Shares, 6,000,000 of the Series D Preferred Shares, and 14,000,000 of the Series E Preferred Shares, and 4,964,860 of the Series F Preferred Shares are issued and outstanding.

Top 20 Stockholders

Common Shares (as of August 31, 2025)

Name of Shareholders	No. of Shares	%
1. CPG Holdings, Inc.	2,017,619,910	37.938
2. PCD Nominee Corporation – Filipino	1,649,770,024	31.022
3. AO Capital Holdings I, Inc.	1,383,730,000	26.019
4. Elite Holdings, Inc.	119,809,996	2.253
5. Tina Keng	25,000,000	0.470
6. PCD Nominee Corporation – Non-Filipino	16,133,210	0.303
7. EQL Properties, Inc.	14,671,125	0.276
8. Urban Bank Trust Department – A/C No. 625	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. Lourdes D. Dizon	1,740,000	0.033
15. Kwan Yan Dee and/or Christina Dee	1,631,250	0.031
16. Dante Garcia Santos	1,631,250	0.031
17. Luciano H. Tan	1,505,950	0.028
18. Josefina Tan Cruz	1,488,000	0.028
19. Samuel Uy	1,087,500	0.020
20. Datacom Systems Corp.	1,004,394	0.019
Total	**5,256,992,729.00**	**98.851**

Preferred Shares (as of August 31, 2025)

The sole shareholder of the Series A Preferred Shares is MPI.

All 20,000,000 Series B Preferred Shares were redeemed on December 6, 2021 and have been cancelled from ALCO's capital stock, while all 10,000,000 Series C Preferred Shares were redeemed on June 27, 2024 and recorded as treasury shares.

The top stockholders of Series D Preferred Shares as of August 2025 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 Charities, Inc.	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 August 31, 2025 are as follows:

Name of Shareholders	No. of Shares	%
1. PCD Nominee Corporation – Filipino	4,950,680	99.7144
2. PCD Nominee Corporation – Non-Filipino	14,180	0.2856
Total	4,964,860	100.000

Corporate Bonds

In October 2019, ALCO approved the filing of a registration statement for the shelf registration of ₱6.0 billion fixed rate ASEAN Green Bonds (the "Bonds") and the initial tranche of ₱2.0 billion bonds, with an oversubscription option of up to ₱1.0 billion.

In January 2020, the SEC approved the registration of the Bonds and the issuance of its initial tranche. On February 6, 2020, ALCO issued the initial tranche amounting to ₱2.0 billion with an oversubscription of ₱1.0 billion. It had a term ending five (5) years from the issue date, with a fixed interest rate of 6.35% p.a. and an early redemption option on the 3rd and 4th year from issue date. Upon maturity on February 06, 2025, the first tranche was redeemed as scheduled for a total redemption amount of ₱3.0 billion.

In October 2022, ALCO approved the second tranche of the Bonds of up to ₱3.0 billion. The SEC approved the offer supplement in December 2022 for ₱2.4 billion with an oversubscription of up to ₱0.6 billion. These bonds have a five-year term with a fixed interest rate of 8.00% p.a. and an early redemption option in the 3rd and 4th years, and a seven-year term with a fixed interest rate of 8.75% p.a. and an early redemption option in the 5th and 6th years.

Consolidated Leasing Agreements

For Cebu Exchange, a total of **99** Consolidated Leasing Agreements were executed, **55** of which were executed with corporate entities and **44** of which were executed with individuals. Except for two (2) units which have no existing tenants, contracts of lease with third party lessees have been executed based on **97** Consolidated Leasing Agreements.

Insofar as Savya Financial Center, a total of **24** Consolidated Leasing Agreements were executed, eight (**8**) of which were executed with corporate entities, and **16** of which were executed with individuals. No units have been leased to third party tenants based on these Consolidated Leasing Agreements.

SECURITY OWNERSHIP OF CERTAIN RECORD AND BENEFICIAL OWNERS AND MANAGEMENT

As of 30 August 2025, 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 Company*	*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*	Filipino	2,017,619,910 Direct 125,000,000 Indirect	40.289
Common	AO Capital Holdings 1, Inc. *Stockholder* 7/F Arthaland Century Pacific 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 August 31, 2025, PCD Nominee Corporation (Filipino) is the holder of 1,649,770,024 Common shares, or 31.022% of the total issued and outstanding Common shares of ALCO.

SECURITY OWNERSHIP OF MANAGEMENT

As of August 31, 2025, 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 %
Common	**Cornelio S. Mapa, Jr.** *Treasurer and Executive Vice President*	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	**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	**Denise Loreena V. de Castro** *Independent Director*	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 and General Counsel*	Filipino	0	N.A.
None	**Margeline C. Hidalgo** *Assistant Corporate Secretary and Legal Counsel*	Filipino	0	N.A.
		TOTAL	**76,715,159 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

ALCO is not aware of any voting trust agreements involving its shares.

Common shares owned by foreigners as of August 31, 2025 amount to 16,133,210 or 0.30% of the Company’s total number of outstanding shares entitled to vote.

Description of Properties

ALCO was 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 stands. ACPT units belonging to ALCO are mainly leased out to provide it a source of recurring income, and these are presently mortgaged with BDO. The land, being a common area, has been conveyed to Arthaland Century Pacific Tower Condominium Corporation.

Cazneau is the registered owner of the eight-hectare property in Biñan City, Laguna, on which Sevina Park will be established, a master planned campus-type residential community that will feature a mix of student and faculty housing, a mix of low-rise residential buildings as well as retail and supplemental amenities which ALCO expects to fully develop in phases from 2023, in step with the growth of new and existing schools in the area. The property is presently mortgaged with Philippine National Bank.

CLLC was the owner of two parcels of adjacent land in Barangay Lahug, Cebu City, Philippines with a total area of 8,440 sqms, which had been developed as Cebu Exchange, a 38-storey office building with retail establishments, poised to be one of Cebu's largest and tallest office developments that will cater to Cebu's booming office space market. This property has been conveyed to Cebu Exchange Condominium Corporation. Some of the Cebu Exchange units retained by CLLC are subject of ALCO's CLS Program.

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 Arya Plaza and a number of non-appurtenant parking slots therein. One seat in the Board of the Condominium Corporation is reserved for MPI as the owner of the commercial units in Arya.

SLDC was 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 real estate for sale in the books of SLDC. Fifty percent (50%) of the property is mortgaged with BDO to secure the term loan of Help Holdings, Inc., with SLDC as the third-party accommodation mortgagor.

UPHI is the registered owner of a 33-hectare raw land[17] 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.

ALCO, through its subsidiary ZLDC, acquired all CCTs covering condominium units of Midland Mansions Condominium, including the undivided interest of said units in the underlying land equivalent to 2,018 sqm total lot area. This property will be the site of ALCO's Makati CBD Residential Project 1, a high-rise luxury, sustainable, multi-certified residential project.

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 BPI.

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 BPI.

[17] The carrying value of this property amounts to ₱149.80 million. Based on the appraisal report dated December 31, 2023, the fair value of the land amounted to ₱829.4 million.

In 2025, ALCO, through its subsidiary, SLC, completed the acquisition of a 3,700-sqm property along Katipunan Avenue, Quezon City and launched Liv, a 2-tower, residential condominium development. The first tower, Liv North, was launched in August 2025.

Within the next twelve months, the Company intends to acquire land for future project developments including the following: (1) 50% of a 5-hectare property located in Banilad, Cebu City, Cebu for Project Vanilla; and (2) 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 ₱4,022,792,420.5 exclusive of VAT. The transaction price is payable to the seller over four tranches and each payment tranche is subject to the fulfillment of the terms and conditions of each component. The funding requirement for the acquisition will be sourced from internally generated funds and new financing sources at the level of ALCO.

BOOK VALUE OF BATANGAS PROPERTIES

Based on available records, it is the understanding of the Company that the Batangas Properties,[18] 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 ₱13 million said 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**") their 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.

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 ₱42,500,000.00 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

[18] Composed of two parcels of agricultural land located at Bo. Niyugan, Laurel, Batangas covered by TCT Nos. 99702 (56,711sqm) and 99703 (28,356sqm).

UPHI. The consideration for the Tagaytay Property was included in the ₱42.5 million that the Company paid to PR Builders in 2008.

In addition to the ₱42.5 million paid to PR Builders, the Company also undertook to pay EIB the sum of ₱13 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 ₱13 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 ₱9.702 million out of the ₱13 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 ₱9.702 million.

The total acquisition cost of the Company for the above assets was in effect ₱55.5 million in all, comprised of the ₱42.5 million paid to PR Builders in 2008 and the ₱13 million paid to EIB in 2011. The carrying values of the Batangas Properties and the Tagaytay Property amounting to ₱34.1 million and ₱10.9 million[19], or ₱45 million combined, represent the amounts allocated to these assets from the total acquisition cost of ₱55.5 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 June 30, 2025, the fair value of the Batangas Properties and the Tagaytay Property amounted to ₱356.5 million.

OPERATING LEASE COMMITMENTS — GROUP 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 its retail units in Arya. The term of the lease ranges from two (2) to five (5) years. The lease agreements also provide for various escalation rates for the duration of the agreements.

Cazneau also entered into lease agreements for its dormitory units in Courtyard Hall, the term of which is one (1) academic trimester equivalent to four (4) months, renewable for another trimester.

CLLC likewise entered into lease agreements covering approximately 52% of the NLA for its investment property in Cebu Exchange. The average term of the lease contracts is for five (5) years and also provide for escalation rates for the duration of the lease.

Leasing revenue recognized from these operating leases amounted to ₱369.0 million for the period ended June 30, 2025 and in full year, ₱414.9 million in 2024, ₱366.3 million in 2023, and ₱308.4 million in 2022. As of June 30, 2025, December 31, 2024 and 2023, lease receivables amounted to ₱203.5 million, ₱163.1 million and ₱170.4 million, respectively, while accrued rent receivables amounted to ₱46.6 million, ₱18.0 million and ₱39.4 million, respectively. Also, as of June 30, 2025, December 31, 2024 and 2023, advance rent from tenants amounted to ₱100.9 million, ₱58.5 million, and ₱66.0, respectively, and security deposits, which may be applied to unsettled balances or refunded at the end of the lease term, amounted to ₱139.9 million, ₱125.3 million and ₱109.2 million, respectively.

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[19] 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.

As of August 31, 2025, the following are the relevant information on the leases:

Project	NLA	% Leased out	Escalation	Expiry
ACPT	21,089*sqm	100%*	Range of 2 to 5% pa from 2nd to 3rd year of lease term	Substantially all contracts contain lease terms expiring on various dates from 2026 to 2028
ARYA	1,968 sqm	89%	5% pa 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 2024 to 2028
COURTYARD HALL	348 beds	57%	not applicable	2024
CEBU EXCHANGE	16,003	52%	Various escalation rates ranging from 3% to 5%	Various dates from 2028 to 2029

*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 Philippine Offshore Gaming Operations (POGO). As a result, the Company does not have any exposure to the POGO sector.

Condominium Certificates of Title

CCTs covering various units in Cebu Exchange and Savya Financial Center have been issued. These CCTs pertain to commercial and office units developed by Cebu Exchange and Savya Financial Center. The CCTs substantiate the units included in the Company's leasing operations and provide the basis for lease arrangements undertaken in these projects. A summary of these CCTs is set out below for reference.

Cebu Exchange			
	CCT No.	Area (sqm.)	Year Issued
1.	107-2021005329	128.44	2021
2.	107-2021005331	88.76	2021
3.	107-2021005351	303.98	2021
4.	107-2024006031	160.73	2024
5.	107-2024006030	160.75	2024
6.	107-2024006029	160.13	2024
7.	107-2021005355	344.20	2021
8.	107-2021005356	317.75	2021
9.	107-2021005357	464.97	2021
10.	107-2024005465	160.01	2024
11.	107-2024005467	160.62	2024
12.	107-2025001363	160.36	2025
13.	107-2023006957	173.26	2023
14.	107-2025001365	346.29	2025

Cebu Exchange			
	CCT No.	Area (sqm.)	Year Issued
15.	107-2022000724	304.87	2022
16.	107-2022000725	160.18	2022
17.	107-2022000726	160.33	2022
18.	107-2022000727	160.43	2022
19.	107-2022000728	336.10	2022
20.	107-2022000729	352.45	2022
21.	107-2022000730	468.20	2022
22.	107-2024003478	160.58	2024
23.	107-2024005569	160.19	2024
24.	107-2025002818	161.13	2025
25.	107-2025001368	173.27	2025
26.	107-2022000735	346.35	2022
27.	107-2022000604	304.86	2022
28.	107-2024003477	160.52	2024
29.	107-2024003398	161.68	2024
30.	107-2023010182	160.57	2023
31.	107-2024000966	336.32	2024
32.	107-2022000609	353.42	2022
33.	107-2022000610	468.13	2022
34.	107-2024005571	160.55	2024
35.	107-2023010183	160.37	2023
36.	107-2024005462	160.49	2024
37.	107-2024005561	173.19	2024
38.	107-2022000615	347.52	2022
39.	107-2024005078	305.07	2024
40.	107-2024005079	160.89	2024
41.	107-2024005080	161.27	2024
42.	107-2024005081	161.02	2024
43.	107-2024005076	336.31	2024
44.	107-2024005077	353.67	2024
45.	107-2024005074	467.10	2024
46.	107-2024005073	161.32	2024
47.	107-2024005072	161.20	2024
48.	107-2024005083	161.20	2024
49.	107-2024005082	175.09	2024
50.	107-2024005075	346.43	2024
51.	107-2022000748	158.99	2022
52.	107-2022000749	164.56	2022
53.	107-2022000750	160.89	2022
54.	107-2022000751	160.89	2022
55.	107-2022000752	161.16	2022
56.	107-2024000962	175.16	2024
57.	107-2025002817	174.89	2025
58.	107-2022000755	184.20	2022
59.	107-2024006032	125.89	2024
60.	107-2022000757	158.36	2022
61.	107-2022000758	169.50	2022
62.	107-2024006083	161.30	2024
63.	107-2022000760	160.50	2022
64.	107-2024005024	160.55	2024

