



**PNB HOLDINGS CORPORATION
(Incorporated in the Republic of the Philippines)**

4th Floor and 12th Floor, PNB Makati Center
6754 Ayala Avenue, Makati City
Telephone Number: (632) 8817-1585

Distribution of up to 23,935,371,000¹ Common Shares of the
Capital Stock of PNB Holdings Corporation as
Property Dividend to the Stockholders of the Philippine National Bank

and

Listing by Way of Introduction of
46,932,100,000 Common Shares
of the Capital Stock of PNB Holdings Corporation on the
Main Board of the Philippine Stock Exchange
with an Initial Listing Price of P1.20

**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 PHILIPPINE
SECURITIES AND EXCHANGE COMMISSION.**

This Prospectus is dated as of 20 February 2026

This Prospectus is for information purposes only and shall not constitute an offer to sell or the solicitation of an offer to buy any securities, nor shall there be any sale or purchase of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

¹ Adjusted for the new par value per share of P1.00 approved by the SEC on May 29, 2023

PNB HOLDINGS CORPORATION

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6754 Ayala Avenue, Makati City, Philippines
Telephone Number: (632) 8817-1585
<https://pnbholdings.com.ph>

This Prospectus relates to the Common Shares of the capital stock (“Common Shares”) of PNB Holdings Corporation (“PHC”, the “Company” or the “Issuer”), a company organized under Philippine law, with respect to (i) the distribution by the Philippine National Bank (“PNB”) of up to 23,935,371,000 Common Shares² of the Company (the “Property Dividend”) to all stockholders of PNB as of 18 May 2021 (the “Dividend Distribution”); (ii) registration with the Securities and Exchange Commission (“SEC”) of the 46,932,100,000 total outstanding capital stock of the Company, and (iii) the listing by way of introduction in the Main Board of the Philippine Stock Exchange (“PSE”) of the 46,932,100,000 Common Shares (the “Listing”) representing the Company’s total outstanding capital stock after the property dividend declaration of PNB.

As of the date of this Prospectus, the Company has an authorized capital of P50,500,000,000.00 consisting of 50,500,000,000 Common Shares with a par value of P1.00 per share.

Prior to the Dividend Distribution, PNB was the legal and beneficial owner of 100% of the outstanding capital stock of the Issuer. On April 23, 2021, the Board of Directors of PNB approved the distribution to the PNB shareholders as of May 18, 2021 (the “PNB Shareholders”) by way of property dividends of 51% of PNB’s shareholdings in the Company. Following the approval of the SEC, the Property Dividend will result in the distribution to the PNB Shareholders of 0.156886919 shares of the Issuer for every one (1) share of PNB. A total of 239,353,710 Common Shares with a par value of P100.00 per share comprised the Property Dividend declared in 2021, which, adjusted for the new par value per share of P1.00 approved by the SEC on May 29, 2023, is equivalent to 23,935,371,000 Common Shares with a par value of P1.00 per share (the “Dividend Shares”).

As a result of the Property Dividend, LT Group, Inc. (“LTG”) gained indirect ownership of the Company of up to 30.51% through companies majority-owned by LTG, which received the Dividend Shares in June 2023.

As of the date of this Prospectus, the Bureau of Internal Revenue (“BIR”) issued the electronic Certificates Authorizing Registration (“eCARs”) for 23,475,164,600 Dividend Shares or 98.08% thereof.

With the distribution of 98.08% of Property Dividend, the shareholders of the Company increased to 3,851 stockholders, 3,848 of whom hold at least 100 Common Shares. Following the same, it can be inferred that the shares for which Listing is sought are of such amount and are so widely held that their adequate marketability when listed can be assumed in line with Article III, Part G, Section 1 of the Amended Listing Rules of the PSE

Neither the Company nor its shareholders will offer Common Shares for sale or subscription by the public in connection with the Listing. The secondary sale of shares by way of private placement which is expected to be transacted on Listing Date is not open to the public. Consequently, there will be no increase in the total number of outstanding Common Shares of the Company upon completion of the Dividend Distribution and the Listing. Neither will there be an underwriter for, or proceeds from, the Dividend Distribution and Listing. Nonetheless,

² Adjusted for the new par value per share of P1.00 approved by the SEC on May 29, 2023

the indicative reference opening price (“Initial Listing Price”) of the Common Shares upon Listing shall be at P1.20 per share based on the range of valuation recommended in the Valuation and Fairness Opinion dated December 2025 issued by Punongbayan & Araullo, an independent advisor. The Valuation and Fairness Opinion is annexed to this Prospectus.

All the Common Shares of the Company are unclassified and have identical rights and privileges. The Common Shares may be owned by any person or entity regardless of citizenship or nationality, subject to the nationality limits under Philippine law. The Philippine Constitution and other Philippine laws and regulations require that ownership of companies that own land be limited to citizens of the Philippines, or Philippine Nationals. Since the Company owns land, foreign ownership in the Company is limited to a maximum of 40% of the Company’s issued and outstanding capital stock entitled to vote.

The Company is authorized to declare dividends to holders of its Common Shares as of a record date set by the Board of Directors (the “Board”). The Company does not have a specific dividend policy apart from the rules and requirements established under the Revised Corporation Code. As such, dividends may be payable, at the discretion of the Board, in cash, property, or stock. A cash or property dividend declaration requires the approval of the Board only. A stock dividend declaration requires the approval of the Board and the shareholders representing at least two-thirds of the outstanding capital stock. The ability to declare dividends is subject to the requirements of applicable laws, rules and regulations; the availability of unrestricted retained earnings; and circumstances which restrict the payment of dividends.

Unless otherwise indicated, all information in this Prospectus is as of the date of this Prospectus. The delivery of this Prospectus shall not, under any circumstances, create any implication that the information contained herein is correct as of any date subsequent to the date hereof or that there has been no change in the Company’s affairs since such date.

The information contained in this Prospectus has been supplied by the Company, unless otherwise stated. The Company confirms that after having taken reasonable care to ensure that such is the case, as of date of this Prospectus, (a) this Prospectus contains all information with respect to the Company, which is material in the context of the Dividend Distribution and Listing; (b) the statements contained in it relating to the Company are in every material respect true and accurate and not misleading; (c) there are no other facts in relation to the Company or the Common Shares which would make any statement in this Prospectus misleading in any material respect; and (d) reasonable inquiries have been made by the Company to ascertain facts, information and statements in this Prospectus. The Company accepts full responsibility for the accuracy of the information contained in this Prospectus.

The Company has exercised the required due diligence in verifying that all material information in this Prospectus, and its amendments and supplements are true and that no material information was omitted, which was necessary in order to make the statements contained in said documents not misleading.

PNB Capital and Investment Corporation has confirmed to the PSE that: (i) it has exercised due diligence to ascertain that all material information and representations contained in the Company’s Prospectus, including amendments or supplements thereto, are true and correct, in material respects and (ii) to the best of its knowledge, no material information was omitted, which was necessary in order to make the material statements contained in the Company’s Prospectus not misleading as of the date thereof.

Market data and certain industry forecasts used throughout this Prospectus were obtained from internal surveys, market research, publicly available information and industry publications. Industry publications generally state that the information contained therein has

been obtained from sources believed to be reliable, but that the accuracy and completeness of such information is not guaranteed. Similarly, internal surveys, industry forecasts and market research, while believed to be reliable, have not been independently verified, and the Company does not make any representation as to the accuracy of such information.

Before making an investment decision, investors should carefully consider the risks associated with an investment in the Common Shares. These risks include:

- Risks relating to the Company's Business
- Risks relating to the Philippines
- Risks related to the Common Shares

Please refer to the section entitled "*Risk Factors*" beginning on page 11 of this Prospectus, which, while not intended to be an exhaustive enumeration of all risks, must be considered in connection with the investment in the Common Shares.

Forward Looking Statements and Use of Estimates

This Prospectus may include forward-looking statements and information that are, by their nature, subject to significant risks and uncertainties. These statements involve known and unknown risks, uncertainties and other factors that may cause the Company's actual results, performance or achievements to be materially different from any future results, performances or achievements expressed or implied by the forward-looking statements.

The forward-looking statements disclosed in this Prospectus reflect the Company's current projections with respect to future events, which projections are based on assumptions and estimates as of the date of this Prospectus. Words such as "plan", "target", "project", "anticipate", "may", "might", "will", "shall", or the negative forms of these words, and other similar expressions, identify forward-looking statements. Considering the inherent risks and uncertainties, a potential investor should exercise caution and should not heavily rely on these forward-looking statements.

A prospective investor should read this Prospectus, and the documents referenced thereto, completely and with the understanding that the forward-looking events and circumstances disclosed in this Prospectus may or may not occur.

Investor Relations

PHC is firmly committed to upholding the highest standards of transparency, disclosure, and stakeholder engagement as it transitions into a publicly listed entity through a listing by way of introduction. While the Company is not offering new shares to the public at this time, it recognizes that effective investor relations are essential to establishing market credibility, fostering investor confidence, and supporting long-term shareholder value creation.

In preparation for its listing and in compliance with the disclosure and governance requirements of the PSE and the SEC, the Company has implemented a structured and proactive Investor Relations ("IR") Program. This program is designed to ensure that the investing public, analysts, and other stakeholders are provided with timely, accurate, and comprehensive information regarding the Company's financial and operational performance, strategic direction, and governance practices.

As part of its current investor relations initiatives, the Company regularly issues press statements and corporate communications to announce significant developments, strategic milestones, and other material updates. These communications are carefully crafted to ensure consistency and clarity in messaging and are disseminated through multiple channels, including the Company's official website. The Corporate Communications Department plays a central role in managing media relations and engages with the press through media conferences, news releases, fact sheets, social gatherings, one-on-one meetings, and third-party consultants. The Company also supports select media-initiated causes and events that are aligned with its corporate values and advocacies.

To further enhance transparency and accessibility, the Company maintains a dedicated Investor Relations section on its corporate website. This section serves as a centralized platform for accessing key investor materials, including regulatory disclosures, financial highlights, governance documents, media releases, and other relevant information. The website is updated regularly to ensure that stakeholders have access to the most current and accurate data.

Looking ahead, PHC intends to expand and professionalize its Investor Relations Program as it matures as a publicly listed entity. Among the key initiatives planned are the conduct of non-deal roadshows ("NDRs"), which will serve as a platform for senior management to engage directly with institutional investors and market analysts. These sessions will provide deeper insights into the Company's business model, financial performance, and long-term strategic priorities, outside the context of a capital-raising activity.

In addition, the Company plans to participate in both local and international investor conferences and forums. These events are expected to enhance the Company's visibility within the broader investment community and attract interest from a diverse base of institutional investors, both domestic and global. Such participation will reinforce the Company's commitment to transparency and its positioning as a credible and investable enterprise.

To further strengthen investor engagement and promote operational transparency, the Company will also organize guided site visits and facility tours. These immersive experiences will allow investors and analysts to gain firsthand knowledge of the Company's operations, assets, and sustainability practices, thereby fostering a deeper understanding of its business and long-term value proposition.

The Investor Relations function is under the Office of the Chief Financial Officer ("CFO") which is currently headed by Mr. Ponciano S. Carreon, Jr. with operational support from a cross-functional team comprising representatives from Corporate Communications, Finance, and Compliance. This structure ensures consistency in messaging, timely disclosure of material information, and alignment with the Company's overall corporate governance framework.

To facilitate direct communication with current and prospective investors, the Company has also established a dedicated investor relations email address: irl@pnbholdings.com.ph and telephone line: 8817-1585. This channel serves as a formal point of contact for investor inquiries and feedback, further reinforcing the Company's commitment to open and responsive stakeholder engagement.

Through these initiatives, PHC affirms its view that listing is a strategic opportunity to institutionalize a culture of transparency, accountability, and investor trust. The Company remains committed to continuously enhancing its Investor Relations Program in line with evolving market expectations and best practices in corporate governance.

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

PNB HOLDINGS CORPORATION

By:



KARLU T. SAY
President


REPUBLIC OF THE PHILIPPINES)
Metro Manila) S.S

~~MAKATI CITY~~

FEB 19 2026

SUBSCRIBED AND SWORN to before me this _____ in
_____, affiant/s exhibiting to me her Driver's License No. N01-08-
011046 valid until 22 October 2034.

Doc. No. 14 ;
Page No. 10 ;
Book No. XVI ;
Series of 2026.



W/A ESMERALITA R. CUMANAN
Notary Public for and in Makati City
Until December 31, 2027
Appt. No. M-046 (Ren) (2026-2027) Makati City
Attorney's Roll No. 34962
MCLE Compliance No. VIII-0009882/valid until 4-14-2028
PTR No. 10746031/1-2-2026/Makati City
RP Lifetime Member No. 09413
C/P Belin Rosa Carpark I, Belin Rosa st.
Legaspi Village, Makati City

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GLOSSARY OF TERMS

In this Prospectus, the following terms shall have the meanings set out below. Other terms are also defined in the body of this Prospectus.

| | |
|---|---|
| Articles of Incorporation | The Articles of Incorporation of the Company, as amended |
| Bay Area | The Bay Area is comprised of approximately 3,000 hectares of reclaimed land in Manila Bay located west of Roxas Boulevard and the Manila–Cavite Expressway in Metro Manila. The area is between the cities of Manila, Pasay and Parañaque. The area includes, among others, the PNB Financial Center. |
| BGC | Bonifacio Global City |
| BIR | Bureau of Internal Revenue of the Philippines |
| BOD, Board or Board of Directors | Board of Directors of PNB Holdings Corporation |
| BSP | Bangko Sentral ng Pilipinas |
| By-laws | The By-laws of the Company, as amended |
| eCAR | Electronic Certificate Authorizing Registration which is issued by the Bureau of Internal Revenue to effect transfers of shares |
| CBD | Central Business District |
| CCT | Condominium Certificate of Title |
| Company | PNB Holdings Corporation |
| Common Shares | Common shares of the Company with a par value of One Peso (P1.00) per share |
| DENR | Department of Environment and Natural Resources |
| Dividend Distribution | The distribution of the property dividend approved by the Board of Directors of the Philippine National Bank (“PNB”) consisting of up to 239,353,710 common shares of PNB Holdings Corporation (with a par value of P100.00 per share) held by PNB to all stockholders of record of PNB on 18 May 2021. |
| DOLE | Department of Labor and Employment |
| EBIT | Earnings before income tax |

| | |
|------------------------------|---|
| EBITDA | Earnings before interest, taxes, depreciation and amortization |
| ECC | Environmental Compliance Certificate |
| EIS | Environmental Impact Assessment |
| ESG | Environmental, Social and Governance |
| F&B | Food and Beverage |
| FIA | Foreign Investments Act, as amended |
| Genbancor | Genbancor Condominium Corporation, a subsidiary of the Company |
| Initial Listing Price | P1.20 per share |
| KPI | Key Performance Indicator |
| LGC | Local Government Code |
| Listing | Listing by Way of Introduction |
| Listing Date | The date on which the Common Shares shall be listed with the PSE |
| LTG or LT Group | LT Group, Inc. |
| LPC | Leechiu Property Consultants, Inc. |
| Management | The Management of PNB Holdings Corporation |
| MICE | Meetings, Incentives, Conferences, and Exhibitions |
| NIAT | Net income after tax |
| ₱, Peso, Pesos | Philippine Pesos |
| PCAB | Philippine Contractors Accreditation Board |
| PHC or PNB Holdings | PNB Holdings Corporation |
| PNB | Philippine National Bank |
| POGO | Philippine offshore gaming operator |
| POGO Event | Emergence of POGOs as an industry in the Philippines beginning circa 2003 as a generally an unregulated service industry. |
| Projected K-Growth | Economic scenario following a recession where different sectors, industries, or demographic groups recover at different rates |

| | |
|---------------------------------|--|
| Property Dividend | 239,353,710 Common Shares of PNB Holdings Corporation declared as property dividend to shareholders of the Philippine National Bank as of 18 May 2021, which, adjusted for the new par value per share of P1.00 approved by the SEC on May 29, 2023, is equivalent to 23,935,371,000 Common Shares with a par value of P1.00 per share |
| Prospectus | This Prospectus together with all its annexes, appendices and amendments, if any |
| PSE or Exchange | Philippine Stock Exchange |
| RD | Register of Deeds |
| Revised Corporation Code | Republic Act No. 11232 otherwise known as the Revised Corporation Code of the Philippines |
| RevPAR | Revenue per Available Room |
| SEC | Securities and Exchange Commission |
| SGV & Co. | Sycip Gorres Velayo & Co. |
| SRC | Securities Regulation Code |
| SSS | Social Security System |
| STT | Stock transaction tax |
| TCT | Transfer Certificate of Title |
| VAT | Value-added tax |
| YTD | Year-to-Date |

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.

OVERVIEW OF THE COMPANY

PNB Holdings Corporation (the “Company” or “PHC” or the “Issuer”) is a holding company incorporated with the Securities and Exchange Commission (the “SEC”) on 20 May 1920. Its current authorized capital stock is 50,500,000,000 Common Shares with a par value of P1.00 per share.

PHC’s primary revenue streams are derived from its core business segments, which include the leasing and management of prime office and retail spaces, event venue space rentals, and co-working space operations.

To unlock greater long-term value, PHC intends to undertake a strategic redevelopment program, starting with its Buendia property in Makati City, envisioned as a high-end mixed-use development. Over time, other prime sites in Makati and Pasay will be transformed into curated luxury communities, reinforcing PHC’s vision of elevating the Philippine real estate landscape through globally inspired urban experiences.

On 13 January 2021, the SEC approved the amendment of the Company’s Articles of Incorporation to include engaging in real estate business as a secondary purpose. On even date, the SEC also approved the increase of the Company’s authorized capital stock to ₱ 50,500,000,000.00 divided into 505,000,000 common shares with a par value of ₱100.00 per share. Out of the increase in the authorized capital stock of 500,000,000 shares, 466,770,000 shares with a par value of ₱100.00 per share have been subscribed by the Philippine National Bank (“PNB”) in exchange for prime real estate properties, namely the PNB Makati Center, the PNB Financial Center and the PHC Buendia Property. As a result, the Company became wholly owned by PNB as its total shareholdings therein increased to 469,321,000 shares with a par value of P100.00 per share.

On 23 April 2021, the Board of Directors of PNB approved and confirmed the property dividend declaration consisting of up to 239,353,710 common shares of the Company, at the then par value of P100.00 per share (the “Property Dividend”), representing 51.00% PNB’s shareholdings in the Company, as property dividend to all stockholders of record of PNB as of 18 May 2021. On 24 December 2021, the SEC issued a Certificate of Filing the Notice of Property Dividend Declaration.

On 29 May 2023, the SEC approved the change in the par value of the shares of the Company from ₱100.00 per share to ₱1.00 per share, without any return of capital. As a result, the authorized capital stock of the Corporation increased from 505,000,000 common shares with a par value of ₱100.00 per share, to 50,500,000,000 common shares with a par value of ₱ 1.00 per share.

Prior to the distribution of the Property Dividend, the Company was a wholly owned subsidiary of PNB. As a result of the Property Dividend, LT Group Inc., a publicly-listed company incorporated and domiciled in the Philippines, gained indirect ownership of the Company of

up to 30.51% through companies majority-owned by LTG, which received the Dividend Shares. The Company's ultimate parent company, Tangent Holdings Corporation, is also incorporated in the Philippines.

The Company has one (1) subsidiary, Genbancor Condominium Corporation ("Genbancor"), which is primarily engaged in the management of the common areas of the Genbancor Office Condominium Building in Ayala Avenue Makati City.

The Company's revenues for the period ending 30 September 2025 were ₱897.72 million, lower by 8% vis-à-vis the same period last year. Net income for the same period amounted to ₱272.61 million which is lower by 37% vis-à-vis the same period last year.

As of 30 September 2025, PHC had total assets of ₱50.38 billion and total equity of ₱49.43 billion.

The Company's revenues for the year ending 31 December 2024 were ₱1.34 billion, lower by 4% than the previous year. Net income for the year ending 31 December 2024 was ₱529.00 million which was lower by 13% than the previous year.

As of 31 December 2024, PHC had total assets of ₱50.15 billion and total equity of ₱49.17 billion.

The Company's revenues for the year ending 31 December 2023 were ₱1.39 billion, down by 2% than the previous year. Net income for the year ending 31 December 2023 was ₱609.52 million which was lower by 9% than the previous year.

As of 31 December 2023, PHC had total assets of ₱50.03 billion and total equity of ₱48.59 billion.

The Company's revenues for the year ending 31 December 2022 were ₱1.42 billion, higher by 7% than the previous year. Net income for the year ending 31 December 2022 was ₱666.87 million which was higher by 21% than the previous year.

As of 31 December 2022, PHC had total assets of ₱48.90 billion and total equity of ₱47.97 billion.

For more information, please refer to the section "Description of Business" beginning on page 29 of this Prospectus.

RISKS OF INVESTING

The Company and its stockholders will not be offering Common Shares to the public for subscription or sale in connection with the Dividend Distribution or the Listing³. Investors, however, should consider the following risks associated with an investment in the Common Shares:

- Risks relating to the Company's Business
- Risks relating to the Philippines
- Risks related to the Common Shares

³ The secondary sale of shares by way of private placement which is expected to be transacted on Listing Date is not open to the public.

The aforementioned risks are discussed in detail in the section “Risk Factors” beginning on page 11 of this Prospectus.

TRANSACTION COUNSEL

The firm Roxas De Los Reyes Laurel Rosario and Gonzales Law Offices (“RRLR”) is the Company’s Transaction Counsel for the registration of the Common Shares with the SEC, and the Listing.

CONTACT INFORMATION

The principal office of the Company is located at the 4th and 12th Floor, PNB Makati Center, 6754 Ayala Avenue, Makati City. Its telephone number is (+632) 8817-1585 and its website is www.pnbholdings.com.ph.

The information on the Company’s website is not incorporated by reference into and does not constitute part of this Prospectus.

SUMMARY OF FINANCIAL INFORMATION

The financial information set forth below have been derived from the Company's financial statements which have been audited by Sycip Gorres Velayo & Co. for the nine-month period ended 30 September 2025 and for the years ended 31 December 2024, 2023 and 2022, in accordance with the Philippine Financial Reporting Standards. The financial information should be read together with Management's Discussion and Analysis of Financial Condition and Results of Operations.

The financial information set forth below does not purport to project the results of the Company's operations or financial condition for any future period.

Statements of Comprehensive Income (In Philippine Pesos)

| | Nine-Month Period Ended September 30 | Years Ended December 31 | | |
|---|--|-------------------------|----------------------|----------------------|
| | 2025 | 2024 | 2023 | 2022 |
| INCOME | | | | |
| Rental income and dues | ₱897,722,029 | ₱1,337,451,049 | ₱1,394,790,366 | ₱1,421,787,347 |
| Interest and other income | 81,675,491 | 94,029,406 | 49,289,629 | 77,379,660 |
| | 979,397,520 | 1,431,480,455 | 1,444,079,995 | 1,499,167,007 |
| COSTS AND EXPENSES | | | | |
| Cost of rental income | (445,628,833) | (575,052,738) | (609,031,113) | (576,817,791) |
| General and administrative expenses | (179,310,207) | (180,392,644) | (95,027,983) | (32,533,585) |
| Finance charges | (43,627) | (12,947) | (1,534) | (1,336,984) |
| | (624,982,667) | (755,458,329) | (704,060,630) | (610,688,360) |
| INCOME BEFORE INCOME TAX | 354,414,853 | 676,022,126 | 740,019,365 | 888,478,647 |
| PROVISION FOR INCOME TAX | | | | |
| Current | 87,237,450 | 111,827,564 | 118,765,619 | 187,143,301 |
| Deferred | (5,434,510) | 35,204,657 | 11,735,291 | 34,468,055 |
| | 81,802,940 | 147,032,221 | 130,500,910 | 221,611,356 |
| NET INCOME | 272,611,913 | 528,989,905 | 609,518,455 | 666,867,291 |
| OTHER COMPREHENSIVE INCOME | | | | |
| <i>Item that recycles to profit or loss in subsequent periods</i> | | | | |
| Net changes in unrealized losses on financial assets at FVOCI | 98,602 | (180,452) | (20,128) | (582,745) |
| <i>Item that does not recycle to profit or loss in subsequent periods</i> | | | | |
| Net changes in unrealized gains on financial assets at FVOCI, net of deferred income tax effect | (9,690,000) | 47,863,452 | 10,306,635 | 40,377,412 |
| Actuarial loss on retirement liability, net of deferred income tax effect | - | (1,996,456) | - | - |
| | (9,591,398) | 45,686,544 | 10,286,507 | 39,794,667 |
| TOTAL COMPREHENSIVE INCOME | ₱263,020,515 | ₱574,676,449 | ₱619,804,962 | ₱706,661,958 |
| BASIC AND DILUTED EARNINGS PER SHARE | ₱0.006 | ₱0.011 | ₱0.013 | ₱0.014 |

Statements of Financial Position
(In Philippine Pesos)

| | September 30 | | December 31 | |
|---|------------------------|------------------------|------------------------|------------------------|
| | 2025 | 2024 | 2023 | 2022 |
| ASSETS | | | | |
| Current Assets | | | | |
| Cash and cash equivalents | P2,440,456,622 | P1,919,455,216 | P1,761,523,579 | P1,144,129,799 |
| Trade and other receivables | 670,105,970 | 959,388,279 | 1,633,870,678 | 806,665,961 |
| Other current assets | 463,305,561 | 570,242,761 | 218,599,497 | 389,410,060 |
| Total Current Assets | 3,573,868,153 | 3,449,086,256 | 3,613,993,754 | 2,340,205,820 |
| Noncurrent Assets | | | | |
| Financial assets at fair value through other comprehensive income (FVOCI) | 206,744,593 | 218,028,591 | 161,930,944 | 154,829,171 |
| Investment properties | 46,047,838,972 | 46,176,006,148 | 46,227,211,551 | 46,386,357,605 |
| Property and equipment | 549,706,948 | 311,153,431 | 25,609,926 | 171,246 |
| Deferred income tax assets - net | - | - | 1,574,440 | 15,124,999 |
| Total Noncurrent Assets | 46,804,290,513 | 46,705,188,170 | 46,416,326,861 | 46,556,483,021 |
| TOTAL ASSETS | P50,378,158,666 | P50,154,274,426 | P50,030,320,615 | P48,896,688,841 |
| LIABILITIES AND EQUITY | | | | |
| Current Liabilities | | | | |
| Trade and other payables | P314,676,407 | P431,512,283 | P416,700,924 | P294,870,904 |
| Current portion of deposits and other current liabilities | 85,244,173 | 58,108,682 | 300,721,899 | 90,124,721 |
| Income tax payable | 10,864,246 | - | 9,745,679 | 44,840,354 |
| Total Current Liabilities | 410,784,826 | 489,620,965 | 727,168,502 | 429,835,979 |
| Noncurrent Liabilities | | | | |
| Deposits and other noncurrent liabilities - net of current portion | 500,612,263 | 451,291,427 | 711,492,498 | 494,998,209 |
| Retirement liability | 3,152,732 | 5,646,594 | - | - |
| Deferred income tax liabilities - net | 34,252,266 | 41,379,376 | - | - |
| Total Noncurrent Liabilities | 538,017,261 | 498,317,397 | 711,492,498 | 494,998,209 |
| Total Liabilities | 948,802,087 | 987,938,362 | 1,438,661,000 | 924,834,188 |
| Equity | | | | |
| Capital stock | 46,932,100,000 | 46,932,100,000 | 46,932,100,000 | 46,932,100,000 |
| Retained earnings | 2,340,265,130 | 2,067,653,217 | 1,538,663,312 | 929,144,857 |
| Other comprehensive income | 156,991,449 | 166,582,847 | 120,896,303 | 110,609,796 |
| Total Equity | 49,429,356,579 | 49,166,336,064 | 48,591,659,615 | 47,971,854,653 |
| TOTAL LIABILITIES AND EQUITY | P50,378,158,666 | P50,154,274,426 | P50,030,320,615 | P48,896,688,841 |

**Statements of Changes in Equity
(In Philippine Pesos)**

| | Capital Stock | Retained Earnings | | Other Comprehensive Income (Loss) | | | Total | Total |
|--|------------------------|-----------------------|-------------------|--|--|---------------------|------------------------|-------|
| | | Unappropriated | Appropriated | Net Unrealized Gain on Financial Assets at FVOCI | Actuarial Loss on Retirement Liability | Total | | |
| BALANCES AS AT JANUARY 1, 2022 | ₱46,932,100,000 | ₱261,277,566 | ₱1,000,000 | ₱70,815,129 | ₱- | ₱70,815,129 | ₱47,265,192,695 | |
| Net income | - | 666,867,291 | - | - | - | - | 666,867,291 | |
| Other comprehensive income | - | - | - | 39,794,667 | - | 39,794,667 | 39,794,667 | |
| Total comprehensive income | - | 666,867,291 | - | 39,794,667 | - | 39,794,667 | 706,661,958 | |
| Reversal of appropriated retained earnings | - | 1,000,000 | (1,000,000) | | | | | |
| BALANCES AS AT DECEMBER 31, 2022 | ₱46,932,100,000 | ₱929,144,857 | ₱- | ₱110,609,796 | ₱- | ₱110,609,796 | ₱47,971,854,653 | |
| Net income | - | 609,518,455 | - | - | - | - | 609,518,455 | |
| Other comprehensive income | - | - | - | 10,286,507 | - | 10,286,507 | 10,286,507 | |
| Total comprehensive income | - | 609,518,455 | - | 10,286,507 | - | 10,286,507 | 619,804,962 | |
| BALANCES AS AT DECEMBER 31, 2023 | ₱46,932,100,000 | ₱1,538,663,312 | ₱- | ₱120,896,303 | ₱- | ₱120,896,303 | ₱48,591,659,615 | |
| Net income | - | 528,989,905 | - | - | - | - | 528,989,905 | |
| Other comprehensive income (loss) | - | - | - | 47,683,000 | (1,996,456) | 45,686,544 | 45,686,544 | |
| Total comprehensive income (loss) | - | 528,989,905 | - | 47,683,000 | (1,996,456) | 45,686,544 | 574,676,449 | |
| BALANCES AS AT DECEMBER 31, 2024 | ₱46,932,100,000 | ₱2,067,653,217 | ₱- | ₱168,579,303 | (₱1,996,456) | ₱166,582,847 | ₱49,166,336,064 | |
| Net income | - | 272,611,913 | - | - | - | - | 272,611,913 | |
| Other comprehensive loss | - | - | - | (9,591,398) | - | (9,591,398) | (9,591,398) | |
| Total comprehensive income | - | 272,611,913 | - | (9,591,398) | - | (9,591,398) | 263,020,515 | |
| BALANCES AS AT SEPTEMBER 30, 2025 | ₱46,932,100,000 | ₱2,340,265,130 | ₱- | ₱158,987,905 | (₱1,996,456) | ₱156,991,449 | ₱49,429,356,579 | |

Statements of Cash Flows
(In Philippine Pesos)

| | Nine-Month Period Ended September 30 | Years Ended December 31 | | |
|---|--|-------------------------|----------------|----------------|
| | 2025 | 2024 | 2023 | 2022 |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | | |
| Income before income tax | ₱354,414,853 | ₱676,022,126 | ₱740,019,365 | ₱888,478,647 |
| Adjustments for: | | | | |
| Depreciation | 140,875,297 | 173,966,779 | 161,150,958 | 158,931,941 |
| Interest income | (78,894,290) | (92,130,176) | (48,605,110) | (6,014,706) |
| Movement in retirement benefits liability | (2,493,862) | 2,984,652 | - | - |
| Mark-to-market gain on financial assets at FVTPL | (102,041) | (112,843) | (131,612) | (41,495) |
| Interest expense and other finance charges | 43,627 | 12,947 | 1,534 | 1,336,984 |
| Day 1 gain on security deposits | - | - | - | (2,251,276) |
| Operating income before working capital changes | 413,843,584 | 760,743,485 | 852,435,135 | 1,040,440,095 |
| Decrease (increase) in: | | | | |
| Trade and other receivables | 283,646,239 | 682,327,225 | (825,231,031) | (549,377,140) |
| Other current assets | 106,995,614 | (327,285,831) | 175,942,175 | 6,983,827 |
| Increase (decrease) in: | | | | |
| Trade and other payables | (116,835,876) | 14,798,414 | 121,828,488 | 134,689,504 |
| Deposits and other liabilities | 76,456,327 | (502,814,288) | 427,091,467 | (12,131,173) |
| Cash generated from operations | 764,105,888 | 627,769,005 | 747,066,234 | 620,605,113 |
| Interest received | 85,939,376 | 82,324,140 | 46,631,424 | 5,711,373 |
| Income taxes paid, including final tax | (77,782,221) | (143,856,627) | (153,860,294) | (226,660,376) |
| Net cash provided by operating activities | 772,263,044 | 566,236,518 | 639,837,364 | 399,656,110 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | |
| Additions to property and equipment | (251,261,638) | (408,304,881) | (27,443,584) | (208,219) |
| Retirement of financial assets at FVOCI | - | - | 5,000,000 | - |
| Net cash used in investing activities | (251,261,638) | (408,304,881) | (22,443,584) | (208,219) |
| NET INCREASE IN CASH AND CASH EQUIVALENTS | 521,001,406 | 157,931,637 | 617,393,780 | 399,447,891 |
| CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR | 1,919,455,216 | 1,761,523,579 | 1,144,129,799 | 744,681,908 |
| CASH AND CASH EQUIVALENTS AT END OF YEAR | ₱2,440,456,622 | ₱1,919,455,216 | ₱1,761,523,579 | ₱1,144,129,799 |

RISK FACTORS

There are several risks associated with investing in the Common Shares. Securities prices can and do change, and any given investment may see increases or decreases in value or even lose all of its value. Purchasing and selling shares carry the inherent risk that losses rather than profits will be realized. The buying and selling prices of the Common Shares may differ significantly, and past performance is not a reliable predictor of future performance and outcomes. Before choosing to purchase Common Shares, investors should carefully review all of the information in this Prospectus, including the risk factors listed below. The market price of the Common Shares may drop if any of the following risks materially affect the Company's operations, financial situation, and business, or if other unanticipated events occur. It is possible to lose all or a portion of an investment in the Common Shares.