Cebu Exchange			
	CCT No.	Area (sqm.)	Year Issued
65.	107-2022000762	171.43	2022
66.	107-2022000763	167.06	2022
67.	107-2022000765	189.70	2022
68.	107-2022000764	130.12	2022
69.	107-2023008293	159.71	2023
70.	107-2025000032	164.38	2025
71.	107-2022000768	160.56	2022
72.	107-2023008295	160.72	2023
73.	107-2023008296	160.31	2023
74.	107-2024007254	174.65	2024
75.	107-2024006398	174.81	2024
76.	107-2022000773	182.05	2022
77.	107-2024006277	125.81	2024
78.	107-2022000775	156.79	2022
79.	107-2025004101	169.98	2025
80.	107-2022000777	160.59	2022
81.	107-2022000778	160.65	2022
82.	107-2024005463	160.03	2024
83.	107-2024000064	170.40	2024
84.	107-2024006278	165.78	2024
85.	107-2023010185	189.25	2023
86.	107-2024000066	130.13	2024
87.	107-2022000820	304.96	2022
88.	107-2022000821	161.29	2022
89.	107-2024006297	162.02	2024
90.	107-2024006298	167.74	2024
91.	107-2022001615	328.81	2022
92.	107-2022000823	352.74	2022
93.	107-2022000824	467.18	2022
94.	107-2022000829	346.01	2022
95.	107-2022000640	304.62	2022
96.	107-2022000641	160.94	2022
97.	107-2022000642	160.72	2022
98.	107-2022000643	161.13	2022
99.	107-2022000644	336.76	2022
100.	107-2022000645	352.81	2022
101.	107-2022000646	467.04	2022
102.	107-2022000647	162.03	2022
103.	107-2022000648	161.24	2022
104.	107-2024006401	161.45	2024
105.	107-2024005029	173.79	2024
106.	107-2022000651	346.32	2022
107.	107-2022000844	304.30	2022
108.	107-2022001616	160.41	2022
109.	107-2022001617	160.42	2022
110.	107-2022001618	160.31	2022
111.	107-2022001619	334.92	2022
112.	107-2022001620	353.39	2022
113.	107-2022001621	466.01	2022
114.	107-2022001622	162.10	2022

Cebu Exchange			
	CCT No.	Area (sqm.)	Year Issued
115.	107-2022001623	161.99	2022
116.	107-2022001624	162.38	2022
117.	107-2024006399	174.13	2024
118.	107-2022001626	346.28	2022
119.	107-2022001627	304.54	2022
120.	107-2022001628	160.29	2022
121.	107-2022001629	160.54	2022
122.	107-2022001630	160.53	2022
123.	107-2022001631	343.50	2022
124.	107-2022001638	345.62	2022
125.	107-2022001639	304.76	2022
126.	107-2022001640	160.21	2022
127.	107-2022001641	160.19	2022
128.	107-2022001642	160.47	2022
129.	107-2022001643	343.99	2022
130.	107-2022001644	317.43	2022
131.	107-2024006041	466.71	2024
132.	107-2024006042	162.48	2024
133.	107-2024006043	162.42	2024
134.	107-2024006044	161.97	2024
135.	107-2024006045	172.80	2024
136.	107-2022001650	345.85	2022
137.	107-2023008297	305.16	2023
138.	107-2024001911	160.33	2024
139.	107-2025003360	160.19	2025
140.	107-2022001654	160.44	2022
141.	107-2022001655	343.56	2022
142.	107-2024007304	99.51	2024

Savya Financial Center			
	CCT No.	Area (sqm.)	Year Issued
1	164-2024007551	99.54	2024
2	164-2024012948	99.54	2024
3	164-2024007549	99.54	2024
4	164-2024012482	92.82	2024
5	164-2024012492	92.82	2024
7	164-2024013369	98.87	2024
8	164-2024013361	83.98	2024
9	164-2024012490	92.82	2024
10	164-2024013169	92.82	2024
11	164-2024012950	92.82	2024
12	164-2024013235	217.22	2024
14	164-2022014431	99.97	2022
15	164-2022014432	99.97	2022
16	164-2022014433	99.97	2022
17	164-2022017105	96.46	2022

Savya Financial Center			
	CCT No.	Area (sqm.)	Year Issued
18	164-2022017105	99.46	2022
20	164-2024013371	89.27	2024
21	164-2024013365	91.6	2024
22	164-2024013363	78.31	2024
22	164-2022014436	86.09	2022
22	164-2022014437	86.09	2022
22	164-2022014438	86.09	2022
23	164-2024011652	102.46	2024
24	164-2024011660	105.13	2024

OPERATING LEASE COMMITMENTS — GROUP AS LESSEE

ALCO is a lessee under non-cancellable operating leases. For short-term and low value leases, rent expense recognized amounted to ₱3.1 million for the period ended June 30, 2025, and in full year, ₱6.5 million in 2024, ₱6.1 million in 2023, and ₱3.6 million in 2022.

In 2024, the Group entered into long-term leases with terms of 3 to 5 years. Lease liabilities and right-of-use assets recognized in relation to these long-term leases amounted to ₱44.1 million and ₱42.9 million respectively as of June 30, 2025.

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 (₱)	Escalation
Cebu Exchange Retail 2-B (Showroom)	Eklektos Estates, Inc.	Cebu Lavana Land Corp.	July 2024 to December 2025	Renewable	128,000	3%
Staffhouse	Harley Y. Yunam	Cebu Lavana Land Corp.	February 2024 to January 2027	Renewable	119,070	7% on the 2nd year
Lucima Model Unit Retail 2-A	Eklektos Estates, Inc.	Bhavana Properties, Inc.	July 2024 to December 2025	Renewable	131,909	3%
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 the date of this Prospectus, ALCO does not have a major lease agreement, as lessee.

Board of Directors and Management

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 (2) independent directors in accordance with the requirements of the SRC.

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.

<table>
<tr><td rowspan="3">Ernest K. Cuyegkeng</td><td rowspan="3">79</td><td>Chairman/Regular Director</td><td>June 24, 2016 – Present</td><td rowspan="3">Filipino</td></tr>
<tr><td>Chairman/Independent Director</td><td>June 6, 2012 – June 24, 2016</td></tr>
<tr><td>Independent Director</td><td>May 21, 2007 –June 6, 2012</td></tr>
<tr><td rowspan="4">Jaime C. González</td><td rowspan="4">79</td><td>Vice Chairman/Regular Director</td><td>August 1, 2016 – Present</td><td rowspan="4">Filipino</td></tr>
<tr><td>President</td><td>March 1, 2017 – Present</td></tr>
<tr><td>Regular Director</td><td>June 6, 2012 –August 1, 2016</td></tr>
<tr><td>Chairman/Regular Director</td><td>May 21, 2007 –June 6, 2012</td></tr>
<tr><td rowspan="2">Ricardo Gabriel T. Po</td><td rowspan="2">57</td><td>Vice Chairman/Regular Director</td><td>June 26, 2015 – Present</td><td rowspan="2">Filipino</td></tr>
<tr><td>Regular Director</td><td>March 28, 2012 –June 26, 2015</td></tr>
<tr><td>Jaime Enrique Y. González</td><td>48</td><td>Regular Director</td><td>June 24, 2011 – Present</td><td>Filipino</td></tr>
</table>

Christopher Paulus Nicholas T. Po	54	Regular Director	June 24, 2011–- Present	Filipino
Andres B. Sta. Maria	76	Regular Director	June 27, 2025- Present	Filipino
		Independent Director	June 24, 2016-June 26, 2025	
Cornelio S. Mapa, Jr.	59	Treasurer and Executive Vice President/Regular Director	June 25, 2021–- Present	Filipino
Denise Loreena V. De Castro	49	Independent Director	June 30, 2023 – Present	Filipino
Hans B. Sicat	65	Independent Director	June 30, 2017 – Present	Filipino

The directors' previous and present positions and tenure in listed companies other than ALCO are likewise summarized below:

PREVIOUS AND PRESENT POSITIONS AND TENURE IN LISTED COMPANIES OTHER THAN ALCO		
Name	**Position/Company**	**Period**
Ernest K. Cuyegkeng	*Director/Consultant*–- A. Soriano Corporation	April 2024 – Present
	Director/President – A. Soriano Corporation	April 2022 – April 2024
	Director/Executive Vice President/Chief Financial Officer – A. Soriano Corporation	April 2009 – March 2022
	Director – iPeople, Inc.	2016 – Present
Jaime C. González	*Chairman of the Board* – IP E-game Ventures, Inc.	October 2005 – 2020
	Independent Director – Southeast Asia Cement Holdings, Inc. (subsidiary of Lafarge S.A.)	1998 – April 2013
	Independent Director–- Euromoney Institutional Investors PLC (UK publicly listed media company)	November 2005 – January 2013
	Director – Export and Industry Bank, Inc. (Chairman of the Board from May 2006)	February 2006 – April 2012

PREVIOUS AND PRESENT POSITIONS AND TENURE IN LISTED COMPANIES OTHER THAN ALCO		
Name	**Position/Company**	**Period**
Ricardo Gabriel T. Po	*Vice Chairman/Director* – Century Pacific Food, Inc.	October 2013 – Present
	Vice Chairman/Director–- Shakey's Pizza Asia Ventures, Inc.	March 2016–- Present
Jaime Enrique Y. González	*Deputy Chairman/President* – IP E-game Ventures, Inc.	October 2005 – Present
Christopher Paulus Nicholas T. Po	*Chairman, President & Chief Executive Officer/Director* – Century Pacific Food, Inc.	June 2013 – March 2018
	Executive Chairman – Century Pacific Food, Inc.	March 2018 – Present
	Chairman/Director–- Shakey's Pizza Asia Ventures, Inc.	March 2016 – Present
Cornelio S. Mapa, Jr.	Chief Financial Officer – Ginebra San Miguel Inc. (Formerly La Tondena Distillers, Inc.)	1996–- 2002
	Executive Vice President and Managing Director (Corporate Strategy) – Universal Robina Corporation	2010 – 2019
	Senior Vice President (Strategy, Investments and New Builds) – JG Summit Holdings, Inc.	2018–- 2020
Hans B. Sicat	President – Philippine Stock Exchange	2011 – 2017
	Director – Philippine Stock Exchange	2018–- 2019
Andres B. Sta. Maria	Director – South East Asian Cement, Inc.	2000 – 2013

The business experience of each of the Company's directors for the past five years is described below.

Ernest K. Cuyegkeng, Filipino, recently retired as President and Chief Operating Officer of A. Soriano Corporation but remains a Director and consultant thereof. His other concurrent positions include being the Chairman of the Board of Phelps Dodge Philippines International, President and Director of Sumifru Philippines, and a Director of Seven Seas Resorts & Leisure, Prople, KSA Realty, Phinma Insurance Brokers, Inc., iPeople, Inc., and Sumifru Singapore 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. 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 Arthaland'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 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., E-games, and IP-Converge, Inc., which 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 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 alumnus, 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 master's 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 Arthaland, oversees the Finance Group and the Information Technology Department. 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 master's degree 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.

Denise Loreena V. de Castro, Filipino, was elected as an independent director on June 30, 2023, replacing Mr. Fernan Victor P. Lukban, whose term of office had expired. Ms. De Castro is the Principal Architect of DEQA Design Collaborative (formerly DDC Architectural Studio), an award-winning studio she founded in 2010 that integrates planning, architecture, interior, and product design with the expertise of affiliated specialty consultants. She obtained her Bachelor of Arts in Architecture at Wellesley College and earned her Master's degree in Architecture from Harvard University Graduate School of Design. She worked previously at IDEO (San Francisco) and Lor Calma Design Associates (Manila). Multiple publications and associations recognize her as one of the Philippines' Best Architects. Her practice focuses on designing for the well-being and sustainability of people and the planet through their unique methodology of Well-Living Design.

Hans Brinker Sicat, Filipino, is currently a Managing Director in Ares Management Corporation, a U.S. publicly listed alternative investment manager. He is with Ares' private equity group, which is used to be known as Crescent Point, a Singapore based private equity firm focused on Asian opportunities. He is also currently the Chairman of Projuris Corporation and Director of Philippine Bank of Communications. 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 was with the Young Presidents' Organization (YPO and YPO Gold) for nearly two decades, an active leader in different roles, including the Membership and Engagement 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.

Executive Officers and Significant Employees

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	53	Anti-Money Laundering Council Compliance Officer	July 01, 2025 – Present	Filipino
		Corporate Secretary and General Counsel	February 08, 2017 – Present	
		Compliance Officer	March 1, 2017 – Present	
		Vice President - Head of Legal and Compliance Department	October 1, 2012 – Present	
		Assistant Corporate Secretary/ Corporate Information Officer	May 21, 2007 – February 7, 2017	
		Vice President - Investor Relations Officer	October 1, 2012 –February 7, 2017	
Christopher G. Narciso	56	Executive Vice President -Head of Business Operations Group	May 9, 2018 – Present	Filipino
Sheryll P. Verano	48	Senior Vice President - Head of Corporate Strategic Funding and Investments and Investor Relations Officer	March 21, 2018 – Present	Filipino
		Vice President - Head of Corporate Strategic Funding and Investments and Investor Relations Officer	February 8, 2017 – March 21, 2018	
		Vice President - Head, Strategic	July 1, 2016 – February 8, 2017	

Name	Age	Position	Years Served in the Company	Citizenship
		Funding and Investments		
Oliver L. Chan	44	Senior Vice President/Head of Sales Operations and Project Marketing and Leasing Operations	March 21, 2018 – Present	Filipino
		Chief Sustainability Officer	October 16, 2022 – Present	
Leilani G. Kanapi	51	Vice President - Head of Strategic and Procurement Department	March 21, 2018 – Present	Filipino
Marivic S. Victoria	53	Chief Finance Officer – Head of Finance Department	October 1, 2022 – Present	Filipino
		Deputy Chief Finance Officer	January 3, 2022 – September 30, 2022	
Joseph R. Feliciano	55	Risk Management Officer	December 15, 2021 – Present	Filipino
		Vice President - Head of Internal Audit and Risk Department	August 17, 2020 – Present	
Alex D. Miguel	61	Vice President— Head of Technical Services Group	August 5, 2022 – Present	Filipino
Felix Cicero C. Tiukinhoy	53	Vice President – Head of Customer Accounts Management Department	August 1, 2023 – Present	Filipino
		Anti-Money Laundering Council Compliance Officer	January 1, 2024–- June 30, 2025	

Name	Age	Position	Years Served in the Company	Citizenship
Maria Elena M. Fajardo	41	Vice President–- Head of the Human Resources and Administration Department	October 25, 2023 – Present	Filipino
Gerard Vincent Casanova	42	Head of Information and Technology Department	February 1, 2024 – Present	Filipino
		Data Privacy Officer		
Margeline C. Hidalgo	37	Assistant Corporate Secretary	June 24, 2022 – Present	Filipino
		Legal Counsel	January 16, 2020 – Present	

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. In addition, she performs the responsibilities of ALCO's Compliance Officer, having assisted ALCO's previous compliance officers on their tasks as such.

Christopher G. Narciso, Filipino, is the Executive Vice President who oversees the concerns of ALCO's Business and Project Development, Customers Account Management, Construction Management, Planning and Design, Construction Cost Management, and Strategic Procurement. Prior to joining ALCO in 2018, Mr. Narciso was an Executive Director of the Philippine Transmarine Carriers Group and the Concurrent Chief Operating Officer of ACM Landholdings, Inc. He was also at one time the Chief Operating Officer of Taft Property Ventures Development Corporation, a member of Metro Gaisano Vicsal Development Corporation. He worked at Robinsons Land Corporation from 2007 until 2013, and Narel Realty and Development Corporation from October 1995 to March 2007. Mr. Narciso graduated from the De La Salle University with a Bachelor of Science degree in Industrial Management Engineering, minor in Chemical Engineering, and also earned units in Master's degree in Business Administration from the University of Western Australia. He is a past National President of the Subdivision and Housing Developers Association.

Sheryll P. Verano, Filipino, is the Head of Strategic Funding & Investments and Corporate Planning and is ALCO's Investor Relations Officer. She is a finance professional with over 20 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 Head of Sales and Leasing Operations and oversees Marketing and Corporate Communications. 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, was appointed Internal Audit Head in 2020 and was thereafter promoted to Internal Audit and Risk Management Officer on December 15, 2021. 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 tasked to head the 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 among the representatives of ALCO to the Philippine Green Building Council since 2010 and she was recently elected as a member of its Board of Trustees.

Alex D. Miguel, Filipino, was appointed as one of the Vice Presidents of the Technical Services Group on August 5, 2022. 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 Head of Customer Account Management on August 1, 2023. 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 the Head of the Human Resources and Administration Department 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 Head of the Information and Business Technology (IT) Department 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 also one of its Legal Counsels.

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	Public disclosure of all financial information as

Auditors	Financial Analysts	Investment Banks
	approved by the Audit Committee	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, and most recently, on May 3, 2023, with the only change referring to the term of the External Auditor. Item 6.B of the Manual 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."

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 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 or her qualifications, the 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. 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). The Company's has two (2) independent directors: Hans B. Sicatand Denise Loreena V. de Castro.

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 and Denise Loreena V. de Castro as members.

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 Denise Loreena V. de Castro as members.

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 do not involve neither the Company nor their acts as such director and officer 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 director 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] filed one and the same complaint against Mr. Jaime C. González, among other former officers of EIB[20], 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 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. Complainant-appellant PDIC filed a Motion for Reconsideration on 10 March 2025, and Mr. Gonzalez filed his Comment/Opposition on 21 April 2025. There is no resolution 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 of the company which Mr. González was an officer of, as EIB's financial advisor, 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 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 Mr. González or any of the other defendants. PDIC filed a Motion for Partial Reconsideration on 22 April 2025 which was denied in an Order dated 30 June 2025. PDIC filed a Notice of Partial Appeal on 23 July 2025.

   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 ₱20,000.00. 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

[20] EIB was a commercial bank until its closure in 2012.

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, Assistant Corporate Secretary of Arthaland 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 the bank to make advances in favor of Arthaland for the alleged purchase by Arthaland of one of the bank's non-performing assets in the sum of ₱13 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 against all respondents 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 Secretary of Justice 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 for 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 ₱20,000.00 and the penalty of suspension if the offender is a director or officer of a bank, quasi-bank or trust entity[21]. After BSP denied the respondents' Motion for Reconsideration on 28 November 2024, they filed with the Court of Appeals 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 ₱75,000.00 for independent directors and ₱10,000.00 for regular directors, except for the Chairman of the Board who receives ₱100,000.00. In May 2023, the per diem for regular directors was increased to ₱15,000.00 for each Board meeting attended.

[21] Since Mr. Gonzalez is no longer with EIB, and assuming he is not presently connected with any financial institution, the penalty of suspension shall still attach should he subsequently return or join any financial institution supervised by the BSP.

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 ₽2,500.00 to ₽7,500.00 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 Denise Loreena V. de Castro Andres B. Sta. Maria
Stock Option and Compensation Committee	Jaime C. González, Chairman Denise Loreena V. de Castro 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, 2024 is as follows:

Name of Director	2024 (₱)	2023 (₱)
Ernest K. Cuyegkeng	1,000,000.00	800,000.00
Jaime C. González	1857,500.00	125,000.00
Jaime Enrique Y. González	150,000.00	105,000.00
Fernan Victor P. Lukban[22]	-	232,000.00
Cornelio S. Mapa, Jr.	135,000.00	105,000.00
Christopher Paulus Nicolas T. Po	165,000.00	90,000.00
Ricardo Gabriel T. Po	180,000.00	115,000.00
Hans B. Sicat	810,000.00	572,500.00
Andres B. Sta. Maria	892,500.00	647,500.00
Denise Loreena V. de Castro	907,500.00	330,000.00
Total	**4,427,500.00**	**3,122,000.00**

[22] His term of office ended on June 30, 2023.

The compensation of ALCO's officers and other employees for the last two years is as follows:

2024

	Salary[23]	**Bonus**	**Others**
Executives[24] 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*	**₱136.10M**	**₱18.39M**	**None**
Officers (As a group unnamed)[25]	**₱106.47M**	**₱13.89M**	**None**

2023

	Salary[26]	**Bonus**	**Others**
Executives[27] includes Jaime C. Gonzalez, *Vice Chairman and President*, and the four highest compensated officers: v. Cornelio S. Mapa, Jr., *Treasurer and Executive Vice President* vi. Christopher G. Narciso, *Executive Vice President* vii. Sheryll P. Verano, *Head, Strategic Funding and Investments*, and viii. Marivic S. Victoria, *Chief Finance Officer*	**₱111.86M**	**₱15.37M**	**None**
Officers (As a group unnamed)[28]	**₱86.43M**	**₱6.13M**	**None**

Estimated Compensation for 2025 (Collective)

	Salary[29]	**Bonus**	**Others**
Directors and Executives	₱123.83M	None[30]	None
Officers (As a group unnamed)	₱93.40M		

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 October 16, 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

23 Rounded-off.
24 Includes all employees with the rank of Vice President and higher.
25 Includes all employees with the rank of Manager up to Senior Assistant Vice President.
26 Rounded-off.
27 Includes all employees with the rank of Vice President and higher.
28 Includes all employees with the rank of Manager up to Senior Assistant Vice President.
29 Rounded-off.
30 Whether bonuses will be given in 2024 is uncertain at this time.

approved the 2009 ALCO Stock Option Plan. The total amount of shares which are available and may be issued for this purpose will amount to 10% of ALCO's total outstanding capital stock at any given time, which was equivalent to 531,809,519 common shares then. The Stock Option and Compensation Committee consisting of at least three (3) directors, one (1) of whom is an independent director, will administer the implementation of this plan.

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[31].

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 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 December 14, 2018, the Board, in accordance with the 2009 Stock Option Plan[32] , authorized the granting of stock options to certain qualified employees of the Corporation equivalent to not more than 90.0 million common shares. The price of the options granted was pegged at the five-day volume weighted average price per share beginning December 17, 2018 until December 21, 2018, or ₱0.85 per share ("Option Price").

On March 25, 2020, the Board changed the Option Price to P0.50 per share as the original price of ₱0.85 per share was no longer competitive given the current price at the time and it defeats the purpose of the 2009 Plan.[33]
The total number of stock options granted to ALCO's officers and other employees at the time was 57,200,000. None of the qualified employees exercised their respective rights before the optionsuntil 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 26, 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.

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[31] ALCO must have at least 50% equity holdings of said subsidiary or affiliate.

Following the directive of the Markets and Securities Regulation Department of the SEC, the BOD during the joint Board and Stock Option and Compensation Committee meeting held on 22 March 22, 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 capital common stock, or 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.

An application will be filed with the SEC for exemption from registration of option shares to be allocated under the 2020 Stock Option Plan, when such are granted.

As of the date of the Registration Statement, no options have been granted to any employee.

Financial Information

*Prospective investors in the Company's CLS Program 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" on page 143. The summary financial data for the three years ended December 31, 2022, 2023 and 2024 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 June 30, 2025 and 2024, 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 ₱ millions except where otherwise indicated

	Audited, December 31			**Unaudited, June 30**	
	2024	**2023**	**2022**	**2025**	**2024**
Revenues	**6,224**	**6,639**	**2,923**	**2,21009**	**2,571**
Cost and expenses	4,529	3,925	1,804	1,2376	1,733
Gross income	**1,6954**	**2,714**	**1,119**	**973**	**8387**
Operating expenses	(1,4643)	(1,350)	(872)	(821)	(6632)
Finance costs	(1,4876)	(1,020)	(501)	(6876)	(713)
Net gain on change in fair value of investment properties	1,9343	974	1,436	8343	8787
Other income – Net	4265	521	68	105	2977
Income before income tax	**1,1043**	**1,839**	**1,250**	**4043**	**637**
Provision for income tax	3465	450	377	1643	170
Net income	**758**	**1,389**	**873**	**240**	**4676**
Other comprehensive income (loss)					
Remeasurement gains (losses) on net retirement asset or liability	(10)	(7)	59	-	-
Income tax benefit (expense) on remeasurement gains or losses	2	2	(15)	-	-
Total comprehensive income	**750**	**1,384**	**917**	**240**	**4676**

Consolidated Statements of Financial Position
in ₱ millions except where otherwise indicated

	Audited, December 31			Unaudited, June 30	
	2024	**2023**	**2022**	**2025**	**2024**
Cash and cash equivalents	4,046	5,605	4,796	1,991	5,010
Financial assets at fair value through profit or loss (FVPL)	1,896	878	2,246	754	1,173
Receivables	1,772	2,211	2,380	3,036	2,359
Contract Assets	7,625	5,609	3,920	7,055	6,201
Real estate for sale	7,271	7,549	9,381	9,026	8,007
Investment properties	14,590	13,176	11,274	15,427	13,490
Property and equipment	302	316	334	302	312
Net retirement asset	-	14	36	-	6
Other Assets	3,040	1,906	2,026	3,822	2,105
Total Assets	**40,542**	**37,264**	**36,393**	**41,413**	**38,663**
Accounts payable and other liabilities	4,263	3,621	3,382	4,484	4,102
Loans payable	12,476	11,187	11,764	15,673	13,565
Bonds payable	5,956	5,942	5,926	2,963	5,947
Contract liabilities	428	198	231	719	384
Advances from non-controlling interests	1,010	1,102	1,102	963	1,010
Net retirement liability	27	5	3	43	6
Net deferred tax liabilities	2,130	2,093	1,924	2,309	2,014
Total Liabilities	**26,290**	**24,148**	**24,332**	**27,154**	**27,028**
Capital stock	1,005	1,006	1,006	1,005	1,007
Additional paid-in capital	6,464	5,973	5,973	6,464	5,973
Treasury stock – at cost	(1,000)	(2,000)	(2,000)	(1,000)	(3,000)
Parent Company's preferred shares held by a subsidiary – at cost	(27)	(13)	(13)	(27)	(14)
Retained earnings	5,263	5,548	4,913	5,229	5,124
Other equity reserves	209	217	222	209	217
Total equity attributable to Equity Holders of the Parent Company	11,914	10,731	10,101	11,880	9,307
Non-controlling interests	2,338	2,385	1,959	2,379	2,328
Total Equity	**14,252**	**13,116**	**12,060**	**14,259**	**11,635**
Total Liabilities and Equity	**40,542**	**37,264**	**36,392**	**41,413**	**38,663**

Consolidated Statements of Cash Flows
in ₱ millions except where otherwise indicated

	Audited, December 31			Unaudited, June 30	
Cash flows from (used in):	2024	2023	2022	2025	2024
Operating activities	(767)	2,090	700	(2,535)	(709)
Investing activities	(938)	1,409	2,050	1,167	(235)
Financing activities	144	(2,694)	88	(686)	347
Net effect of exchange rate changes to cash and cash equivalents	2	4	9	(1)	2
Net increases (decreases) in cash and cash equivalents	(1,559)	809	2,847	(2,055)	(595)
Cash and cash equivalents at beginning of period	5,605	4,796	1,949	4,0465	5,605
Cash and cash equivalents at end of period	**4,046**	**5,605**	**4,796**	**1,9910**	**5,010**

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, 2024 and for the six months ended June 30, 2025. The following discussions are lifted from the 2024 annual report (SEC Form 17-A) and June 30, 2025 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, 2024, 2023, and 2022, 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, 2024 as well as the unaudited interim condensed financial statements of ALCO as of June 30, 2025.