This section of the Prospectus primarily outlines the methods by which the Company intends to handle the risk factors covered below. The risks and other important features of investing in the Common Shares are not entirely disclosed in this risk factor discussion. Before commencing any trading activity, investors should conduct their own independent investigation and examination of the securities. On any aspect of the securities, including the types of risks associated with trading them, and particularly those of high-risk securities, investors should consult a professional. Investors can also inquire with the SEC and the PSE for publicly available information on the Company and the Common Shares.

RISKS RELATED TO THE COMPANY'S BUSINESS

Business and Operational Risks

The Company faces significant **competition in the real property sector**. Such competition can pressure the Company's income margins and impact its market share. To mitigate these risks, the Company invests in unique value propositions such as design, amenities and sustainability, and continuously improves customer service and brand reputation. It also monitors competitor activity and adapts pricing or marketing strategies accordingly.

It should also be noted that the Company's performance is subject to **market volatility and fluctuations in the real estate market**. Operational costs brought about by these fluctuations may significantly impact financial results. Unforeseen market conditions may also delay the Company's successful implementation of its business plans and strategies. The real property sector is inherently cyclical, with demand and profitability influenced by broader economic conditions.

To ensure that its business plans and strategies will be properly implemented, Management develops flexible and scenario-based strategic plans, and conducts regular reviews and updates based on market feedback and performance. It also employs project management best practices and key performance indicators. The Company diversifies property portfolio across segments and locations in order to mitigate the risks associated with market volatility and economic cyclical. Management maintains lean operations during downturns and uses predictive analytics to adjust the development pipeline. Internally, it maintains a strong cash buffer to manage fluctuations in costs and demand, and uses hedging strategies for key input costs.

The Company's ability to secure **funding on favorable terms** is also critical as difficulty in obtaining financing could impede growth and operational goals. Furthermore, volatility in interest and exchange rates may adversely affect borrowing costs and financial stability. To

address these, Management builds strong relationships with a diverse pool of lenders and investors. It is also poised to explore alternative funding options, such as corporate notes, joint ventures or equity offering. The Company utilizes interest rate and currency hedging instruments and matches funding currency with asset currency in order to reduce exposure.

The Company's loan agreements (if any) are subject to certain debt covenants, non-compliance to which can lead to penalties or default on loans. Compliance to debt covenants is continuously monitored using the Company's internal controls. Management also negotiates covenants which reflect realistic performance metrics. The Company also strives to maintain a healthy credit profile and a headroom for key ratios like debt service coverage ratio, interest coverage ratio and debt-to-equity ratio.

On the human capital aspect of operations, the Company relies on its **qualified management team**, key employees and skilled professionals to implement its strategies successfully. Loss of key personnel, however, can affect the Company's ability to execute its plans. In response to this risk, the Company offers competitive compensation and career growth opportunities and strives to foster an engaging and inclusive corporate culture. Moreover, Management identifies and develops leadership successors.

The Company or its contractors may also face **labor unrest, disputes** and slowdowns which can disrupt operations resulting in increased costs. To mitigate the risks associated to these labor issues, the Company endeavors to maintain good labor relations and fair employment practices. Management implements grievance redress mechanisms and includes buffer time and cost for potential labor disruptions in its budget.

Titles over parcels of land owned by the Company may be contested by third parties which can lead to legal disputes and potential loss of property rights, if not delays in delivery of projects. Management performs rigorous due diligence before commencing development in order to remove any liens or encumbrances that may affect a particular project. The Company engages the services of reputable law firms to resolve disputes swiftly.

Since the Company is engaged in the real estate business, **delays in project completion and failure to meet customer expectations** and standards could harm the Company's reputation and financial performance. Timely delivery of projects is essential in maintaining customer trust and satisfaction. To mitigate the risks of project delays, Management pre-qualifies and vets consultants, contractors and suppliers before engaging them. It also implements strict project scheduling and milestone tracking, and uses penalty and reward clauses in contracts to ensure timely delivery of goods and services.

Dependence on key suppliers and service providers is critical for successful plan implementation, and any disruption in the supply chain can impact the Company's operations. To prevent any risk associated in the disruption of the Company's supply chain, Management develops a diversified supplier base and conducts regular supplier performance evaluations. It establishes long-term contracts with suppliers where necessary, and maintains an inventory of critical materials to mitigate disruptions.

With respect to insurance, there is no assurance that rates and coverage will remain the same, and available coverage may not be adequate in the future. This can expose the Company to financial risks in case of unforeseen events. Management regularly reviews and updates the Company's insurance coverage and works with brokers to assess evolving risks. It also considers captive insurance for specific high-risk areas.

Changes in accounting standards for real estate may affect revenue recognition and unrestricted retained earnings. This can impact the Company's financial statements and

reported earnings. The Company's Finance Department ensures that it is updated with current accounting standards through attendance in relevant trainings, and expert consultation. The Company also maintains transparent and conservative accounting practices and conducts annual audits through reputable external firms.

Technological and Cybersecurity Risks

The Company relies on technology in certain areas of business operations and uses it to differentiate its developments from those of its competitors. Because of this, the Company may be exposed to cyberattacks which could result in data breaches, financial losses and reputational harm. Management recognizes the fact that any disruption in technology can impact the Company's operations and competitive advantage.

Taking into account the aforementioned risks, the Company invests in robust information technology ("IT") security infrastructure and monitoring mechanisms. Regular penetration testing and staff cybersecurity training are regularly conducted. Response and recovery plan for data and security breaches were also formulated. The Company's technology dependence also necessitated the need to regularly update and maintain its software systems and maintain IT redundancy and data backups. The Company also uses scalable and cloud-based solutions for resilience.

Market and Economic Risks

The Company, in its future projects, may recognize significant cancellation of sales which may negatively impact its revenue and cash flow. Changes in tax policies affecting tax exemptions and incentives could also adversely affect the Company's results of operations and impact its profitability and financial performance.

To counter these, Management will have to strengthen buyer screening and pre-qualification processes, improve after-sales service and buyer engagement, and implement flexible payment schemes and support mechanisms. In relation to tax policies, Management engages in tax planning and scenario analysis, maintains close liaison with tax consultants and regulatory bodies, and prepares business models that remain viable under various tax regimes.

Compliance and Legal Risks

The Company enters into transactions with related parties and must comply with regulations on related party transaction disclosures. Non-compliance can lead to legal and regulatory action. Furthermore, compliance with foreign ownership limitations is necessary when arranging funding sources. Failure to comply can impact the Company's ability to secure financing. The Company may also be involved in legal and other proceedings arising from its operations from time to time. Legal disputes can result in financial liabilities and reputational damage.

To mitigate the risks associated with the aforementioned factors, the Company will secure Board and shareholder approval for material related-party transactions, and disclose these transactions fully and transparently in the financial statements. It also established an independent oversight mechanism to manage conflicts of interest.

Apart from keeping itself updated on current foreign investment regulations, Management also intends to perform legal due diligence on the ownership structures of potential investors. The Company will also engage with foreign investors through compliant financing tools such as preferred shares and debt instruments.

With respect to legal proceedings, the Company maintains an in-house legal team which handles disputes efficiently. Management also implements internal controls to prevent legal liabilities, and allocates reserves and insurance to cover potential legal liabilities.

Ownership and Control Risks

The Company is indirectly controlled by the Tan Family. This concentration of ownership can impact decision-making and corporate governance.

To manage this risk, qualified independent directors are appointed, and strong Board governance structures are created by establishing and implementing clear corporate governance policies and disclosure practices. The Company will also regularly communicate with its minority shareholders and stakeholders through its Investor Relations Program

Financing Risk

The Company may be exposed to financing risk. There can be no assurance that the Company will be able to finance its capital requirements through indebtedness on acceptable terms particularly in periods of adverse market conditions, rising interest rates, or reduced liquidity in the capital markets. Any inability to finance or renew obligations as they fall due may result in higher borrowing costs, reduced financial flexibility, or the need to dispose of assets or raise additional equity on unfavorable terms, which could materially and adversely affect the Company's business, financial condition, and results of operations. To mitigate this, the Company is expanding funding options available to it which might include a follow-on offering or other capital market issuances.

There are no cross-default provisions in any of the Company's liabilities.

Financial/Credit Risk

The Company is exposed to counter-party default due to delayed payments of its tenants. This may affect the Company's cash or cash equivalents, and trade and other receivables. To mitigate any credit risk, however, the Company has in place specific provisions in its lease agreements which covers the need to have a security deposit, advance payment and possible penalties which may be due once a tenant violates any condition stated in the lease agreement.

RISKS RELATED TO THE PHILIPPINES

Philippine Economic and Political Situation

In general, the Company's ability to perform is significantly impacted by the economic and political conditions in the Philippines as all of the Company's business operations and assets are based in the Philippines. Considering this, the operations, financial health, and profitability of the business could be negatively impacted by a number of variables, including political instability, inflation, interest rate volatility, currency fluctuations, economic slowdowns and changes in laws and regulations. Furthermore, the strength of the Philippine economy and the overall level of business activity in the country influence the demand for the services that the Company offers.

The country's gross domestic product grew by 5.4% as of 31 March 2025. It was slightly higher than the 5.3% growth in the last quarter of 2024 but weaker than the 5.9% growth recorded in the first quarter of 2024.

From a political standpoint, the Philippines had also experienced instability in the past. Significant political events in the last ten years include the territorial dispute with China concerning the West Philippine Sea; alleged extrajudicial and summary killings perpetrated by the police during drug raids as part of the so-called “War on Drugs”; red-tagging, terror-tagging and/or enforced disappearances of activists, and land rights and environmental defenders; filing of charges, arrest and detention of government critics including a then-incumbent senator; the investigation on Philippine offshore gaming operators (POGOs); and the proliferation of fake news and false information.

As of the date of this Prospectus, former Philippine President Rodrigo R. Duterte is under the custody of the International Criminal Court for the charge of murder as a crime against humanity in connection to his involvement in the Davao Death Squad. In addition, several incumbent and past officials of the national and local government are being investigated for misuse of public funds.

A mid-term election was also held in May 2025 where members of the House of Representatives, local government officials and twelve senators were elected. This change in the composition of the legislative body can bring about the enactment of new laws and regulations, or the amendment or repeal of subsisting ones, which can significantly affect the operations of businesses in the Philippines, especially in areas concerning labor, taxation, land use and the environment.

Ongoing conflicts in various parts of the world may also have a negative effect on the Philippine economy and can indirectly affect the Company’s business.

Natural Calamities and Force Majeure Events in the Philippines

Climate change has given rise to more severe natural disasters over the recent years. Some of the strongest typhoons in recorded history occurred in the Philippines, namely Severe Tropical Storm Nalgae (local name: Severe Tropical Storm Paeng) in 2022, Typhoon Rai (local name: Super Typhoon Odette) in 2021, Typhoon Goni (local name: Super Typhoon Rolly) and Typhoon Vamco (local name: Typhoon Ulysses) in 2020, Typhoon Kammuri (local name: Typhoon Tisoy) in 2019, Typhoon Mangkhut (local name: Typhoon Ompong) in 2018, and Typhoon Haiyan (local name: Super Typhoon Yolanda) in 2013. These natural disasters caused major flooding which led to loss of life, limb and property, and severe damage to agriculture and infrastructure.

Apart from the frequent occurrence of tropical storms and typhoons, the Philippines is also vulnerable to earthquakes and volcanic eruptions as the country is situated in the Pacific Ring of Fire. Significant volcanic activities were reported with respect to Mt. Kanlaon in Negros Island; Taal Volcano in Batangas (approximately 50 kilometers from Metro Manila); and Mt. Bulusan in the Bicol region during the latter part of 2024 until the first half of 2025.

The occurrence of the Big One, a potentially catastrophic earthquake estimated to be of magnitude 7.2 in Metro Manila’s West Valley Fault, remains a cause of serious concern. The West Valley Fault is a major fault line running through Metro Manila and its nearby provinces. According to the Philippine Institute of Volcanology and Seismology, the Big One could result in a death toll of about 51,500 – approximately 33,500 from the earthquake itself, and around 18,000 additional deaths from fire – and 100,000 injured due to building collapses and structural failures. 12% to 13% of residential buildings, 11% of 10- to 30-storey buildings, and 2% of 30- to 60-storey buildings are foreseen to sustain heavy damage. Devastating damage to infrastructure and lifelines is also expected.

Businesses in the Philippines can also be disrupted by terrorist acts, heinous and petty crimes, and outbreaks of infectious diseases, such as the H1N1 influenza commonly known as swine flu and the Covid-19 virus.

These natural calamities and force majeure events have the potential of delaying the construction and development of the Company's projects, and impair its facilities and properties, thereby causing detrimental effect on financial performance. The Company, however, cannot predict the extent to which its business will be affected by any of the above occurrences or fears that such occurrences will take place. Furthermore, the aforementioned events have the potential of destabilizing the Philippine economy and business environment, which in turn can materially and adversely affect the Company's business, financial position and results of operation.

Philippine Regulatory Setting

Operating in a highly regulated environment in the Philippines, numerous laws and regulations, such as those issued by the SEC, the BIR, the Department of Labor and Employment ("DOLE") and the Department of Environment and Natural Resources ("DENR") apply to the Company. A significant negative impact on its business operations and financial performance could emerge from modifications to these rules, their interpretation, or the Company's non-compliance with them.

To address this risk, the Company maintains an internal compliance team which monitors regulatory developments. The said team engages proactively with regulators and industry associations and conducts regular compliance audits. Management also integrates compliance with environmental laws in project planning and design, and uses green building certifications to guide development. It appoints sustainability officers to oversee ESG standards.

It should be noted, however, that the Company cannot foresee what specific laws or regulations will be amended, enacted or repealed in the future, how the current laws or regulations will be enforced, administered or interpreted, and the amount of expenditures that may be required to comply with these laws or regulations.

RISKS RELATED TO THE COMMON SHARES

Price Volatility of Securities in the Philippine Market

The performance of the PSE, investor sentiment, and political and economic developments in the Philippines can all have an impact on the market price of securities. Moreover, predicting the movement of share prices is impossible to predict.

Trading prices can be influenced by the following factors, among others:

- Management's ability to achieve a company's goals by carrying out its business and growth strategies;
- positive or negative variance between a company's actual results of operations vis-à-vis the budget;
- changes in market and economic conditions, security analysts' recommendations and public perception;
- involvement in litigation and other legal proceedings of a company or any of its directors and principal officers;
- gain or loss of key officer or personnel;

Before the Listing, there has been no public market for the Common Shares in the Philippines, and there is no certainty that an active trading market for the Common Shares will be sustained after the Listing. It is also uncertain whether the Initial Listing Price will correspond to the price at which the Common Shares will trade after the listing.

Foreign Ownership Limitations

Under the 1987 Constitution and related laws, land ownership in the Philippines is restricted to Philippine nationals.

The Foreign Investments Act ("FIA") defines a "Philippine national" as a citizen of the Philippines; or a domestic partnership or association wholly owned by citizens of the Philippines; or a corporation organized under the laws of the Philippines of which at least 60% of the capital stock outstanding and entitled to vote is owned and held by citizens of the Philippines; or a corporation organized abroad and registered as doing business in the Philippines under the Revised Corporation Code of which 100% of the capital stock outstanding and entitled to vote is wholly owned by Filipinos or a trustee of funds for pension or other employee retirement or separation benefits, where the trustee is a Philippine national and at least 60% of the fund will accrue to the benefit of Philippine nationals.

Under 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 (a) the total number of outstanding shares of stock entitled to vote in the election of directors; and, (b) the total number of outstanding shares of stock, whether or not entitled to vote in the election of directors. The said Memorandum Circular applies to all corporations engaged in activities or enterprises specifically reserved, wholly or partly, to Philippine nationals by the 1987 Constitution, FIA and other existing laws, amendments thereto, and the implementing rules and regulations of the said laws.

Since the Company owns land, foreign equity participation is limited to a maximum of 40%. In order to comply with the rule, any issuance or transfer of shares that will result in the reduction of Filipino ownership in the Company to less than 60% should not be allowed.

Minimal Protection of Minority Shareholders under Philippine Corporate Law

The Revised Corporation Code provides minimal safeguards to protect the interests of minority shareholders. Minority shareholders are given the opportunity to vote on significant corporate actions requiring the approval of at least two-thirds of a corporation's outstanding capital stock, such as mergers or consolidations, increase or decrease of authorized capital stock, and dissolution of the corporation.

The Revised Corporation Code also grants a dissenting shareholder an appraisal right wherein he may demand the payment of the fair value of his shares if he voted against a proposed corporate action.

Philippine corporate law also recognizes the right of a shareholder to institute a derivative action on behalf of the corporation in circumstances where the corporation itself is unable or unwilling to institute the proceedings to seek redress for wrongs committed against it or to vindicate its rights.

Lifting of Dynamic Threshold for Companies Listed by Way of Introduction

Under Section VI of the Implementing Guidelines of the Revised Trading Rules of PSE, the dynamic threshold is the maximum allowable price difference between an update in the Last Traded Price (LTP) of a given security or group of securities and its preceding LTP that is equal to a percentage set by the PSE, subject to the classification of a security or a group of securities based on its trade frequency.

Effective 2 February 2026, securities were classified into three clusters and subjected to the following dynamic thresholds:

| Security Cluster | Trade Frequency Qualifier | Dynamic Thresholds |
|-------------------------|---|---------------------------|
| A | Traded 20 times or less in the past six months | 20% |
| B | Traded 500 times or less but greater than 20 times in the past six months | 15% |
| C | Traded more than 500 times in the past six months | 10% |

The dynamic threshold for companies listed by way of introduction is lifted until the shares are traded.

USE OF PROCEEDS

The Company and its stockholders will not be offering Common Shares for subscription or sale in connection with the Listing. A secondary sale of shares by way of private placement which is expected to be transacted on Listing Date is not open to the public. There will therefore be no proceeds expected from the Listing.

DETERMINATION OF INITIAL LISTING PRICE

On Listing Date, the Initial Listing Price for the Common Shares will be P1.20 per Common Share.

The Initial Listing Price was determined by the Board of Directors of the Company and is supported by the Valuation and Fairness Opinion dated December 16, 2025 prepared by Punongbayan & Araullo (“**P&A**”), a firm accredited by the PSE in accordance with PSE Guidelines for PSE Opinions and Valuation Reports, as required under Article III, Part H, Section 3 of the Amended Rules on Listing by Way of Introduction.

Summary Report and Fairness Opinion

P&A performed indicative valuation of PHC through two valuation approaches as follows.

- Asset-based approach, with the adjusted net asset value (“**NAV**”) method; and
- Market-based approach, with relative price-to-book (“**P/B**”) method.

P&A placed primary weight on the Adjusted NAV approach which it considers as the best representation of PHC’s intrinsic asset-backed value given its portfolio of prime commercial business district properties and the use of independent Highest and Best Use-based (“**HBU**”) appraisals.

The firm assigned secondary but meaningful weight to the market-based P/B valuation which reflects how comparable listed real estate platforms are currently priced in the Philippine capital market. The approach, especially in considering the downside, considered the earlier stage of operations of PHC compared with other publicly listed companies. P&A also considered other factor-based adjustments including non-REIT structure and tax regime, asset quality and location, redevelopment or HBU potential, portfolio concentration, lower expected free float, payout policy, and sponsor or governance profile.

P&A estimated the total fair value range using these methods at PHP55.5 billion to PHP88.8 billion or PHP1.18 per share to PHP1.89 per share.

The following table sets out the summary of the estimated total fair value and fair value per share of PHC under each method, as well as the estimated total fair value and fair value per share arrived at by combining both methods:

| Description | Estimated equity value ¹ | Fair value per share ² |
|--|-------------------------------------|-----------------------------------|
| Asset-based approach (net asset value) | | |
| Base | 88,845 | 1.89 |
| Upside | 96,132 | 2.05 |
| Downside | 74,473 | 1.59 |
| Market-based approach (relative method) | | |
| Adjusted price-to-book | | |
| Upside | 83,300 | 1.77 |
| Downside | 55,533 | 1.18 |
| Range of fair values | | 1.18 – 1.89 |

¹ Presented in millions of PHP.

² Derived by dividing the estimated equity value by 46,932 million shares.

DILUTION

As of the date of this Prospectus, the Company has 46,932,100,000 issued and outstanding Common Shares with a par value of P1.00 per share. There will be no issuance of additional Common Shares from the authorized but unissued capital stock of the Company.

It should be noted, however, that the Property Dividend declared by PNB in 2021 has not yet been fully distributed pending receipt from the BIR of the eCARs corresponding to certain shares subject of the Property Dividend. The full distribution of the said Property Dividend is expected within 2026 and will result in slightly further diluting the share ownership of PNB in the Company.

By way of background, PNB was, prior to the declaration of the Property Dividend, the legal and beneficial owner of 100% of the outstanding capital stock of the Company. On April 23 2021, the Board of Directors of PNB approved the distribution to the PNB shareholders as of 18 May 2021 (the "PNB Shareholders") by way of property dividends of 51% of PNB's shareholdings in the Company. The Dividend Distribution, however, is subject to compliance with regulatory requirements such as, among others, the issuance of an eCAR by the BIR. As of the date of this Prospectus, approximately 98.08% of the Dividend Distribution has been completed resulting in the dilution of PNB's ownership interest in the Company to 49.98%. Upon full completion of the Dividend Distribution, PNB's ownership in the Company is expected to be further diluted to 49%.

Apart from the foregoing, the Dividend Distribution also resulted in the public gaining ownership in the Company. As of the date of this Prospectus, the Company had a public ownership of 9.86%. In a letter filed with the SEC dated 11 March 2025, the Company requested that it be allowed to pursue the listing of its shares with the Exchange with an initial public float of 9.85% on Listing Date which is expected to be increased to at least 15% upon the secondary sale of shares by certain companies classified under Affiliates in its public ownership report. The sellers have committed to sell such number of shares, which in the aggregate is equivalent to up to six percent (6%) of the current outstanding capital stock, by way of a private placement to be effected through the Exchange on Listing Date. Upon completion of the private placement, the non-public portion of the Company's share ownership shall be diluted as public ownership in the Company increases to at least 15% by the end of trading hours on Listing Date. The Company also requested for up to three (3) years from Listing Date to bring its public float to the mandated 20% by way of, among others, a follow-on offering, the proceeds of which shall be used to partly fund the construction of the high-end real estate development projects in Makati and Pasay. Any such follow-on offering will further dilute the major stockholders. In addition, any of the major stockholders may, at any time (subject to the lock-up restrictions), decide to undertake a secondary sale of shares by way of a private placement with investors or joint venture partners.

PLAN OF DISTRIBUTION

Following the approval by the SEC of the Property Dividend, PNB proceeded to distribute the Dividend Shares as Property Dividend to the PNB Shareholders as of the record date 18 May 2021, at the ratio of one (1) Common Share for every 0.156886919 PNB Common Shares owned, subject to the receipt of an electronic Certificate Authorizing Registration (“eCAR”) issued by the BIR. PNB has applied for the eCAR for each of its stockholders entitled to the Property Dividend and as of the date of this Prospectus, a total of 23,475,164,600 Dividend Shares equivalent to 98.08% of the Property Dividend has already been distributed.

Upon approval by the PSE of the Company’s application for Listing filed in January 2026, the Common shares will be listed on the Main Board of the PSE.

INTERESTS OF NAMED EXPERTS AND INDEPENDENT COUNSEL

LEGAL MATTERS

Certain legal matters under Philippine law relating to the Dividend Distribution and the Listing were passed upon by the firm Angara Abello Concepcion Regala & Cruz Law Offices (“ACCRALAW”), the independent legal and tax counsel. ACCRALAW, acting as independent legal and tax counsel, does not have and will not receive any direct or indirect interest in the Company or in any of the Company’s securities (including options, warrants or rights thereto) pursuant to, or in accordance with the Common Shares, and has not acted as promoter, underwriter, voting trustee, director, officer or as the Company’s employee.

FINANCIAL ADVISER

PNB Capital and Investment Corporation (“PNB Capital”) provided advice in connection with the Listing processes. As financial adviser, PNB Capital:

1. conducted full due diligence review on the Company in close coordination with the Company’s Transaction Counsel, auditor, and other advisers;
2. recommended appropriate terms and conditions for the Listing based on the Company’s objectives, financial position, prospects, and other relevant considerations;
3. developed an “investment story” highlighting the investment merits of the proposed Listing;
4. assisted the Company, together with its Transaction Counsel, in the preparation of the transaction documents which will be filed with the SEC and PSE;
5. assisted the Company, together with the Transaction Counsel, in preparing the Prospectus and other transaction documents;
6. assisted the Company, together with the Transaction Counsel, in obtaining relevant approvals for the Listing from the SEC and the PSE;
7. represented the Company in matters related to the Listing requirements of the PSE;
8. advised the Company on an appropriate timing for filing the transaction documents, taking into consideration prevailing market conditions, potential competing issues, and other factors that could influence the overall marketability of the transaction;
9. coordinated with the Company and its consultants for any marketing and public relations activities, as needed;
10. acted as overall coordinator of all activities for the transaction; and,
11. in general, performed such other ancillary services as may be required from time to time and mutually agreed upon by the parties.

PNB Capital, acting as financial adviser, does not have and will not receive any direct or indirect interest in the Company or in any of the Company’s securities (including options, warrants or rights thereto) pursuant to, or in accordance with the Common Shares, and has not acted as promoter, underwriter, voting trustee, director, officer or as the Company’s employee.

INDUSTRY CONSULTANT

Leechiu Property Consultants, Inc. (“LPC”) served as the Company’s industry consultant and provided the Industry Report annexed to this Prospectus.

LPC, acting as industry consultant, does not have and will not receive any direct or indirect interest in the Company or in any of the Company’s securities (including options, warrants or rights thereto) pursuant to, or in accordance with the Common Shares, and has not acted as promoter, underwriter, voting trustee, director, officer or as the Company’s employee.

FAIRNESS OPINION PROVIDER

Punongbayan & Araullo (“P&A”) provided the Fairness Opinion annexed to this Prospectus.

P&A, acting as Fairness Opinion provider, does not have and will not receive any direct or indirect interest in the Company or in any of the Company’s securities (including options, warrants or rights thereto) pursuant to, or in accordance with the Common Shares, and has not acted as promoter, underwriter, voting trustee, director, officer or as the Company’s employee.

INDEPENDENT AUDITOR

The audited financial statements of the Company for the quarters ended 30 September 2025, 30 June 2025 and 31 March 2025 and for the years ended 31 December 2022, 31 December 2023 and 31 December 2024, including the notes thereto, which are annexed to this Prospectus, were audited without qualification by Sycip Gorres Velayo & Co. (“SGV & Co.”).

SGV & Co. does not have and will not receive any direct or indirect interest in the Company or in any of the Company’s securities (including options, warrants or rights thereto) pursuant to, or in connection with the Common Shares and has not acted as promoter, underwriter, voting trustee, or as the Company’s employee.

Audit and Audit-Related Fees

The following table sets out the aggregate fees (net of VAT and out-of-pocket expenses) billed for each of the last two (2) fiscal years for professional services rendered by SGV & Co. for the Company:

| | 2025* | 2024 |
|--------------------------------|-------------------|----------|
| Total Audit Fees | ₱1,430,000 | ₱650,000 |
| Non-Audit Services Fees: | | |
| Other Audit Services | - | 300,000 |
| All Other Services | - | - |
| Total Non-Audit Fees | - | 300,000 |
| Total Audit and Non-Audit Fees | ₱1,430,000 | ₱950,000 |

**Includes fee for the audit as of and for the interim period ended September 30, 2025 and 2024.*

Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

There are no disagreements with SGV & Co. on any matter of accounting principles or practices, financial statement disclosure, or auditing scope or procedure during the two (2) most recent fiscal years or any subsequent interim period.

Tax Fees

In 2024, Tax Compliance Group of SGV & Co. was engaged to conduct a VAT Healthcheck covering the taxable year 2023. The professional service fees amounted to PhP369,600.00 inclusive of VAT and out-of-pocket expenses.

Audit Committee's Approval Policies and Procedures

The financial statements of the Company are reviewed by the Audit Committee before its submission to the Board of Directors for approval. The Audit Committee also evaluates the non-audit and additional work, if any, to be rendered by the external auditor before endorsing the same to the Board for approval.

DIVIDEND DISTRIBUTION AND LISTING EXPENSES

While no proceeds will be derived from the Dividend Distribution and Listing, the Company will incur the following estimated expenses in connection with the registration of its shares with the SEC and the listing of its outstanding capital stock with the Exchange:

| Estimated Expense | Amount (in Philippine Peso) |
|--|--|
| SEC Registration Fee inclusive of Legal Research Fee and Documentary Stamp Tax | 11,300,000.00 |
| PSE Listing Fee (exclusive of VAT) | 35,659,260.00 |
| VAT on PSE Listing Fee | 4,279,111.20 |
| Audit Fee | 1,000,000.00 |
| Professional Fee – Transaction Counsel (RRLR) | 5,500,000.00 |
| Legal and Professional Fee – Independent Legal Counsel (ACCRA) | 500,000.00 |
| Agency Fees (Stock Transfer Agent & Escrow Agent) | 650,000.00 |
| Other Miscellaneous Fees (Prospectus Printing, etc.) | 500,000.00 |
| Financial Advisory Fees | 16,000,000.00 |
| Listing Roadshows | 600,000.00 |
| Fairness Opinion Provider | 1,000,000.00 |
| Market Industry Study Fee | 1,624,000.00 |
| Public Relations Fee | 2,237,760.00 |
| Total Estimated Expenses | 80,911,760.00 |

INDUSTRY OVERVIEW

This information and data contained in this section of the Prospectus with respect to the Philippine Real Estate Industry was provided by Leechiu Property Consultants, Inc. (“LPC”), the Company’s Industry Consultant. The full report by LPC is appended in this Prospectus. The Company does not have any knowledge that the information provided by LPC is inaccurate in any material respect.

The information should not be solely relied upon in making any investment decision. Furthermore, this section includes forecasts and other forward-looking statements which are, by their nature, subject to significant risks and uncertainties. Actual results and future events could differ materially from such forecasts. As such, investors should not place undue reliance on such statements, or on the ability of any party to accurately predict future industry trends or performance.

Macroeconomic Context

The Philippine economy expanded from USD83.7 billion in 2000 to USD461.6 billion in 2024, driven by robust domestic consumption, infrastructure spending of USD26.9 billion, and in the IT-BPM sector, which grew to USD38 billion. OFW remittances reached USD38.3 billion, fueling liquidity and real estate demand. Foreign Direct Investments surged 394% from 2020 to 2024, signaling strong investor confidence. Tourism receipts climbed PHP760.5 billion, with higher-spending segments such as business travelers and expatriates fueling demand for premium hospitality and retail.

Additionally, the country’s growing base of high-net-worth-individuals supports sustained demand for prime real estate assets in Makati and Bay Area, reinforcing the resilience of the luxury segment.

Makati CBD

Makati remains the country’s premier financial district, hosting 3.9 million square meters of office supply with a vacancy rate of 15%—the lowest among major submarkets. Redevelopment plans cover 186,950 square meters of aging assets, unlocking value through mixed-use development projects. Upcoming office pipeline totals 445,000 square meters through 2030, largely pre-leased to major financial institutions. Luxury residential units in Makati City command PHP472,000 to PHP893,000 per square meter, with strong absorption and limited inventory. Hospitality performance is robust, with luxury hotels posting 66.7% occupancy and ADR at PHP9,560, surpassing pre-pandemic levels.