Following its reorganization in 2007, ALCO focused on establishing its brand and track record by developing its flagship projects, Arya and ACPT, which are meant to represent ALCO's solid presence in both the residential and office segments of the real estate sector. After the huge success of Arya and ACPT, ALCO has established itself as a premium and sustainable property developer and is now focused on growing its real estate portfolio.

By 2025, ALCO expects to have a total of more than 456,000 sqm of GFA from the completed and current projects in its portfolio. Compared against the combined GFA of Arya and ACPT of approximately 110,000 sqm, this represents a growth multiple of 4.14x its portfolio in 2019 or an estimated compounded annual growth rate of 33%. Of the target 456,000 sqm of developed GFA, the Company's on-going projects and projects scheduled for launch within the next 12 months, including Cebu Exchange, Savya Financial Center, Sevina Park, Lucima, Eluria, Project Olive, Project Vanilla and Project Teal account for substantially all of the incremental GFA that ALCO expects to support its growth target.

Diversification

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 456,000 sqm portfolio by 2024, ALCO expects approximately 50% (about 228,000 sqm) to be in the commercial segment and the balance 50% in the broader mid-scale to ultra-luxury 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. For 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.
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 by 20242025 to be located outside Metro Manila through its Sevina Park and Lucima projects while maintaining 40% of its residential portfolio within BGC and the Makati CBD area through Arya Residences, and Eluria.

Maintaining High Quality in its Projects

ALCO is very 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 will continue to target to achieve green building certification for all of its future projects.

Matching of Fixed Costs with Recurring Income

To mitigate risk, ALCO likewise intends to maintain a leasing portfolio which, at minimum, is planned to match its fixed overhead costs. ALCO's leasing portfolio is currently composed of its retail units in Arya Plaza, Courtyard Hall, ACPT and 16,003 sqm of office and retail units in Cebu Exchange. Depending on market conditions, ALCO may also choose to retain retail or office units in its future projects to grow its leasing portfolio.

KEY PERFORMANCE INDICATORS

The table below sets forth the comparative performance indicators of the Company and its subsidiaries for the six months ended on June 30, 2025, and for fiscal years 2024, 2023, and 2022.

	6 months Ended 30 Jun 2025	**December 2024**	**December 2023**	**December 2022**
Current/Liquidity Ratio (Current Assets over Current Liabilities)	**1.78:1**	**1.58:1**	**2.32:1**	2.44:1
Solvency Ratio (Net income before Depreciation over Total Liabilities)	**0.01:1**	**0.03:1**	**0.06:1**	0.04:1
Debt-to-Equity Ratio (Total Liabilities to Total Equity)	**1.90:1**	**1.84:1**	**1.84:1**	2.02:1
Debt-to-Equity Ratio for Loan Covenant (Total Debt [Bonds and loans payable, amount payable for purchase of interest in a subsidiary and advances from non-controlling interest] to Total Equity)	**1.37:1**	**1.36:1**	**1.39:1**	1.56:1
Asset-to-Equity Ratio (Total Assets over Total Equity)	**2.90:1**	**2.84:1**	**2.84:1**	3.02:1
Interest Rate Coverage Ratio	**1.60:1**	**1.74:1**	**2.81:1**	3.51:1

	6 months Ended 30 Jun 2025	December 2024	December 2023	December 2022
(Pre-tax income before Interest over Interest Expense)				
Profitability Ratio (Net income over Total Equity)	**0.02:1**	**0.05:1**	**0.11:1**	0.07:1

All of the revenues and net income of ALCO for the years 2024, 2023, 2022 and the first six months of 2025 were contributed by the revenues and net income from (i) percentage of completion rate during the first half of 2025 which were much higher than that of the same period last year, (ii) revenue recognition from Sevina Park Villas which started in the last quarter of 2020 and have now been continuously recognized, (iii) revenue recognition from Lucima which started in the second quarter of 2022, (iv) revenue from Eluria which started in the third quarter of 2023, (v) revenues from the sale of Sevina commercial lots in 2022 to 2024, (vi) revenue recognition from Una Apartments Tower 1 which started in the first quarter of 2024, and (vii) revenue recognition from Savya Financial Center, Una Apartments Tower 2 which started in the first half of 2025. Leasing revenues from office and parking units in ACPT, retail units in Arya and dormitory units in Courtyard Hall and property management fees by APPS in the management and maintenance of all common areas of Arya Residences, ACPT, Cebu Exchange and Savya Financial Center, also contributed to the overall revenues of the group.

Other than the risks enumerated under Risk Factors. The, the Company is not aware of any events that will cause a material change in the relationship between costs and revenues.

The Company maintains and monitors certain financial ratios, specifically those that measure its performance in terms of profitability, liquidity, and solvency on a regular basis. In terms of profitability, the usual metrics used is Profitability Ratio, which measures whether a project is keeping up to the planned margins estimated during project planning and conceptualization given certain assumptions. For liquidity, the company keeps an eye on its Current or Acid Test Ratio to determine its ability to meet its current or short-term obligations. The long-term financial well-being of the Company, on the other hand, is monitored and measured in Solvency Ratios, specifically Debt (both Total Debt and for Interest-bearing Debt only) to Equity Ratio. The Group's top five key performance indicators, namely: (a) Current Ratio; (b) Debt to Equity Ratio; (c) Interest Bearing Debt to Equity Ratio; (d) Interest Coverage Ratio; and (e) Profitability Ratio, and the manner by which the Company calculates can be found on the table above.

Financial reports are presented regularly to the Company's Finance Committee every month including the above-mentioned financial ratios. While they may fluctuate and vary from time to time given the nature of the business, reasons for the variations between reporting periods and trends are discussed to determine any measures that need to be undertaken prospectively. Other than being used as barometers for the Company's levels of performance from one period to another, these financial ratios are also monitored to ensure the Company's compliance to some with financial covenants with some banks with respect to credit facilities these financing institutions that have extended or provided credit facilities to the Company. To date, the Company has been compliant with all these covenants.

The Company is not exposed to any seasonal aspects that had a material effect on the financial condition or results of operations.

Financial Ratios for Existing Debt Covenants

The following table summarizes the financial ratios required to be maintained by the Company and its subsidiaries in relation to its debt covenants.

Company	Financial Ratios	June 30, 2025	December 31, 2024	Required per Covenant
ALCO	Debt-to-equity (D/E) Ratio	1.4	1.4	Not more than 2.00
	Current Ratio (Conso)	1.8	1.6	Not less than 1.50
Cazneau	Debt-to-Equity Ratio	1.7	1.1	Not more than 2.00
	Current Ratio	2.2	1.6	Not less than 1.50
CLLC	Debt-to-Equity Ratio	0.4	0.3	Not more than 2.00
Bhavana	Debt-to-Equity Ratio	2.0	1.8	Not more than 2.00
	Current Ratio	1.9	1.9	Not less than 1.50
	Project D/E Ratio	0.2	0.3	Not more than 0.50
Bhavya	Debt-to-Equity Ratio	2.0	2.0	Not more than 2.00
	Current Ratio	1.9	2.0	Not less than 1.50
	Project D/E Ratio	0.20.5	Not more than 0.50	

See further discussion in the 1) CAFS Dec 2023, Note 13 Loans Payable, Note 14 Bonds Payable, and Schedule of Financial Ratios; 2) CAFS Dec 2024, Note 14 Loans Payable, Note 15 Bonds Payable, and Schedule of Financial Ratios; and 3) CUIFS Jun 2025, Note 13 Loans Payable, Note 14 Bonds Payable, and Schedule of Financial Ratios.

Moreover, testing of both financial covenants shall be done on April 30 of each year, using the December 31 audited consolidated financial statements of the Group for Parent company and separate statements of the Subsidiaries. As at December 31, 2024, 2023 and 2022, and six months ended at June 30, 2025, the Group/ subsidiaries are compliant with these financial ratios.

Under the respective loan agreements of the Company and its subsidiaries, any unpaid principal amount of the outstanding loan, interest accrued and unpaid thereon and all other amounts payable hereunder, will become due and payable upon happening of events of default that remain unremedied within the periods indicated in the respective loan agreements. These events of default include payment default, breach of representation and warranties, breach of covenants including financial covenants, insolvency, revocation of government licenses, revocation of project permits, material change in the business that result to material adverse effect, and impairment of the mortgage or of the mortgaged property.

In addition, the Trust Agreement of the First and Second Tranches of the ASEAN Green Bonds includes a provision for acceleration of its obligations under said agreements in the event of cross-default involving a violation in any material obligation of the Company with any institution for the payment of borrowed money which remains unremedied by the Company within ten (10) Banking Days from notice of default and such violation results in the acceleration of the whole financial obligation prior to the stated normal date of maturity and provided that no event of default will occur under this provision unless the aggregate amount of indebtedness equals to exceeds P500,000,000.

Material Commitments for Capital Expenditures

Over the next twelve months, the Company expects to disburse about P12 billion for land and development costs for its on-going projects including Lucima, Eluria and Una Apartments in Sevina Park and for its projects in the pipeline including Project Olive, Project Teal and Project Vanilla.

These expenditures will be sourced from funds raised from the proceeds of the ASEAN Green Bonds and equity to be raised from the proceeds of the Series F Preferred Shares, term loans at the level of the project, equity from joint venture partners and internally-generated funds. For ongoing projects under construction, disbursements will also be funded by pre-selling of units.

EXECUTIVE COMPENSATION

Please refer to page 136 of this Prospectus for a discussion on Executive Compensation.

RELATED PARTY TRANSACTIONS

Please refer to page 100 of this Prospectus for further discussion on related party transactions.

Material Non-controlling Interests

The Company's non-controlling interests amounting to ₱2,379.4 million, ₱2,337.6 million, ₱2,385.2 million and ₱1,959.5 million as of June 30, 2025, December 31, 2024, 2023 and 2022, respectively, pertain to interests in SLDC, KHI, Bhavana and Bhavya.

SLDC

Non-controlling interests over SLDC is 41% as at June 30, 2025, December 31, 2024, 2023 and 2022. Net income of SLDC allocated to non-controlling interests amounted to ₱62.2 million for the period ended June 30, 2025, and in full years, ₱150.2 million in 2024, and ₱23.7 million in 2023 were determined based on the agreement between ALCO and HHI.

On March 17 and December 17, 2023, the BOD approved the subscription of convertible preferred shares by Help Holdings Inc. (HHI) to 19,096,407 and 2,049,000, respectively, shares at a subscription price of ₱100 per share or total amount of ₱2,114.5 million. The subscription was fully paid through the conversion of HHI's prior deposit for future stock subscription of the same amount. Additional paid-in capital arising from the subscription of convertible preferred shares aggregated to ₱2,093 million.

On February 23, 2024, the BOD approved the declaration of cash dividends amounting to ₱390.0 million or ₱780 per share to all stockholders of record on March 12, 2024. The dividends were paid on March 20, 2024.

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 ₱100 per share or total amount of ₱20.7 million. The subscription was fully paid through the conversion of HHI's prior advances to the Company in the same amount.

On June 20, 2025, the BOD approved the subscription of 27,597 convertible preferred shares by HHI at a subscription price of ₱100 per share or total amount of ₱2.8 million. The subscription was fully paid through the conversion of HHI's prior advances to the Company in the same amount.

On July 25, 2025, the BOD approved the subscription of 89,752 convertible preferred shares by HHI at a subscription price of ₱100 per share or total amount of ₱8,795,200.00. The subscription was also fully paid through the conversion of HHI's prior advances to the Company in the same amount.

The summarized financial information of SLDC, before intercompany eliminations, as at and for the six months ended June 30, 2025 and for the full years ended December 31, 2024 and 2023 are as follows:

	June 30, 2025	December 31, 2024	December 31, 2023
Current assets	**₱4,527,793,570**	₱4,567,120,456	₱5,381,802,617
Noncurrent assets	**747,348,092**	747,296,912	587,782,533
Current liabilities	**(2,270,068,708)**	(2,476,471,473)	(2,821,444,146)
Noncurrent liabilities	**(721,523,128)**	(564,042,530)	(526,773,954)
Net assets	**₱2,283,549,826**	₱2,273,903,365	₱2,621,367,050

	June 30, 2025	December 31, 2024	December 31, 2023
Revenue	**₱211,398,583**	₱185,019,836	₱2,392,608,813
Expenses	**(148,608,542)**	(210,296,874)	(1,346,462,251)
Operating income (loss)	**62,790,041**	(25,277,038)	1,046,146,562
Finance cost	**(60,097,893)**	(141,177,624)	(130,048,494)
Other income (expense) – net	**(5,681,410)**	242,994,847	100,760,291
Income (loss) before income tax	**(2,989,262)**	76,540,185	1,016,858,359
Benefit from (provision for) income tax	**900,739**	(20,229,203)	(253,662,465)
Total comprehensive income (loss)	**(₱2,088,523)**	₱56,310,982	₱763,195,894

	June 30, 2025	December 31, 2024	December 31, 2023
Cash flows from (used in):			
Operating activities	**₱153,043,548**	(₱65,228,243)	₱1,026,911,397
Investing activities	**25,324,418**	(75,894,082)	188,716,135
Financing activities	**(165,916,136)**	(520,040,906)	(1,013,845,574)
Net increase (decrease) in cash and cash equivalents	**12,451,830**	(378,918,581)	
Cash and cash equivalents at beginning of year	**137,800,805**	516,719,386	314,937,428
Cash and cash equivalents at end of year	**₱150,252,635**	₱137,800,805	₱516,719,386

KHI

The Group has 40% non-controlling interests in KHI. The net income (losses) of KHI allocated to non-controlling interests amounting to (₱26.0 million) for the six months ended June 30, 2025, and in full years, (38.2 million) in 2024, ₱295.8 million in 2023, and (₱3.5 million) in 2022 were distributed based on the capital contribution.

On December 19, 2022, the BOD approved the declaration of cash dividends amounting to 500.0 million or 40 per share to all stockholders of record on January 12, 2023. The dividends were paid on January 30, 2023.

On August 25, 2023, the BOD approved the declaration of cash dividends amounting to ₱530.0 million or ₱ 42.40 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 ₱390.0 million or ₱31.2 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 ₱138.0 million and to MEC amounting to ₱92.0 million. Repayment to MEC was made in March 2024.

On December 13, 2024, KHI's BOD approved to repay the advances to ALCO amounting to ₱70.2 million and to MEC amounting to ₱46.8 million which was paid on January 23, 2025.

On June 20, 2025, KHI's BOD approved to repay the advances to ALCO amounting to ₱64.2 million and to MEC amounting to ₱42.8 million, payable on July 21, 2025

The summarized financial information of KHI, before intercompany eliminations, as at and for the six months ended June 30, 2025 and for the full years ended December 31, 2024 and 2023 are as follows:

	June 30, 2025	December 31, 2024	December 31, 2023
Current assets	**₱241,963,213**	₱355,985,185	₱563,567,784
Noncurrent assets	**50,351,298**	51,450,194	60,674,812
Current liabilities	**(269,697,030)**	(384,148,252)	(599,214,172)
Net assets	**₱22,617,481**	₱23,287,127	₱25,028,424

	June 30, 2025	December 31, 2024	December 31, 2023
Expenses	**(₱3,338,919)**	(₱16,205,067)	(₱18,194,724)
Other income – net	**2,723,437**	404,844,820	548,697,258
Income before income tax	**(615,482)**	388,639,753	530,502,534
Provision for income tax	**54,162**	381,050	532,571
Net income (loss)	**(₱669,643)**	₱388,258,703	₱529,969,963

	June 30, 2025	December 31, 2024	December 31, 2023
Net cash provided by (used in):			
Operating activities	**(₱1,540,842)**	(₱3,625,701)	₱469,889,770
Investing activities	**117,000,000**	629,418,292	521,374,717
Financing activities	**(117,000,000)**	(624,265,253)	(988,793,999)
Net increase in cash and cash equivalents	**(1,540,842)**	1,527,338	2,470,488
Cash and cash equivalents at beginning of year	**4,686,779**	3,159,441	688,953
Cash and cash equivalents at end of year	**₱3,145,937**	₱4,686,779	₱3,159,441

Bhavana and Bhavya

The net income (loss) of Bhavana and Bhavya allocated to non-controlling interests amounting to (₱24.5 million) and ₱18.4 million, respectively, for the period ended June 30, 2025. In 2024, net income of Bhavana and Bhavya allocated to non-controlling interests amounted to 50.0 million and 20.4 million, respectively. In 2023, net income of Bhavana and Bhavya allocated to non-controlling interests amounted to ₱78.3 million and ₱42.9 million, respectively. In 2022, net income (loss) of Bhavana and Bhavya allocated to non-controlling interests amounted to ₱43.4 million and (₱12.3 million), respectively.

On February 16, 2023, Bhavana's BOD approved the appropriation of ₱110.0 million retained earnings to provide additional reserves for the ongoing construction of project Lucima.

On March 20, 2024, Bhavya's BOD approved the subscription of Narra to 300,000 Bhavya's preferred shares of Bhavya at the price of ₱100 per share, or a total of ₱30.0 million. The subscription was fully paid in the same month. Moreover, in October and December 2024, Narra subscribed to an additional 240,000 preferred shares at the price of ₱100 per share for ₱24.0 million.

In December 2024, Narra subscribed to 180,000 preferred shares of Bhavana at the price of ₱100 per share, or a total of ₱27.0 million.

The summarized financial information of Bhavana, before intercompany eliminations, as at and for the six months ended June 30, 2025 and for the full years ended December 31, 2024 and 2023 are as follows:

	June 30, 2025	December 31, 2024	December 31, 2023
Current assets	**₱3,280,792,699**	₱3,456,855,114	₱3,025,412,720
Noncurrent assets	**60,029,915**	50,844,308	53,303,805
Current liabilities	**(1,714,284,069)**	(1,847,265,788)	(1,758,715,743)
Noncurrent liabilities	**(1,510,715,862)**	(1,483,272,161)	(1,093,930,267)
Net assets	**₱115,822,683**	₱177,161,473	₱226,070,515

	June 30, 2025	December 31, 2024	December 31, 2023
Revenue	**₱302,981,660**	₱1,498,794,548	₱1,512,300,615
Expenses	**(389,206,042)**	(1,339,717,677)	(1,257,960,075)
Operating income	**(86,224,382)**	159,076,871	254,340,540
Other income – net	**4,225,102**	8,359,714	6,632,700
Income (loss) before income tax	**(81,999,280)**	167,436,585	260,973,240
Benefit from (provision for) income tax	**20,660,491**	(42,417,787)	(65,161,316)
Total comprehensive income (loss)	**(₱61,338,789)**	₱125,018,798	₱195,811,924

	June 30, 2025	December 31, 2024	December 31, 2023
Net cash flows provided by (used in):			
Operating activities	**₱23,262,863**	(₱182,393,196)	(₱142,388,675)
Investing activities	**568,999**	91,277,535	(27,067,756)
Financing activities	**(113,810,696)**	142,346,031	177,775,984
Net increase in cash and cash equivalents	**(89,978,835)**	51,230,370	8,319,553
Cash and cash equivalents at beginning of year	**113,393,002**	62,162,632	53,843,079
Cash and cash equivalents at end of year	**₱23,414,167**	₱113,393,002	₱62,162,632

The summarized financial information of Bhavya, before intercompany eliminations, as at and for the six months ended June 30, 2025 and for the full years ended December 31, 2024 and 2023 are as follows:

	June 30, 2025	December 31, 2024	December 31, 2023
Current assets	**₱2,942,186,282**	₱2,513,051,361	₱1,899,254,095
Noncurrent assets	**346,608,909**	304,169,949	185,698,815
Current liabilities	**(1,564,699,249)**	(1,258,532,788)	(985,025,718)
Noncurrent liabilities	**(1,515,786,607)**	(1,396,331,243)	(925,874,631)
Net assets	**₱208,309,335**	₱162,357,279	₱174,052,561

	June 30, 2025	December 31, 2024	December 31, 2023
Revenue	**₱510,184,522**	₱777,396,827	₱565,910,408
Expenses	**(449,428,228)**	(712,038,594)	(426,187,267)
Operating income	**60,756,294**	65,358,233	139,723,141
Other income – net	**970,799**	4,858,118	3,185,506
Income before income tax	**61,727,093**	70,216,351	142,908,647
Provision for income tax	**(15,775,037)**	(19,118,170)	(35,766,156)
Total comprehensive income	**₱45,952,056**	₱51,098,181	₱107,142,491

	June 30, 2025	December 31, 2024	December 31, 2023
Net cash flows provided by (used in):			
Operating activities	**(₱308,967,902)**	(₱390,728,593)	(₱516,113,541)
Investing activities	**78,029**	20,359,527	(35,429,738)
Financing activities	**258,726,004**	395,660,114	541,591,897
Net increase (decrease) in cash and cash equivalents	**(50,163,869)**	25,291,048	(9,951,382)
Cash and cash equivalents at beginning of year	**63,463,614**	38,172,566	48,123,948
Cash and cash equivalents at end of year	**₱13,299,745**	₱63,463,614	₱38,172,566

Interim Periods

FINANCIAL POSITION

	JUN 30, 2025	DEC 31, 2024	% Change
Cash and cash equivalents	**₱ 1,990,823,216**	₱ 4,045,963,662	-51%
Financial assets at fair value through profit or loss (FVPL)	**754,252,614**	1,895,958,320	-60%
Receivables	**3,035,887,180**	1,771,675,289	71%
Contract Assets	**7,054,974,127**	7,625,261,813	-7%
Real estate for sale	**9,025,517,134**	7,271,174,737	24%
Investment properties	**15,426,838,185**	14,590,019,555	6%
Property and equipment	**301,824,912**	301,658,461	0%
Other Assets	**3,822,521,267**	3,040,022,731	26%
Total Assets	**41,412,638,635**	40,541,734,568	2%
Accounts payable and other liabilities	**4,482,936,554**	4,262,192,735	5%
Loans payable	**15,672,698,816**	12,476,024,751	26%
Bonds payable	**2,962,686,036**	5,955,532,419	-50%
Contract liabilities	**719,094,105**	428,492,840	68%
Advances from non-controlling interests	**963,319,597**	1,010,119,597	-5%
Net retirement liability	**43,478,162**	27,371,514	59%
Net deferred tax liabilities	**2,309,031,277**	2,129,697,872	8%
Total Liabilities	**27,153,244,547**	26,289,431,728	3%
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	**5,228,479,547**	5,263,177,339	-1%
Other equity reserves	**208,982,963**	208,982,963	0%
	11,880,006,216	11,914,704,008	0%
Non-controlling interests	**2,379,387,872**	2,337,598,832	2%
Total Equity	**14,259,394,088**	14,252,302,840	0%

	JUN 30, 2025	DEC 31, 2024	% Change
Total Liabilities and Equity	**₱ 41,412,638,635**	₱ 40,541,734,568	2%

The Company's total consolidated assets stood at ₱41.4 billion as at June 30, 2025.

Causes for any material changes (+/- 5% or more) in the financial statements

51% Decrease in Cash and Cash Equivalents
This is largely due to payment for land acquisitions and repayment of Green Bond Tranche 1, net of additional loans.

60% decrease in Financial Assets at Fair Value through Profit or Loss
This is mainly due to repayment of Green Bond Tranche 1.

71% Increase in Receivables
The increase is primarily due to the maturity of the Contract to Sell with buyers of Lucima and Savya Financial Center projects.

7% Decrease in Contract Assets
This is due to maturity of the Contract to Sell with buyers of Lucima and Savya, net of increase in new real estate contracts recognized during the period.

24% Increase in Real Estate for Sale
This increase is mainly due to property acquisition for future developments.

6% Increase in Investment Properties
The increase is attributed to the revaluation of office and retail units and land properties of the Group.

23% Increase in Other Assets
The increase is largely due to the escrow fund earmarked for land acquisition, higher input tax credits and creditable withholding taxes.

The Company's total consolidated liabilities closed at ₱27.2 billion as at June 30, 2025.

Causes for any material changes (+/- 5% or more) in the financial statements:

5% Increase in Accounts Payable and Other Liabilities
The increase is mainly due to deferred output VAT, dividends declaration and other liabilities.

26% Increase in Loans Payable
The increase pertains mainly to additional net loans to refinance the development of ongoing projects of the group.

50% Decrease in Bonds Payable
This is mainly due to redemption of ALCO's P3 billion ASEAN Green Bonds Tranche 1.

68% 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 to a stockholder.

59% Increase in Retirement Liability
This is due to additional provision of retirement expense for the period.

5% Increase in Deferred Tax Liabilities
This is largely due to taxes related to fair value gain recognition of investment properties.

Total equity as at June 30, 2025 closed at ₱14.3 billion.