Bay Area

The Bay Area is positioned as Metro Manila’s next growth corridor, anchored by Entertainment City and large-scale reclamation projects. Land values range from PHP450,000 to PHP560,000 per sqm. Office vacancy stands low at 27%, but Grade A assets show resilience, and vacancy is projected to drop to 8% by 2029. Luxury residential prices range from PHP638,000 to PHP1,000,000 per sqm, supported by proximity to resort-casino complexes and NAIA. Hospitality pipeline includes branded luxury hotels such as Banyan Tree, reinforcing the district’s positioning as a tourism and MICE hub.

Market Analysis

Office: Metro Manila has 15 million square meters of supply with 18% vacancy. The prime districts of Makati and BGC outperform other districts with low vacancies and rising rents. Flight-to-quality and ESG compliance drive overall demand.

Residential: Oversupply persists, particularly for the middle to upscale segments. However, the luxury segment remains resilient and insulated from interest rate volatility. The Metro Manila residential condominium market is expected to enter supply deficit by 2028.

Hotel: occupancy rebounded to 64.6% in 2025, with ADR and RevPAR exceeding pre-pandemic levels. Luxury segment leads recovery.

Retail: High-end support commercial spaces show 84% average occupancy, dominated by F&B luxury brands. Makati and Bay Area lead in premium retail integration.

Strategic Recommendations

Office: Develop prime office towers in Makati and Bay Area time for 2027 to 2029, when vacancy drops to single digits and rents peak.

Residential: Launch luxury condominium projects within two years to capture underserved demand as inventory tightens by 2027.

Hotel: Target upscale/luxury hotel development in Makati and Bay Area to leverage MICE recovery and premium tourism demand.

Retail: Integrate high-end, experience-driven retail in mixed-use developments to enhance asset value and attract affluent consumers.

Overall Considerations for Luxury Developments

Luxury assets across office, residential, hotel, and retail segments remain a key driver of long-term value in Metro Manila's evolving real estate landscape. While these developments offer strong growth potential, success depends on strategic differentiation and resilience. Key considerations include navigating market saturation, regulatory changes, and operational challenges while leveraging opportunities for exclusivity and brand prestige. Future-ready strategies – such as brand partnerships, curated lifestyle amenities, sustainability certifications, and technology integration – will position luxury assets as experience driven, ESG-compliant investments. Integrating these elements ensures competitive advantage, mitigates cyclical risks, and secures premium positioning in a dynamic market.

DESCRIPTION OF BUSINESS

OVERVIEW AND HISTORY

PNB Holdings Corporation (Formerly: Philippine Exchange Holdings Corporation) (the “Company” or “PHC” or the “Issuer”) is a stock corporation incorporated on 20 May 1920 to engage in general mercantile business. It was then named National Exchange Company, Inc. with principal place of business in the City of Manila.

The Company later changed its primary purpose to that of a holding company and correspondingly amended its corporate name to PNB Holdings Corporation.

In a Certificate of Filing of Amended Articles of Incorporation dated 13 January 2021, the SEC approved the amendment of the Company’s Articles of Incorporation to include engaging in the real estate business as a secondary purpose and the increase of the Company’s authorized capital stock from ₱500,000,000.00 divided into 5,000,000 common shares with a par value of ₱100.00 per share, to ₱50,500,000,000.00 divided into 505,000,000 common shares with a par value of ₱100.00 per share. Out of the increase in the authorized capital stock of 500,000,000 shares, a total of 466,770,000 common shares with a par value of ₱100.00 per share were subscribed by PNB in exchange for prime real estate properties, namely PNB Financial Center Building, PHC Buendia Property (known as RJ Property at the time of the property-for-share swap) and PNB Makati Center Building. As a result, the Company became wholly owned by PNB as its total shareholdings in the Company increased to 469,321,000 shares.

On 21 December 2021, the Bureau of Internal Revenue (“BIR”) issued a Certification that the transfer by PNB to the Company of the said prime real properties in exchange for 466,770,000 of the Company’s shares is a tax-free exchange pursuant to Section 40(C)(2) of the Tax Code, as amended.

In 2021, the Board of Directors of PNB approved and confirmed the declaration of up to 239,353,710 common shares of the Company with a par value of ₱100.00 per share, representing 51.00% of PNB’s shareholdings in the Company, as property dividend to all stockholders of record of PNB as of 18 May 2021. On 24 December 2021, the SEC issued a Certificate of Filing the Notice of Property Dividend Declaration. The Property Dividend was distributed at a ratio of 0.156886919 shares of the Company for every one share of PNB.

In a Certificate of Filing of Amended Articles of Incorporation dated 29 May 2023, the SEC approved the change in the par value of the Company’s Common Shares, from ₱100.00 per share to ₱1.00 per share. As a result, the Company’s authorized capital stock increased from 505,000,000 common shares with a par value of ₱100.00 per share, to 50,500,000,000 common shares with a par value of ₱1.00 per share.

Prior to the distribution of the Property Dividend, the Company was a wholly owned subsidiary of PNB. As a result of the Property Dividend, LT Group Inc. (“LTG”), a publicly-listed company incorporated and domiciled in the Philippines, gained indirect ownership of the Company of up to 40.16% through LTG-affiliated companies which received the Dividend Shares. The Company’s ultimate parent company, Tangent Holdings Corporation, is incorporated in the Philippines.

As a result of the Property Dividend declaration and the subsequent release of eCARs by the BIR, more than 200 stockholders now hold at least 100 shares of the Company. Considering that the Company has total assets amounting to more than ₱50,000,000.00, the Company qualified as a public company as defined in the Securities Regulation Code (“SRC”) and its

Implementing Rules and Regulations (“SRC-IRR”). On 26 March 2025, the Company formally notified the SEC through the Corporate Governance and Finance Department (“CGFD”) that the Company qualified as a public company as a result of which, the Company was effectively under the supervision of the CGFD.

The Company has one (1) subsidiary, Genbancor Condominium Corporation, which is primarily engaged in the management of the common areas of the Genbancor Office Condominium Building.

The Company’s revenues for the period ending 30 September 2025 were ₱897.72 million, lower by 8% vis-à-vis the same period last year. Net income for the same period amounted to ₱272.61 million which is lower by 37% vis-à-vis the same period last year.

As of 30 September 2025, PHC had total assets of ₱50.38 billion and total equity of ₱49.43 billion.

The Company’s revenues for the year ending 31 December 2024 were ₱1.34 billion, lower by 4% than the previous year. Net income for the year ending 31 December 2024 was ₱529.00 million which was lower by 13% than the previous year.

As of 31 December 2024, PHC had total assets of ₱50.15 billion and total equity of ₱49.17 billion.

THE COMPANY’S BUSINESS

Business Development

The Company is a holding company engaged in the real estate business. It is backed by the LT Group, Inc., one of the largest and most diversified conglomerates in the country, with interests in airlines, beverages, tobacco, property development, and banking. It plays a strategic role in unlocking the value of PNB’s non-core assets, particularly prime real estate properties across key urban centers such as Makati and Pasay.

The Company has seen significant growth in the past three (3) years.

In 2022, the Company focused on consolidating its real estate portfolio which included high-value properties transferred from PNB as part of the property-for-share swap in 2021. These assets included the PNB Financial Center in Pasay City, the PNB Makati Center located in the Makati Central Business District, and an 8,000-square meter prime lot known as the PHC Buendia Property situated at the intersection of Sen. Gil J. Puyat Avenue (formerly Buendia Avenue) and Paseo de Roxas in Makati City, among other investment properties. The estimated combined market value of these three properties is PHP 80.9 billion (approximately USD 1.4 billion at an exchange rate of PHP 57.84/USD 1.00).

The Company undertook a comprehensive review and valuation of its property holdings to assess redevelopment potential and market value. It also continued the leasing of its office and commercial spaces initiated by PNB in its prime real-estate properties. The Company also continued to strengthen its operational capabilities by engaging a professional property management team to oversee day-to-day operations and support long-term asset optimization and value creation.

The Company's revenues for the year ending 31 December 2022 were ₱1.42 billion, higher by 7% than the previous year. Net income for the year ending 31 December 2022 was ₱666.87 million which was higher by 21% than the previous year.

As of 31 December 2022, PHC had total assets of ₱48.90 billion and total equity of ₱47.97 billion.

In 2023, the Company entered a phase of active asset monetization by strengthening its core leasing business and capacity building. It implemented strategies to increase revenues through improved tenant engagement, space optimization and competitive pricing. Feasibility studies and planning for the key redevelopment projects were initiated, including highest and best use studies, initial talks with potential consultants, and preparation and crafting of project charters.

Internally, the Company focused on organizational capacity building by expanding its internal teams, defining operational workflows, and aligning departments with long-term business goals. It also hired key management personnel and onboarded experienced executives and department heads to lead operations, set strategic directions, and professionalize internal processes. Moreover, the Company established its operational backbone by investing in information technology infrastructure and administrative systems to support property and lease management, and developed a multi-year modernization roadmap for key buildings, including structural retrofitting, façade improvements, and energy efficiency enhancements.

The Company formed strategic relationships with vendors and potential business partners and engaged in active discussions with industry consultants to support leasing, redevelopment, and operational initiatives.

The Company's revenues for the year ending 31 December 2023 amounted to ₱1.39 billion, down by 2% than the year 2022. Net income for the year ending 31 December 2023 was ₱609.52 million which was lower by 9% than the previous year. Total assets amounted to ₱50.03 billion while total equity amounted to ₱48.59 billion.

In 2024, the Company shifted towards execution and growth, leveraging its prime properties to attract development opportunities, which eventually resulted in strategic partnerships.

The Company explored new revenue streams, such as event space rentals and co-working hubs in response to evolving market demands. Significant building improvements were launched to enhance asset value and attract higher-quality tenants.

Management began the renegotiation of the Company's power contract terms with the view to reducing electricity expenses and improving operational efficiency. It also continued hiring and training additional employees to support the Company's expanded operations and new business lines and fulfill organizational capacity-building. The Company also launched digital tools for back-office operations to enhance financial transparency and operational efficiency.

Most importantly, the Buendia Property and the PNB Financial Center redevelopment projects transitioned from planning to early-stage execution, which included engaging consultants, active discussion on design phase of the construction, and preparatory works for regulatory compliance, zoning assessments, and potential joint venture discussions.

The Company's revenues for the year ending 31 December 2024 were ₱1.34 billion, lower by 4% than the previous year. Net income for the year ending 31 December 2024, on the other hand, was ₱529.00 million which was lower by 13% than the previous year. PHC had total assets and total equity of ₱50.15 billion and ₱49.17 billion, respectively, as of the end of 2024.

During 2025, while the Company was in the early stages of executing its redevelopment projects, significant improvements were made to existing buildings to attract higher-quality tenants and retain current ones.

The Company's revenues for the period ending 30 September 2025 were ₱897.72 million, lower by 8% vis-à-vis the same period last year. Net income for the same period amounted to ₱272.61 million which is lower by 37% vis-à-vis the same period last year. Revenues from related-party tenants comprise approximately 73% of the total revenues.

PHC had total assets and total equity of ₱50.38 billion and ₱49.43 billion, respectively, as of 30 September 2025.

Strategic Outlook

Looking ahead, PHC is positioned to become the leading developer of sustainable high-end luxury properties in the Philippines. Over the next 15 to 20 years, PHC plans to transform its prime properties into master-planned mixed-use lifestyle developments that symbolize progress, legacy, and pride for the Philippines.

As part of its overarching business strategy, the Company is looking at collaborating with strategic partners who can share their expertise to help unlock the full potential of PHC's prime properties

Some of PHC's strategic activities in the coming years include the master-planning of its key properties into mixed-use developments for sale or lease to generate diversified income sources.

In doing so, the Company aims to optimize expenses by implementing cost-saving measures in property management that will result in improved operational margins.

Beginning these efforts with the Buendia Property and shortly thereafter, the Financial Center property, PHC has commenced the implementation of its redevelopment activities, beginning with the design phase, securing permits, and preparing for site development.

The Company has also launched a comprehensive branding campaign program to establish a strong and reputable identity, not only in the real estate sector but among its stakeholders.

Summary of Key Assets

The Company holds prime assets in Makati City and Pasay City, two of the country's premier business districts. With a steadfast commitment to excellence and innovation, PHC offers leasing opportunities to corporate entities and professional organizations in search of workspaces designed to bring value and legacy to their business.

1. PHC Buendia Property

Located at the intersection of Buendia Avenue (Gil Puyat) and Paseo de Roxas, this prime 8,000- square meter lot is envisioned to be the location of a mixed-use single superstructure tower that will feature a branded luxury hotel and residences, premium office spaces for multinational tenant headquarters, a premium destination commercial center, and integrated support amenities destined to attract and cater to the needs of the luxury market.

2. PNB Financial Center

PNB Financial Center stands as an iconic brutalist-style office complex, masterfully designed by the renowned Architect Gabriel Formoso. Straddling two major thoroughfares, Diosdado Macapagal Boulevard and Roxas Boulevard in the vibrant Manila Bay area of Pasay City, this prime property boasts a massive land area of 99,999 square meters. This project has a total leasable area of almost 90,000 square meters which provides office spaces for large corporate buildings and smaller offices. It is also suitable for retail or commercial space leasing. The property has a parking concession business which supports the needs of its tenants and visitors, and an events venue capable of hosting major socio-civic events and with the necessary amenities.

3. PNB Makati Center

PNB Makati Center is a flagship address located in the central business district of Makati City. The building's design represents the early examples of iconic brutalist-style office complexes along the fledgling Ayala Avenue, Makati, and was masterfully designed by the renowned Architect Carlos Arguelles. The property along Ayala Avenue near the corner of Makati Avenue boasts of an impressive 5,527 square meters and the building offers almost 30,000 square meters of leasable office space, catering to local and international organizations that need a prominent address to complement their operations. It also provides commercial spaces for retail stores, restaurants, and other enterprises that rely on foot traffic and visibility. The property features a co-working space center that offers flexible workspaces for business owners or entrepreneurs.

In 2024, the Company posted gross revenue of P1.337 billion pesos. The biggest contributor to the Company's 2024 revenue was the PNB Financial Center, generating 70% of the total revenue. PNB Makati Center contributed 26% of total revenue.

To sustain revenue growth, the Leasing Department of the Company actively renewed relationships with various institutional brokers while maintaining open lines of communication with existing brokers. It also continued to search for companies that are actively looking for spaces in Makati City and Pasay City. Additionally, much-needed repair works were introduced on the Makati and Pasay properties to enhance their competitiveness in the market.

JOINT VENTURES

The Company was not a part of a joint venture for the past three (3) years.

BANKRUPTCY, RECEIVERSHIP AND SIMILAR PROCEEDINGS

The Company was not involved in any bankruptcy, receivership or similar proceedings, and there had been no material reclassification, merger, consolidation, or purchase or sale of a significant amount of assets not in the ordinary course of business over the past three (3) years.

VISION AND MISSION

The Company envisions itself at the forefront of the real estate industry, known for developing iconic projects that redefine standards through sustainability and innovation. With a commitment to responsible business practices, it strives to create exceptional living and working spaces that inspire and endure. Its mission is to make a long-lasting impact on the communities it serves by integrating sustainability, innovation, service excellence, and a culture of learning, collaboration, and empowerment into every development. By doing so, the Company aims to drive economic growth, foster positive change, and enrich the lives of its clients, employees, and partner communities.

COMPETITIVE STRENGTHS

Poised to be a Leading Developer of Luxury Real Estate in the Most Prime Locations

PHC's strategic importance within the Group lies on the execution of the vision to capture the significant, undertapped opportunity in the Philippine ultra-luxury real estate segment. It has been given this clear and deliberate mandate that aligns the Group's capital, expertise, and organizational attention behind positioning PHC to capture a market that is both underpenetrated and rapidly expanding.

PNB Holdings functions as the LT Group's lifestyle real estate platform, giving it privileged access to consumer ecosystems, financial infrastructure, and a century-old brand associated with stability and Filipino excellence. This linkage is strategic as it elevates PHC beyond the traditional role of a developer and positions it as the Group's flagship venture into lifestyle-driven urban transformation.

By introducing the idea of a consumer-focused conglomerate into the real estate arena, the Group leverages deep insights into purchasing behavior, family economics, and shifting lifestyle preferences. Few players in the local industry possess this level of integrated consumer data or institutional memory—creating a competitive advantage that compounds over time.

Grounded in a legacy rooted in purpose, PHC's developments aim to redefine the luxury landscape by blending Filipino craftsmanship with world-renowned lifestyle brands inside masterfully curated micro cities. This vision is directly inspired by Kapitan's long-stated aspiration to elevate the Philippines onto the global stage—making PHC a generational project with transformative potential.

Synergistic Relationships with Leading Affiliates Within a Consumer-Focused Business Ecosystem

PHC benefits from an ecosystem that very few developers can replicate. The Group's unparalleled consumer intelligence — spanning banking, airline travel, beverages, and tobacco — offers precise and actionable insights into spending patterns, aspirational behavior, and affluent customer segments. This allows PHC to design developments that reflect not only current demand but future lifestyle trajectories.

Access to PNB's ultra-high-net-worth clientele provides a built-in distribution channel for luxury inventory. PNB's extensive global footprint — holding the most international branches among Philippine universal banks — positions PHC's products before globally dispersed Filipino wealth and investment-driven buyers. The Company's affiliation with flagship carrier Philippine Airlines likewise provides unparalleled access to a significant overlapping customer base. These channels alone create conversion opportunities unavailable to most competitors.

The Group's advertising and marketing infrastructure adds another layer of advantage. Through well-established national and international platforms, PHC's projects can achieve multi-market visibility at marginal cost, compressing customer acquisition expenses and accelerating brand momentum.

Critically, the Group's financial depth and long track record in the Philippine capital markets translate directly into a structurally lower cost of funding for PHC. This narrows project hurdle rates, enhances development profitability, and fortifies the Company's balance sheet against market cycles. For luxury projects with long gestation periods, this financial advantage becomes a decisive differentiator.

Deliberate and Focused Organization Designed to Elevate the Local Luxury Landscape

PHC's spin-off as a standalone entity was a deliberate strategic move to create an organization fully aligned to luxury specialization. While retaining the full benefits of the LT ecosystem backing, PHC operates with the clarity, agility, and singular focus as the Group's purpose-built luxury platform.

This structural independence allows planning, design, engineering, and construction teams to work with a unified mandate: deliver products that meet global luxury benchmarks rather than mass-market compromises. Every decision—from architecture to materials, from partnerships to amenities—is made through the lens of the luxury consumer.

The spin-off also isolates PHC from the operational challenges common in legacy developers such as diverse project mixes, inherited inefficiencies, and competing internal priorities. By contrast, PHC's operating model is intentionally streamlined, enabling speed, precision, and high accountability.

A standalone platform also enables superior capital allocation. Funds can be deployed to the highest-value opportunities without cross-subsidizing unrelated segments. This results in more efficient project execution, improved return on equity, and stronger investor alignment.

Strategic and Prime Location of Real Estate Assets

The Group's conviction in the luxury segment's potential is demonstrated by the infusion of three crown jewel properties into PHC. The Company holds a portfolio of strategically located real estate assets that represent some of the most desirable addresses in Metro Manila. These prime locations offer unparalleled advantages in terms of accessibility, commercial potential, and long-term value appreciation. More than just physical assets, these properties serve as gateways to transformative urban development, aligned with the evolving demands of business, lifestyle, and sustainability in a rapidly modernizing capital region.

The **PHC Buendia Property** is located at the intersection of Buendia Avenue (Gil Puyat) and Paseo de Roxas—two of Makati's most critical thoroughfares. Nestled within the emerging Paseo de Roxas Triangle, this property occupies a unique position at the edge of the Makati Central Business District, where key transit routes, commercial demand, and redevelopment efforts converge. The area is currently the focus of significant urban revitalization, presenting the Company with an opportunity to lead the transformation of the district into a modern, mixed-use zone. With growing connectivity through public transport systems, the Buendia property holds strong appeal for projects that blend residential, co-living, retail, and office spaces—designed for a new generation of city dwellers who value accessibility, experience, and convenience.

The **PNB Financial Center** in Pasay City sits along Macapagal Boulevard, within the vibrant Bay Area—a rising business and entertainment district that continues to attract significant investments. Its location places it within close proximity to the Ninoy Aquino International Airport, the SM Mall of Asia Complex, and key government institutions, making it an ideal site for developments that serve both commercial and institutional tenants. The property's strategic visibility from major roads and accessibility to seaports and expressways position it as a prime candidate for large-scale, mixed-use redevelopment. Envisioned possibilities include a luxury hotel, a government service hub, or a commercial center that integrates corporate, retail, and urban living spaces. With the Bay Area quickly becoming one of Metro Manila's most dynamic urban zones, the PNB Financial Center stands poised to become a new landmark in the city's growth corridor.

One of the Company's flagship assets is the **PNB Makati Center**, prominently situated along Ayala Avenue in the Makati Central Business District—the country's premier financial and commercial hub. This prestigious location positions the property at the center of economic activity, surrounded by global headquarters, top-tier banks, consulates, and luxury hotels. The address alone provides the Company and its stakeholders with exceptional visibility and brand equity, while the surrounding infrastructure—from reliable public transport access to world-class amenities—enhances its attractiveness to multinational tenants, financial institutions, and business process outsourcing firms. As the cityscape evolves, the PNB Makati Center holds significant potential for redevelopment into a high-grade commercial tower or mixed-use development, integrating smart office technologies and green building features that respond to the market's shift toward sustainable and future-ready workspaces.

Together, these properties form the backbone of the Company's growth strategy. Their locations in high-demand corridors offer a unique advantage in attracting quality tenants, driving urban development, and securing long-term capital gains. With rising land values, increasing government interest in urban renewal, and private sector momentum in building smart, sustainable cities, the Company is well-positioned to unlock the full potential of its landbank and shape the future of Metro Manila's real estate landscape.

Seasoned Management Team and Strong Corporate Governance

The Company is led by a distinguished leadership team with extensive experience across real estate, finance, and corporate governance. At the helm is Dr. Lucio C. Tan, Chairman of the Board, whose visionary leadership has shaped some of the most successful enterprises in the country. Supporting him is Ms. Karlu T. Say, President, a seasoned executive with deep industry knowledge and operational expertise.

The Company also benefits from the guidance of an experienced management team and a well-structured Board of Directors, four (4) of whom are independent directors.

The Company's commitment to transparency, accountability, and ethical business practices reinforces its strong corporate governance framework—an essential pillar as it builds investor confidence and accelerates its portfolio expansion in the coming years.

Well Positioned to Capitalize on Projected K-Growth in the Real Estate Industry, with Luxury Expected to Accelerate Further

The Philippine real estate industry continues to exhibit K-shaped growth, with premium and luxury segments significantly outperforming broader categories. Among all residential and mixed-use market tiers, luxury is the segment with the highest potential for outlier growth, driven by rising affluence, global lifestyles, and increased capital inflows from overseas Filipinos and foreign investors.

Luxury real estate is not easily entered nor imitated. Barriers to entry include brand credibility, design expertise, access to prime land, and the ability to endure long development cycles. PHC is uniquely positioned due to two unmatched strengths:

- (1) deep consumer intelligence that informs design and value proposition, and
- (2) a landbank considered among the most coveted in Metro Manila.

These assets create a moat around PHC's strategy and position it to capture disproportionate share as the market's luxury segment accelerates.

Special Focus on Sustainable Development and Incorporation of the Latest Innovative Technology

PHC integrates sustainability and innovation at the heart of its development philosophy, giving investors exposure to a company aligned with global ESG priorities and next-generation design. This ensures that PHC's developments are not only luxurious but responsible, resilient, and future-proof.

The Company is committed to deploying the latest and most efficient technologies—from energy management systems to water-saving designs and smart-building innovations—to improve operational efficiency while minimizing environmental impact. This enhances asset value, reduces long-term costs for residents, and aligns the Company with global investor expectations.

Balance Sheet Designed for a Landmark Undertaking

PHC enters the market with a balance sheet intentionally structured to support a landmark undertaking. The Group has equipped the Company with substantial capital and multiple funding pathways to ensure PHC can execute transformative, large-scale developments without balance sheet strain.

Robust capitalization enhances credibility with partners, accelerates project timelines, and strengthens the Company's ability to weather macroeconomic cycles. Investors gain comfort knowing that PHC is designed from inception to undertake an iconic project—one that redefines the luxury landscape rather than simply participating in it.

KEY STRATEGIES

Develop mixed-use properties, effectively creating high-end micro-cities and curated global communities that elevate the local luxury landscape

PHC's core strategy is to establish a portfolio of mixed-use developments that transcend traditional property formats and instead create high-end micro-cities—self-contained, highly curated environments that seamlessly integrate residential, retail, hospitality, wellness, culture, and green space. These developments are designed to become destinations in themselves: vibrant global communities where luxury living is defined not only by product quality but by the orchestrated experience of daily life.

By adopting a master-planned, mixed-use approach, PHC ensures that each development captures demand from multiple segments (end-users, investors, business travelers, tourists, global brands) while reinforcing the premium positioning of the entire portfolio. This model also

strengthens recurring revenue opportunities through hospitality, branded residences, retail leasing, and destination-driven foot traffic.

Crucially, these micro-cities are designed to elevate the local luxury landscape. They bring together Filipino excellence in design and craftsmanship with global standards of lifestyle curation, architecture, and service. The result is an offering that resonates with affluent buyers seeking world-class living experiences within Metro Manila's most coveted locations.

This strategy positions PHC not merely as a developer, but as a pacesetter. It is one that shapes the next generation of luxury communities in the Philippines.

Tap into synergies with the LT Ecosystem

PHC intends to maximize the full breadth of synergies available within the LT Group ecosystem. The strategy leverages the Group's multi-industry footprint (banking, aviation, beverage, retail, tobacco) and its unique visibility into Filipino consumers across income tiers, geographies, and lifestyle behaviors.

These synergies will manifest in several ways:

- Deep consumer insight will guide product design, pricing strategy, amenity selection, and marketing narratives which will ensure that each project is aligned with the refined standards and aspirations of the luxury buyer.
- PNB's global UHNW network creates an immediate distribution channel for PHC's luxury properties, accelerating pre-sales velocity and enhancing pricing power.
- Group-wide marketing infrastructure enables PHC to amplify brand presence domestically and internationally at marginal cost.
- Financial synergies — including preferential funding access, strategic treasury management, and enhanced credibility with lenders — will lower cost of capital and reinforce project resilience.

This ecosystem advantage effectively embeds PHC within a consumer-focused conglomerate whose institutions already serve, and deeply understand, the very clientele PHC aims to capture.

Execute phased development beginning with the most ready and lowest-yielding asset in the platform: the Buendia property

PHC will implement a disciplined, phased development strategy aimed at optimizing capital efficiency, accelerating returns, and mitigating execution risk. The first phase will focus on the Buendia property — the most development-ready site and the lowest-yielding asset in the current platform.

This sequence is intentional and strategic:

- Converting a low-yielding land asset into a high-performing development immediately improves the Company's return profile and unlocks valuation upside.
- Starting with a ready site accelerates market entry, enabling the Company to establish its brand presence early in the luxury segment.
- Phased execution allows lessons from the initial project to inform subsequent developments, enhancing operational excellence while maintaining strict luxury standards.
- Cash flows generated from earlier phases can partially self-fund later, larger-scale undertakings—thus strengthening balance sheet sustainability.

By beginning with Buendia, PHC signals a prudent yet ambitious development trajectory, balancing near-term value creation with long-term iconic aspirations.

List and subsequently tap capital markets to lower cost of funding through pricing tension with traditional sources

A core component of PHC's long-term strategy is to list the Company and access the capital markets to diversify and reduce funding costs. Public listing creates competitive pricing tension against traditional financing sources, enabling PHC to secure capital more efficiently for large-scale luxury developments.

Capital market access provides several strategic advantages:

- Lower cost of capital, which enhances project IRRs and supports premium development standards.
- Increased financial flexibility, allowing PHC to pursue multiple developments concurrently without overreliance on group resources or bank borrowings.
- Strengthened balance sheet signaling, improving credibility with global partners, regulators, and counterparties.
- A platform for future equity raises, essential for scaling mixed-use micro-cities that require sustained investment.
- Enhanced public visibility, reinforcing brand equity and supporting consumer confidence in PHC's long-term vision.

Ultimately, a public listing is not merely a funding strategy; it is a structural enabler of PHC's ambition to elevate the country's real estate landscape.

COMPETITION

As a player in the highly competitive Philippine real estate market, the Company operates in an environment shared with some of the country's most prominent and publicly listed property developers. These companies have established a strong foothold in integrated property development, offering large-scale mixed-use communities, premium office towers, and commercial hubs that cater to multinational tenants and institutional investors alike.

The Company's assets—most notably the PNB Makati Center and the PNB Financial Center—are situated in prime commercial districts where competition is robust. In Makati, the Company's flagship property, the PNB Makati Center on Ayala Avenue, competes with several well-established Grade A office developments. These include The Enterprise Center Tower 1, developed by KSA Realty Corporation, a joint venture between Ayala Land, Kuok Group, and ING Bank; BDO Towers Valero, owned and managed by BDO Unibank and SM Prime Holdings; and BPI-Philam Life Building, a collaboration between Bank of the Philippine Islands and Philam Life, now part of AIA Philippines. Other notable competitors in the area include L.V. Locsin Building, known for its iconic brutalist architecture, and BA Lepanto Building, both of which continue to attract corporate tenants due to their location and institutional legacy.

In Pasay City where the PNB Financial Center sits along Macapagal Boulevard, the Company finds itself among fast-emerging businesses and lifestyle enclaves. The Bay Area has become a hotspot for mixed-use developments led by top-tier developers such as DoubleDragon Properties Corp., which has established a strong presence with DoubleDragon Center West, and DoubleDragon Tower, both targeting the office leasing segment, particularly for online gaming and BPO sectors. In addition, SM Prime Holdings, through its Commercial Properties

Group, has developed a series of E-com Centers—including Two E-com, Three E-com, and Four E-com Center (East, South, and West Towers)—which offer modern office solutions with direct access to the SM Mall of Asia complex and entertainment facilities, attracting large-scale tenants across technology, finance, and logistics sectors.

Looking ahead, the Company's strategic direction is focused on repositioning its prime landbank into ultra-luxury, high-end mixed-use developments—blending premium office spaces, experiential retail, branded hotels, and branded residences. This elevated business model places the company in direct competition with the country's most established high-end property developers, including:

1. **Ayala Land Premier (ALP)** – the ultra-luxury brand of Ayala Land, Inc., known for developments such as Park Central Towers and The Suites at One Bonifacio High Street. ALP leads the market in luxury living, offering well-curated communities with access to high-end retail and green open spaces.
2. **Rockwell Land Corporation** – renowned for its lifestyle-centric developments such as Proscenium at Rockwell and The Balmori Suites, which combine residential sophistication with curated retail and cultural amenities.
3. **Federal Land** – through its partnership with Nomura Real Estate and Tokyo Tatemono, Federal Land has introduced global luxury standards in developments like Grand Hyatt Residences and The Seasons Residences in BGC.
4. **Shang Properties, Inc.** – the local arm of the Kuok Group, known for high-end projects such as Shangri-La at the Fort, The Rise Makati, and One Shangri-La Place, merging hospitality-grade amenities with luxury residential offerings.
5. **Arthaland Corporation** – Arthaland is a high-end developer known for integrating global sustainability standards into luxury residential and commercial projects. Its portfolio includes Arya Residences, Cebu Exchange, and Eluria in Makati. With certifications such as LEED, WELL, EDGE, and BERDE, Arthaland combines refined living with environmental responsibility and wellness-focused design.

As the Company enters this premium segment, its competitive advantage lies in its unmatched land value in heritage-rich, high-traffic corridors; brand legacy and credibility through the Lucio Tan Group; and freedom to design forward-thinking developments that are not constrained by legacy masterplans.

The Company's upcoming projects aim to blend the prestige of iconic addresses with the hallmarks of modern luxury—global hotel branding, elevated architecture, ESG-aligned construction, and a curated mix of high-value residential and commercial components.

This pivot into the high-end market aligns with emerging global trends where urban elites seek exclusive, well-located, and experiential communities that go beyond conventional real estate offerings. As the demand for luxury branded residences and integrated lifestyle destinations grows in Asia, PHC is well-positioned to make its mark among the country's top-tier developers—creating landmark destinations that embody legacy, sophistication, and long-term investment value.

CUSTOMER BASE

The Company derives a significant portion of its revenue from a limited number of key customers, primarily through a mix of short-term and long-term lease agreements.

While these relationships provide stable and recurring income, the Company acknowledges that the loss of any one of these major customers, or a significant reduction in their business activities, could have a material adverse effect on its financial performance. To mitigate this risk, the Company actively pursues diversification of its tenant and client base, and continuously explores new market opportunities to reduce dependency on any single customer or group of customers.