FINANCIAL RATIOS

JUNE 2025 vs. DECEMBER 2024

RATIO	FORMULA	JUN 2025	DEC 2024
Current Ratio	Current Assets / Current Liabilities	**1.78:1**	1.58:1
Acid Test Ratio	Quick Assets / Current Liabilities	**0.41:1**	0.49:1
Solvency Ratios	Net Income before depreciation / Total liabilities	**0.01:1**	0.03:1
Debt-to-Equity Ratio	Total Liabilities / Total Equity	**1.90:1**	1.84:1
Debt to Equity Ratio for Loan covenant	Total Debt [Bonds and loans payable, amount payable for purchase of interest in a subsidiary and advances from non-controlling interest] to Total Equity)	**1.37:1**	1.36:1
Asset-to-Equity Ratio	Total Assets / Total Equity	**2.90:1**	2.84:1
Interest Rate Coverage Ratio	Pretax Income before Interest / Interest expense	**1.60:1**	1.74:1
Return on Equity	Net Income / Average Equity excluding Preferred Shares	**2.69%**	5.32%
Return on Assets	Net Income / Average Total assets	**0.60%**	1.87%
Net Profit Margin	Net Income / Revenue	**11%**	12%
Basic Earnings per Share	Net income less dividends declared / Outstanding common shares	**0.0055**	0.0594
Price to Earnings Ratio	Market Price per share / Earnings per share	**79.44:1**	6.14:1
Dividend Yield	Dividends per share / Market price per share	**3.81%**	3.29%

JUNE 2025 vs. JUNE 2024

RATIO	FORMULA	JUN 2025	JUN 2024
Current Ratio	Current Assets / Current Liabilities	**1.78:1**	1.63:1
Acid Test Ratio	Quick Assets / Current Liabilities	**0.41:1**	0.56:1
Solvency Ratios	Net Income before depreciation / Total liabilities	**0.01:1**	0.02:1
Debt-to-Equity Ratio	Total Liabilities / Total Equity	**1.90:1**	2.32:1

RATIO	FORMULA	JUN 2025	JUN 2024
Debt to Equity Ratio for Loan covenant	Total Debt [Bonds and loans payable, amount payable for purchase of interest in a subsidiary and advances from non-controlling interest] to Total Equity)	**1.37:1**	1.76:1
Asset-to-Equity Ratio	Total Assets / Total Equity	**2.90:1**	3.32:1
Interest Rate Coverage Ratio	Pretax Income before Interest / Interest expense	**1.60:1**	1.90:1
Return on Equity	Net Income / Average Equity excluding Preferred Shares	**2.69%**	5.64%
Return on Assets	Net Income / Average Total assets	**0.60%**	1.22%
Net Profit Margin	Net Income / Revenue	**11%**	18%
Basic Earnings per Share	Net income less dividends declared / Outstanding common shares	**0.0055**	0.0279
Price to Earnings Ratio	Market Price per share / Earnings per share	**79.44:1**	17.38:1
Dividend Yield	Dividends per share / Market price per share	**3.81%**	2.47%

JUNE 2024 vs. DECEMBER 2023

RATIO	FORMULA	JUN 2024	DEC 2023
Current Ratio	Current Assets / Current Liabilities	**1.63:1**	2.32:1
Acid Test Ratio	Quick Assets / Current Liabilities	**0.56:1**	0.86:1
Solvency Ratios	Net Income before depreciation / Total liabilities	**0.02:1**	0.06:1
Debt-to-Equity Ratio	Total Liabilities / Total Equity	**2.32:1**	1.84:1
Debt to Equity Ratio for Loan covenant	Total Debt [Bonds and loans payable, amount payable for purchase of interest in a subsidiary and advances from non-controlling interest] to Total Equity)	**1.76:1**	1.39:1
Asset-to-Equity Ratio	Total Assets / Total Equity	**3.32:1**	2.84:1
Interest Rate Coverage Ratio	Pretax Income before Interest / Interest expense	**1.90:1**	2.81:1
Return on Equity	Net Income / Average Equity excluding Preferred Shares	**5.64%**	10.59%
Return on Assets	Net Income / Average Total assets	**1.22%**	4%
Net Profit Margin	Net Income / Revenue	**18%**	21%
Basic Earnings per Share	Net income less dividends declared / Outstanding common shares	**0.0279**	0.1314

RATIO	FORMULA	JUN 2024	DEC 2023
Price to Earnings Ratio	Market Price per share / Earnings per share	**17.38:1**	3.50:1
Dividend Yield	Dividends per share / Market price per share	**2.47%**	2.61%

FINANCIAL RATIOS

JUNE 2024 vs. JUNE 2023

Ratio	Formula	JUN 2024	JUN 2023
Current Ratio	Current Assets / Current Liabilities	**1.63:1**	2.22:1
Acid Test Ratio	Quick Assets / Current Liabilities	**0.56:1**	0.91:1
Solvency Ratios	Net Income before depreciation / Total liabilities	**0.02:1**	0.04:1
Debt-to-Equity Ratio	Total Liabilities / Total Equity	**2.32:1**	1.94:1
Debt-to-Equity Ratio for Loan covenant	Total Debt [Bonds and loans payable, amount payable for purchase of interest in a subsidiary and advances from non-controlling interest] to Total Equity)	**1.76:1**	1.48:1
Asset-to-Equity Ratio	Total Assets / Total Equity	**3.32:1**	2.94:1
Interest Rate Coverage Ratio	Pretax Income before Interest / Interest expense	**1.90:1**	3.36:1
Return on Equity	Net Income / Average Equity excluding Preferred Shares	**5.64%**	10.63%
Return on Assets	Net Income / Average Total assets	**1.22%**	2.52%
Net Profit Margin	Net Income / Revenue	**18%**	27%
Basic Earnings per Share	Net income less dividends declared / Outstanding common shares	**0.0279**	0.1078
Price to Earnings Ratio	Market Price per share / Earnings per share	**17.38:1**	4.64:1
Dividend Yield	Dividends per share / Market price per share	**2.47%**	2.40%

RESULTS OF OPERATIONS

JUNE 2025 vs. JUNE 2024

	JUN 30, 2025	% of Sale	JUN 30, 2024	% of Sale	% Change
Revenues	**₱2,209,681,5922,209,681,592**	100%	₱ 2,571,111,804	100%	-14%
Cost and Expenses	**2,209,681,5921,236,569,633**	56%	1,733,301,400	67%	-29%
GROSS INCOME	**973,111,959**	44%	837,810,404	33%	16%
Administrative expenses	**499,603,063**	23%	433,657,429	17%	15%
Selling and marketing expenses	**321,821,637**	15%	229,298,656	9%	40%

	JUN 30, 2025	% of Sale	JUN 30, 2024	% of Sale	% Change
OPERATING EXPENSES	**821,424,700**	37%	662,956,085	26%	24%
INCOME FROM OPERATIONS	**151,687,259**	7%	174,854,319	7%	-13%
OTHER OPERATING INCOME (EXPENSES)					
Finance costs	**(686,542,012)**	31%	(713,128,653)	-28%	-4%
Net gain on change in fair value of investment properties	**833,780,908**	38%	877,798,709	34%	-5%
Other income – net	**105,050,679**	5%	297,759,352	12%	-65%
INCOME BEFORE INCOME TAX	**403,976,834**	18%	637,283,727	25%	-37%
PROVISION FOR INCOME TAX	**163,872,020**	7%	170,419,640	7%	-4%
NET INCOME	**₱ 240,104,814**	11%	₱ 466,864,087	18%	-49%
NET INCOME ATTRIBUTABLE TO:					
Equity holders of Parent Company	**210,050,761**	10%	273,046,440	11%	-23%
Non-controlling interests	**30,054,053**	1%	193,817,647	8%	-84%
	₱ 240,104,814	11%	₱ 466,864,087	18%	-49%

The Group generated a consolidated revenue of ₱2.2 billion and net income of ₱240.1 million for the first half of 2025.

Causes for any material changes (+/- 5% or more) in the financial statements

14% Decrease in Revenues
The projects that contributed largely to Revenues in the first half of 2024 are either fully sold or about to be fully sold in the first half of 2025, its effect was lessened by the increase in revenues contributed by Project Eluria and the initial revenue recognition of new project, Una Apartment Tower 2.

29% Decrease in Cost and Expenses
This is mainly due to the adjusted construction cost of those ongoing projects that are near completion.

15% Increase in Administrative Expenses
This is largely due to higher taxes, personnel cost and SAP S4HANA migration.

40% Increase in Selling & Marketing Expenses
The increase is mainly attributed to higher commission, marketing events and sales roadshow.

5% Decrease in Net Gain on Change in Fair Value of Investment Properties
This is related to the current revaluation of the group's investment properties based on independent appraiser report.

65% Decrease in Other Income - net
This is mainly due to the fund balance available for money market placements.

RESULTS OF OPERATIONS

APRIL – JUNE 2025 vs. APRIL – JUNE 2024

	APR 1 – JUN 30, 2025	% of Sale	APR 1 – JUN 30, 2024	% of Sale	% Change
Revenues	**₱ 1,063,168,045**	100%	₱ 1,587,600,387	100%	-33%
Cost and Expenses	**571,571,642**	54%	1,118,000,165	70%	-49%
GROSS INCOME	**491,596,403**	46%	469,600,222	30%	5%
Administrative expenses	**247,343,261**	23%	178,278,625	11%	39%
Selling and marketing expenses	**142,086,493**	13%	131,455,248	8%	8%
OPERATING EXPENSES	**389,429,754**	37%	309,733,874	20%	26%
INCOME FROM OPERATIONS	**102,166,649**	10%	159,866,348	10%	-36%
OTHER OPERATING INCOME (EXPENSES)					
Finance costs	**(363,108,454)**	-34%	(351,231,235)	-22%	3%
Net gain on change in fair value of investment properties	**349,052,648**	33%	518,022,557	33%	-33%
Other income – net	**44,216,010**	4%	141,023,737	9%	-69%
INCOME BEFORE INCOME TAX	**132,326,853**	12%	467,681,407	29%	-72%
PROVISION FOR INCOME TAX	**92,574,031**	9%	123,971,045	8%	-25%
NET INCOME	**₱ 39,752,822**	4%	₱ 343,710,362	22%	-88%
NET INCOME ATTRIBUTABLE TO:					
Equity holders of Parent Company	**62,277,505**	6%	135,524,031	9%	-54%
Non-controlling interests	**(22,524,683)**	-2%	208,186,331	13%	111%
	₱39,752,822	4%	₱ 343,710,362	22%	-88%

For Q2 2025, the Group generated a consolidated revenue of ₱1.1 billion and net income of ₱39.8 million.

Causes for any material changes (+/- 5% or more) in the financial statements

33% Decrease in Revenues
The projects that contributed largely to Revenues in Q2 2024 are either fully sold or about to be fully sold in Q2 2025, its effect was lessened by the increase in revenues contributed by Project Eluria and the initial revenue recognition of new project, Una Apartment Tower 2.

49% Decrease in Cost and Expenses
This is mainly due to the adjusted construction cost of those ongoing projects that are near completion.

39% Increase in Administrative Expenses
This is largely due to higher taxes, personnel cost and SAP S4HANA migration.

8% Increase in Selling and Marketing Expenses
The increase is mainly attributed to marketing events and sales roadshow.

33% Decrease in Net Gain on Change in Fair Value of Investment Properties
This is related to the current revaluation of the group's investment properties based on independent appraiser report.

69% Decrease in Other Income - net
This is mainly due to the fund balance available for money market placements.

25% Decrease in Provision for Income Tax
This is due to lower taxable income for the period.

RESULTS OF OPERATIONS

JUNE 2024 vs. JUNE 2023

	JUN 30, 2024	% of Sale	JUN 30, 2023	% of Sale	% Change
Revenues	**₱ 2,571,111,804**	**100%**	₱ 3,371,826,140	100%	-24%
Cost and Expenses	**1,733,301,400**	**67%**	1,833,108,941	54%	-5%
GROSS INCOME	**837,810,404**	**33%**	1,538,717,199	46%	-46%
Administrative expenses	**433,657,429**	**17%**	357,780,801	11%	21%
Selling and marketing expenses	**229,298,656**	**9%**	310,579,580	9%	-26%
OPERATING EXPENSES	**662,956,085**	**26%**	668,360,381	20%	-1%
INCOME FROM OPERATIONS	**174,854,319**	**7%**	870,356,818	26%	-80%
OTHER OPERATING INCOME (EXPENSES)					
Finance costs	**(713,128,653)**	**-28%**	(525,264,276)	-16%	36%
Net gain on change in fair value of investment properties	**877,798,709**	**34%**	716,216,644	21%	23%
Other income – net	**297,759,352**	**12%**	138,788,986	4%	115%
INCOME BEFORE INCOME TAX	**637,283,727**	**25%**	1,200,098,172	36%	-47%
PROVISION FOR INCOME TAX	**170,419,640**	**7%**	295,710,755	9%	-42%
NET INCOME	**₱ 466,864,087**	**18%**	₱ 904,387,417	27%	-48%
NET INCOME ATTRIBUTABLE TO:					
Equity holders of Parent Company	**273,046,440**	**11%**	698,172,058	21%	-61%
Non-controlling interests	**193,817,647**	**8%**	206,215,359	6%	-6%
	₱ 466,864,087	**18%**	₱ 904,387,417	27%	-48%

The Group's consolidated revenue declined by 24% from ₱3,371.8 million in June 2023 to ₱2,571.1 million in June 2024 following the change in revenue mix between these periods.

Causes for any material changes (+/- 5% or more) in the financial statements

24% Decrease in Revenues
This is mainly due to higher sales from previous year boosted by sale of Sevina's commercial lots and Savya Financial Center's commercial units.

5% Decrease in Cost and Expenses
In addition to the lower revenues, the decrease is mainly attributed to the effect of PFRS 15 and its adoption.

21% Increase in Administrative Expenses
This is primarily driven by higher personnel costs and other pre-operating expenses related to completed projects.

26% Decrease in Selling & Marketing Expenses
The decrease is mainly attributed to higher commission expenses incurred last year from the sale of Sevina's commercial lot and Savya Financial Center's commercial units.

36% Increase in Finance Costs
The increase is largely due to the adoption of new accounting standard relative to non-capitalization of borrowing cost and accounting the same as part of period cost.

23% Increase in Net Gain on Change in Fair Value of Investment Properties
This pertains to the appraisal gain recognized for office/ retail units and land properties of the Group.

115% Increase in Other Income - net
This is mainly attributable to higher interest income from short term money market placements, gain on sale of assets and forfeited collections.

42% Decrease in Provision for Income Tax
The decrease is due to lower taxable income for H1 2024.

RESULTS OF OPERATIONS

April - June 2024 vs April – June 2023

	APRIL 1 - JUN 30, 2024	% of Sale	APRIL 1 - JUN 30, 2023	% of Sale	% Change
Revenues	**₱ 1,587,600,387**	**100%**	₱ 2,536,397,571	100% %	-37%
Cost and Expenses	**1,118,000,165**	**70%**	1,428,386,537	56%	-22%
GROSS INCOME	**469,600,222**	**30%**	1,108,011,034	44%	-58%
Administrative expenses	**177,142,599**	**11%**	206,453,492	8%	-14%
Selling and marketing expenses	**132,591,275**	**8%**	238,299,230	9%	-44%
OPERATING EXPENSES	**309,733,874**	**20%**	444,752,722	18%	-30%
INCOME FROM OPERATIONS	**159,866,348**	**10%**	663,258,312	26%	-76%
OTHER OPERATING INCOME (EXPENSES)					
Finance costs	**(351,231,235)**	**-22%**	(261,636,419)	-10%	34%
Net gain on change in fair value of investment properties	**518,022,557**	**33%**	481,138,134	19%	8%
Other income – net	**141,023,737**	**9%**	114,242,137	5%	23%
INCOME BEFORE INCOME TAX	**467,681,407**	**29%**	997,002,164	39%	-53%
PROVISION FOR INCOME TAX	**123,971,045**	**8%**	234,694,442	9%	-47%
NET INCOME	**₱ 343,710,362**	**22%**	₱ 762,307,722	30%	-55%

	APRIL 1 - JUN 30, 2024	% of Sale	APRIL 1 - JUN 30, 2023	% of Sale	% Change
NET INCOME ATTRIBUTABLE TO:					
Equity holders of Parent Company	**135,524,031**	**9%**	562,100,223	22%	-76%
Non-controlling interests	**208,186,331**	**13%**	200,207,499	8%	-4%
	₱ 343,710,362	**22%**	₱ 762,307,722	30%	-55%

The Group's revenue declined by 37% quarter-on-quarter from ₱2,536.4 million in 2023 to P1,587.6 million in 2024 due to a change in the revenue mix between these periods.

Causes for any material changes (+/- 5% or more) in the financial statements

37% Decrease in Revenues
The decrease is mainly due to the bulk sale of office units and parking slots at Savya Financial Center recognized in Q2 2023.

22% Decrease in Cost of Sales and Services
The decrease is relative to lower sales revenues and effect of the non-capitalization of borrowing cost.

14% Decrease in Administrative Expenses
The decrease is mainly due to net decline in pre-operating expenses relative to completed projects.

44% Decrease in Selling and Marketing Expenses
The decline is largely due to decrease in Broker's fees relative to lower Revenues.

34% Increase in Finance Costs
The increase is mainly due to the adoption of new accounting standard relative to non-capitalization of borrowing cost.

8% Increase in Gain on change in FV of Investment Properties
The increase is due to appraisal gain recognized for office and retail units and land properties of the Group.

23% Increase in Other Income - Net
The increase is largely attributable to realized gain on disposals of financial assets at FVPL, interest income and forfeited collections.

47% Decrease in Provision for income tax
The decrease is due to lower taxable income recognized for the quarter.

Full Year Periods

FINANCIAL POSITION

31 December 2024 vs. 31 December 2023

	December 31, 2024	December 31, 2023	Change
Cash and cash equivalents	**₱4,045,963,662**	₱5,605,296,553	-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%

	December 31, 2024	December 31, 2023	Change
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%
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	**₱40,541,734,568**	₱37,264,045,890	9%

ALCO's total resources reached ₱40.54 billion as of December 31, 2024, higher by 9% from the ₱37.26 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 Preferred Shares Series F with ₱1 par value per share at the issuance price of ₱500 per share, net of transaction costs.

50% Decrease in Treasury Stock – at cost
The decrease is largely due to retirement of Preferred Shares Series B 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 Preferred Shares Series B.

December 31, 2023 vs. December 31, 2022

	December 31, 2023	December 31, 2022	Change
Cash and cash equivalents	**₱5,605,296,553**	₱4,796,293,662	17%
Financial assets at fair value through profit or loss (FVPL)	**877,853,288**	2,246,039,822	-61%
Receivables	**2,211,302,746**	2,380,054,645	-7%
Contract Assets	**5,608,780,240**	3,920,367,468	43%
Real estate for sale	**7,548,831,703**	9,381,383,586	-20%
Investment properties	**13,175,632,447**	11,273,784,260	17%
Property and equipment	**315,768,669**	333,940,003	-5%
Net retirement asset	**14,151,768**	36,058,483	-61%

	December 31, 2023	December 31, 2022	Change
Other Assets	**1,906,428,476**	2,024,785,160	-6%
Total Assets	**37,264,045,890**	36,392,707,089	2%
Accounts payable and other liabilities	**3,621,061,114**	3,382,198,303	7%
Loans payable	**11,186,817,196**	11,764,154,679	-5%
Bonds payable	**5,941,522,413**	5,925,771,148	0%
Contract liabilities	**198,350,664**	231,469,884	-14%
Advances from non-controlling interests	**1,102,119,597**	1,102,119,597	0%
Net retirement liability	**5,145,894**	2,545,060	102%
Net deferred tax liabilities	**2,092,857,227**	1,924,137,488	9%
Total Liabilities	**24,147,874,105**	24,332,396,159	-1%
Capital stock	**1,005,757,136**	1,005,757,136	0%
Additional paid-in capital	**5,973,360,513**	5,973,360,513	0%
Treasury stock – at cost	**(2,000,000,000)**	(2,000,000,000)	0%
Parent Company's shares held by a subsidiary – at cost	**(12,500,000)**	(12,500,000)	0%
Retained earnings	**5,547,760,292**	4,912,544,253	13%
Other equity reserves	**216,566,831**	221,696,435	-2%
Total equity attributable to Equity Holders of the Parent Company	**10,730,944,772**	10,100,858,337	6%
Non-controlling interests	**2,385,227,013**	1,959,452,593	22%
Total Equity	**13,116,171,785**	12,060,310,930	9%
Total Liabilities and Equity	**P37,264,045,890**	P36,392,707,089	2%

ALCO's total resources reached ₽37.26 billion as of December 31, 2023, higher by 2% from the ₽36.39 billion recorded on December 31, 2022, due to the following:

17% Increase in Cash and Cash Equivalents
The increase in cash is largely due to collections from buyers of completed projects and proceeds from the termination of money market placements.

61% Decrease in Financial Assets at Fair Value through Profit or Loss (FVPL)
The decrease is due to termination of money market placements for loan repayments and project development expenses.

7% Decrease in Receivables
The decrease is due to collections from buyers of office and retail units and parking slots of completed projects.

43% Increase in Contract Assets
The increase pertains to new real estate contracts recognized during the period primarily from buyers of Lucima, Eluria and Savya Financial Center.

20% Decrease in Real Estate for Sale
The decline is driven mainly by the higher sales activities during the year, as well as transfer of office units and parking slots of Cebu Exchange and Savya Financial Center from their respective inventory of real estate for sale to investment properties.

17% Increase in Investment Properties
The increase is attributed to the retention of office units and parking slots in Cebu Exchange and Savya Financial Center due to the change of intention in the use of these properties. These properties were remeasured at fair value and included in investment properties for lease.

5% Decrease in Property, Plant and Equipment
The decrease is due to the disposal of transportation equipment and depreciation expense during the year.

61% Decrease in Net Retirement Asset
The decrease is attributable to changes in actuarial assumptions.

6% Decrease in Other Assets
The decrease is largely due to input VAT that were claimed against output VAT due to higher revenues.

7% Increase in Accounts Payable and Other Liabilities
The increase is due to accrual of construction costs for the ongoing projects of the Group.

5% Decrease in Loans Payable
The decrease results from the net repayment of term and short-term loans.

14% Decrease in Contract Liabilities
The decrease refers to the reclassification of customer's deposits to receivables or contract assets from buyers of Eluria as initial revenue recognition commenced this year.

102% Increase in Net Retirement Liability
The increase is due to additional retirement expense for the year.

9% Increase in Net Deferred Tax Liabilities
The increase can be attributed mainly to the provision for taxes in relation to the gain recognized on the change in fair value of investment properties.

13% Increase in Retained Earnings
The increase is due to net income attributable to ALCO for the year, net of dividends declared to ALCO's shareholders.

22% Increase in Non-Controlling Interests
The increase is due to the share in net income, additional subscriptions to preferred shares from the non-controlling shareholders of Bhavya and SLDC, net of the share of non-controlling shareholders in the dividends declared by these subsidiaries.

December 31, 2022 vs. December 31, 2021

	December 31, 2022	December 31, 2021	Change
Cash and cash equivalents	**₱4,796,293,662**	₱1,949,257,156	146%
Financial assets at fair value through profit or loss (FVPL)	**2,246,039,822**	4,378,607,744	-49%
Receivables	**2,380,054,645**	1,563,406,726	52%
Contract Assets	**3,920,367,468**	6,238,880,086	-37%
Real estate for sale	**9,381,383,586**	8,988,754,987	4%

	December 31, 2022	December 31, 2021	Change
Investment properties	**11,273,784,260**	9,026,428,319	25%
Property and equipment	**333,940,003**	273,213,366	22%
Net retirement asset	**36,058,483**	-	100%
Other Assets	**2,024,785,160**	2,252,738,463	-10%
Total Assets	**36,392,707,089**	34,671,286,847	5%
Accounts payable and other liabilities	**3,382,198,303**	4,218,822,302	-20%
Loans payable	**11,764,154,679**	13,436,717,469	-12%
Bonds payable	**5,925,771,148**	2,966,594,179	100%
Contract liabilities	**231,469,884**	62,154,096	272%
Advances from non-controlling interests	**1,102,119,597**	1,102,119,597	0%
Net retirement liability	**2,545,060**	118,443,498	-98%
Net deferred tax liabilities	**1,924,137,488**	1,714,298,793	12%
Total Liabilities	**24,332,396,159**	23,619,149,934	3%
Capital stock	**1,005,757,136**	1,005,757,136	0%
Additional paid-in capital	**5,973,360,513**	5,973,360,513	0%
Retained earnings	**4,912,544,253**	4,404,555,747	12%
Other equity reserves	**221,696,435**	177,630,403	25%
Treasury stock – at cost	**(2,000,000,000)**	(2,000,000,000)	0%
Parent Company's shares held by a subsidiary – at cost	**(12,500,000)**	(12,500,000)	0%
Total equity attributable to the Parent Company	**10,100,858,337**	9,548,803,799	6%
Non-controlling interests	**1,959,452,593**	1,503,333,114	30%
Total Equity	**12,060,310,930**	11,052,136,913	9%
Total Liabilities and Equity	**₱36,392,707,089**	₱34,671,286,847	5%

ALCO's total resources as of December 31, 2022 amounting to ₱36.39 billion is 5% higher than the December 31, 2021 level of ₱34.67 billion due to the following:

146% Increase in Cash and Cash Equivalents
The increase in cash is largely due to net proceeds from the ASEAN Green Bonds' Tranche 2 offering of ALCO.

49% Decrease in Financial Assets at Fair Value through Profit or Loss (FVPL)
The decline is due to partial termination of money market placements for loan repayments and project development costs.

52% Increase in Receivables
The increase is mainly due to maturity of Contract to Sell with buyers of Cebu Exchange following its completion, as well as the receivables arising from the initial revenue recognition from Lucima project.

37% Decrease in Contract Assets
The decline is largely due to maturities of Contracts to Sell with buyers of Cebu Exchange which were subsequently accounted for as billed receivables.

25% Increase in Investment Properties

The increase is largely attributed to the retention of 8,059 sqm of office units, 72 parking slots, 2,628 sqm of retail units, and 36 non-appurtenant parking slots in Cebu Exchange. As a result, these properties were removed from the inventory for sale and included in investment properties for lease. The initial cost of these properties was ₱844 million, which were later revalued at a fair value of ₱1.8 billion.