PNB accounts for and, based upon its existing contract with the Company, will account for, more than twenty percent (20%) of the Company's revenues. The loss of PNB as a customer would have a material adverse effect on the Company.

As of the date of this Prospectus, the Company has a subsisting 10-year Contract of Lease with PNB for the lease of office space located in the PNB Financial Center.

The Company remains committed to maintaining strong relationships with its key clients while expanding its reach across various sectors and locations to ensure long-term sustainability and growth.

SUPPLIERS

The Company engages several reputable service providers to support its property management and improvement activities. The principal suppliers for property management services include:

- SOSAJB Property Management Corporation
- Jones Lang LaSalle (Philippines), Inc.
- Property Maintenance and Gardens, Inc.
- Polystar General Services Corporation

These firms provide day-to-day operational support, maintenance, and tenant services across the Company's real estate portfolio.

For the supply of materials and equipment related to property improvements and building systems, the Company sources from the following key suppliers:

- Jardine Schindler Elevator Corporation for elevator systems and maintenance
- Daikin Airconditioning Philippines for heating, ventilation and air conditioning ("HVAC") systems and related equipment
- Stelsen Integrated Systems, Inc. for integrated building systems and technical solutions such as turnstile access control system

The Company maintains professional relationships with these suppliers to ensure the quality, safety, and operational efficiency of its properties. Furthermore, it must be emphasized that the Company is not materially dependent on any single supplier, and alternative providers are available in the market should the need arise.

INTELLECTUAL PROPERTY

In preparation for the development of the PHC Buendia Property, the Company registered the following trade names with the Intellectual Property Office of the Philippines ("IPOPhil"):

| Trade Name | Registration Date | Term |
|------------------|-------------------|----------|
| LT SQUARE | 8 February 2025 | 10 years |
| THE LEGACY TOWER | 8 February 2025 | 10 years |

INSURANCE CONTRACTS

The Company has the following insurance coverage:

| Insurance Company | Line / Type / Asset Insured | Sum Insured / Coverage | Policy Period |
|-------------------------------------|---|------------------------|--------------------------------|
| Alliedbankers Insurance Corporation | Comprehensive General Liability Insurance | P73 million | 29 April 2025 to 29 April 2026 |
| Alliedbankers Insurance Corporation | Fire insurance on building, building machinery and equipment, and furniture, fixtures and fittings including improvements and betterments of PNB Makati Center | P2.350 billion | 30 April 2025 to 30 April 2026 |
| Alliedbankers Insurance Corporation | Fire insurance on building, building machinery and equipment, and furniture, fixtures and fittings including improvements and betterments of PNB Financial Center | P6.190 billion | 30 April 2025 to 30 April 2026 |

REGULATORY AND ENVIRONMENTAL MATTERS

Zoning and Land Use

Land use is typically regulated by zoning ordinances enacted by local government units (“LGUs”). It may be restricted in accordance with a comprehensive land use plan approved by the relevant LGU. Zoning ordinances classify land as residential, commercial, agricultural or industrial. While a procedure for change of allowed land use is available, this process may be lengthy and cumbersome.

Under the agrarian reform law currently in effect and the regulations issued in relation thereto by the Department of Agrarian Reform (“DAR”), land classified for agricultural purposes as of or after 15 June 1988 cannot be converted to non-agricultural use without the prior approval of DAR.

Property Registration

Presidential Decree No. 1529, otherwise known as the Property Registration Decree, has consolidated laws related to land registration and is based on principles underlying the Torrens System, where title is conclusive against third parties, including the government.

The Philippines has implemented a system of land registration, which serves as evidence of land ownership and is binding on all persons. Once a land is registered, the title thereto becomes indisputable after a year from the decree of registration except when specific claims are noted in the certificate of title.

An unregistered land can be brought under the land registration system after the conduct of a survey, application, publication, service of notice and hearing. Land registration may be done through either judicial or administrative proceedings, and in both cases, registration is completed in the Register of Deeds ("RD") for the province or city where the land is situated.

Any subsequent transfer of or encumbrance on the land that is registered or recorded in the RD for the province or city where the land is located serves as constructive notice to all persons from the time it is officially filed registered or recorded in the RD's records.

Interests in a registered land that do not amount to full ownership, like liens and encumbrances caused by mortgages, should be registered to the RD through the submission of documents which establish the said interests. The RD will annotate these liens and encumbrances on the certificate of title.

Any subsequent transfer of the land necessitates the completion of the registration process to bind third parties. A Transfer Certificate of Title ("TCT") in the name of the transferee will be issued once the required documents are submitted and the necessary fees and taxes are paid.

Real Property Taxation

Real property taxes are payable annually based on the property's assessed value. The assessed value is determined by applying the assessment levels, which are fixed by local ordinances, against the fair market values of the property. Under the Local Government Code ("LGC"), the assessed values of property and improvements vary depending on the location, use and the nature of the property.

Land is typically assessed at 20% to 50% of its fair market value while buildings may be assessed up to 80% of their fair market value. Machinery, on the other hand, may be assessed at 40% to 80% of its fair market value.

In the case of a city or a municipality within Metro Manila or in chartered cities, real property taxes may not exceed 2% of the assessed value of the real property. Real property taxes may not exceed 1% in all other areas. In addition to the basic real property tax, a province or city, or a municipality within Metro Manila may levy and collect an annual tax of 1% on the assessed value of the real property to accrue exclusively to the Special Education Fund of the LGU where the property is located.

The basic real property tax and any other tax levied on real property constitute a lien on the said property. Such lien is superior to all other liens, charges or encumbrances in favor of any person, regardless of the owner or possessor of the property, enforceable by administrative or judicial action, and may only be extinguished upon payment of the tax and the applicable interest and expenses, if any. If the taxpayer wishes to question the reasonableness or correctness of the amount assessed, he can file a protest in writing before the treasurer of the

LGU. The taxpayer, however, must first pay the tax, and the corresponding tax receipt will be annotated with the phrase “Paid under Protest”.

Contractor’s License

Republic Act No. 4566, otherwise known as the “Contractors’ License Law”, as amended by Presidential Decree No. 1746 and R.A. No. 11711, aims to ensure the safety of the general public by allowing only qualified contractors to engage in construction activities in the Philippines.

The said law created the Philippine Contractors Accreditation Board (“PCAB”), a government agency attached to the Department of Trade and Industry and one of the implementing Boards in the Construction Industry Authority of the Philippines (“CIAP”).

The Contractors’ License Law prohibits a contractor (including sub-contractors and specialty contractors) from engaging in the contracting business without securing a PCAB license to conduct business. Engaging in contracting business without first obtaining a license is punishable by law.

In granting a contractors’ license, PCAB takes into account a contractor’s qualifications and compliance with the following performance factors:

1. Financial capacity
2. Equipment capacity;
3. Performance experience of the firm; and
4. Performance experience of technical personnel.

Labor Laws

The Labor Code and other related laws provide the minimum benefits that employers should grant to their employees, to wit:

1. Social Security Act

The Social Security Act of 2018 mandates the compulsory social security coverage for all employees not over sixty (60) years old. An employer is required to report to the Social Security System (“SSS”) the names, ages, civil status, occupations, salaries and dependents of its employees who are subject of the compulsory social security coverage, and to pay and remit their monthly SSS contributions. Through this system, employees or their dependents shall be entitled to claim their pension and other benefits such as sickness benefits, death and funeral benefits, permanent disability benefits, and maternity leave benefits. Failure on the part of the employer to comply with any of its obligations under the Social Security Act may result in sanctions, including the imposition of fine or imprisonment, or both, and the payment of damages.

2. Home Development Fund Law

The Home Development Mutual Fund (“HDMF”), a national savings program and a fund to provide affordable shelter financing to Filipino workers, was created by virtue of the Home Development Fund Law. HDMF coverage is compulsory for all SSS members and their employers. An employer is required to deduct and withhold a percentage of the employee’s monthly compensation and make a counterpart contribution. The said contributions are

remitted to the HDMF. Failure to comply without any justifiable cause or with fraudulent intent on the part of the employer is punishable by a fine or by imprisonment, or both. In the case of corporations, the penalty will be imposed upon the members of the governing Board and the President or General Manager, without prejudice to the prosecution of related offenses under the Revised Penal Code and other related laws, revocation and denial of operating rights and privileges, and deportation, if the offender is a foreigner.

3. National Health Insurance Act

The National Health Insurance Program (“NHIP”) was created by virtue of the National Health Insurance Act. NHIP aims to provide health insurance coverage and ensure affordable and accessible health care services to Filipinos. All members of the SSS are automatic members of the NHIP. The law requires the employer to deduct and withhold the contributions from its employee’s salary, wage or earnings, and make a counterpart contribution for the employee. The said contributions will be remitted to the Philippine Health Insurance Corporation (“PhilHealth”), the agency mandated to administer the NHIP. The NHIP will then be used to subsidize the health services required by an employee, subject to the terms and conditions provided under the law. Failure or refusal by the employer to register its employees under the program, regardless of the latter’s employment status, or to deduct contributions from the employees’ compensation and remit the said contributions to PhilHealth is punishable with a fine of not less than P5,000.00 multiplied by the total number of employees.

Nationality Restrictions

The 1987 Constitution and related laws limits land ownership in the Philippines to Philippine nationals. There is no prohibition, however, against foreigners owning buildings and other permanent structures, except with respect to condominium developments where foreigners can buy condominium units in Philippine condominium corporations as long as not more than 40% of the units in the condominium project are owned by foreigners, as provided for by Republic Act No. 4726, as amended, or the Condominium Act.

Republic Act No. 7042, as amended, otherwise known as the Foreign Investments Act (“FIA”) defines a “Philippine national” as a citizen of the Philippines; or a domestic partnership or association wholly owned by citizens of the Philippines; or a corporation organized under the laws of the Philippines of which at least 60% of the capital stock outstanding and entitled to vote is owned and held by citizens of the Philippines; or a corporation organized abroad and registered as doing business in the Philippines under the Corporation Code of which 100% of the capital stock outstanding and entitled to vote is wholly owned by Filipinos or a trustee of funds for pension or other employee retirement or separation benefits, where the trustee is a Philippine national and at least 60% of the fund will accrue to the benefit of Philippine nationals.

Under 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 (a) the total number of outstanding shares of stock entitled to vote in the election of directors; and, (b) the total number of outstanding shares of stock, whether or not entitled to vote in the election of directors. The said Memorandum Circular applies to all corporations engaged in activities or enterprises specifically reserved, wholly or partly, to Philippine nationals by the 1987 Constitution, FIA and other existing laws, amendments thereto, and the implementing rules and regulations of the said laws.

Revised Corporation Code of the Philippines

Republic Act No. 11232, also known as the Revised Corporation Code of the Philippines (“Revised Corporation Code”), which amended certain provisions of the Corporation Code, was enacted in 2019.

Two of the salient matters introduced by the amendatory law are the removal of the mandatory requirement of having a minimum of five natural persons as incorporators, and the establishment of one-person corporations (“OPCs”), which are corporations with a single stockholder. The single stockholder must either be a natural person, a trust or an estate. Banks and quasi-banks, preneed, trust, insurance, public and publicly-listed companies, and non-chartered government-owned and -controlled corporations, however, may not incorporate as an OPC. Moreover, a natural person who is licensed to exercise a profession may not organize as an OPC for the purpose of exercising such profession except as otherwise provided under special laws.

The Revised Corporation Code also grants perpetual existence to new corporations except if the articles of incorporation state otherwise. Corporations existing before the enactment of the Revised Corporation Code are also granted perpetual existence unless the corporation, upon a vote of stockholders representing a majority of the outstanding capital stock and a vote of a majority of the members of the Board of Directors or Trustees, notifies the SEC that it decides to retain the specific corporate term stated in its articles of incorporation.

Securities Regulation Code and its Implementing Rules and Regulations

Public companies and publicly listed companies are also governed by Republic Act No. 8799, otherwise known as the Securities Regulation Code, and its Implementing Rules and Regulations (“SRC-IRR”). Under Rule 17 of the SRC-IRR, covered companies have certain reportorial requirements that must be accomplished and filed with the SEC, such as:

1. An Annual Report on SEC Form 17-A to be filed within 105 calendar days after the end of the fiscal year;
2. A Quarterly Report on SEC Form 17-Q to be filed within 45 calendar days after the end of each of the first three quarters of each fiscal year;
3. A Current Report on SEC Form 17-C as to be filed as may be necessary to report every material fact or event that occurs which would reasonably be expected to affect investors’ decisions in relation to the Corporation’s shares. The SEC Form 17-C must be filed within five (5) calendar days after the occurrence of the event reported.⁴

Furthermore, covered companies must comply with Rule 20 of the SRC-IRR with respect to disclosures to stockholders prior to stockholders’ meetings. In the conduct of annual or other stockholders’ meetings, a public company must submit either a written or verifiable soft copy of the information statement and proxy form (in case of a proxy solicitation) containing the information specified under SEC Form 20-IS, and a Management Report under SRC Rule 20.4, if applicable, to every security holder of the class entitled to vote.

Data Privacy Act

Republic Act No. 10173, otherwise known as the Data Privacy Act of 2012 (“DPA”), and its implementing rules and regulations govern the processing of all types of personal information

⁴ Rule 17.1.1.1 of the SRC-IRR

(i.e., personal, sensitive, and privileged information) in the hands of the government or the private sector through the use of Information and Communications System (“ICT”). The ICT refers to a system for generating, sending, receiving, storing or otherwise processing electronic data messages or electronic documents, and includes the computer system or other similar device by or which data is recorded, transmitted or stored and any procedure related to the recording, transmission or storage of electronic data, electronic message, or electronic document.

DPA aims to protect the confidentiality of “personal information” which is defined as “any information, whether recorded in material form or not from which the identity of an individual is apparent or can be reasonably and directly ascertained by the entity holding the information, or when put together with other information would directly and certainly identify an individual.” Other salient features of the law are the rights of a data subject or an individual whose personal information is being processed; imposition of obligations on personal information controllers and personal information processors; and imposition of penal and monetary sanctions for violation of the law’s provisions.

The National Privacy Commission was created with a mandate to administer and implement the provisions of the DPA and to ensure the Philippines’ compliance with international standards set for data protection.

DPA requires any natural or juridical person or other body involved in the processing of personal data to designate an individual or individuals who shall function as data protection officer, compliance officer or otherwise be accountable for ensuring compliance with applicable laws and regulations for the protection of data privacy and security. “Processing” refers to any operation or any set of operations performed upon personal data including, but not limited to, the collection, recording, organization, storage, updating or modification, retrieval, consultation, use, consolidation, blocking, erasure or destruction of data.

Anti-Money Laundering Act

Republic Act No. 9160, otherwise known as the Anti-Money Laundering Act (“AMLA”), provides for the laws, regulations and procedures designed to combat money laundering in the Philippines. The said law was most recently amended in 2021 by Republic Act No. 11521 by revising the list of covered persons under the AMLA to include real estate brokers and developers. Covered persons like real estate brokers and developers are required to appoint a Compliance Officer, obtain a Certificate of Registration from the Anti-Money Laundering Council, submit covered transaction and suspicious transaction reports, and come up with a Money Laundering and Terrorism Financing Prevention Program (“MTPP”), among others.

Under the AMLA, real estate brokers and developers are required to submit a covered transaction report for any single cash transaction exceeding P7,500,000.00 or its equivalent in any other currency.

RA No. 11521 also defined “suspicious transactions” as transactions with covered persons, regardless of the amounts involved, where any of the following circumstances exist:

1. there is no underlying legal or trade obligation, purpose or economic justification;
2. the client is not properly identified;
3. the amount involved is not commensurate with the business or financial capacity of the client;
4. taking into account all known circumstances, it may be perceived that the client’s transaction is structured in order to avoid being the subject of reporting requirements under the AMLA;

5. any circumstances relating to the transaction which is observed to deviate from the profile of the client and/or the client's past transactions with the covered person;
6. the transaction is in any way related to an unlawful activity or offense under the AMLA that is about to be, is being or has been committed; or
7. any transaction that is similar or analogous to any of the foregoing.

AMLA mandates that covered persons identify and record the true identity of their customers, whether permanent or occasional, whether natural or juridical persons, or legal arrangements based on official documents. Appropriate systems of collecting and recording identification information and identification documents should therefore be in place. Covered persons are also obligated to implement and maintain a system of verifying the true identity of their clients, including validating the truthfulness of the information and confirming the authenticity of the identification documents provided by the customer through the use of independent but reliable sources, documents, data or information. All records of transactions and records of closed accounts are required to be maintained and stored for five years from the date of a transaction or after their closure, respectively.

Environmental Laws and Safety Standards

1. Presidential Decree No. 1586 (Establishing an Environmental Impact Statement System including other Environmental Management Related Measures and For Other Purposes)

Presidential Decree ("PD") No. 1586 established the Philippine Environmental Impact Statement ("EIS") System and mandated all proponents of projects and undertakings, whether private or government-owned, to submit an EIS for every proposed project and undertaking which significantly affects the quality of the environment. Proclamation No. 2146 further identified certain areas and types of projects as environmentally critical and within the scope of the EIS System. The Implementing Rules and Regulations for the Philippine Environmental Impact Statement System were issued by the DENR through DENR Administrative Order No. 2003-30.

The EIS System refers to the entire process of organization, administration and assessment of the effects of any project on the quality of the physical, biological and socio-economic environment as well as the design of appropriate preventive, mitigating and enhancement measures. It successfully culminates in the issuance of an Environmental Compliance Certificate ("ECC").

Development projects that pose potential significant impact to the environment are required to secure an ECC. An ECC is a document issued by the Environmental Management Bureau ("EMB") of the DENR after a positive review of an ECC application, certifying that based on the representations of the proponent, the proposed project or undertaking will not cause significant negative environmental impact. The ECC also certifies that the proponent has complied with all the requirements of the EIS System and has committed to implement its approved Environmental Management Plan/Program ("EMP"). It also contains specific measures and conditions that the project proponent has to undertake before and during the operation of a project, and in some cases, during the project's abandonment phase, to mitigate identified environmental impacts.

In order to secure an ECC, an environmentally critical project is required to submit an EIS to the EMB. A non-environmentally critical project in an environmentally critical area, on the other hand, is generally required to submit an Initial Environmental Examination ("IEE") to the proper DENR regional office. If an environmentally critical project is within an environmentally critical area, an EIS is required in addition to an IEE. The DENR, through its regional offices or through

the EMB, determines whether a project is environmentally critical or located in an environmentally critical area.

The EIS refers to both the document prepared and submitted by the project proponent or the EIA consultant that serves as an application for an ECC, and the comprehensive study of the significant impacts of a project on the environment. It includes a discussion of the direct and indirect consequences of the project to human welfare and ecological and environmental integrity. It should include an EMP which will disclose the prevention, mitigation, compensation, contingency and monitoring measures to enhance the positive impacts and minimize the negative impacts and risks of a proposed project or undertaking.

The IEE, on the other hand, refers to the document and the comprehensive study describing the environmental impact, including mitigation and enhancement measures, for projects in environmentally critical areas.

While the terms and conditions of an EIS and an IEE may vary from project to project, at the minimum, they should both contain all relevant information regarding the project's environmental effects.

Project proponents which submit an EIS are mandated to set up an Environmental Guarantee Fund ("EGF") which shall be readily accessible and disbursable for the immediate clean-up or rehabilitation of areas affected by damages in the environment and the resulting deterioration of environmental quality as a direct consequence of a project's construction, operation or abandonment. It will also be used to compensate parties and communities affected by the negative impacts of the project, and to fund community-based environment-related projects.

The EIS should also include a commitment to set up an Environmental Monitoring Fund ("EMF") after an ECC is issued, to be used to support the activities of the multi-partite monitoring team organized to monitor compliance with the ECC and the applicable laws, rules and regulations.

In the event that a project does not fall under the categories wherein an ECC is required, the project proponent will still need to obtain a Certificate of Non-Coverage ("CNC"). The CNC is a certification issued by the EMB certifying that, based on the submitted project description, the project is not covered by the EIS System and is not required to secure an ECC.

Apart from the EIS and IEE, an Engineering Geological and Geo-Hazard Assessment is required for ECC applications covering subdivisions, housing and other land development and infrastructure projects.

The issuance of ECC or CNC for a project under the EIS System does not exempt the proponent from securing other government permits and clearances as required by other laws.

2. Republic Act No. 8749 (The Philippine Clean Air Act of 1999)

The Philippine Clean Air Act of 1999 is a holistic air quality management program geared at, among others, formulating and enforcing a system of accountability for short and long-term adverse environmental impact of a project, program or activity.

The law defines an "air pollutant" as any matter found in the atmosphere other than oxygen, nitrogen, water vapor, carbon dioxide, and the inert gases all in their natural or normal concentrations, that is detrimental to health or the environment, which includes, but not limited to, smoke, dust, soot, cinder, fly ash, solid particles of any kind, gases, fumes, chemical mists, contaminated steam and radioactive substances.

Under the Philippine Clean Air Act, all proposed or planned construction or modification of air pollution sources that has the potential to emit one hundred tons per year or more of any of the regulated pollutants are required to obtain an Authority to Construct from the EMB of the DENR or its regional offices. The Authority to Construct is a legal authorization granted by the EMB to install a new source or modify an existing source of air pollution.

Once a new source construction or modification is completed, the source ownership shall, within 60 days from startup, request the DENR through the EMB to convert the Authority to Construct to a Permit to Operate. A valid Permit to Operate will be issued once the owner has demonstrated to the satisfaction of the authorizing agency that all permit conditions have been or will be met, and that no air quality standards or guidelines will be exceeded. A permit duly issued shall be valid for the period specified therein but not beyond one year from the date of issuance unless sooner suspended or revoked. It may be renewed by filing an application for renewal at least 30 days before its expiration date and upon payment of the required fees and compliance with the requirements.

Another salient provision of the Philippine Clean Air Act is the ban on smoking inside a public building or an enclosed public place, including public vehicles and other means of transport, or in any enclosed area outside of one's private residence, private place of work or any duly designated smoking area which shall be enclosed.

3. Republic Act No. 9275 (The Philippine Clean Water Act of 2004)

The Philippine Clean Water Act of 2004 is a comprehensive national program for water quality management which streamlines the processes and procedures in the prevention, control and abatement of pollution of the country's water resources.

Under the Philippine Clean Water Act, owners or operators of facilities that discharge regulated effluents are required to secure a permit to discharge from the DENR. The discharge permit refers to the legal authorization granted by the DENR to discharge wastewater. The permit specifies, among others, the quantity and quality of effluent that the said facilities are allowed to discharge into a particular body of water, the compliance schedule and the monitoring requirements. Effluents refer to discharges from known sources which are passed into a body of water or land, or wastewater flowing out of a manufacturing plant or industrial plant, including domestic, commercial and recreational facilities.

4. Republic Act No. 9003 (The Ecological Waste Management Act)

The Ecological Waste Management Act aims to establish a comprehensive and ecological waste management program in the Philippines by ensuring that proper segregation, collection, storage, treatment and disposal of solid waste are implemented. Solid waste refers to all discarded household, commercial waste, non-hazardous institutional and industrial waste, street sweepings, construction debris, agricultural waste, and other non-hazardous and non-toxic solid waste.

Local government units are primarily responsible for the implementation and enforcement of the provisions of the law within their respective jurisdictions. The law mandates that segregation and collection of solid waste be conducted at the barangay level, specifically for biodegradable, compostable and reusable wastes. Collection of non-recyclable materials and special wastes, however, shall be the responsibility of the municipality or city.

Segregation of solid waste is mandatory under the Ecological Waste Management Act. The solid waste containing, depending on its use, is required to be properly marked or identified for on-site collection as “compostable”, “non-recyclable”, “recyclable” or “special waste”.

5. Other Regulations

Resolution No. 33, series of 1996 of the Laguna Lake Development Authority (“LLDA”) mandates that all development projects, installations and activities that discharge liquid waste into and pose a threat to the environment of the Laguna de Bay region are required to obtain a discharge permit from the LLDA. The discharge permit is a clearance granted by LLDA to discharge liquid waste or wastewater of specified concentration and volume into any sewer system or any water body that directly or eventually drains into the Laguna de Bay for a specified period of time.

All buildings or structures as well as accessory facilities thereto shall conform in all respects to the principles of safe construction under Presidential Decree No. 1096 or the National Building Code of the Philippines.

Aside from the Building Permit under the National Building Code, an applicant in specific instances may be required to secure a Height Clearance Permit from the Civil Aviation Authority of the Philippines (“CAAP”) as mandated by Republic Act No. 9497 or the Civil Aviation Authority Act.

GOVERNMENT APPROVALS AND PERMITS

All the government approvals and permits material and necessary to the business and operations of the Company have been secured and are in full force and effect, to wit:

| Name of Permit/License | Issuing Agency | Permit / License No. | Issue Date | Validity Period | Expiry Date |
|------------------------|----------------|----------------------|-----------------|---------------------|---------------------|
| SEC Registration | SEC | PW00001056 | 20 May 1920 | Valid until revoked | Valid until revoked |
| BIR Registration | BIR | 125RC20240000005531 | 11 October 2024 | Valid until revoked | Valid until revoked |
| SSS Registration | SSS | 03-9022417-2-000 | 1 May 1996 | Valid until revoked | Valid until revoked |

The following are the permits and licenses specific to each of the Company’s key properties:

1. PNB Makati Center

| Name of Permit/License | Issuing Agency | Permit / License No. | Issue Date | Validity Period | Expiry Date |
|------------------------|---------------------------------------|---|------------------|-------------------|------------------|
| Business Permit | LGU of Makati City | 30401 | 11 February 2026 | Until expiry date | 31 December 2026 |
| Sanitary Permit | LGU of Makati City | As of the date of this Prospectus, the Company is in the process of securing the Sanitary Permit, Barangay Clearance and Fire Safety Inspection Certificate for 2026, all of which are necessary for the operation of the PNB Makati Center. Management expects to receive the permits by the end of February 2026. | | | |
| Barangay Clearance | LGU of Brgy. San Lorenzo, Makati City | | | | |

| | | |
|-----------------------------|--------------------------|--|
| Fire Inspection Certificate | Makati City Fire Station | |
|-----------------------------|--------------------------|--|

2. PNB Financial Center

| Name of Permit/License | Issuing Agency | Permit / License No. | Issue Date | Validity Period | Expiry Date |
|------------------------------------|------------------------------|--|-----------------|-------------------|-----------------|
| Business Permit | LGU of Pasay City | As of the date hereof, the Corporation is in the process of securing the Business Permit, Sanitary Permit and Barangay Clearance necessary for the operation of the PNB Financial Center. Management expects to receive the permits by the end of February 2026. | | | |
| Sanitary Permit | LGU of Pasay City | | | | |
| Barangay Clearance | LGU of Brgy. 076, Pasay City | | | | |
| Fire Safety Inspection Certificate | Pasay City Fire Station | 09848130 | 27 October 2025 | Until expiry date | 27 October 2026 |

3. PHC Buendia Property

| Name of Permit/License | Issuing Agency | Permit / License No. | Issue Date | Validity Period | Expiry Date |
|--------------------------------------|----------------|----------------------|-----------------|---|-------------|
| Environmental Compliance Certificate | DENR-EMB | ECC-NCR-2510-3552 | 27 October 2025 | The ECC will lose its validity if the project has not been implemented within five (5) years from ECC issuance. | |

Genbancor secured the following permits and licenses:

| Name of Permit/License | Issuing Agency | Permit / License No. | Issue Date | Validity Period | Expiry Date |
|--|---|----------------------|------------------|---------------------|---------------------|
| SEC Registration | SEC | 66020 | 12 February 1976 | Valid until revoked | Valid until revoked |
| BIR Registration | BIR | 047RC20200000000563 | 13 October 2020 | Valid until revoked | Valid until revoked |
| Business Permit Sanitation Permit Barangay Clearance Fire Safety Inspection Certificate | As of the date of this Prospectus, the Company is in the process of securing the permits and licenses necessary for the operations of Genbancor. Management expects to receive the permits by March 2026. | | | | |

Employees

As of 31 December 2025, the Company has a total of 81 employees, to wit:

| DEPARTMENT | HEADCOUNT | EMPLOYMENT STATUS | | | |
|--------------------------|-----------|-------------------|--------------|---------------|------------|
| | | Regular | Probationary | Project Based | Consultant |
| Business Development | 3 | 3 | | | |
| Construction Management | 2 | 1 | 1 | | |
| Corporate Communications | 2 | 2 | | | |
| Corporate Planning | 1 | | 1 | | |
| Executive Office | 2 | 1 | | | 1 |
| Finance and Accounting | 13 | 13 | | | |

| | | | | | |
|---|-----------|-----------|-----------|----------|----------|
| Human Resources and Administration | 12 | 7 | 5 | | |
| Information, Communications, and Technology | 3 | 3 | | | |
| Internal Audit | 2 | 1 | 1 | | |
| Leasing Management | 6 | 1 | 5 | | |
| Legal | 4 | 4 | 0 | | |
| Planning and Design | 2 | 2 | | | |
| Property Management | 5 | 5 | | | |
| Purchasing | 7 | 5 | 2 | | |
| Quantity Surveying | 3 | 2 | 1 | | |
| Records Management | 0 | | | | |
| Risk and Compliance | 3 | 3 | | | |
| Safety and Security | 3 | 3 | | | |
| Treasury | 8 | 8 | | | |
| TOTAL | 81 | 64 | 16 | 0 | 1 |

While the Company does not anticipate hiring a significant number of additional employees within the next twelve months, it may hire as necessary subject to the evolving needs of the business.

As of the date of this Prospectus, the Company's employees do not belong to any labor union. Furthermore, there is no existing collective bargaining agreement ("CBA") between the Company and its employees.

For the past five (5) years, the Company had not experienced any disruptive labor disputes, strikes or threat of strikes. Management believes that the Company's relationship with its employees, in general, is satisfactory.

The Company complies with minimum compensation and benefits standards as well as other employment regulations enshrined in the applicable labor laws.

MATERIAL CONTRACTS

10-Year Lease of Office Space at the PNB Financial Center

In 2021, the Company entered into a 10-year lease arrangement with PNB for the lease of office space in the PNB Financial Center, with a gross rentable area of 27,799.61 square meters.

In 2023, the parties modified the Contract of Lease to provide for the return of the leased premises to the Company in good and tenantable condition, ordinary wear and tear excepted, as opposed to a warm shell condition as indicated in the original Contract of Lease.

The lease was further amended in 2024 to revise the gross rentable area to 27,713.88 square meters.

Lease of Office Space at the PNB Financial Center and Renewals Thereof

In 2021, the Company entered into a 26-month Contract of Lease with PNB for lease of office space located at the PNB Financial Center, with a gross rentable area of 31,073.10 square meters.

In 2023, the aforementioned Contract of Lease was renewed for a period of one (1) year commencing on 13 March 2023 and expiring on 12 March 2024. The rent was also increased. The parties also modified the Contract of Lease to provide for the return of the leased premises to the Company in good and tenantable condition, ordinary wear and tear excepted, as opposed to a warm shell condition as indicated in the original Contract of Lease, and added a clause on the ownership of permanent improvements, alterations and additions not removable without defacing or injuring the leased premises.

In 2024, the lease was amended to revise the gross rentable area to 22,341.47. Furthermore, the term of the lease was extended for another six (6) months commencing on 13 March 2024 and expiring on 12 September 2024.

In 2025, PNB and the Company renewed the term of the lease and amended the rental rates. The lease for the 9th and 11th floors of the PNB Financial Center was renewed for a term of one (1) year commencing on 13 September 2024 and which expired on 12 September 2025. The lease for the 2nd and 8th floors of the same building was renewed for a term of six (6) months commencing on 13 September 2024 and which expired on 12 March 2025.

DESCRIPTION OF PROPERTY

KEY ASSETS

I. PHC Buendia Property

At the prestigious intersection of Sen. Gil Puyat Avenue (formerly Buendia Ave.) and Paseo de Roxas lies an 8,000 sqm lot poised to host on the most iconic buildings in the country. This single-tower superstructure will not only redefine the Makati skyline but also bring immense pride to the Philippines.

Envisioned with sustainable features and cutting-edge architectural design, this landmark development will offer a blend of luxury office spaces, branded hotels for discerning individuals, branded residences, and an upscale retail podium. It promises to be a premier destination for those seeking a luxurious lifestyle, high-end workspaces, and elite living spaces.

This project is set to become a beacon of innovation and elegance, attracting top-tier businesses and individuals who value excellence and sophistication.

The PHC Buendia Property is subject to the restrictions, easements, reservations and limitations related to (i) the Ayala Avenue – Paseo de Roxas Associations; (ii) use of lots; (iii) building and architecture; (iv) parking space; (v) vehicular entrances; (vi) service entrance; (vii) signs; and (viii) sewerage disposal, annotated as Entry No. 21710/T-216475 in the Memorandum of Encumbrances on Transfer Certificate of Title (“TCT”) No. 006-2022000466.

II. PNB Financial Center

PNB Financial Center stands as an iconic brutalist-style office complex, masterfully designed by the renowned Architect Gabriel Formoso. Strategically situated along Diosdado Macapagal Boulevard in the vibrant Manila Bay area of Pasay City, this prime property boasts a massive land area of 99,999 square meters.

The location of PNB Financial Center is unparalleled, offering exceptional accessibility through both private and public transport. It is conveniently located near the Ninoy Aquino International Airport. Additionally, the complex is surrounded by a plethora of cultural and historical tourist attractions, as well as bustling business and entertainment hubs.

As a cornerstone of the buzzing Bay area, PNB Financial Center exemplifies the Company’s strength and commitment to providing top-tier real estate solutions. Its prime location and expansive property make it a standout choice for businesses seeking a prestigious and highly accessible office space. The Financial Center is home to the Philippine National Bank, as well as government agencies and international organizations such as the US Peace Corps and the Commission on Appointments.

| Property Features | Description |
|--------------------------|---------------------------------------|
| Gross Leasable Area | 88,519 sqm |
| Typical Floor Plate | 7,068.03 sqm |
| No. of Floors | 11 Floor, Roof deck |
| Floor Efficiency | 88% (Typical, 4F to 11F) |
| Hand Over Condition | Warm shell |
| AC System | Centralized AC System (Chilled water) |

| Property Features | Description |
|--------------------------|---|
| Elevators | 10 Passenger, 2 Service elevator, 2 Executive elevators |
| Back-up Power | 30% for Common Area |
| Ceiling Height | 3.83 meters |
| Telecommunication | PLDT/Globe/Smart/Eastern |
| Parking | Basement and Outdoor Parking Available |

III. PNB Makati Center

PNB Makati Center is a distinguished 13-storey concrete building designed by the esteemed Architect Carlos Arguelles in the iconic brutalist style. Located along Ayala Avenue, one of the most coveted business addresses in the Philippines, this prime property stands directly across from Ayala Triangle in the heart of the Makati Commercial Business District.

The building's strategic location ensures exceptional accessibility through both private and public transport, making it an ideal choice for businesses seeking a prestigious and convenient office space. PNB Makati Center's proximity to key commercial establishments, financial institutions, and cultural landmarks further enhances its appeal as a premier business hub.

As a testament to the Company's commitment to excellence in real estate, PNB Makati Center offers a blend of architectural significance and prime location, making it a standout choice for discerning businesses.

The building is home to industry leaders such as Allianz, Asia Brewery Inc., and Emapta Philippines, further solidifying its status as a premier business address.

| Property Features | Description |
|--------------------------|-------------------------------|
| Gross Leasable Area | 36,677.64 |
| Typical Floor Plate | 2,640.80 |
| No. of Floors | 12 Floor, Penthouse, Basement |
| Hand Over Condition | Warm shell |
| AC System | Centralized AHU |
| Elevators | 6 Passenger, 1 Freight |
| Back-up Power | 100% |
| Ceiling Height | 3 meters |
| Telecommunication | PLDT/Globe/Rise/Infinivan |
| Parking | 5-level concrete parking |

Related-party tenants account for approximately 60% of the total revenues of PNB Makati Center.

The condominium units comprising the PNB Makati Center are subject to the Declaration of Restrictions on the use and occupancy of the condominium units executed by Genbancor Development Corporation in addition to the Deed of Restrictions on the properties constituting the condominium project. The Memorandum of Encumbrances in the CCTs provide that the properties constituting the condominium project shall embody such restrictions, limitations, easements, covenants, undertakings and conditions as may be required or permitted by the Condominium Act.

The key assets discussed in this section were acquired by the Company through a property-for-share swap between the Company and PNB whereby the latter subscribed to 466,770,000⁵

⁵ Then with a par value of P100.00 per share

common shares out of the increase in the authorized capital stock of the Company in exchange for various real properties located in Makati City and Pasay City. The BIR subsequently issued a Certification in December 2021 that the transfer by PNB to the Company of the said properties in exchange for 466,770,000 of the Company's shares is a tax-free exchange pursuant to Section 40(C)(2) of the Tax Code, as amended. A memorandum to this effect is annotated on Transfer Certificates of Title ("TCT") and the CCTs covering the properties.

SUMMIT ONE PROPERTIES

The Company owns several condominium units located in the Summit One Tower building within a high-density commercial zone along Shaw Boulevard, Mandaluyong City. The properties are composed of ten (10) units of commercial space and fourteen (14) units of parking slots with a combined area totaling 1,840.16 sqm. These properties do not have tenants from the date of their acquisition by the Company.

Considering these to be PHC's non-core assets, Management is looking to either liquidate these assets by disposing them for sale, or to lease out the same to third parties in order to generate recurring revenue.

PERSONAL PROPERTIES

1. Shares of Stock

The Company owns shares of stock in the following corporations:

| Name of Company | Number and Type of Share |
|---------------------------------------|--------------------------|
| Riviera Golf Club, Inc. | 2 "C" Shares |
| Riviera Sports and Country Club, Inc. | 2 Common Shares |
| Sta. Elena Properties, Inc. | 2 "A" Shares |
| Manila Golf & Country Club, Inc. | 100 Units |
| Petro Energy Resources Corp. | 6,289 Shares |
| Southeast Asia Cement Holdings Inc. | 8,878 Shares |
| Southeast Asia Cement Holdings Inc. | 1,497 Shares |

2. Motor Vehicles

In addition to the foregoing, the Company also owns motor vehicles, some of which are being used by its employees as part of the Employees Car Plan.

3. Intellectual Property

In preparation for the development of the PHC Buendia Property, the Company registered the following trade names with the Intellectual Property Office of the Philippines ("IPOPhil"):

| Trade Name | Registration Date | Term |
|------------------|-------------------|----------|
| LT SQUARE | 8 February 2025 | 10 years |
| THE LEGACY TOWER | 8 February 2025 | 10 years |

4. Other Personal Properties

The Company also owns machinery, office equipment, fixtures and fittings, computer hardware and building improvements being used by the Corporation and its employees in day-to-day operations.

As of the date of this Prospectus, the Company does not have any definitive plans to acquire additional properties or to initiate new landholding strategies within the next twelve (12) months. Should any such plans be finalized or materially developed, the Company will make the appropriate disclosures in accordance with applicable regulatory requirements.

LEGAL PROCEEDINGS

As of the date of this Prospectus, neither Company nor its subsidiary is a party to any material legal proceedings which will affect the daily operations of the Company and its subsidiary's business, and its properties, nor is the Company a party to any proceeding which involves a claim exceeding ten percent (10%) of the current assets of the Company, or which will have any material effect on the financial position of the Company and its subsidiary.

SECURITIES OF THE ISSUER

Market Information

As of the date of this Prospectus, the Company has an authorized capital stock of ₱50,500,000,000.00 consisting of 50,500,000,000 Common Shares, with a par value of ₱1.00 per Common Share. The Company has issued 46,932,100,000 Common Shares, all of which are outstanding.

The said Common Shares are not traded in any public trading market, whether in the Philippines or abroad. They are also not subject to outstanding options or warrants to purchase, or securities convertible into, Common Shares of the Company.

Listing by Way of Introduction

On 14 January 2026, the Company filed with the PSE an application for listing based on Section 1(b) of the PSE's Amended Rules on Listing by Way of Introduction, which provides that listing of securities by way of introduction may be appropriate where the securities of an unlisted issuer (the Company in this case) are distributed by way of property dividend by a listed issuer (PNB in this case) to shareholders of that listed issuer.

In a listing by way of introduction, a public offering does not need to be undertaken by the issuer as its securities for which listing on the PSE is sought is already widely held that its adequate marketability when listed on the PSE can be assumed.

The Company and its stockholders will not be offering Common Shares to the public for subscription or sale in connection with the Dividend Distribution or the Listing. The secondary sale of shares by affiliates of the LT Group by way of private placement which is expected to be transacted on Listing Date is not open to the public.

Holder

As of 15 February 2026, the Corporation has 3,851 shareholders owning 46,932,100,000 Common Shares. The top 20 stockholders as of 15 February 2026 are as follows:

| Stockholder's Name | Number of Common Shares Held | % to Total |
|--------------------------------------|------------------------------|------------|
| Philippine National Bank | 23,456,934,700 ⁶ | 49.98% |
| Key Landmark Investments, Ltd. | 2,090,956,200 | 4.46% |
| True Success Profits Limited | 1,286,742,300 | 2.74% |
| Caravan Holdings Corporation | 1,286,742,300 | 2.74% |
| Solar Holdings Corporation | 1,286,742,300 | 2.74% |
| Prima Equities & Investments Corp. | 1,125,899,500 | 2.40% |
| Leadway Holdings, Inc. | 1,024,635,400 | 2.18% |
| Infinity Equities, Inc. | 965,056,700 | 2.06% |
| BDO Securities Corporation | 543,911,700 | 1.16% |
| Pioneer Holdings Equities, Inc. | 537,403,700 | 1.15% |
| Maybank ATR Kim Eng Securities, Inc. | 497,763,500 | 1.06% |

⁶ Inclusive of 459,756,200 shares which are the subject of the property dividend declaration of the Philippine National Bank in 2021, the transfer of which to recipient shareholders is in process with the Bureau of Internal Revenue.

| | | |
|-----------------------------------|-----------------------|---------------|
| Multiple Star Holdings Corp. | 483,182,700 | 1.03% |
| Donfar Management Limited | 482,394,200 | 1.03% |
| Uttermost Success Limited | 474,320,700 | 1.01% |
| Mavelstone International Limited | 463,995,600 | 0.99% |
| Pan Asia Securities Corporation | 460,810,700 | 0.98% |
| Kenrock Holdings Corp. | 408,192,700 | 0.87% |
| Fil-Care Holdings, Inc. | 399,292,300 | 0.85% |
| Fairlink Holdings Corp. | 395,477,300 | 0.84% |
| Purple Crystal Holdings, Inc. | 382,878,100 | 0.82% |
| Kentron Holdings & Equities Corp. | 382,195,700 | 0.81% |
| Fragile Touch Investments, Ltd. | 356,072,700 | 0.76% |
| TOTAL | 38,791,601,000 | 82.65% |

Upon completion of the Dividend Distribution, PNB's shareholdings in the Company is expected to be reduced to approximately 49%.

Recent Sales of Unregistered or Exempt Securities

There are no recorded sales of unregistered securities during the past three (3) years.

Description of the Securities of the Company

The Company has an issued and outstanding capital of 46,932,100,000 Common Shares.

As a result of a property dividend declared by PNB in 2021, PHC's issued and outstanding capital is, as of 15 February 2026, held by a total of 3,851 shareholders. As of date hereof, PNB has completed distribution of 98.08% of the 2021 Property Dividend. The remaining 1.92% of the Property Dividend covering a total of 459,746,200 shares (or less than 1% of PHC's outstanding capital stock) is awaiting the issuance of an eCAR. Of the remaining 1.92% of the dividends, 1.69% is held by 24,875 shareholders (the "Dormant Shareholders") for which the BIR is unable to issue the corresponding eCAR due to the issues with the Taxpayer Identification Numbers ("TIN") of said Dormant Shareholders. These Dormant Shareholders own an aggregate of 3,970,580⁷ PHC shares. Considering that the corresponding final withholding tax due on the transfer of the Dividend Shares was already paid in full and duly received by the BIR, the Company has been in discussion with the BIR for the issuance of a single eCAR to a designated custodian for the Dormant Shareholders, and appending thereto by way of annex the names of said Dormant Shareholders, to be supported by a ruling to be issued by the Law & Legislative Division of the BIR.

Apart from the Dormant Shareholders, 3,758 other shareholders are awaiting receipt of their respective dividend allocation equivalent to 66,191,600 shares, which is currently being processed by the BIR. In the interim, any shares subject of the Property Dividend which have not been covered by an eCAR remain in the name of PNB. In accordance with regulatory requirements, said shares will be transferred to the dividend recipient only upon issuance of the eCAR.

On 8 January 2026, PNB filed a request for ruling with the Law & Legislative Division of the BIR to support the issuance of a single eCAR to a designated custodian for the Dormant

⁷ These 3,970,580 shares had a par value of P100.00 per share. After PHC amended its par value from P100.00 to P1.00 in 2023, these shares are now equivalent to 397,058,000 shares at P1.00 par value.

Shareholders. Meantime, the issuance of the subject eCARs for the remaining shares subject of the Property Dividend is being processed in the regular course by the BIR. PNB is in close coordination with the BIR for the issuance of the ruling as well as the eCARs corresponding to the remaining 463,178,600 shares for distribution.

Except for the private placement which will be transacted by affiliates of the LT Group on Listing Date (see page 21), none of the Common Shares will be offered to the public. The private placement is expected to be transacted before the close of trading hours on Listing Date.

The aforementioned Common Shares are subject to the following:

1. Dividend Rights

The Company is allowed to declare dividends out of the unrestricted retained earnings at such times and in such percentages as may be determined by the Board of Directors. See “*Dividends and Dividend Policy*” on page 64 of this Prospectus.

The Company does not have a specific dividend policy apart from the rules and requirements established under the Revised Corporation Code.

2. Voting Rights

Each Common Share is entitled to one (1) vote. At each meeting of the shareholders, a shareholder entitled to vote is entitled to one (1) vote for each share of stock recorded under his name in the books of the Company on record date.

With respect to the election of directors, shareholders of record are entitled to as many number of votes as is equal to the number of shares he owns multiplied by the number of directors to be elected. Under the Revised Corporation Code, a shareholder may (i) vote such number of shares for as many persons as there are directors to be elected; (ii) cumulate said shares and give one (1) candidate as many votes as the number of directors to be elected multiplied by the number of the shares owned; or (iii) distribute them on the same principle among as many candidates as may be seen fit.

The Revised Corporation Code also provides that voting rights cannot be exercised with respect to shares declared delinquent, and treasury shares.

3. Preemptive Rights

The Revised Corporation Code defines preemptive right as the right of shareholders to subscribe to all issuance or disposition of shares of any class, in proportion to their respective shareholdings, unless such right is denied by the articles of incorporation or an amendment thereto.

The Amended Articles of Incorporation of the Company contains such denial of preemptive right on all class of shares issued by the Company. Any stock or security may at any time be issued, optioned for sale, and sold or disposed of by the Company pursuant to the resolution of the Board of Directors, to such persons and upon such terms as the Board of Directors may deem proper, without first offering such stock or security or any part thereof to existing shareholders.

4. Change in Control

There is no provision in the Amended Articles of Incorporation and Amended By-laws of the Company which may delay, deter or prevent a change in control in the Company.

DIVIDENDS AND DIVIDEND POLICY

DIVIDEND DECLARATION

The Company did not declare dividends in the past three (3) years.

DIVIDEND POLICY

Under the Amended By-laws of the Company, dividends shall be declared and paid out of the Unrestricted Retained Earnings of the Company, which dividends shall be payable in cash, property or stock dividend to all stockholders of record at such times as the Board of Directors may determine and in accordance with applicable laws and regulations.

Shareholders shall have the right to receive dividends subject to the discretion of the Board. Dividends are distributed from the Unrestricted Retained Earnings of the Company. A corporation is not allowed to retain any such earnings in excess of 100% of its paid-in capital stock, except:

1. when justified by definite corporate expansion projects;
2. when the corporation is prohibited under any loan agreement with any financial institution or creditor, whether local or foreign, from declaring dividends without its consent, and such consent has not been secured; or,
3. when it can be clearly shown that such retention is necessary under special circumstances obtaining in the corporation, such as when there is a need for special reserve for probable contingencies.

A cash dividend declaration does not require further approval from shareholders. A stock dividend declaration, on the other hand, requires the further approval of shareholders holding at least two-thirds of the outstanding capital stock of the Company.

The Company does not have a specific dividend policy apart from the rules and requirements established under the Revised Corporation Code.

RESTRICTIONS THAT LIMIT THE ABILITY TO PAY DIVIDENDS ON COMMON EQUITY OR THAT ARE LIKELY TO HAPPEN IN THE FUTURE.

There are no restrictions that limit the Company's ability to pay dividends apart from the requirement of law that the Company should have unrestricted retained earnings.

SELECTED FINANCIAL INFORMATION

The selected financial information set forth in the following tables were derived from the financial statements of the Company which were audited by SGV & Co. as of and for the nine-month period ended 30 September 2025, and for the years ended 31 December 2022, 2023 and 2024. This should be read in conjunction with the audited financial statements and the notes thereto annexed to this Prospectus, the section entitled “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and other financial information in this Prospectus.

The Company’s financial statements were prepared in accordance with the Philippine Financial Reporting Standards and were audited in accordance with Philippine Standards on Auditing.

The summary financial information set forth below does not purport to project the results of operations or financial condition of the Company or any future period or date.

Statements of Comprehensive Income (In Philippine Pesos)

| | Nine-Month Period Ended September 30 | Years Ended December 31 | | |
|---|--|-------------------------|----------------|----------------|
| | 2025 | 2024 | 2023 | 2022 |
| INCOME | | | | |
| Rental income and dues | ₱897,722,029 | ₱1,337,451,049 | ₱1,394,790,366 | ₱1,421,787,347 |
| Interest and other income | 81,675,491 | 94,029,406 | 49,289,629 | 77,379,660 |
| | 979,397,520 | 1,431,480,455 | 1,444,079,995 | 1,499,167,007 |
| COSTS AND EXPENSES | | | | |
| Cost of rental income | (445,628,833) | (575,052,738) | (609,031,113) | (576,817,791) |
| General and administrative expenses | (179,310,207) | (180,392,644) | (95,027,983) | (32,533,585) |
| Finance charges | (43,627) | (12,947) | (1,534) | (1,336,984) |
| | (624,982,667) | (755,458,329) | (704,060,630) | (610,688,360) |
| INCOME BEFORE INCOME TAX | 354,414,853 | 676,022,126 | 740,019,365 | 888,478,647 |
| PROVISION FOR INCOME TAX | | | | |
| Current | 87,237,450 | 111,827,564 | 118,765,619 | 187,143,301 |
| Deferred | (5,434,510) | 35,204,657 | 11,735,291 | 34,468,055 |
| | 81,802,940 | 147,032,221 | 130,500,910 | 221,611,356 |
| NET INCOME | 272,611,913 | 528,989,905 | 609,518,455 | 666,867,291 |
| OTHER COMPREHENSIVE INCOME | | | | |
| <i>Item that recycles to profit or loss in subsequent periods</i> | | | | |
| Net changes in unrealized losses on financial assets at FVOCI | 98,602 | (180,452) | (20,128) | (582,745) |
| <i>Item that does not recycle to profit or loss in subsequent periods</i> | | | | |
| Net changes in unrealized gains on financial assets at FVOCI, net of deferred income tax effect | (9,690,000) | 47,863,452 | 10,306,635 | 40,377,412 |
| Actuarial loss on retirement liability, net of deferred income tax effect | - | (1,996,456) | - | - |
| | (9,591,398) | 45,686,544 | 10,286,507 | 39,794,667 |
| TOTAL COMPREHENSIVE INCOME | ₱263,020,515 | ₱574,676,449 | ₱619,804,962 | ₱706,661,958 |
| BASIC AND DILUTED EARNINGS PER SHARE | | | | |
| | ₱0.006 | ₱0.011 | ₱0.013 | ₱0.014 |

Statements of Financial Position
(In Philippine Pesos)

| | September 30 | | December 31 | |
|---|------------------------|------------------------|------------------------|------------------------|
| | 2025 | 2024 | 2023 | 2022 |
| ASSETS | | | | |
| Current Assets | | | | |
| Cash and cash equivalents | P2,440,456,622 | P1,919,455,216 | P1,761,523,579 | P1,144,129,799 |
| Trade and other receivables | 670,105,970 | 959,388,279 | 1,633,870,678 | 806,665,961 |
| Other current assets | 463,305,561 | 570,242,761 | 218,599,497 | 389,410,060 |
| Total Current Assets | 3,573,868,153 | 3,449,086,256 | 3,613,993,754 | 2,340,205,820 |
| Noncurrent Assets | | | | |
| Financial assets at fair value through other comprehensive income (FVOCI) | 206,744,593 | 218,028,591 | 161,930,944 | 154,829,171 |
| Investment properties | 46,047,838,972 | 46,176,006,148 | 46,227,211,551 | 46,386,357,605 |
| Property and equipment | 549,706,948 | 311,153,431 | 25,609,926 | 171,246 |
| Deferred income tax assets - net | - | - | 1,574,440 | 15,124,999 |
| Total Noncurrent Assets | 46,804,290,513 | 46,705,188,170 | 46,416,326,861 | 46,556,483,021 |
| TOTAL ASSETS | P50,378,158,666 | P50,154,274,426 | P50,030,320,615 | P48,896,688,841 |
| LIABILITIES AND EQUITY | | | | |
| Current Liabilities | | | | |
| Trade and other payables | P314,676,407 | P431,512,283 | P416,700,924 | P294,870,904 |
| Current portion of deposits and other current liabilities | 85,244,173 | 58,108,682 | 300,721,899 | 90,124,721 |
| Income tax payable | 10,864,246 | - | 9,745,679 | 44,840,354 |
| Total Current Liabilities | 410,784,826 | 489,620,965 | 727,168,502 | 429,835,979 |
| Noncurrent Liabilities | | | | |
| Deposits and other noncurrent liabilities - net of current portion | 500,612,263 | 451,291,427 | 711,492,498 | 494,998,209 |
| Retirement liability | 3,152,732 | 5,646,594 | - | - |
| Deferred income tax liabilities - net | 34,252,266 | 41,379,376 | - | - |
| Total Noncurrent Liabilities | 538,017,261 | 498,317,397 | 711,492,498 | 494,998,209 |
| Total Liabilities | 948,802,087 | 987,938,362 | 1,438,661,000 | 924,834,188 |
| Equity | | | | |
| Capital stock | 46,932,100,000 | 46,932,100,000 | 46,932,100,000 | 46,932,100,000 |
| Retained earnings | 2,340,265,130 | 2,067,653,217 | 1,538,663,312 | 929,144,857 |
| Other comprehensive income | 156,991,449 | 166,582,847 | 120,896,303 | 110,609,796 |
| Total Equity | 49,429,356,579 | 49,166,336,064 | 48,591,659,615 | 47,971,854,653 |
| TOTAL LIABILITIES AND EQUITY | P50,378,158,666 | P50,154,274,426 | P50,030,320,615 | P48,896,688,841 |

**Statements of Changes in Equity
(In Philippine Pesos)**

| | Capital Stock | Retained Earnings | | Other Comprehensive Income (Loss) | | | Total | Total |
|--|------------------------|-----------------------|-------------------|--|--|---------------------|------------------------|-------|
| | | Unappropriated | Appropriated | Net Unrealized Gain on Financial Assets at FVOCI | Actuarial Loss on Retirement Liability | | | |
| BALANCES AS AT JANUARY 1, 2022 | ₱46,932,100,000 | ₱261,277,566 | ₱1,000,000 | ₱70,815,129 | ₱- | ₱70,815,129 | ₱47,265,192,695 | |
| Net income | - | 666,867,291 | - | - | - | - | 666,867,291 | |
| Other comprehensive income | - | - | - | 39,794,667 | - | 39,794,667 | 39,794,667 | |
| Total comprehensive income | - | 666,867,291 | - | 39,794,667 | - | 39,794,667 | 706,661,958 | |
| Reversal of appropriated retained earnings | - | 1,000,000 | (1,000,000) | | | | | |
| BALANCES AS AT DECEMBER 31, 2022 | ₱46,932,100,000 | ₱929,144,857 | ₱- | ₱110,609,796 | ₱- | ₱110,609,796 | ₱47,971,854,653 | |
| Net income | - | 609,518,455 | - | - | - | - | 609,518,455 | |
| Other comprehensive income | - | - | - | 10,286,507 | - | 10,286,507 | 10,286,507 | |
| Total comprehensive income | - | 609,518,455 | - | 10,286,507 | - | 10,286,507 | 619,804,962 | |
| BALANCES AS AT DECEMBER 31, 2023 | ₱46,932,100,000 | ₱1,538,663,312 | ₱- | ₱120,896,303 | ₱- | ₱120,896,303 | ₱48,591,659,615 | |
| Net income | - | 528,989,905 | - | - | - | - | 528,989,905 | |
| Other comprehensive income (loss) | - | - | - | 47,683,000 | (1,996,456) | 45,686,544 | 45,686,544 | |
| Total comprehensive income (loss) | - | 528,989,905 | - | 47,683,000 | (1,996,456) | 45,686,544 | 574,676,449 | |
| BALANCES AS AT DECEMBER 31, 2024 | ₱46,932,100,000 | ₱2,067,653,217 | ₱- | ₱168,579,303 | (₱1,996,456) | ₱166,582,847 | ₱49,166,336,064 | |
| Net income | - | 272,611,913 | - | - | - | - | 272,611,913 | |
| Other comprehensive loss | - | - | - | (9,591,398) | - | (9,591,398) | (9,591,398) | |
| Total comprehensive income | - | 272,611,913 | - | (9,591,398) | - | (9,591,398) | 263,020,515 | |
| BALANCES AS AT SEPTEMBER 30, 2025 | ₱46,932,100,000 | ₱2,340,265,130 | ₱- | ₱158,987,905 | (₱1,996,456) | ₱156,991,449 | ₱49,429,356,579 | |

**Statements of Cash Flows
(In Philippine Pesos)**

| ©© | Nine-Month Period Ended September 30 | Years Ended December 31 | | |
|---|--|-------------------------|----------------|----------------|
| | 2025 | 2024 | 2023 | 2022 |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | | |
| Income before income tax | ₱354,414,853 | ₱676,022,126 | ₱740,019,365 | ₱888,478,647 |
| Adjustments for: | | | | |
| Depreciation | 140,875,297 | 173,966,779 | 161,150,958 | 158,931,941 |
| Interest income | (78,894,290) | (92,130,176) | (48,605,110) | (6,014,706) |
| Movement in retirement benefits liability | (2,493,862) | 2,984,652 | - | - |
| Mark-to-market gain on financial assets at FVTPL | (102,041) | (112,843) | (131,612) | (41,495) |
| Interest expense and other finance charges | 43,627 | 12,947 | 1,534 | 1,336,984 |
| Day 1 gain on security deposits | - | - | - | (2,251,276) |
| Operating income before working capital changes | 413,843,584 | 760,743,485 | 852,435,135 | 1,040,440,095 |
| Decrease (increase) in: | | | | |
| Trade and other receivables | 283,646,239 | 682,327,225 | (825,231,031) | (549,377,140) |
| Other current assets | 106,995,614 | (327,285,831) | 175,942,175 | 6,983,827 |
| Increase (decrease) in: | | | | |
| Trade and other payables | (116,835,876) | 14,798,414 | 121,828,488 | 134,689,504 |
| Deposits and other liabilities | 76,456,327 | (502,814,288) | 427,091,467 | (12,131,173) |
| Cash generated from operations | 764,105,888 | 627,769,005 | 747,066,234 | 620,605,113 |
| Interest received | 85,939,376 | 82,324,140 | 46,631,424 | 5,711,373 |
| Income taxes paid, including final tax | (77,782,221) | (143,856,627) | (153,860,294) | (226,660,376) |
| Net cash provided by operating activities | 772,263,044 | 566,236,518 | 639,837,364 | 399,656,110 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | |
| Additions to property and equipment | (251,261,638) | (408,304,881) | (27,443,584) | (208,219) |
| Retirement of financial assets at FVOCI | - | - | 5,000,000 | - |
| Net cash used in investing activities | (251,261,638) | (408,304,881) | (22,443,584) | (208,219) |
| NET INCREASE IN CASH AND CASH EQUIVALENTS | 521,001,406 | 157,931,637 | 617,393,780 | 399,447,891 |
| CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR | 1,919,455,216 | 1,761,523,579 | 1,144,129,799 | 744,681,908 |
| CASH AND CASH EQUIVALENTS AT END OF YEAR | ₱2,440,456,622 | ₱1,919,455,216 | ₱1,761,523,579 | ₱1,144,129,799 |

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

RESULTS OF OPERATIONS

The following discussion and analysis of the Company's financial condition and results of operations should be read in conjunction with the financial statements as at 30 September 2025, vis-à-vis 30 September 2024; 31 December 2024, 2023 and 2022 included in this report.

30 September 2025 vs 30 September 2024

Revenues

The Company currently operates exclusively in the leasing business, managing commercial real estate properties across retail and office segments. In the nine-month period ended September 30, 2025, PHC recorded revenues of ₱897.72 million, reflecting an 8% decline compared to the ₱978.86 million in the same period in 2024.

Below is the composition of PHC's leasing business revenue in 2025:

- Office and commercial spaces at Financial Center (FC) contributing 69% at ₱615.67 million;
- Office and commercial spaces at Makati Center (MC) with 24% at ₱219.80 million;
- IWG SPACES co-working spaces with 3% at ₱28.71 million;
- Commercial space at CITEM Hall with 2% at ₱20.76 million;
- Land lease of Buendia Property with 1% at ₱9.73 million; and
- Cell-tower lease and one-time service fees to tenants account for the remaining ₱3.05 million.

Revenues from related-party tenants comprise approximately 73% of the total revenues.

The top five (5) tenants of the Company as of 30 September 2025 are:

1. Philippine National Bank
2. Emapta Philippines Inc.
3. Allianz PNB Life Insurance Inc.
4. Asia Brewery Inc.
5. Commission on Appointments

Overall occupancy rose to an average of 89% for the nine-month period ended September 2025, up from 78% during the same period in 2024. However, new tenants in 2025 were offered lower rental rates, particularly in FC, due to the continued oversupply of office spaces across Metro Manila, most notably in the Bay Area in Pasay.

Despite challenging market conditions, PHC remains committed to stabilizing rental income and optimizing property asset utilization to ensure long-term financial sustainability.

Cost of rental income

PHC's cost of rental income for the nine-month period ended September 30, 2025 amounted to ₱445.63 million, representing a 4% increase from ₱425.97 million in the same period of 2024, primarily due to catch-up improvements and maintenance of aging leased properties, as well as increased occupancy.

Total year-to-date direct costs account for about 52% of total revenue. The distribution is as follows:

- Depreciation at 29% (₱129.05 million)
- Taxes and licenses at 24% (₱110.06 million)
- Outside services at 18% (₱81.78 million)
- Utilities at 18% (₱79.32 million)
- Repairs and maintenance at 4% (₱16.77 million)
- Personnel cost at 4% (₱16.60 million)
- Insurance at 2% (₱8.64 million)
- Other cost of leasing at 1% (₱3.41 million)

The main contributors to the increase are depreciation, property taxes, utilities, internal and external service costs (including repairs & maintenance), most of which are fixed and uncontrollable in nature.

Depreciation and taxes are essential to the ongoing operation of the business and not easily adjusted without structural changes. Both are directly tied up to our business scale and asset base and are necessary to maintain operational capacity. The remaining costs, while more flexible, are directly attributed to support service continuity and operational standards.

This gives PHC a gross margin of 48% for the nine-month period ended September 30, 2025, meaning PHC retains ₱0.48 for every peso earned, down from ₱0.56 in the same period in 2024. This decline is primarily driven by the decrease in PHC's average lease rates, while fixed and uncontrollable costs continue to be incurred.

General and Administrative Expenses

PHC's general and administrative expenses for the nine-month period ended September 30, 2025 amounted to ₱179.31 million, reflecting a 62% increase from ₱109.31 million in the same period of 2024.

Below is the detailed breakdown of the Company's operating expenses:

- Personnel cost at 41% (₱72.79 million)
- Outside services at 26% (₱46.94 million)
- Taxes and licenses at 8% (₱14.06 million)
- Trainings, seminars and representation at 7% (₱13.51 million)
- Depreciation at 6% (₱11.83 million)
- IT-related expenses at 4% (₱8.46 million)
- Transportation and travel at 2% (₱3.31 million)
- Fines & penalties 1% (₱1.15 million)
- Supplies expense 1% (₱0.77 million)
- Membership and association dues 1% (₱0.68 million)
- Miscellaneous expense at 3% (₱5.79 million)

This increase is due to additional manpower costs, as the Company beefs up its Management team to enhance service quality and prepare for the launch of redevelopment plans and the listing with the PSE. Business taxes also account for a significant portion of the increase.

As a result, the earnings before income tax have dropped to 39% in 2025 from 52% in 2024.