22% Increase in Property, Plant and Equipment
The increase is largely attributable to construction cost of projects' gallery and model units.

100% Increase in Net Retirement Asset
The increase is primarily attributable to additional contributions made to the retirement plan.

10% Decrease in Other Assets
The decrease is mainly caused by the advance payments made to a seller of land which was subsequently acquired by the Group and reclassified as "real estate for sale".

20% Decrease in Accounts Payable and Other Liabilities
The decrease is the result of ALCO's settlement of the outstanding balance to Rock & Salt B.V., arising from the purchase of common and preferred shares and assignment of shareholder advances and accrued interest receivables in CLLC.

12% Decrease in Loans Payable
The decline is primarily due to CLLC's repayment of its term loan and CTS loans.

100% Increase in Bonds Payable
This refers to the issuance of the 2^{nd} tranche of ASEAN Green Bonds, net of debt issuance costs, to be used in the acquisition and development of eligible green projects.

272% Increase in Contract Liabilities
The increase refers to the payments received from buyers of units in Lucima, Eluria and Sevina Park, for which the related revenue has not yet been recognized.

98% Decrease in Net Retirement Liability
The decline is primarily due to settlement of past service cost resulting to a fully funded retirement plan of ALCO.

12% Increase in Net Deferred Tax Liabilities
The increase can be attributed directly to the additional gain that was recognized during the year on the change in fair value of investment properties.

12% Increase in Retained Earnings
The increase is due to net income for the year, net of dividends declared.

25% Increase in Other Equity Reserves
The increase is mainly due to remeasurement gains on net retirement liability.

30% Increase in Non-Controlling Interests
The net increase is largely due to additional deposits for future stock subscription from SLDC shareholder.

FINANCIAL RATIOS

December 31, 2024 vs. December 31, 2023

	December 2024	December 2023	December 2022
Current/Liquidity Ratio (Current Assets over Current Liabilities)	**1.58:1**	2.32:1	2.44:1
Solvency Ratio (Net income before Depreciation over Total Liabilities)	**0.03:1**	0.06:1	0.04:1
Debt-to-Equity Ratio (Total Liabilities to Total Equity)	**1.84:1**	1.84:1	2.02:1
Debt-to-Equity Ratio for Loan Covenant (Total Debt [Bonds and loans payable, amount payable for purchase of interest in a subsidiary and advances from non-controlling interest] to Total Equity)	**1.36:1**	1.39:1	1.56:1
Asset-to-Equity Ratio (Total Assets over Total Equity)	**2.84:1**	2.84:1	3.02:1
Interest Rate Coverage Ratio (Pre-tax income before Interest over Interest Expense)	**1.74:1**	2.81:1	3.51:1
Profitability Ratio (Net income over Total Equity)	**0.05:1**	0.11:1	0.07:1

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.

RESULTS OF OPERATIONS
December 31, 2024 vs. December 31, 2023

	December 31, 2024	% of Sale	December 31, 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%

	December 31, 2024	% of Sale	December 31, 2023	% of Sale	Change
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 Savya Financial Center's commercial units.

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.

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.

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.

December 31, 2023 vs. December 31, 2022

	December 31, 2023	December 31, 2022	Change
Revenues	**₱6,638,923,582**	₱2,922,691,194	127%
Cost and expenses	**(3,924,713,673)**	(1,804,061,411)	118%
Gross income	**2,714,209,909**	1,118,629,783	143%
Administrative expenses	**821,439,823**	616,716,251	33%
Selling and marketing expenses	**529,115,673**	255,280,513	107%
Operating expenses	**1,350,555,496**	871,996,764	55%
Income from operations	**1,363,654,413**	246,633,019	453%
Finance costs	**(1,020,350,432)**	(500,672,464)	104%
Net gain on change in fair value of investment properties	**974,092,333**	1,435,889,906	-32%
Other income – Net	**521,253,473**	68,051,894	666%
Income before income tax	**1,838,649,787**	1,249,902,355	47%
Provision for income tax	**449,666,103**	376,837,638	19%
Net income	**₱1,388,983,684**	₱873,064,717	59%
Other comprehensive income (loss)			
Remeasurement gains (losses) on net retirement asset or liability	**(6,839,472)**	58,645,826	-112%
Income tax benefit (expense) on remeasurement gains or losses	**1,709,868**	(14,661,457)	-112%
Total comprehensive income	**₱1,383,854,080**	₱917,049,086	51%

Results of Operations for the year ended December 31, 2023 compared to the year ended December 31, 2022.

127% Increase in Revenues
The increase was driven by strong sales of office units at Savya Financial Center and Cebu Exchange, as well as residential units in Lucima, commercial lot sale in Sevina, along with the initial revenue recognition from Eluria.

118% Increase in Cost and Expenses
The increase is due to higher sales booking and incremental percentage of completion.

33% Increase in Administrative Expenses
The increase is mainly attributed to increase in personnel cost, taxes and office expenses.

107% Increase in Selling and Marketing Expenses
The increase is mainly attributed to increase in commission relative to higher sales and increased marketing activities.

104% Increase in Finance Costs
The increase resulted from the non-capitalization of borrowing costs for completed projects, as well as interest associated to proceeds from the ASEAN green bonds, pending disbursement for the new projects.

32% Decrease in Net Gain on Change in Fair Value of Investment Properties
The decline is mostly attributable to the larger NSA of office and retail units in Cebu Exchange that were reclassified to investment properties and revalued to fair value in 2022 compared to 2023.

666% Increase in Other Income – Net
The increase is due to higher interest income from short term money market placements and gain on repossession arising from sales cancellation.

19% Increase in Provision for Income Tax
The increase is primarily attributed to higher revenues recognized this year.

112% Decrease in Remeasurement Gains (Losses) on Net Retirement Asset or Liability
This results from adjustments in financial assumptions and other factors considered in the valuation of the retirement plan.

December 31, 2022 vs. December 31, 2021

	December 31, 2022	December 31, 2021	Change
Revenues	**₱2,922,691,194**	₱2,972,199,256	-2%
Cost and expenses	**(1,804,061,411)**	(1,728,843,604)	4%
Gross income	**1,118,629,783**	1,243,355,652	-10%
Administrative expenses	**616,716,251**	438,756,665	41%
Selling and marketing expenses	**255,280,513**	299,702,134	-15%
Operating expenses	**871,996,764**	738,458,799	18%
Income from operations	**246,633,019**	504,896,853	-51%
Finance costs	**(500,672,464)**	(277,828,945)	80%
Net gain on change in fair value of investment properties	**1,435,889,906**	872,263,700	65%
Other income – Net	**68,051,894**	27,647,106	146%
Income before income tax	**1,249,902,355**	1,126,978,714	11%
Provision for income tax	**376,837,638**	11,895,600	3068%
Net income	**₱873,064,717**	₱1,115,083,114	-22%
Other comprehensive income (loss)			
Remeasurement gains on net retirement liability	**58,645,826**	10,211,359	-474%
Income tax benefit (expense) on remeasurement gains or losses	**(14,661,457)**	(2,639,131)	456%
Total comprehensive income	**₱917,049,086**	₱1,122,655,342	-18%

Results of Operations for the year ended December 31, 2022 compared to the year ended December 31, 2021.

41% Increase in Administrative Expenses
The increase is largely due to real estate taxes and other related pre-operating expenses arising from the completion of Cebu Exchange property.

15% Decrease in Selling and Marketing Expenses
The decline is mainly due to lower commission expense for Cebu Exchange, as the project is at completion stage.

80% Increase in Finance Costs
The increase is mainly attributed to non-capitalization of borrowing costs due to substantial completion of Cebu Exchange and Savya Financial Center.

65% Increase in Net Gain on Change in Fair Value of Investment Properties
The increase is due to gains from revaluation of ACPT units and recognition of fair market value of Cebu Exchange units and parking slots, which were reclassified from Real estate for sale to Investment properties for lease. Initially, these properties were valued at ₱844 million but were subsequently revalued at a fair value of ₱1.8 billion.

146% Increase in Other Income – Net
The increase is due to higher interest income for the year.

3068% Increase in Provision for Income Tax
The increase in this account is primarily attributed to the gain recognized for the year due to the change in the fair value of investment properties. This was compared against lower income tax in 2021 after the full effect of the reduced tax rate per CREATE law.

474% Increase in Remeasurement Gains on Net Retirement Liability
This is due to the change in financial assumptions and other variables used in the valuation of the retirement plan.

Information on Independent Accountant and Other Related Matters

EXTERNAL AUDIT 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.

The fees of RT&Co insofar as ALCO is concerned are as follows:

Audit and Non-audit Fees	2024	2023	2022
Total Audit Fees	₱2.20 MM	₱1.80 MM	₱1.75 MM
Non-audit service fees			
Other assurance services[34]	3.50 MM	0.25 MM	1.00 MM
Tax services[35]	0.89 MM	–	–
All other services[36]	0.54 MM	0.18 MM	0.18 MM
Total Non-Audit Fees	₱4.93 MM	₱0.43 MM	₱1.18 MM
Total Audit and Non-Audit Fees	₱7.13 MM	₱2.23 MM	₱2.93 MM

The fees of RT&Co. for ALCO's consolidated subsidiaries are as follows:

Audit and Non-audit Fees	2024	2023	2022
Audit Fees	₱3.47 MM	₱2.57 MM	₱2.40 MM
Non-audit service fees			
Other assurance services	–	–	–
Tax services	–	–	–
All other services	–	–	–
Total Audit and Non-Audit Fees	₱3.47 MM	₱2.57 MM	₱2.40 MM

RT&Co did not perform non-audit work for ALCO for the years 2013, 2014, 2015, 2017 and 2018. However, below are RT&Co's professional fees for the non-audit work performed in relation to ALCO's public offering of the following Preferred Shares:

Year	Purpose	Amount
2016	Series B	₱1.50MM
2019	Series C	₱1.00MM
2021	Series D	₱0.90MM
2024	Series F	₱3.36MM

ALCO also engaged RT&Co to perform limited assurance procedures on the eligible preferred share series F portfolio on allocation report prepared annually following the issuance of the Preferred Share Series F. RT&Co's professional fees for the limited assurance engagement are as follows:

2024 - ₱120,000.00

The foregoing fees are all exclusive of VAT.

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[34] Relates to the listing of Preferred Shares Series F and the Green Bonds issuance and subsequent allocation reporting.

[35] Fees for transfer pricing study.

[36] Refers to fees for Use of Proceed certifications for the Green Bonds Tranche 2 and Preferred Shares Series D (2023) and Series F (2024), and Amendment of the Articles of Incorporation (Increase of authorized capital stock).

In October 2019, ALCO filed with the SEC a Registration Statement for the shelf registration of ₱6.0 billion fixed rate ASEAN Green Bonds (the "**Bonds**") which was approved in January 2020. The initial tranche of these Bonds equivalent to ₱3.0 billion was listed with the Philippine Dealing and Exchange Corp. on February 6, 2020. RT&Co's professional fees for the non-audit work performed on these bonds amounted to ₱0.60MM.

On October 7, 2022, the BOD authorized the offer and sale of the second tranche of the Bonds in the amount of up to ₱3.0 billion and listed with the Philippine Dealing and Exchange Corp. on December 22, 2022. RT&Co's professional fees for the non-audit work performed on these bonds amounted to ₱1₱1.00MM.

ALCO also engaged RT&Co to perform limited assurance procedures on the eligible green project portfolio included in the ASEAN Green Bonds allocation report prepared annually following the issuance of the Bonds. RT&Co's professional fees for the limited assurance engagement are as follows:

2022	-	₱250,000.00
2023	-	₱250,000.00
2024	-	₱300,000.00

The foregoing fees are all exclusive of VAT.

CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

ALCO has had no disagreement with its external auditor on any matter relating to accounting principles or practices, financial statement disclosures, or auditing scope or procedures. During ALCO's two most recent fiscal years and any subsequent interim period, there has been no instance where an independent accountant previously engaged as the principal auditor of ALCO's financial statements, or as the auditor of a significant subsidiary, ceased performing services for ALCO due to resignation, dismissal, or cessation of services. Accordingly, there were no disagreements with any former accountant on matters of accounting principles or practices, financial statement disclosure, or auditing scope or procedures that would have required reference to such disagreements in the auditor's report. For the same reason, there has been no occasion to request a former accountant to provide a letter to the Commission commenting on ALCO's disclosure.

Independent Auditors and Counsels

Independent Auditors

The consolidated financial statements of the Company as at and for the years ended December 31, 2024, 2023, and 2022 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 Company or was a promoter, underwriter, voting trustee, director, officer, or employee of the Company.

Legal Matters

All legal matters in connection with the registration of the Relevant Contracts will be passed upon by SyCip Salazar Hernandez & Gatmaitan ("**SyCipLaw**") for the Company. SyCipLaw has no direct interest in the Company.

SyCipLaw may from time to time be engaged to advise in the transactions of the Company and perform legal services on the basis that SyCipLaw 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 Relevant Contracts.

COMPANY

Arthaland Corporation
7F ArthaLand Century Pacific Tower
5th Avenue corner 30th Street, Bonifacio Global City
Taguig City 1634

LEGAL COUNSEL

To the Issuer

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Makati City 1226

INDEPENDENT AUDITOR

Reyes Tacandong & Co
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Appendix