Capital Expenditures

The Company recorded a 13% decline in capital expenditures (CAPEX) for the nine-month period ended September 30, 2025, amounting to ₱251.26 million compared to ₱288.03 million in the same period last year. The lower spending reflects the timing of redevelopment activities and the more measured rollout of refurbishment programs during the period. CAPEX continued to support ongoing redevelopment initiatives as well as the refurbishment and enhancement of existing properties—consistent with the Company’s investment priorities over the past year—though at a slightly moderated pace in 2025. Management expects CAPEX to accelerate in the succeeding quarters in line with the scheduled progression of redevelopment works and property improvement projects.

Despite an 8% drop in leasing revenues, the Company’s investment in new developments strategically positions the company to generate future revenue from expanded leasing, property sales, and mixed-use projects.

Other Income

Interest income from bank placements increased by ₱10.60 million or 16% in the nine-month period ended September 30, 2025. This growth was driven by a higher volume of investments and higher interest rates compared to the same period in 2024.

Key Performance Indicators

The Company’s performance indicators provide a comprehensive view of profitability, efficiency, and value creation. While certain metrics reflect adjustments compared to the previous year, the overall profile remains strong and demonstrates resilience in a dynamic market environment. The following discussion outlines the five (5) core KPIs and the basis for their determination:

| Indicator | YTD 2025 | YTD 2024 | Remarks |
|---------------------|----------|----------|---|
| Gross Profit Margin | 50% | 57% | Margin declined due to higher direct costs, but remains at a healthy level. |
| Net Margin | 30% | 44% | Lower profitability driven by reduced revenue and higher operating expenses. |
| EBITDA Margin | 55% | 65% | Despite contraction, margin remains robust, indicating strong cash flow. |
| Return on Assets | 0.54% | 0.87% | Slight improvement reflects better asset utilization and resource efficiency. |
| Return on Equity | 0.55% | 0.89% | Incremental increase demonstrates sustained shareholder value creation. |

While margins have moderated compared to the prior year, the Company’s KPIs continue to reflect resilience and operational strength. High EBITDA margins and improving returns on assets and equity underscore a solid foundation for sustainable growth and support the Company’s readiness for listing by way of introduction.

2024 vs 2023

| (Amount in Thousands) | 2024 | 2023 | Change in 2024 | % Change in 2024 |
|-----------------------|------------|------------|----------------|------------------|
| Revenue | ₱1,337,451 | ₱1,394,790 | (₱57,339) | -4% |
| Direct cost | 575,053 | 609,031 | (33,978) | -6% |
| Gross profit | 762,398 | 785,759 | (23,361) | -3% |
| Operating expenses | 180,393 | 95,028 | 85,365 | 90% |

| | | | | |
|---------------------------------------|----------|----------|-----------|------|
| Other income – net of finance charges | 94,016 | 49,288 | 44,728 | 91% |
| Earnings before income tax (EBIT) | 676,022 | 740,019 | (63,997) | -9% |
| Income tax | 147,032 | 130,501 | 16,531 | 13% |
| Net income after tax (NIAT) | 528,990 | 609,518 | (80,529) | -13% |
| Other comprehensive income | 45,687 | 10,287 | 35,400 | 344% |
| Total comprehensive income | 574,676 | 619,805 | (45,129) | -7% |
| EBITDA | ₱850,538 | ₱901,172 | (₱50,634) | -6% |

Revenues

In 2024, the Company posted a gross revenue of ₱1.34 billion which was lower by ₱57.34 million or 4% compared to ₱1.39 billion last year. The decrease was mainly due to a drop in occupancy from 95% in 2023 to almost 83% in 2024.

Direct Costs

The Company's direct costs for 2024 amounted to ₱575.05 million which was 6% or ₱33.98 million lower than the ₱609.03 million recorded in 2023. The decrease was mainly due to lower outside services and repairs and maintenance expenses which resulted from the Company's cost minimization strategy.

Operating Expenses

The Company's operating expenses for 2024 amounted to ₱180.39 million which was higher by ₱85.37 million or 90% from ₱95.03 million in 2023. The increase was due to higher depreciation expenses, taxes and licenses, service fee, and personnel costs.

Other Income

Other income refers mostly to interest income from bank placements. In 2024, it increased by ₱44.73 million or 91% due to higher volume of investment and interest rate at average of 5.95%.

Profitability Metrics

Given the above discussion, the Company's profitability metrics are as follows:

- (1) The 2024 gross profit of the Company was ₱762.40 million which was slightly lower by ₱23.36 million or 3% compared to the gross profit in 2023;
- (2) EBIT was ₱676.02 million in 2024 from ₱740.02 million in 2023;
- (3) Net income after tax ("NIAT") was ₱528.99 million in 2024 from ₱609.52 million in 2023; and
- (4) Earnings before interest, taxes, depreciation and amortization ("EBITDA") was ₱850.54 million in 2024 from ₱901.17 million in 2023.

| Vertical Analysis (% of Revenue) | 2024 | 2023 |
|----------------------------------|------|------|
| Revenue | 100% | 100% |
| Direct cost | 43% | 44% |
| Gross profit | 57% | 56% |

| | | |
|-----------------------------------|-----|-----|
| Operating expenses | 13% | 7% |
| Other income – net | 7% | 4% |
| Earnings before income tax (EBIT) | 51% | 53% |
| Income tax | 11% | 9% |
| Net income after tax (NIAT) | 40% | 44% |
| Other comprehensive income | 3% | 1% |
| Total comprehensive income | 43% | 44% |
| EBITDA | 64% | 65% |

Profitability Ratios

Because of lower revenue and lower direct cost, gross profit margin was higher, from 56% in 2023 to 57% in 2024. Due to higher operating expenses, however, the 2024 EBIT margin was down to 51% from 53% in 2023; the 2024 NIAT margin was down to 40% from 44% in 2023; 2024 total comprehensive income margin slightly declined to 43% from 44% in 2023; and 2024 EBITDA margin slightly declined to 64% from 65% in 2023.

Key Performance Indicators

The Company's audited results for 2024 reflect resilience and disciplined financial management amid a challenging operating environment. While certain profitability measures moderated compared to 2023, the overall KPI profile remains strong and competitive. These indicators provide insight into the Company's ability to sustain operational efficiency and create long-term value for stakeholders.

| Indicator | 2024 | 2023 | Remarks |
|---------------------|-------|-------|---|
| Gross Profit Margin | 57% | 56% | Slight improvement despite revenue decline, reflecting effective cost control. |
| Net Margin | 40% | 44% | Moderation due to higher operating expenses, but remains strong and competitive. |
| EBITDA Margin | 64% | 65% | Marginal decrease; still indicative of robust operational efficiency and cash flow. |
| Return on Assets | 1.05% | 1.22% | Slight decline due to lower net income, but remains within healthy range. |
| Return on Equity | 1.08% | 1.25% | Decrease reflects earnings moderation, yet equity base remains strong. |

Despite a modest decline in revenue and net income, the Company sustained strong profitability ratios and operational efficiency. The improvement in gross profit margin and stability in returns on assets and equity underscore disciplined cost management and prudent resource allocation. These KPIs reflect a resilient financial position and support the Company's readiness for listing by way of introduction.

2023 vs 2022

| (Amount in Thousands) | 2023 | 2022 | Change in 2023 | % Change in 2023 |
|-----------------------|------------|------------|----------------|------------------|
| Revenue | ₱1,394,790 | ₱1,421,787 | (₱26,997) | -2% |
| Direct cost | 609,031 | 576,818 | 32,213 | 6% |

| | | | | |
|---------------------------------------|----------|------------|------------|------|
| Gross profit | 785,759 | 844,970 | (59,210) | -7% |
| Operating expenses | 95,028 | 32,534 | 62,494 | 192% |
| Other income – net of finance charges | 49,288 | 76,043 | (26,755) | -35% |
| Earnings before income tax (EBIT) | 740,019 | 888,479 | (148,459) | -17% |
| Income tax | 130,501 | 221,611 | (91,110) | -41% |
| Net income after tax (NIAT) | 609,518 | 666,867 | (57,349) | -9% |
| Other comprehensive income | 10,287 | 39,795 | (29,508) | -74% |
| Total comprehensive income | 619,805 | 706,662 | (86,857) | -12% |
| EBITDA | ₱901,172 | ₱1,048,748 | (₱147,576) | -14% |

Revenues

In 2023, the Company posted gross revenue of ₱1.39 billion which was lower by ₱27.00 million or 2% compared to ₱1.42 billion in 2022. The decrease was mainly due to a drop in occupancy from 100% in 2022 to 95% in 2023.

Direct Costs

The Company's direct costs for 2023 amounted to ₱609.03 million which was 6% or ₱32.98 million higher than the ₱576.82 million recorded in 2022. The increase was mainly due to higher outside services and taxes & licenses.

Operating Expenses

The Company's operating expenses for 2023 amounted to ₱95.03 million which was higher by ₱62.49 million or 192% from ₱32.53 million in 2022. The increase was due to higher personnel costs and other operating expenses. These increases were due to capacity building of the Company in preparation for its redevelopment plans.

Other Income

Other income refers mostly to interest income from bank placements and a one-time reversal of provision for ECL, net of finance charges. In 2023, it decreased by ₱26.76 million or 35% due to the one-time reversal of ₱69.07 million in the previous year. This decline was partly offset by higher interest income in 2023, driven by larger investment volumes and increased interest rates.

Profitability Metrics

Given the above discussion, the profitability metrics are as follows:

- (1) The 2023 Gross Profit of the Company is ₱785.76 million which was lower by ₱59.21 million or 7% compared to 2022;
- (2) EBIT was ₱740.02 million in 2023 from ₱888.48 million in 2022;
- (3) NIAT was ₱609.52 million in 2023 from ₱666.87 million in 2022; and
- (4) EBITDA was ₱901.17 million in 2023 from ₱1.05 billion in 2022.

| Vertical Analysis (% of Revenue) | 2023 | 2022 |
|----------------------------------|------|------|
| Revenue | 100% | 100% |
| Direct cost | 44% | 41% |
| Gross profit | 56% | 59% |

| | | |
|-----------------------------------|-----|-----|
| Operating expenses | 7% | 2% |
| Other income – net | 4% | 5% |
| Earnings before income tax (EBIT) | 53% | 62% |
| Income tax | 9% | 16% |
| Net income after tax (NIAT) | 44% | 47% |
| Other comprehensive income | 1% | 3% |
| Total comprehensive income | 44% | 50% |
| EBITDA | 65% | 74% |

Profitability Ratios

Because of lower revenue and higher direct cost, Gross Profit margin was lower in 2023 to 56% from 59% in 2022. Due to higher operating expenses, the 2023 EBIT margin was down to 53% from 62% in 2022. The 2023 NIAT margin was 44% from 47% in 2022. The 2023 comprehensive income margin was lower to 44% from 50% in 2022. The 2023 EBITDA margin was 65% from 74% in 2022.

Key Performance Indicators

The Company's audited results for 2023 reflect resilience amid market headwinds. While certain profitability measures moderated compared to 2022, the overall KPI profile remains strong and demonstrates the Company's ability to sustain operational efficiency and create long-term value for stakeholders.

| Indicator | Audited 2023 | Audited 2022 | Remarks |
|---------------------|--------------|--------------|--|
| Gross Profit Margin | 56% | 59% | Decline due to higher direct costs, but margin remains competitive. |
| Net Margin | 44% | 47% | Moderation driven by increased operating expenses and lower EBIT. |
| EBITDA Margin | 65% | 74% | Decrease reflects revenue contraction and cost pressures, yet still strong. |
| Return on Assets | 1.22% | 1.36% | Slight decline due to lower net income, but asset utilization remains sound. |
| Return on Equity | 1.25% | 1.39% | Reduction reflects earnings moderation, while equity base remains solid. |

FINANCIAL CONDITION

September 30, 2025 vs December 31, 2024

Assets

The Company's total assets are currently valued at approximately ₱50.38 billion as of September 30, 2025, slightly higher than the last year's figure of ₱50.15 billion. The portfolio remains heavily weighted toward revenue-generating investment properties, which comprise 91% of total assets. Further, working capital has increased ₱3.16 billion, up from ₱2.96 billion last year, supporting operational flexibility and growth initiatives of the Company.

The Company's current assets, including cash and cash equivalents, trade and other receivables, and other current assets, total ₱3.57 billion, resulting in a current ratio of 8.70:1.

This reflects substantial liquidity, ensuring ample resources to support ongoing operations and redevelopment projects.

Liabilities and Equity

Additionally, the Company maintains a debt-to-equity ratio of 0.02:1, demonstrating strong solvency and a solid equity base, allowing the company to comfortably meet its financial obligations.

Given these financial indicators, the Company's net book value per share stands at ₱1.06, further highlighting its robust financial position.

The Company has no contingent liabilities from its regular business operations that would materially or adversely impact its financial condition. Additionally, the Company has no off-balance sheet transactions, arrangements, or obligations in the nine-month ended September 30, 2025.

Furthermore, there are no anticipated trends, events, uncertainties, or seasonal factors expected to impact the Company's ongoing operations.

December 31, 2024 vs December 31, 2023

| <i>(Amounts in thousands)</i> | December 31, 2024 | December 31, 2023 | Change in 2024 | % Change in 2024 |
|--|----------------------|----------------------|------------------|---------------------|
| ASSETS | | | | |
| Current Assets | | | | |
| Cash and cash equivalents | ₱1,919,455 | ₱1,761,524 | ₱157,931 | 9% |
| Trade and other receivables | 959,388 | 1,633,871 | (675,483) | -41% |
| Other current assets | 570,243 | 218,599 | 351,643 | 161% |
| Total Current Assets | 3,449,086 | 3,613,994 | (164,907) | -5% |
| Noncurrent Assets | | | | |
| Financial assets at FVOCI | 218,029 | 161,931 | 56,098 | 35% |
| Investment properties | 46,176,006 | 46,227,212 | (51,206) | 0% |
| Property and equipment | 311,153 | 25,610 | 285,543 | 1115% |
| Deferred income tax assets - net | - | 1,574 | (1,574) | -100% |
| Total Noncurrent Assets | 46,705,188 | 46,416,327 | 288,861 | 1% |
| TOTAL ASSETS | ₱50,154,274 | ₱50,030,321 | ₱123,954 | 0% |
| LIABILITIES AND EQUITY | | | | |
| Current Liabilities | | | | |
| Trade and other payables | ₱431,512 | ₱416,701 | 14,811 | 4% |
| Current portion of deposits and other current liabilities | 58,109 | 300,722 | (242,613) | -81% |
| Income tax payable | - | 9,746 | (9,746) | -100% |
| Total Current Liabilities | 489,621 | 727,169 | (237,548) | -33% |
| Noncurrent Liabilities | | | | |
| Deposits and other noncurrent liabilities - net of current portion | 451,291 | 711,492 | (260,201) | -37% |
| Retirement liability | 5,647 | - | 5,647 | 0% |
| Deferred income tax liabilities - net | 41,379 | - | 41,379 | 0% |
| Total Noncurrent Liabilities | 498,317 | 711,492 | (213,175) | -30% |
| Total Liabilities | 987,938 | 1,438,661 | (450,723) | -31% |
| Equity | | | | |
| Capital stock | 46,932,100 | 46,932,100 | - | 0% |
| Retained earnings | 2,067,653 | 1,538,663 | 528,990 | 34% |
| Other comprehensive income | 166,583 | 120,896 | 45,687 | 38% |
| Total Equity | 49,166,336 | 48,591,660 | 574,677 | 1% |

| | | | | |
|-------------------------------------|--------------------|--------------------|-----------------|-----------|
| TOTAL LIABILITIES AND EQUITY | ₱50,154,274 | ₱50,030,321 | ₱123,954 | 0% |
| | | | | |

The Company ended the year 2024 with ₱50.15 billion in total assets, a ₱123.95 million increase from the December 2023 balance of ₱50.03 billion. The increase was mainly due to the ₱288.86 million increase in non-current assets, specifically additions to redevelopment activities under property and equipment. Current assets decreased by ₱164.91 million mainly due to net changed in receivables and other current assets.

Below is a summary of asset accounts with 5% or more increase or decrease from 2023 to 2024:

- **Cash and Cash Equivalents** increased by 9%. The increase was attributed to the cash inflow from operations amounting to ₱566.24 million which was partially offset by a cash outflow from investing activities totaling ₱408.30 million.
- **Trade and Other Receivables** decreased by 41%. The decrease was primarily due to the collection of trade receivables and the offsetting of accounts receivable with liabilities.
- **Other Current Assets** increased by 161% due to an increase in prepayments, advances to contractors, and deferred rent assets.
- **Financial Assets** increased by 35% driven by a rise in the market value of the Company's assets at the end of 2024.
- **Property and Equipment:** Increased by 1115%. This significant increase is due to capital expenditures completed during the year, including assets under construction.
- **Deferred Income Tax Assets** decreased by 100%. This is due to temporary differences between accounting income and taxable income, specifically revenue deferred for accounting purposes.

The Company ended 2024 with ₱987.94 million in total liabilities, down from ₱1.44 billion in 2023. The decrease of ₱450.72 million is mainly due to payments to suppliers and contractors and offsetting customer deposits and advance rental with receivables. The Company continued to be debt-free as of the end of 2024.

Below is a summary of asset accounts with 5% or more increase or decrease from 2023 to 2024:

- **Income Tax Payable** decreased by 100% as the income tax payable was covered by creditable withholding tax by the end of 2024.
- **Other Current Liabilities** decreased by 81% due to the offsetting of some accounts with trade receivables.
- **Customer Deposits and Advance Rent** decreased by 37% which is attributed to the offsetting of some accounts with trade receivables.

The Company ended 2024 with ₱49.17 billion in equity, with the bulk contributed by capital stock at ₱46.93 billion. Retained earnings amounted to ₱2.07 billion, with an increase of ₱528.99 million coming from NIAT. The net book value per share of the company is ₱1.048, while the EPS is ₱0.011. The current ratio is at 7:1 while the debt-to-equity ratio is 0.02.

December 31, 2023 vs December 31, 2022

| <i>(Amounts in thousands)</i> | December 31, 2023 | December 31, 2022 | Change in 2023 | % Change in 2024 |
|--|----------------------|----------------------|-------------------|---------------------|
| ASSETS | | | | |
| Current Assets | | | | |
| Cash and cash equivalents | ₱1,761,524 | ₱1,144,130 | ₱617,394 | 54% |
| Trade and other receivables | 1,633,871 | 806,666 | 827,205 | 103% |
| Other current assets | 218,599 | 389,410 | (170,811) | -44% |
| Total Current Assets | 3,613,994 | 2,340,206 | 1,273,788 | 54% |
| Noncurrent Assets | | | | |
| Financial assets at FVOCI | 161,931 | 154,829 | 7,102 | 5% |
| Investment properties | 46,227,212 | 46,386,357 | (159,145) | 0% |
| Property and equipment | 25,610 | 171 | 25,439 | 14855% |
| Deferred income tax assets - net | 1,574 | 15,125 | (13,551) | -90% |
| Total Noncurrent Assets | 46,416,327 | 46,556,483 | (140,156) | 0% |
| TOTAL ASSETS | ₱50,030,321 | ₱48,896,689 | ₱1,133,632 | 2% |
| LIABILITIES AND EQUITY | | | | |
| Current Liabilities | | | | |
| Trade and other payables | ₱416,701 | ₱294,871 | ₱121,830 | 41% |
| Current portion of deposits and other current liabilities | 300,722 | 90,125 | 210,597 | 234% |
| Income tax payable | 9,746 | 44,840 | (35,094) | -78% |
| Total Current Liabilities | 727,169 | 429,836 | 297,333 | 69% |
| Noncurrent Liabilities | | | | |
| Deposits and other noncurrent liabilities - net of current portion | 711,492 | 494,998 | 216,494 | 44% |
| Retirement liability | - | - | - | - |
| Deferred income tax liabilities - net | - | - | - | - |
| Total Noncurrent Liabilities | 711,492 | 494,998 | 216,494 | 44% |
| Total Liabilities | 1,438,661 | 924,834 | 513,827 | 56% |
| Equity | | | | |
| Capital stock | 46,932,100 | 46,932,100 | - | 0% |
| Retained earnings | 1,538,663 | 929,145 | 609,518 | 66% |
| Other comprehensive income | 120,896 | 110,610 | 10,287 | 9% |
| Total Equity | 48,591,660 | 47,971,855 | 619,805 | 1% |
| TOTAL LIABILITIES AND EQUITY | ₱50,030,321 | ₱48,896,689 | ₱1,133,632 | 2% |

Assets

The Company ended the year 2023 with P50.03 billion in total assets, which is a P1.13 billion increase from the December 2022 balance of P48.90 billion. The increase is mainly due to the P617.39 million and P827.21 million increase in cash & cash equivalents and receivables, respectively. The increase in cash & cash equivalents is due to collections while increase in receivables is due to billings for the year.

The following assets experienced significant changes of 5% or more from 2022 to 2023:

- **Cash and Cash Equivalents:** Increased by 54%. This increase is attributed to a cash inflow from operations amounting to ₱639.84 million, which was partially offset by a cash outflow from investing activities totaling ₱22.44 million.
- **Trade and Other Receivables:** Increased by 103%. The increase is due to additional billings during the year, although some collections were unidentified at year-end as payments were made via direct bank deposits due to the pandemic.
- **Other Current Assets:** Decreased by 44%. This decrease is due to a reduction in

- prepayments, advances to contractors, and deferred rent assets.
- **Financial Assets:** Increased by 5%. The increase is driven by a rise in the market value of these assets at the end of 2024.
- **Property and Equipment:** Increased by 14855%. This significant increase is due to capital expenditures completed during the year and additional assets under construction.
- **Deferred Income Tax Assets:** Decreased by 90%. This substantial decrease is due to temporary differences between accounting income and taxable income, specifically revenue deferred for accounting purposes.

Liabilities

The Company ended 2023 with ₱1.44 billion total liabilities. This is up by ₱513.82 million from ₱924.83 million in 2022. The increase is mainly due to unidentified collections booked as advance rental and other current liabilities. The Company has no bank debts as of December 2023.

The following liabilities experienced significant changes of 5% or more from 2022 to 2023:

- **Trade Payable:** Increased by 41%. This increase is attributed to additional transactions with suppliers and contractors as the company prepares for redevelopment projects.
- **Income Tax Payable:** Decreased by 78%. The decrease is due to lower taxable income, resulting in a reduced income tax due.
- **Other Current Liabilities:** Increased by 234%. This increase is driven by a rise in deferred output VAT and accrued expenses.
- **Customer Deposits and Advance Rates:** Increased by 44%. The increase is due to higher security deposits.

Equity

The Company ended 2023 with ₱50.03 billion in equity, with the bulk contributed by capital stock at ₱46.93 billion. Retained earnings amounted to ₱1.54 billion, with an increase of ₱609.52 million coming from NIAT. Given these, the net book value per share of the company is P1.035, while the EPS is P0.013. The current ratio is at 5:1 and the Debt/Equity ratio is 0.02.

OTHER MATTERS

As of 30 September 2025:

- (i) There are no other trends or any known demands, commitments, events or uncertainties that will result in or that are reasonably likely to result in the Company's increasing or decreasing liquidity in any material way. The company has no debt for the past three (3) years. Hence, the Company is not in default or breach of any note, loan, lease or other indebtedness or financing arrangement requiring it to make payments. It does not have any liquidity problems.
- (ii) There are no events that will trigger direct or contingent financial obligation that is material to the Company, including any default or acceleration of an obligation.

(iii) There are no known material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the Company with unconsolidated entities or other persons created during the reporting period.

(iv) On-going and planned capital expenditure projects of the Company are as follows:

The Board has approved capital expenditures of P925 million for 2024 and P1.176 billion for 2025. These budgets include allocations for the partial soft costs associated with the redevelopment projects of the Buendia and Macapagal Financial Center properties.

(v) There are no known other trends, events or uncertainties that have had or that are reasonably expected to have a material favorable or unfavorable impact on net sales, revenue or income from continuing operations.

(vi) There are no significant elements of income or loss that did not arise from the Company's continuing operations.

(vii) Causes for any material change from period to period include vertical and horizontal analyses of any material item;

(viii) The subsequent discussions present the nature and amounts of the reclassifications that will be considered in the Company's next annual and interim financial statements, as applicable:

a. A portion of the deferred rent assets that will reverse after 12 months shall be reclassified from current assets to noncurrent assets. This amounted P319.23 million and P319.73 million as of 30 September 2025 and 31 December 2024, respectively.

b. Reversal of provision for ECL amounting to P69.07 million in the 2022 statement of comprehensive income presented under "general and administrative expenses" shall be reclassified under a separate line item.

There are no seasonal aspects that have a material effect on the financial condition or results of operations of the Company as of 30 September 2025.

MANAGEMENT AND CERTAIN SECURITY HOLDERS

DIRECTORS, EXECUTIVE OFFICERS AND MANAGEMENT

In accordance with the Articles of Incorporation and By-laws of the Company, the Board of Directors of the Company is composed of nine (9) members, four (4) of whom are independent directors. The term of a director is one (1) year from the date of election and until their successors are duly elected and qualified.

As of the date of this Prospectus, the members of the Board of Directors are as follows:

| Name | Age | Citizenship | Position/Term of Office/Period Served |
|-------------------------|-----|-------------|--|
| Lucio C. Tan | 90 | Filipino | Chairman / 1 Year / July 2, 1999 to present |
| Karlu T. Say | 54 | Filipino | Director / 1 Year/ May 5, 2021 to present President / June 24, 2021 to present |
| Lucio C. Tan III | 31 | Filipino | Director / 1 Year/ December 17, 2019 to present |
| William T. Lim | 76 | Filipino | Director / 1 Year / September 2014 to present |
| Cielo Macapagal-Salgado | 84 | Filipino | Independent Director / 1 Year / January 2012 to present |
| Elaine Y. Co | 56 | Filipino | Independent Director / 1 Year / June 16, 2021 to present |
| Ma. Cecilia Gonzalez | 53 | Filipino | Independent Director / 1 Year / June 15, 2022 to present |
| Eusebio V. Tan | 73 | Filipino | Director / 1 Year / September 27, 2024 to present |
| Rowena Nazareth | 63 | Filipino | Independent Director / 1 Year / April 30, 2025 to present |

As of the date of this Prospectus, the following are the Company's executive officers:

| Name | Age | Position | Period | Citizenship |
|-------------------------------------|-----|---|---|-------------|
| Ponciano S. Carreon, Jr. | 51 | Chief Financial Officer | June 24, 2025 – Present | Filipino |
| Atty. Michael Leslie D. Delos Reyes | 53 | Chief Risk and Chief Compliance Officer / Interim Chief Operating Officer | January 30, 2023 – Present February 13, 2026 – Present | Filipino |
| Atty. Carlos Luis L. Fernandez | 54 | Corporate Secretary | 2021 - Present | Filipino |
| Atty. Richard V. Ko | 36 | Assistant Corporate Secretary | August 24, 2023 – Present | Filipino |
| Gladys Grace K. Uy | 59 | VP Human Resources and Administration | May 2, 2023 – Present | Filipino |
| Atty. Mildred Ann M. Gonzales | 43 | VP Legal | September 4, 2023 – Present | Filipino |

| | | | | |
|----------------------------------|----|-------------------------|-----------------------------|----------|
| Becky D. Co | 59 | VP Treasury | December 11, 2023 – Present | Filipino |
| Winnie K. Ong | 37 | VP Internal Audit | October 14, 2024 – Present | Filipino |
| Julio Jude D. Montinola | 54 | VP Business Development | September 4, 2023 – Present | Filipino |
| Engr. Eric R. Potente | 58 | VP Purchasing | March 4, 2024 – Present | Filipino |
| Arch. Eleno A. De Paz | 51 | VP Planning and Design | May 6, 2024 – Present | Filipino |
| Rashimia Sarah S. Velasquez | 37 | VP Leasing Management | July 21, 2025 – Present | Filipino |
| Engr. Ryan T. Miranda | 49 | VP Property Management | February 13, 2026 - Present | Filipino |
| Engr. Marco Antonio A. De Guzman | 44 | VP Construction | February 13, 2026 - Present | Filipino |

The following is a brief description of the business experience of each of the Company's directors and executive officers over the past five (5) years:

- **Dr. Lucio C. Tan**, Filipino, is the Chairman of the Board of Directors of PNB Holdings Corporation and Chairman and CEO of LT Group, Inc. A highly regarded business leader, he oversees a vast portfolio of companies across diverse industries, including aviation, banking, tobacco, beverage manufacturing, real estate, and agribusiness. His leadership extends to Philippine Airlines, Inc., Asia Brewery Inc., MacroAsia Corp., Fortune Tobacco Corp., PMFTC, Inc., and Tanduay Distillers, Inc., among many others. He also serves as Chairman Emeritus of the Philippine National Bank. Dr. Tan holds a Bachelor of Science in Chemical Engineering from Far Eastern University and was conferred a Doctor of Philosophy in Commerce by the University of Santo Tomas, recognizing his contributions to business and industry.
- **Karlu T. Say**, Filipino, is the President of PNB Holdings Corporation, leading the Company's vision to become the foremost luxury real estate developer in the country. In addition to this role, Say holds directorships in several entities under the Lucio Tan Group, including LT Group, Inc., Eton Properties Management Corp., Eton Properties Philippines, Inc., and Alliedbankers Insurance Corporation. Beyond real estate and corporate leadership, Say is also the Founder and Director of Dong-A Pharma Phils., Inc., demonstrating a strong entrepreneurial drive in the pharmaceutical industry. Say earned a Bachelor of Science in Management from Ateneo de Manila University and an Associate of Arts degree in Interior Design from the Fashion Institute of Design & Merchandising in San Francisco, California, USA.
- **Lucio C. Tan III**, Filipino, is the Vice Chairman and Chief Operating Officer of LT Group, Inc. He also serves as Director and Vice President of PAL Holdings, Inc., and Director of MacroAsia Corporation. He holds the position of President and Chief Operating Officer at Tanduay Distillers, Inc., and is also the President of PAL Holdings, Inc. Additionally, he is a Director of several companies, including Philippine Airlines, Philippine National Bank, Lufthansa Technik Philippines, Inc., MacroAsia Catering Services, Inc., MacroAsia SATS Inflight Services Corp., MacroAsia Airport Services Corp., MacroAsia Properties Development Corp., Belton Communities, Inc., Eton City, Inc., First Homes, Inc., Fortune Landequities and Resources Inc., Ayala-Eton Property Development Corp., and Philip Morris-Fortune Tobacco Corporation. He is the Vice Chairman and President of Sabre Travel Network Phils. Inc. Before returning to the Philippines to lead Tanduay Distillers,

Inc., he worked as a software engineer at Lyft in California, USA. He holds a Bachelor of Science in Electrical Engineering and a Master of Science in Computer Science from Stanford University.

- **William T. Lim**, Filipino, Director, brings extensive experience in banking and corporate governance, currently serving as an Advisor to the Chairman of the Board of Allianz PNB Life Insurance, Inc. He is also a Board Advisor of PNB and holds directorships in several companies, including PNB Securities, Inc., PNB Holdings Corporation, Allied Integrated Holdings, Inc. (formerly PNB Savings Bank), and BH Fashion Retailers, Inc. His career in banking spans three decades, with significant tenure at Equitable Banking Corporation, where he held key positions, including Vice President and Head of the Foreign Department. Lim earned his Bachelor of Science in Chemistry from Adamson University.
- **Eusebio V. Tan**, Filipino, Director, is a highly regarded expert in corporate law, banking and finance, investment law, franchising, mergers and acquisitions, government contracts, public-private partnerships, and privatization projects. His extensive legal career includes notable contributions to strengthening economic ties between Japan and the Philippines. In recognition of his efforts, the Japanese government awarded him The Order of the Rising Sun, Gold Rays with Neck Ribbon in 2020. He previously co-chaired the Philippines-Japan Economic Cooperation Committee. Tan holds a law degree from Ateneo de Manila University and a Master of Laws from Columbia University.
- **Cielo Macapagal-Salgado**, Filipino, Independent Director, has dedicated over 30 years to public service, including two terms as the elected Vice Governor of Pampanga. She was recognized in 2004 as the Most Outstanding Kapampangan of Pampanga for her contributions to governance and community development. Since 2000, she has served as Chairperson and Director of multiple subsidiaries of PNB in California, Canada, and the Philippines. A committed advocate for faith-based initiatives, Salgado is the Overall National Coordinator of Flames of Fire for Jesus Catholic Charismatic Community and Co-Chair of the Home of Love Antipolo Chapter of the National Sandigan Foundation, supporting projects aligned with St. Teresa of Calcutta, the Oblates, and the Third Order of the Benedictines of Mexico and Pampanga since 1988. She also serves as an elected Director of the National Women's Association in the Philippines. Salgado holds a Ph.D. in Economics.
- **Elaine Y. Co**, Filipino, Independent Director, has built a distinguished career spanning over 30 years in the alternative assets investment industry. She is the Founder and Managing Partner of BluMandarin Capital Ltd., a family office advisory firm based in Hong Kong, and the Founding Strategic Advisor of Stillbrook Capital, a Greater China Long-Only fund regulated by the Hong Kong Securities and Futures Commission. Previously, she was a founding Partner at Janchor Partners Limited, a Long/Short Equity hedge fund in Hong Kong, where she led the firm's non-investment operations from its inception in 2009 until 2018. Before transitioning into hedge fund management, she spent a decade in corporate finance advisory roles with firms such as Vickers Ballas Philippines, Sun Hung Kai Securities Philippines Corporate Finance, and SGV & Co., focusing on IPOs, power infrastructure, restructuring, and M&A projects. Recognized as one of the 50 Leading Women in Hedge Funds by The Hedge Fund Journal and EY in 2013, Co holds an AB Management Economics degree from Ateneo de Manila University, an MBA in Finance and Organizational Behavior from Northwestern University's Kellogg School of Management, and has completed the Advanced Management Program at Harvard Business School.
- **Ma. Cecilia Gonzalez**, Filipino, Independent Director, is an accomplished executive leader with 30 years of experience in product and service development, project management,

and strategic marketing, particularly in the financial services and telecommunications sectors. She is the Founder and Managing Member of Manila Consulting Group (MCG), where she provides expert consulting services in brand, marketing, and communication strategy for companies in Guam and other international markets. Additionally, she serves as an Affiliate and Client Director for Acumen Strategy Consultants in the Philippines, specializing in marketing strategy and business analytics capability building. Gonzales is also a faculty member in the Marketing & Law Department at the JG School of Management, Ateneo de Manila University. Her career includes 22 years in senior marketing roles at Citibank, where she held key leadership positions in the Philippines, Indonesia, and Guam, culminating in her role as Cards Business and Marketing Head for Citibank Guam. She holds a Bachelor's degree in Management Engineering from Ateneo de Manila University.

- **Rowena Nazareth**, Filipino, Independent Director, has over 37 years of professional experience in the planning, development, marketing and management of innovative and lifestyle-oriented mixed-use, residential and retail-oriented projects targeting the upper and mid-market consumers. She has been the Managing Director of WN Retail Development Advisors Ltd. Inc., a company based in Vancouver, Canada, since July 2005. Her list of clients includes Robinsons Land Corporation (Philippines), TransAsia Construction Development Corporation (Philippines), and ARCH Capital Management Ltd. (Hongkong). From May 1987 to June 2005, Ms. Nazareth was a part of Ayala Land Inc. She later joined the Property Development Group, a company based in Vancouver, Canada, as Director for Asia Projects from 2006 to 2008. Ms. Nazareth holds a Bachelor of Arts in Hotel and Restaurant Management degree from the De La Salle University Manila, and a Master's degree in Business Management degree from the Asian Institute of Management. She attended the Executive Development Program of the Wharton Business School in 2004.
- **Ponciano S. Carreon, Jr.** Filipino, is the Chief Financial Officer of the Corporation. He brings three decades of financial leadership and corporate governance experience in real estate, banking and finance sectors. Before joining the Company, he was Chief Finance Officer, Corporate Treasurer and Head for Investor Relations at Century Properties Group, Inc. He also held senior finance roles including Chief Finance Officer at Landco Pacific Corporation and Arthaland Corporation, Assistant Vice President of Controllershship at SM Development Corporation, and Controller at Crown Asia Properties, Inc., a Vista Land subsidiary.

His Board level experience includes serving as Independent Director and Chairman of Audit and Compliance Committee at Northpoint Development Bank, Chairman of the Board for Century Acqua Lifestyle Corporation and Director at Club Punta Fuego, Inc., Fuego Land Corporation, and Fuego Development Corporation.

Mr. Carreon also brings solid banking experience, having served as bank controller, audit head and bank examiner, further enriching his strategic financial acumen. He is an Ateneo-BAP Certified Treasury Professional, a cum laude graduate of San Beda College with a Bachelor of Science degree in Accountancy, and a CPA board topnotcher, underscoring his academic and technical proficiency in finance and accounting.

- **Atty. Michael Leslie D. Delos Reyes**, Filipino, is the Chief Risk and Chief Compliance Officer, and Interim Chief Operating Officer of the Company. He is a seasoned legal expert with 24 years of experience in corporate law, real estate, and regulatory compliance. His expertise in legal strategy, corporate governance, and contract management has made him a highly regarded legal professional in the industry. Before joining PHC, he was Vice

President of Legal and Corporate Secretary at Eton Properties Philippines Inc., where he played a critical role in corporate compliance, risk management, and legal advisory. His experience in the real estate sector also includes his tenure as Assistant Vice President of Legal at SM Prime Holdings Inc., where he handled legal affairs for one of the country's largest property developers. Additionally, he served as a Senior Legal Manager at Rockwell Land Corporation, contributing to the company's legal and regulatory operations. Atty. Delos Reyes holds a Bachelor of Arts in Political Economy from the University of Asia & the Pacific. He later earned his Juris Doctor degree from Ateneo de Manila University – School of Law and was admitted to the Bar in 1998. His legal practice honed his expertise in business law, contract negotiations, and corporate governance. His extensive experience in real estate and corporate law continues to be an asset in shaping legal policies and frameworks for PHC.

- **Atty. Carlos Luis L. Fernandez**, Filipino, Corporate Secretary, is a lawyer and certified public accountant with extensive experience in legal affairs, finance, and corporate governance. He currently serves as Executive Vice-President and Chief Operating Officer of Philippine Airlines, Inc. ("PAL"). He joined the Lucio Tan Group of Companies in 2019 and has since held various leadership and legal positions across the Group. In January 2022, he was appointed Senior Vice-President, General Counsel, and Compliance Officer of PAL. In August 2023, he was designated Officer-in-Charge, Executive Vice-President – a role he held until May 2025 – during which he managed the airline's day-to-day operations, including both commercial and operations. In June 2025, he was formally appointed as EVP and COO, continuing to lead PAL's strategic and operational priorities.

Prior to joining the Lucio Tan Group, Atty. Fernandez was a Partner at the Law Office of Laguesma Magsalin Fernandez & Quirolgico, where he specialized in corporate law, and labor and employment law. His background in private legal practice laid a strong foundation for his current leadership roles in the aviation and corporate sectors.

In addition to his role at PAL, he serves as Corporate Secretary for several companies under the Lucio Tan Group, including Tanduary Distillers, Inc., Pan-Asia Securities Corporation, and PNB Holdings Corporation.

- **Atty. Richard V. Ko**, Filipino, Assistant Corporate Secretary, is a versatile lawyer who holds various roles. He started in 2012 as an entrepreneur and as an Assistant Professor in De La Salle University - Manila. In 2015, he joined the Law Firm of Laguesma Magsalin Consulta & Gastardo. In 2017, he joined public service as Political Affairs Officer and Supervising Political Affairs Officer in the House of Representatives. After the 17th Congress, Atty. Ko returned to private practice, teaching, and business. He was a former Professor at Philippine Cultural College and the Assistant Corporate Secretary of Petnet, Inc., and is currently a Partner at the Law Firm of Magsalin Fernandez & Quirolgico, a Director at Richbright Corporation, Assistant Professor at De La Salle University – Manila, Corporate Secretary at GE Antonino, Inc., Scepter Trading, Inc., Darel Investments Corporation, Archnation Visualization Studios, Inc., and Wemilco Management & Development, Inc. He is also the Assistant Corporate Secretary of PNB Holdings Corporation, and Cooptechnologies, Inc. Atty. Ko graduated with honors from De La Salle University - Manila with the degree of Bachelor of Science in Entrepreneurship. He earned his Juris Doctor degree from the same university.
- **Gladys Grace K. Uy**, Filipino, is the Company's Vice-President for Human Resources and Administration. She has more than 23 years of extensive experience in human resource management, which became instrumental in shaping HR policies and organizational development strategies in various industries. She currently serves as Vice President for HR and Administration at PHC, bringing her deep expertise in talent management,

employee relations, and corporate culture development. Uy previously worked at Eton Properties Philippines, Inc. for over a decade, where she rose to the position of Senior Assistant Vice President in the Human Resources Department. During her tenure, she played a pivotal role in formulating HR strategies, leadership development programs, and employee engagement initiatives. Her career also includes serving as HR and Admin Head at Burgundy Global Exploration Corporation and as an HR Officer at Y.I. Group of Companies, where she refined her expertise in talent acquisition and workforce planning. She holds a Bachelor of Science in Commerce, Major in Business Management from the University of Santo Tomas. Uy continues to be a driving force in modern HR practices, focusing on fostering workplace excellence and leadership development at PHC.

- **Atty. Mildred Ann M. Gonzales**, Filipino, Vice-President for Legal, was admitted to the Philippine Bar since May 2, 2008. She started as an Associate Attorney in the Law Offices of Jimenez Gonzales Bello Valdez Caluya and Fernandez and had extensive experience dealing with corporate, taxation, litigation, labor, immigration and intellectual property laws. After three years in the law firm, she worked with leading property developers, providing sound legal advice to Management and displaying her strategic business acumen in land acquisitions, conversion, boundary disputes, expropriation, tax matters, corporate governance, employee relations and contract negotiations. She dealt with various government agencies and regulatory bodies, as well as tribunals where she played a pivotal role in ensuring that business objectives are met and mitigating risks for major real estate projects. Atty. Gonzales holds a Bachelor of Laws degree from San Beda College and a Bachelor of Science in Commerce, Major in Legal Management from De La Salle University.
- **Becky D. Co**, Filipino, Vice-President for Treasury, brings more than 30 years of expertise in treasury and financial management, with a strong background in corporate finance, cash flow management, and financial planning. Before joining PHC, she held the position of Senior Assistant Vice President for Treasury Cash Management Services at SM Development Corporation, where she was instrumental in overseeing liquidity and optimizing financial operations. Her career also includes serving as Assistant Vice President and Controller at Phinma Inc., where she managed corporate financial reporting and internal controls. Additionally, she was Vice President of Treasury, Credit, and Collections at FEP Printing Corporation, leading efforts in financial stability and risk management. A Certified Public Accountant, Co earned her Bachelor of Science in Commerce, majoring in Accounting, from De La Salle University. Beyond her corporate achievements, she has been actively involved in community service, serving as the Charter President of the Rotary Club of Kalayaan and later as its Centennial President in 2005.
- **Winnie K. Ong**, Filipino, Vice-President for Internal Audit, is a finance and auditing professional with 15 years of experience, building her career in financial compliance, risk management, and internal controls. As Vice President for Internal Audit at PHC, she brings extensive expertise in corporate governance and internal audit strategies. Before joining PHC, she held key positions at Globe Telecom, Inc., where she advanced from Audit Expert to Senior Audit Manager. Her earlier career includes finance leadership roles at Richbright Corporation, Sanford Marketing Corporation (SaveMore/SM Group), and Smart Communications, Inc. Ong is a Certified Public Accountant (CPA), Certified Internal Auditor (CIA), and Certified Control Self-Assessment (CCSA) professional. She earned a Bachelor of Science in Accountancy from De La Salle University, graduating with Honorable Mention.
- **Julio Jude D. Montinola**, Filipino, is the Company's Vice-President for Business Development. JJ's career spans 31 years in business development, project management,

and property management and has held key leadership roles across some of the country's top conglomerates. Before leading PHC's Business Development unit, he served as Vice President for Property at House of Investments, Inc., where he was responsible for overseeing the group's premier office tower in Bonifacio Global City, Taguig City, managing an ongoing construction of a 27-storey prime office tower along Sen. Gil J. Puyat, Makati City, and acting as the group's representative in a multinational consortium that won the contract to develop an International Airport Complex in Sangley Point, Cavite Province. Other roles held were as Head of Property Management at Shang Properties Incorporated, Assistant Vice President for Business Development at Roxas and Company Incorporated, Business Development Manager of Balibago Waterworks, Division Manager at Ayala Land, Assistant Vice President for Business Development at SM Land, Inc., Head of Commercial Centers at Greenfield Development Corporation, Senior Leasing Manager at Robinsons Land Corporation and JAKA Investments Corporation. JJ holds a Bachelor of Science degree in Business Administration, Majoring in Business Management from De La Salle University. With his extensive background in business growth and strategic property management, Montinola plays a crucial role in driving PHC's redevelopment initiatives.

- **Engr. Eric R. Potente**, Filipino, Vice-President for Purchasing, has dedicated more than 34 years to the construction and real estate industry. His career includes 28 years at Rockwell Land Corporation, where he rose to the position of Assistant Vice President of Project Development and later served as a consultant. Engr. Potente's extensive knowledge in civil engineering is backed by his Bachelor of Science degree in Civil Engineering from the Mapua Institute of Technology. A Licensed Civil Engineer, he has continuously contributed to the industry by ensuring the efficient planning and execution of major real estate projects.
- **Architect Eleno A. De Paz**, Filipino, Vice-President for Planning and Design, has gained 27 years of comprehensive expertise in architecture, design, urban planning, and construction. Arch. De Paz has shaped commercial and residential developments for leading real estate firms most recent leadership roles include serving as Head of the Planning and Design Department at Arthaland and Vice President for Planning and Design at Eton Properties Philippines, Inc. His architectural career spans across multiple organizations, where he contributed to urban planning, technical design, and project management. He was previously Head of the Technical Planning Department at Federal Land Inc., Assistant Vice President for Planning at Nuvoland Philippines Inc., and DIM Group Lead (Project Manager) at Duotal Ltd. His technical expertise was further honed through roles such as Associate Architect at CASAS+ARCHITECTS, Senior Architect/Partner at MDR Architects, and Senior Architect/CADD Supervisor at FMM Architects. Beyond corporate practice, Arch. De Paz was a faculty member at the Technological Institute of the Philippines, sharing his knowledge with aspiring architects. He holds a Bachelor of Science in Architecture from the Polytechnic University of the Philippines, completed through the Japan-Philippines Cooperation University program via JICA (Japan International Cooperation Agency). He attended the Master of Architecture program at the Technological University of the Philippines.
- **Rashimia Sarah S. Velasquez**, Filipino, Vice-President for Leasing Management, brings over 15 years of extensive experience in leasing management, business development, and real estate operations. Her career spans leadership roles in prominent property development firms, where she has driven strategic leasing initiatives and tenant relations for major commercial and office projects. Prior to joining PNB Holdings Corporation as Vice President for Leasing Management, Velasquez served as Senior Assistant Vice President and Office Leasing Head at Filinvest Cyberparks, Inc., where she spearheaded leasing strategies for prime office spaces in key business districts. She also held a dual

role at Robinsons Land Corporation as Leasing Head for its flexible workspace brand, work.able, and Assistant Director for the Commercial Innovations Group, leading initiatives that enhanced tenant experience and introduced innovative leasing solutions. Her earlier experience includes serving as Business Development Manager at Diversified Technology Solutions International, Assistant Manager at KMC MAG Group, Inc., and Investment Consultant at Megaworld Corporation, where she honed her expertise in property investment and client advisory services. Velasquez earned her Bachelor of Arts in Humanities from the University of Asia and the Pacific, equipping her with a strong foundation in communication and strategic thinking essential for high-level corporate engagements.

- **Engr. Ryan T. Miranda**, Filipino, brings more than twenty-five years of extensive experience in property operations, asset management, and building administration across some of the country's most reputable developers to his role as Vice-President for Property Management of the Company. A licensed mechanical engineer with deep industry expertise, he has built a distinguished career advancing high-performance property portfolios and ensuing exceptional operational standards.

Before joining the Company, he served as Senior Director for Property Management at Robinsons Land Corporation. His career includes senior leadership roles such as Assistant Vice-President and Operations Head at Omni Orient Management Corporation; Assistant Vice-President and Property Director of Philam Life Tower under Philam Properties Corporation; and Operations Manager of The Shang Grand Tower for Shang Property Management Services Inc.

He also held key positions at Ayala Property Management Corporation, including Senior Property Manager of Tower One and Exchange Plaza, Building Administrator of the 6750 Ayala Office Tower, Building Administrator of Convergys, and Office Leasing Administrator of Ayala Life FGU Center in Makati. Earlier in his career, Engr. Miranda gained engineering and quality assurance experience with Infinity Tower Condominium Corporation, Takasago Philippines Inc., and Ramcar Technology Incorporated.

He completed the Executive Real Estate Development Program at the Asian Institute of Management and earned his Bachelor of Science in Mechanical Engineering, with specialization in Computer Applications, from De La Salle University.

- **Engr. Marco Antonio A. De Guzman**, Filipino, brings over two decades of extensive leadership experience in construction project management and project operations to his role as Vice-President for Construction Management of the Company. A licensed Civil Engineer with Certificate in Project Management (CIPM), he has built a distinguished career across some of the country's most reputable real estate and construction organizations.

Before joining the Company, he served as Senior Assistant Vice-President at Filinvest Alabang, Inc., where he oversaw a diverse portfolio of residential, office, institutional, and land development projects. His extensive career includes key leadership roles such as Project Director at Makati Development Corporation; Project Manager at Megawide Construction Corporation, SM Development Corporation, and Rockwell Land Corporation; Assistant Construction Manager at Jose Aliling Construction Management, Inc.; and Project Construction Management Engineer at Archen Technologies, Inc.

Engr. De Guzman holds a Bachelor of Science in Civil Engineering, major in Construction Technology and Management, from De La Salle University – Manila.

The directors, executive officers, and key personnel of the Company are committed to good corporate governance, an essential aspect of strategic business management. They make every effort to promote awareness of this policy and the Company's Manual of Corporate Governance throughout the organization.

SIGNIFICANT EMPLOYEES

While the Company values all its employees, no individual or singular employee/s is expected to contribute more significantly than the others to the business of the Company.

FAMILY RELATIONSHIPS

Dr. Lucio C. Tan (the Chairman of the Board) is the father of Ms. Karlu T. Say (President), and the grandfather of Mr. Lucio C. Tan III (a Director).

INVOLVEMENT IN CERTAIN LEGAL PROCEEDINGS (OVER THE PAST 5 YEARS)

None of the Directors or Executive Officers of the Company is involved in any material pending legal proceedings in any court or administrative agency of the government. Furthermore:

- a. None of them has been involved in any bankruptcy petition.
- b. None of them has been convicted by final judgment in a criminal proceeding or being subject to a pending criminal proceeding, both domestic and foreign.
- c. None of them has been subject to any order, judgment, or decree of any court of competent jurisdiction (domestic or foreign) permanently or temporarily enjoining, barring, suspending, or otherwise limiting their involvement in any type of business, securities, commodities, or banking activities.
- d. None of them has been found by a domestic or foreign court of competent jurisdiction (in a civil action), the Commission 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.

EXECUTIVE COMPENSATION

Summary Compensation Table

Information concerning the compensation of the officer acting as the Company's Chief Executive Officer, the four (4) most highly compensated executive officers other than the officer acting as CEO, and the aggregate as to all officers and directors as a group, for the last two (2) fiscal years and the ensuing year is as follows:

| Name and Principal Position | Year | Salary | Bonus | Other Annual Compensation |
|--|--------------------|---------------|--------------|----------------------------------|
| Karlu T. Say <i>President</i> | 2025 (estimate) | ₱28.009 mil | - | ₱ 3.981 mil |
| Joselito R. Consunji <i>Chief Operating Officer⁸</i> | | | | |
| Ponciano S. Carreon, Jr. <i>Chief Financial Officer</i> | 2024 | ₱27.460 mil | - | ₱ 3.866 mil |
| Michael Leslie D. Delos Reyes <i>Chief Risk and Compliance Officer</i> | | | | |
| Gladys Grace K. Uy <i>Vice-President for Human Resources and Administration</i> | 2023 | ₱19.249 mil | - | ₱ 2.709 mil |
| | | | | |
| All other officers and directors as a group unnamed | 2025 (estimate) | ₱51.342 mil | - | ₱7.229 mil |
| | 2024 | ₱54.242 mil | - | ₱7.524 mil |
| | 2023 | ₱39.151 mil | - | ₱5.512 mil |

Compensation of Directors

1. Standard Arrangements. A Director of the Company receives a *per diem* of P25,000.00 for every Board meeting, and P25,000.00 for every Committee meeting, attended.
2. Other Arrangements. There are no other arrangements regarding compensation between the Company and any of the Directors for services provided as a Director.

Employment Contracts and Termination of Employment and Change-in-Control Arrangements

There are no employment contracts between the Company and any of its incumbent Directors, while Executive Officers are covered by standard employment contracts.

Warrants and Options Outstanding

No warrants or options on the Company's shares of stock have been issued or given to the Directors or Executive Officers as a form of compensation for services rendered.

⁸ Resigned effective February 2026

SECURITY OWNERSHIP OF CERTAIN RECORD AND BENEFICIAL OWNERS AND MANAGEMENT

As of 15 February 2026, the following are the record and/or beneficial owners of more than five percent (5%) of the Company's shares:

| Title of Class | Name and Address of Record Owner and relationship with Issuer | Name of Beneficial Owner and relationship with Record Owner | Citizenship | No. of Shares | Percent of Class |
|----------------|--|---|--|----------------|------------------|
| Common | <p>Philippine National Bank PNB Financial Center, Pres. Diosdado Macapagal Blvd., Pasay City</p> <p style="text-align: center;"><i>Stockholder</i></p> | Record Owner | Filipino | 23,456,934,700 | 49.98% |
| Common | <p>All Seasons Realty Corp. Makati City 156,978,900 shares <i>Stockholder</i></p> <p>Allmark Holdings Corp. Makati City 325,141,300 shares <i>Stockholder</i></p> <p>Caravan Holdings Corporation Marikina City 1,286,742,300 shares <i>Stockholder</i></p> <p>Donfar Management Ltd. Makati City 482,394,200 shares <i>Stockholder</i></p> <p>Dunmore Development Corp. (X-496) Pasig City 237,538,100 shares <i>Stockholder</i></p> <p>Dynaworld Holdings, Inc. Pasig City</p> | Majority-owned and Controlled by LT Group, Inc. | Filipino Filipino Filipino Filipino Filipino | 14,320,811,900 | 30.51% |

| | | | | |
|--|---|--|----------|--|
| | 178,656,000 shares <i>Stockholder</i> | | | |
| | Fast Return Enterprises, Ltd. Makati City 284,862,400 shares <i>Stockholder</i> | | Filipino | |
| | Fil-Care Holdings, Inc. Quezon City 399,292,300 shares <i>Stockholder</i> | | Filipino | |
| | Fragile Touch Investment, Ltd. Makati City 356,072,700 shares <i>Stockholder</i> | | Filipino | |
| | Ivory Holdings, Inc. Makati City 325,724,400 shares <i>Stockholder</i> | | Filipino | |
| | Kenrock Holdings, Corp. Makati City 408,192,700 shares <i>Stockholder</i> | | Filipino | |
| | Kentwood Development Corp. Quezon City 270,426,200 shares <i>Stockholder</i> | | Filipino | |
| | Key Landmark Investments Ltd. Makati City 2,090,956,200 shares <i>Stockholder</i> | | Filipino | |
| | La Vida Development Corp. Quezon City 144,896,900 shares <i>Stockholder</i> | | Filipino | |
| | La Vida Development Corp. A/C 2423 | | Filipino | |

| | | | | |
|---|--|--|----------|--|
| <p>Quezon City 162,716,400 shares <i>Stockholder</i></p> | | | | |
| <p>Leadway Holdings, Inc. Pasig City 1,024,635,400 shares <i>Stockholder</i></p> | | | Filipino | |
| <p>Mavelstone International Limited Makati City 463,995,600 shares <i>Stockholder</i></p> | | | Filipino | |
| <p>Merit Holdings & Equities Corp. Quezon City 272,756,000 shares <i>Stockholder</i></p> | | | Filipino | |
| <p>Multiple Star Holdings Corp. Makati City 483,182,700 shares <i>Stockholder</i></p> | | | Filipino | |
| <p>Pioneer Holdings Equities, Inc. Pasig City 537,403,700 shares <i>Stockholder</i></p> | | | Filipino | |
| <p>Profound Holdings, Inc. Makati City 286,197,000 shares <i>Stockholder</i></p> | | | Filipino | |
| <p>Purple Crystal Holdings, Inc. Manila City 382,878,100 shares <i>Stockholder</i></p> | | | Filipino | |
| <p>Safeway Holdings & Equities, Inc. Quezon City 189,030,500 shares <i>Stockholder</i></p> | | | Filipino | |

| | | | | | |
|--|---|--|----------|--|--|
| | <p>Society Holdings, Inc. Quezon City 271,395,900 shares <i>Stockholder</i></p> | | Filipino | | |
| | <p>Solar Holdings, Inc. Pasig City 1,286,742,300 shares <i>Stockholder</i></p> | | Filipino | | |
| | <p>Total Holdings Corporation Pasig City 250,940,700 shares <i>Stockholder</i></p> | | Filipino | | |
| | <p>True Success Profits Ltd. Makati City 1,286,742,300 shares <i>Stockholder</i></p> | | Filipino | | |
| | <p>Uttermost Success, Ltd. Makati City 474,320,700 shares <i>Stockholder</i></p> | | Filipino | | |

Security Ownership of Directors and Management

| Title of Class | Name of Beneficial Owner | Amount and Nature of Beneficial Ownership | Citizenship | Percent of Beneficial Ownership |
|----------------|--------------------------|---|-------------|---------------------------------|
| Common | Lucio C. Tan | 15,299,626,462 (Indirect) | Filipino | 32.6% |
| | | 232,869,200 (Direct) | | 0.50% |
| Common | Karlu T. Say | 100 | Filipino | Nil |
| Common | Lucio C. Tan III | 100 | Filipino | Nil |
| Common | William T. Lim | 100 | Filipino | Nil |
| Common | Cielo Macapagal-Salgado | 100 | Filipino | Nil |
| Common | Elaine Y. Co | 1 | Filipino | Nil |
| Common | Ma. Cecilia Gonzalez | 1 | Filipino | Nil |
| Common | Rowena Nazareth | 1 | Filipino | Nil |
| Common | Eusebio V. Tan | 100 | Filipino | Nil |
| Common | Joselito Consunji | 0 | Filipino | Nil |

| | | | | |
|--------|-----------------------------|----------------|----------|-------|
| Common | Ponciano S. Carreon, Jr. | 0 | Filipino | Nil |
| Common | Carlos Luis L. Fernandez | 0 | Filipino | Nil |
| Common | Richard V. Ko | 0 | Filipino | Nil |
| Common | Michael Leslie Delos Reyes | 0 | Filipino | Nil |
| Common | Gladys Grace K. Uy | 0 | Filipino | Nil |
| Common | Mildred Ann M. Gonzales | 0 | Filipino | Nil |
| Common | Becky D. Co | 0 | Filipino | Nil |
| Common | Winnie K. Ong | 0 | Filipino | Nil |
| Common | Julio Jude D. Montinola | 0 | Filipino | Nil |
| Common | Eric R. Potente | 0 | Filipino | Nil |
| Common | Rashimia Sarah S. Velasquez | 0 | Filipino | Nil |
| Common | Eleno A. De Paz | 0 | Filipino | Nil |
| Common | Ryan T. Miranda | 0 | Filipino | Nil |
| Common | Marco Antonio A. de Guzman | 0 | Filipino | Nil |
| Total | | 15,532,496,165 | | 33.1% |

VOTING TRUST HOLDERS OF 5% OR MORE

There are no voting trust holders of 5% or more of the Common shares.

CHANGE IN CONTROL

As of 15 February 2026, the Dividend Distribution which was at 98.08%, resulted in the dilution of PNB's ownership interest in the Company to 49.98%. Upon completion of the Dividend Distribution, PNB's ownership in the Company is expected to be further diluted to approximately 49%

CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

As of 30 September 2025, the Company has transactions with PNB and other related parties as follows:

1. The Company's cash in bank and cash equivalents are deposited with PNB. Interest income on cash in bank and cash equivalents amounted to P78.9 million and P68.3 million for the nine months ended September 2025 and September 2024, respectively.
2. The Company's investment in UITF Peso Money Market Fund is with PNB. Trading gain on the investment in UITF amounted to P98,897 and P91,648 for the nine months ended September 2025 and September 2024, respectively.
3. The Company has various lease contracts with its related parties for the use of its office spaces. Outstanding lease receivables as of 30 September 2025 and 31 December 2024 amounted to P339.1 million and P811.5 million, respectively.

The related security deposits and advance rental received amounted to P211.1 million and P200.3 million as of 30 September 2025, respectively, and P227.8 million and P206.3 million as of 31 December 2024, respectively. Year-to-date rental income and rental dues recognized amounted to P616.3 million and P823.6 million as of 30 September 2025 and 30 September 2024, respectively.

4. The Company has existing service contract agreements with Basic Holdings Corporation. Total management fee recognized under "Outside services" in the financial statements amounted to P22.7 million and P32.2 million for the nine months ended 30 September 2025 and 30 September 2024, respectively.

PRINCIPAL SHAREHOLDERS

Philippine National Bank

The Philippine National Bank (“PNB”), the country’s first universal bank, is one of the largest local private commercial banks in terms of assets, net loans and receivables, capital and deposits. PNB provides a full range of banking and other financial services, which include deposit-taking, lending, bills discounting, trade finance, foreign exchange dealings, investment banking, treasury operations, fund transfers, remittance and trust services, through its 635 domestic branches as of 30 September 2025. As of the same date, PNB has 69 overseas branches, representative offices, remittance centers and subsidiaries, in 17 jurisdictions in Asia, North America and Europe.

In July 2016, PNB celebrated its Centennial Year with the theme, “A Century of Excellence”, signifying a meaningful milestone for an institution that has served generations of Filipinos here and abroad. For over 100 years, PNB stands proud as an institution of stability and security for many Filipinos. With its century of banking history and experience, PNB is poised to move forward to becoming a more dynamic, innovative and service-focused bank, providing service excellence to Filipinos all over the world.

Forbes media ranked PNB as 2nd Best Bank in the Philippines in its list of 2023 World’s Best Banks in April 2023. Furthermore, in April 2024, PNB was ranked first in the Philippines in Forbes’ list of World’s Best Banks for 2024. The ranking was based on a worldwide survey of more than 49,000 banking customers in 33 countries. PNB was among the 403 leading and best banks to be included in the global magazine giant’s ranking. The banks were rated in five key areas – trustworthiness, terms and conditions (such as fees and rates), customer service (wait times and helpfulness of employees), digital services (ease of using the website and app), and quality of financial advice.

In September 2024, PNB was awarded for the third straight year with the prestigious Four Golden Arrows by the Institute of Corporate Directors (ICD) at the 2024 ASEAN Corporate Governance Scorecard Golden Arrow Awards Night. The award recognized the Bank’s consistency and commitment to uphold good corporate governance in its business practices. The award also affirmed that the Bank is on the right path in living its corporate values of trust and integrity while sustaining profitability and delivering service excellence. The Golden Arrow Recognition, given by the ICD is the highest corporate governance award given to the country’s top publicly listed companies based on the ASEAN Corporate Governance Scorecard assessment results.

LT Group, Inc.

LT Group, Inc. (“LTG”) was incorporated in the Philippines and registered with the SEC in 1937 under the name “The Manila Wine Merchants, Inc.” for the purpose of engaging in the trading business. In 1947, its shares were listed in the PSE.

In 1995, the SEC approved the change in the company’s name to “Asian Pacific Equity Corporation” and the change in its primary purpose to that of a holding company. In 1999, it acquired Twin Ace Holdings Corp., now known as Tanduay Distillers, Inc. (“TDI”), a producer of distilled spirits.

In 1999, the SEC approved the change in the company’s corporate name from “Asian Pacific Equity Corporation” to “Tanduay Holdings, Inc”.

In 2012, its stockholders approved the amendment in its Articles of Incorporation and By-Laws to reflect the change in its corporate name from “Tanduary Holdings, Inc.” to “LT Group, Inc.” which was approved by the SEC on September 28, 2012. The Company’s primary purpose is to engage in the acquisition by purchase, exchange, assignment, gift or otherwise; and to hold, own and use for investment or otherwise; and to sell, assign, transfer, exchange, lease, let, develop, mortgage, enjoy and dispose of any and all properties of every kind and description and wherever situated, as to and to the extent permitted by law.

After a series of restructuring activities in 2012 and 2013, LTG has expanded and diversified its investments to include the beverages, tobacco, property development and banking businesses, all belonging to Mr. Lucio C. Tan and his family and assignees.

As of 31 December 2024 and 2023, LTG was 74.36%-owned by its ultimate parent company, Tangent Holdings Corporation.

As of the date of this Prospectus, LTG has interests in the following businesses:

- **Distilled Spirits** — LTG conducts its distilled spirits business through its 100%-owned subsidiary TDI. TDI is the second-largest distilled spirits producer in the Philippines according to Nielsen Philippines, with an approximate 32% share of the Philippine spirits market in 2024.
- **Beverages** — LTG conducts its beverage business through its 99.9%-owned subsidiary, Asia Brewery, Incorporated (“ABI”). ABI is one of the Philippines’ leading beverage manufacturers, producing energy drinks, bottled water, and soymilk.
- **Tobacco** — LTG conducts its tobacco business through its 99.6% ownership in Fortune Tobacco Corporation, which in turn owns 49.6% of PMFTC. PMFTC is the leading tobacco manufacturer and distributor in the Philippines with an estimated 51.0% market share in the year 2024.
- **Banking**— LTG conducts its banking business through Philippine National Bank (“PNB”). PNB is the Philippines’ first universal bank. LTG’s indirect ownership in PNB is approximately 56.47%. PNB is one of the largest local private commercial banks in terms of assets, net loans and receivables, capital and deposits.
- **Property Development** — LTG conducts its property development business through Paramount Landequities, Inc. and Saturn Holdings, Inc., with an effective indirect ownership of 99.6% in Eton Properties Philippines, Inc. (“Eton”). Eton has a diverse portfolio of property development projects in various areas throughout the Philippines, primarily in Metro Manila and surrounding areas, and access to the large land bank of the Lucio Tan Companies. Eton’s project portfolio mainly comprises residential real estate projects (including large-scale township projects). Eton also develops and leases out commercial properties to retail and BPO tenants.

PHILIPPINE TAXATION

The information provided on Philippine taxation is rooted in the laws effective as of the date of this Prospectus and may be influenced by any legal modifications made after that date, including potential retroactive changes. The tax implications for a potential investor could differ based on the investor's specific circumstances. This summary does not claim to cover every tax consideration that could be relevant to all investors. This general overview does not aim to serve as a complete account of the Philippine tax implications concerning investments in the Common Shares, and it does not present information about the tax implications of acquiring, owning, holding, or selling shares under the tax laws of other relevant jurisdictions. Furthermore, this section of the Prospectus does not aim to address the specific tax consequences related to particular circumstances of acquiring, owning, holding, and disposing of shares in those other jurisdictions. This summary does not claim to cover all tax considerations that could be relevant to a holder of the Common Shares.

In this section, the phrase "resident alien" refers to a person whose residence is located in the Philippines but who is not a citizen of said country. Conversely, a "non-resident alien" refers to a person whose residence is outside the Philippines and who is not a Philippine citizen. A non-resident alien present in the Philippines for a total of over 180 days in any calendar year is deemed a "non-resident alien engaged in trade or business in the Philippines"; on the other hand, a non-resident alien who stays in the Philippines for 180 days or fewer in any calendar year may be classified as a "non-resident alien not engaged in trade or business within the Philippines." A "domestic corporation" refers to a company that is established or formed under Philippine law, whereas a "resident foreign corporation" is a foreign entity operating in commercial activities within the Philippines. A "non-resident foreign corporation" refers to a foreign corporation that does not conduct trade or business in the Philippines.

Philippine Tax Reforms

On 1 January 2018, Republic Act No. 10963, commonly referred to as the "Tax Reform for Acceleration and Inclusion" ("TRAIN") Act, came into force. The TRAIN Act modified sections of the National Internal Revenue Code of 1997, as Amended ("Tax Code") such as those related to the Documentary Stamp Tax, taxes on interest income and other distributions, Estate Tax, and Donor's Tax. Although the TRAIN Act introduced significant modifications to personal income tax, it did not make alterations to corporate income tax. This was tackled in the second installment of the Comprehensive Tax Reform Program ("CTRP") or Republic Act No. 11534, commonly referred to as the Corporate Recovery and Tax Incentives for Enterprises Act ("CREATE"), which became law on 26 March 2021, revising aspects of the Tax Code, concerning, among other things, corporate income tax, reducing corporate income taxes, and updating fiscal incentives to supplement the anticipated additional revenues from the first package.

There is no guarantee that the Philippine government will not implement economic limitations or regulatory measures that could hinder free access to foreign currency. Any such limitations might significantly hinder the Company's capacity to pay for essential inputs or fulfill its foreign currency payment obligations, potentially having a profound and negative impact on its financial status and operational performance.

Tax on Dividends

Dividends in cash and property received from a domestic corporation by individual shareholders are citizens or residents of the Philippines are liable for income tax at a rate of

10%, which the Company will withhold. Dividends in cash and property that domestic corporations or resident foreign corporations receive from a domestic corporation are exempt from taxation.

Cash and property dividends obtained from a domestic corporation by non-resident alien individuals involved in trade or business in the Philippines incur a 20% tax on the gross amount. In contrast, cash and property dividends received by non-resident alien individuals not engaging in trade or business in the Philippines face a tax rate of 25% on the gross amount, subject to applicable preferential tax rates under tax treaties established between the Philippines and the country of residence or domicile of these non-resident foreign individuals. A non-resident alien visiting the Philippines and remaining in the country for a total of over 180 days in any calendar year will be considered a nonresident alien involved in trade or business in the Philippines. A non-resident alien arriving in the Philippines and remaining in the country for a total of 180 days or fewer within a calendar year is regarded as a non-resident alien not involved in trade or business in the Philippines.

Cash and property dividends received from a domestic corporation by a non-resident foreign corporation not involved in trade or business in the Philippines are typically subject to income tax at a final withholding tax rate of 25%, effective from 1 July 2020. In accordance with the tax sparing rule specified in Section 28(B)(5)(b) of the Tax Code, cash and property dividends received are subject to final withholding tax at a rate of 15%; provided that the country where the non-resident foreign corporation is based (i) does not levy taxes on foreign-sourced dividends or (ii) permits a credit against the tax liabilities of the non-resident foreign corporation for taxes that are considered to have been paid in the Philippines, equivalent to the difference between the standard 25% corporate income tax and the 15% dividend tax.

To benefit from the 15% tax sparing rate, a non-resident foreign corporation needs to submit an application to the BIR for a confirmatory ruling regarding its eligibility in accordance with Revenue Memorandum Order No. 46-20 (Guidelines and Procedures for Availing the Reduced Rate of 15% on Intercompany Dividends Paid by a Domestic Corporation to a Non-resident Foreign Corporation Under Section 28 (B) (5) (b) of the National Internal Revenue Code of 1997, as Amended, dated December 23, 2020). The application must be submitted within 90 days from "the payment of the dividends or from the foreign tax authority's determination of the deemed paid tax credit/non-imposition of tax due to the exemption, whichever occurs later."

A local corporation does not need to obtain a ruling from the BIR before applying the tax sparing rate when it pays out dividends. However, it is necessary to assess whether, according to the laws of the country where the non-resident foreign corporation is domiciled, this non-resident foreign corporation receives the relevant "deemed paid" tax credit or an exemption from income tax on those dividends.

The tax rates mentioned above are without prejudice to the preferential tax rates that may apply under existing tax treaties between the Philippines and the non-resident holder's country of residence. The majority of tax treaties involving the Philippines stipulate a lower tax rate of 15% when dividends are generated in the Philippines and paid to a resident of the other contracting nation. Furthermore, certain treaties stipulate that the withholding tax rate can be lowered to 10% when the recipient of the dividend beneficially holds at least 10% or 25% of the issuer, depending on the applicable treaty. Nonetheless, the majority of tax treaties also state that lower withholding tax rates will not be applicable if the recipient of the interest or dividend, residing in the other contracting state, engages in business in the Philippines through a permanent establishment and the ownership of the pertinent dividend-earning interest is substantially associated to that permanent establishment.

Tax Treaties

In the Philippines, non-resident income earners may avail themselves of preferential tax treaty rates on dividends through the Tax Treaty Relief Application (TTRA) system. The Bureau of Internal Revenue ("BIR") has prescribed specific procedures for this purpose, primarily outlined in Revenue Memorandum Order No. 14-2021, and further clarified by Revenue Memorandum Circular Nos. 77-2021 and 20-2022.

Application of Preferential Rates

Withholding agents, such as the Issuer, may outright apply the preferential treaty rates for dividends of non-residents upon submission of either:

- BIR Form No. 0901 (or an equivalent Application Form for Treaty Purposes), a Tax Residency Certificate duly issued by the non-resident's foreign tax authority, and the relevant provision of the applicable tax treaty, along with all other documentary requirements specified in Revenue Memorandum Order No. 14-2021; or
- A Certificate of Entitlement to Treaty Benefits ("COE") that complies with Paragraph II of Revenue Memorandum Circular No. 20-2022, together with proof of compliance with the requisites cited in such certificate, each in form and substance satisfactory to the Issuer, as applicable. A COE is issued for approved TTRAs and contains the factual and legal basis for its approval.

These documents must generally be submitted to each withholding agent or income payor prior to the first payment of income. Failure to provide the required documents when requested may result in the application of regular withholding rates, without the benefit of the tax treaty.

Post-Withholding Procedures and Confirmation

When a withholding agent applies treaty rates on income earned by a non-resident, the agent is required to file a request for confirmation on the propriety of the applied withholding tax rates with the International Tax Affairs Division ("ITAD") of the BIR. This request must be filed at any time after the payment of the withholding tax, but no later than the last day of the fourth month following the close of each taxable year.

Conversely, if the regular withholding rates were imposed on the income, the non-resident themselves must file a TTRA with ITAD.

Effect of a Certificate of Entitlement to Treaty Benefits (COE)

Under Revenue Memorandum Circular No. 20-2022, taxpayers who have already been issued COEs, where the tenor allows the ruling to be applied to subsequent or future income payments, are no longer required to file a request for ruling or a new TTRA every time an income of a similar nature is paid to the same non-resident. However, the income payor or withholding agent must always be guided by the requisites mentioned in the COE when applying the confirmed treaty benefit to future income payments. For instance, if the COE specifies tax residency as a requisite for continuous enjoyment of the treaty benefit, the income payor must require the non-resident to submit a Tax Residency Certificate for the relevant year before making any payment.

Implications of BIR Rulings

The use of preferential rates is effected through the withholding of final taxes at the applicable treaty rates. While withholding agents or income payors can initially withhold at a reduced rate or exempt a non-resident based on the documents provided, the BIR may subsequently review the application.

If the BIR determines that the applied withholding tax rate is lower than what should have been applied under the treaty, or that the non-resident taxpayer is not entitled to treaty benefits, it will issue a ruling denying the request for confirmation or TTRA. Consequently, the withholding agent will be liable for the deficiency tax plus applicable penalties.

Conversely, if the BIR confirms the propriety of the applied withholding tax rate (or if it was higher than required), it will issue a certificate confirming the non-resident income recipient's entitlement to treaty benefits. In such a case, the taxpayer may apply for a refund of any excess withholding tax. The BIR reserves the right to require additional documents during its evaluation process. An adverse ruling from the BIR may be appealed to the Department of Finance within thirty (30) days from its receipt.

Tax Refund Process

Should a company withhold at the regular tax rate instead of the reduced rate applicable under an income tax treaty, a non-resident holder of the company's shares may file a claim for a refund from the BIR. However, it is important to note that the refund process in the Philippines typically involves the filing of an administrative claim and may necessitate a judicial appeal, which could be impractical to pursue. All claims for refund must be filed within the two-year prescriptive period provided under Section 229 of the Tax Code.

A claim for refund may be filed independently of, or simultaneously with, the TTRA. If filed independently, the office where it was filed will coordinate with and defer to ITAD for the resolution of the non-resident's entitlement to treaty benefits. If filed simultaneously, ITAD is responsible for endorsing the claim for refund to the proper office that handles tax refunds after resolving the TTRA. In any event, issues concerning the application and implementation of treaty provisions fall under the exclusive jurisdiction of ITAD.

Other Applicable Taxes

It is further clarified that transfer taxes, such as documentary stamp tax or local transfer tax, may be payable if dividends are declared as property dividends, depending on the nature of the property distributed.

Stock dividends distributed *pro rata* to all holders of shares are generally not subject to Philippine income tax. However, a stock dividend constitutes taxable income if it results in the shareholder acquiring an interest different from that which their former stock holdings represented. Conversely, a stock dividend does not constitute income if the new shares confer no different rights or interest than did the old ones. The subsequent sale, exchange, or disposition of shares received as property dividends by the holder is subject to either capital gains tax and documentary stamp tax, or stock transaction tax, as applicable.

The following table lists some of the countries with which the Philippines has tax treaties and the tax rates currently applicable to non-resident holders who are residents of those countries:

| | Dividends (%) | Stock transaction tax on sale or disposition effected through the PSE (%)⁽⁹⁾ | Capital Gains tax due on disposition of Shares outside the PSE (%) |
|----------------|----------------------|--|---|
| Canada | 25 ⁽¹⁾ | 0.01 | May be exempt ⁽¹³⁾ |
| China | 15 ⁽²⁾ | Exempt ⁽¹⁰⁾ | May be exempt ⁽¹³⁾ |
| France | 15 ⁽³⁾ | Exempt ⁽¹¹⁾ | May be exempt ⁽¹³⁾ |
| Germany | 15 ⁽⁴⁾ | Exempt ⁽¹²⁾ | May be exempt ⁽¹³⁾ |
| Japan | 15 ⁽⁵⁾ | 0.01 | May be exempt ⁽¹³⁾ |
| Singapore | 25 ⁽⁶⁾ | 0.01 | May be exempt ⁽¹³⁾ |
| United Kingdom | 25 ⁽⁷⁾ | 0.01 | Exempt ⁽¹⁴⁾ |
| United States | 25 ⁽⁸⁾ | 0.01 | May be exempt ⁽¹³⁾ |

Notes:

1. 15% if the recipient company, which is a resident of Canada, controls at least 10% of the voting power of the company paying the dividends; 25% in all other cases.
2. 10% if the beneficial owner is a company that holds directly at least 10% of the capital of the company paying the dividends; 15% in all other cases.
3. 10% if the recipient company (excluding a partnership) holds directly at least 10% of the voting shares of the company paying the dividends; 15% in all other cases.
4. 5% if the recipient company (excluding a partnership) holds directly at least 70% of the capital of the company paying the dividends; 10% if the recipient company (excluding a partnership) holds directly at least 25% of the capital of the company paying the dividends; 15% in all other cases.
5. 10% if the recipient company holds directly at least 10% of either the voting shares of the company paying the dividends or the total shares issued by that company during the period of six months immediately preceding the date of payment of the dividends; 15% in all other cases.
6. 15% if, during the part of the taxable year of the paying company which precedes the date of payment of dividends and during the whole of its prior taxable year, at least 15% of the outstanding shares of the voting shares of the paying company were owned by the recipient company; 25% in all other cases.
7. 15% if the recipient company is a company that controls directly or indirectly at least 10% of the voting power of the company paying the dividends; 25% in all other cases.
8. 20% if, during the part of the taxable year of the paying company which precedes the date of payment of dividends and during the whole of its prior taxable year, at least 10% of the outstanding shares of the voting shares of the paying corporation were owned by the recipient corporation; 25% in other cases. Notwithstanding the rates provided under the Convention between the Government of the Republic of the Philippines and the Government of the United States of America with respect to Taxes

on Income, corporations that are residents of the United States may avail of the 15% withholding tax rate under the tax-sparing clause of the Philippine Tax Code, provided certain conditions are met.

9. *If the stock transaction tax is not expressly included in the tax treaty, the income recipient will be subject to stock transaction tax at the rate of 0.6% of the gross selling price as provided under Section 127 of the NIRC as amended by Section 39 of the TRAIN Law.*
10. *Article 2(2)(b) of the Agreement between the Government of the Republic of the Philippines and the Government of the People's Republic of China for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income was signed on 18 November 1999.*
11. *Article 1 of the Protocol to the Tax Convention between the Government of the Republic of the Philippines and the Government of the French Republic signed on 9 January 1976, was signed in Paris, France, on 26 June 1995.*
12. *Article 2(3)(a) of the Agreement between the Government of the Republic of the Philippines and the Federal Republic of Germany for the Avoidance of Double Taxation with Respect to Taxes on Income and Capital was signed on 9 September 2013.*
13. *Capital gains are taxable only in the country where the seller is a resident, provided the shares are not those of a corporation, the assets of which consist principally of real property situated in the Philippines, in which case the sale is subject to Philippine taxes. Under the income tax treaty between the Philippines and the United Kingdom, capital gains on the sale of the shares of Philippine corporations are subject to tax only in the country where the seller is a resident, irrespective of the nature of the assets of the Philippine corporation.*

When availing of capital gains tax exemption on the sale of shares of stock under an income tax treaty, a tax treaty exemption ruling from the BIR shall be necessary in order to completely implement the transfer. For sale of shares made outside the PSE, a Certificate Authorizing Registration (“CAR”) from the BIR is required before the transfer is registered in the stock and transfer book. The BIR issues a CAR only after verifying that the applicable taxes have been paid. Thus, in lieu of proof of payment of capital gains tax, the tax treaty relief ruling should be submitted to the BIR office processing the CAR.

The requirements for a tax treaty relief application in respect of capital gains tax or the stock transaction tax on the sale of shares are set out in Revenue Memorandum Order No. 14-2021. These include documentary requirements such as the supporting contract; stock certificates; the General Information Sheet; secretary's certificate; BIR Form No. 0605; BIR Form No. 2000-OT; BIR Form No. 1707; audited financial statements; interim financial statements as of the date of transfer, and proof of residence in the country that is a party to the income tax treaty. Proof of residence consists of a consularized certification from the tax authority of the country of residence of the seller of shares which provides that the seller is a resident of such country under the applicable income tax treaty. If the seller is a juridical entity, authenticated certified true copies of its articles of incorporation or association issued by the proper government authority should also be submitted to the BIR in addition to the certification of its residence from the tax authority of its country of residence.

Tax on Sale, Exchange or Disposition of Shares

A sale or other disposition of shares of stock conducted through the facilities of the Philippine Stock Exchange ("PSE") by a resident or non-resident holder, excluding a dealer in securities, is subject to a stock transaction tax at the rate of zero point one percent (0.1%) of the gross selling price or gross value in money of the shares. This tax shall apply unless an applicable tax treaty specifically provides for an exemption. For purposes of this provision, a "dealer in securities" is defined as a merchant of stock or securities, whether an individual, partnership, or corporation, possessing an established place of business and regularly engaged in the purchase and resale of securities to customers with a view to profit.

This tax is a percentage tax collected by the selling stockbroker on behalf of its client and remitted to the Philippine Government. It is levied in lieu of capital gains tax for transactions effected through the PSE. It is important to note that exemptions from capital gains tax provided under certain tax treaties may not necessarily extend to the stock transaction tax.

The stock transaction tax will not apply to sales of shares effected outside the facilities of the PSE, including during periods of trading suspension. As clarified by PSE Memorandum CN-No. 2012-0046 dated 22 August 2012, the Securities and Exchange Commission ("SEC") may impose a trading suspension of not more than six (6) months on shares of a listed company that fails to comply with the Rule on Minimum Public Ownership ("MPO"), which mandates that listed companies maintain at least 10.0% of their issued and outstanding shares as publicly held at all times. In Memorandum Circular No. 13, series of 2017, the SEC increased the MPO to 20%. Sales of such listed company's shares during a trading suspension, being effected outside the PSE trading system, will consequently be subject to taxes applicable to the sale of unlisted or untraded shares, specifically capital gains tax and documentary stamp tax, and potentially even donor's tax.

Furthermore, the stock transaction tax will not apply even if the sale is conducted through the facilities of the PSE, if the shares sold are issued by a corporation that does not meet the MPO requirement. Revenue Regulations No. 16-2012 ("R.R. 16-12") explicitly provides that the sale, barter, transfer, and/or assignment of shares of listed companies failing to meet the MPO requirement after 31 December 2012, shall be subject to capital gains tax and documentary stamp tax. R.R. 16-12 also imposes an obligation on publicly listed companies to submit quarterly public ownership reports to the BIR within fifteen (15) days after the end of each quarter.

Capital Gains Tax on Sales Outside the PSE

For shares sold, exchanged, or disposed of **outside the facilities of the PSE**:

- **For individuals and domestic corporations (other than dealers in securities):** Pursuant to the Tax Reform for Acceleration and Inclusion (TRAIN) Law, the net capital gains realized by a citizen, resident alien (whether or not engaged in trade or business in the Philippines), or a domestic corporation during each taxable year from such transactions are subject to capital gains tax at the rate of fifteen percent (15%) of the net capital gains. For non-resident alien individuals, this sale, exchange, or disposition is also taxable at the rate of 15%, which constitutes a final withholding tax.
- **For resident foreign corporations and non-resident foreign corporations:** Upon the effectivity of the Corporate Recovery and Tax Incentives for Enterprises (CREATE) Law, the net capital gains realized by a resident foreign corporation or a non-resident foreign corporation during each taxable year from the sale, exchange, or disposition of shares of stock in a domestic corporation outside the facilities of the PSE are subject to fifteen percent (15%).

Moreover, it should be noted that if the fair market value of the shares of stock in a Philippine corporation sold outside the facilities of the local stock exchange exceeds the consideration received by the seller or the selling price, the amount of such excess shall be deemed a gift and consequently subject to donor's tax under Section 100 of the Tax Code. However, a sale, exchange, or other transfer of such shares outside the facilities of the local stock exchange made in the ordinary course of business (i.e., a bona fide, arm's length transaction free from donative intent) will be considered made for an adequate and full consideration in money or money's worth and will therefore not be subject to donor's tax.

The transfer of shares shall not be recorded in the books of a company unless the BIR has issued a Certificate Authorizing Registration (CAR), certifying that the capital gains and documentary stamp taxes related to the sale or transfer have been duly paid. Alternatively, a CAR may be issued if tax treaty relief has been confirmed by the International Tax Affairs Division of the BIR in respect of the capital gains tax, or if other specified conditions have been met.

Value-Added Tax (VAT)

A Value-Added Tax (VAT) of twelve percent (12%) may generally be imposed on the gross income earned by dealers in securities from the sale of shares and on the commission earned by PSE-registered brokers. This VAT is typically passed on to the client.

Documentary Stamp Tax (DST)

Under the Tax Code⁹, certain documents, instruments, papers, acceptances, assignments, sales, and transfers of obligations, rights, or property may be subject to documentary stamp tax. DST is levied, collected, and paid by the person making, signing, issuing, accepting, or transferring the document, regardless of where the document is executed, when the relevant obligation or right arises from a Philippine source or the relevant property is situated in the Philippines.

- **Original Issue of Shares:** The original issue of shares of stock is subject to DST of **seventy-five percent (75%) of one percent (1%)** of the par value of such shares of stock. For shares without par value, the DST is based on the actual consideration received for their issuance. In the case of stock dividends, the DST is based on the actual value represented by each share.
- **Secondary Transfer of Shares (Outside PSE):** The secondary transfer of shares of stock outside the facilities of the PSE (e.g., by assignment in blank, by delivery, or by any paper, agreement, or memorandum of transfer or sale, including transfers to secure future payment or for future stock transfer) is subject to a DST of **₱1.50 for every ₱200.00** par value, or a fractional part thereof. For shares without par value, the DST is equivalent to 50% of the DST paid upon the original issue of such stock.
- **Exemptions from DST:**
 - The sale, exchange, redemption, or other disposition of shares of stock listed and traded through a local or foreign stock exchange is **exempt** from DST.
 - The borrowing and lending of securities executed under a registered exchange's Securities Borrowing and Lending Program, or in accordance with regulations prescribed by the appropriate regulatory authority, are likewise **exempt** from DST. This exemption requires the securities borrowing

⁹ As amended by R.A. No. 122141 otherwise known as the "Capital Markets Efficiency Promotion Act"

and lending agreement to be duly covered by a master agreement acceptable to the appropriate regulatory authority and registered and approved by the BIR.

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

Estate and Donor's Tax

Shares issued by a corporation organized under Philippine laws are deemed to have a Philippine situs. Consequently, any transfer of these shares by way of donation or succession, even if made by a non-resident decedent or donor outside the Philippines, is subject to Philippine estate or donor's tax.

- **Estate Tax:** The transfer of shares of stock upon the death of an individual holder to their heirs by way of succession, regardless of the holder's citizenship or residence, is subject to Philippine estate tax at a flat rate of six percent (6%) of the value of the net estate.
- **Donor's Tax:** Individual and corporate holders, whether citizens or residents of the Philippines or not, who transfer shares of stock by way of gift or donation are liable to pay Philippine donor's tax at a flat rate of six percent (6%) of the total gifts or donations made during the calendar year in excess of ₱250,000.00. When property (other than real property subject to capital gains tax) is transferred for less than an adequate and full consideration in money or money's worth, the amount by which the fair market value of the property exceeded the value of the consideration shall be deemed a gift or donation subject to donor's tax. However, a sale, exchange, or other transfer of property made in the ordinary course of business, or a transaction made at arm's length and free from donative intent, will be considered made for an adequate and full consideration in money or money's worth, and will not be subject to donor's tax.
- **Reciprocity Exemption:** Estate and donor's taxes, however, shall not be collected in respect of intangible personal property, such as shares of stock, if:
 - The decedent at the time of death, or the donor at the time of donation, was a citizen and resident of a foreign country that, at the time of death or donation, did not impose a transfer tax of any character on intangible personal property of citizens of the Philippines not residing in that foreign country; OR
 - The laws of the foreign country of which the decedent or donor was a citizen and resident at the time of death or donation allow a similar exemption from transfer or death taxes of every character or description in respect of intangible personal property owned by citizens of the Philippines not residing in that foreign country.

Taxation Outside the Philippines

Shares of stock in a domestic corporation are considered under Philippine law as situated in the Philippines, and any gain derived from their sale is entirely from Philippine sources. Consequently, such gain is subject to Philippine income tax, and the transfer of such shares by gift (donation) or succession is subject to the donor's or estate taxes as detailed above.

The tax treatment of a non-resident holder of shares of stock in jurisdictions outside the Philippines may vary significantly depending on the tax laws applicable to such holder by reason of domicile or business activities, and such holder's particular situation. This

Prospectus does not purport to discuss the tax considerations on non-resident holders of shares of stock under laws other than those of the Republic of the Philippines.

PHILIPPINE STOCK MARKET

The information presented in this section has been extracted from publicly available documents which have not been prepared or independently verified by the Company or any of its affiliates or advisors in connection with the listing of the Common Shares.

Brief History

The Philippine equities market began with two stock exchanges: the Manila Stock Exchange, started on 8 August 1927, and the Makati Stock Exchange, started on 27 May 1963. Each was self-regulating and overseen by its own Board of Governors elected by members.

The Philippine government initiated steps that led to the merger of these two exchanges into the Philippine Stock Exchange, Inc. (PSE). The PSE was formed on 23 December 1992 by officers from both the Makati and Manila Stock Exchanges. On 4 March 1994, the Securities and Exchange Commission (SEC) gave the PSE its license to operate as a securities exchange and, at the same time, canceled the licenses of the two older exchanges. The PSE used to have two trading floors, one in Makati City and one in Pasig City, connected by an automated trading system that combined all buy and sell offers.

In February 2018, the PSE moved its main office to the PSE Tower in Bonifacio Global City, Taguig City. This tower now holds its corporate offices and a single trading floor. On 24 June 2022, the PSE closed its trading floor at the PSE Tower to move towards digital trading. Traders now conduct their activities off-site instead of at physical trading booths, embracing a remote setup. While the PSE has moved to "floorless trading," bell ringing ceremonies for new listings still happen at the PSE headquarters.

On 29 June 1998, the Philippine SEC granted the PSE Self-Regulatory Organization (SRO) status, allowing it to set rules and impose penalties on trading participants and listed companies that don't follow them. On 8 August 2001, the PSE completed its demutualization, changing from a non-stock, member-governed institution to a stock corporation to meet the requirements of the Securities Regulation Code (SRC).

The PSE has an authorized capital stock of PhP120 million. As of 31 December 2022, the PSE had 85,477,846 issued and outstanding shares, including 3,513,952 treasury shares, resulting in 81,963,894 total shares outstanding. Each of the 184 member-brokers received 50,000 common shares of the new PSE at a par value of PhP1.00 per share. Also, each member-broker immediately received a "Trading Participant Certificate," allowing them to use the PSE's trading facilities. As a result of the demutualization, the PSE Board of Directors changed, now requiring seven brokers and eight non-brokers, with one of the non-brokers being the President of the PSE.

On 15 December 2003, as part of reforms to strengthen the Philippine securities industry, the PSE listed its own shares on its bourse through an introduction.

Listing Boards and Products

Companies listed on the PSE are grouped into sectors like financial, industrial, holding firms, property, services, and mining and oil. These companies are listed on either the PSE's Main Board or the Small, Medium and Emerging (SME) Board. In 2013, the PSE issued Rules on Exchange Traded Funds (ETFs), which allow ETFs to be listed on a separate ETF Board. Previously, the PSE allowed listings on the First Board, Second Board, or the SME Board.

With PSE Memorandum No. CN-No. 2013-0023 dated 6 June 2013, revisions were made to the PSE Listing Rules, including the removal of the Second Board listing and the requirement that lock-up rules be included in a company's articles of incorporation.

Market Indices and Trading Systems

The PSE has a benchmark index called the Philippine Stock Exchange Index (PSEi, formerly PHISIX), which shows the price movements of selected listed shares based on traded prices from different sectors. Effective 3 April 2006, along with the move to the free float index and the renaming of PHISIX to PSEi, the PSE changed its index calculation from full market capitalization to free float market capitalization. The PSEi is made up of shares from 30 selected companies listed on the PSE. Companies are chosen for the PSEi based on specific criteria like public float, liquidity, and market capitalization. There are also six sector-based indices and a broader all-shares index. On 26 July 2010, the PSE launched its then-new trading system, PSE Trade.

In June 2015, the PSE Trade system was replaced by PSE Trade XTS, which uses NASDAQ's X-stream Technology. PSE Trade XTS, replacing the NSC trading platform from NYSE Euronext Technologies SAS, can handle large trading volumes. It can also support the PSE's future needs if more products and services are introduced.

In November 2016, the Exchange received regulatory approvals to introduce new products to the stock market – Dollar Denominated Securities and the Listing of PPP Companies.

In June 2018, the PSE received approval from the Philippine SEC to introduce short selling in the equities market.

Disclosure and Corporate Governance

To promote good corporate governance and consistently provide complete, fair, accurate, and timely information, the PSE has adopted an online daily disclosure system. This system helps provide important information from listed companies and makes it easier for investors to access these reports. In December 2013, the PSE replaced its online disclosure system with a new one, the PSE Electronic Disclosure Generation Technology (EDGE). PSE EDGE, developed with the Korea Exchange, became active. The PSE EDGE system offers a dedicated portal for listed company disclosures and a free mobile application for easy investor access, with various features to (i) further standardize the disclosure reporting process for listed companies, (ii) improve investors' experience when searching for and viewing disclosures, and (iii) enhance overall issuer transparency in the market.

In November 2010, the PSE launched its Corporate Governance Guidebook as another initiative to promote good governance among listed companies. It has ten guidelines that embody principles of good business practice, based on internationally recognized corporate governance codes and best practices.

Market Performance Data

The table below shows the movements in the composite index as of the last business day of each calendar year from 1995 to 2023, along with the number of listed companies, market capitalization, and value of shares traded for the same period:

| Year | Composite Index at Closing | Number of Listed Companies | Aggregate Market Capitalization (in ₱ billions) | Combined Value of Turnover (in ₱ billions) |
|------|----------------------------|----------------------------|---|--|
| 1995 | 2,594.2 | 205 | 1,545.7 | 379.0 |
| 1996 | 3,170.6 | 216 | 2,121.1 | 668.8 |
| 1997 | 1,869.2 | 221 | 1,251.3 | 586.2 |
| 1998 | 1,968.8 | 222 | 1,373.7 | 408.7 |
| 1999 | 2,142.9 | 225 | 1,936.5 | 781.0 |
| 2000 | 1,494.5 | 229 | 2,576.5 | 357.7 |
| 2001 | 1,168.1 | 231 | 2,141.4 | 159.6 |
| 2002 | 1,018.4 | 234 | 2,083.2 | 159.7 |
| 2003 | 1,442.4 | 236 | 2,973.8 | 145.4 |
| 2004 | 1,822.8 | 235 | 4,766.3 | 206.6 |
| 2005 | 2,096.0 | 237 | 5,948.4 | 383.5 |
| 2006 | 2,982.5 | 239 | 7,173.2 | 572.6 |
| 2007 | 3,621.6 | 244 | 7,977.6 | 1,338.3 |
| 2008 | 1,872.9 | 246 | 4,069.2 | 763.9 |
| 2009 | 3,052.7 | 248 | 6,029.1 | 994.2 |
| 2010 | 4,201.1 | 253 | 8,866.1 | 1,207.4 |
| 2011 | 4,372.0 | 245 | 8,697.0 | 1,422.6 |
| 2012 | 5,812.7 | 254 | 10,952.7 | 1,771.7 |
| 2013 | 5,889.8 | 257 | 11,931.3 | 2,546.2 |
| 2014 | 7,230.6 | 263 | 14,251.7 | 2,130.1 |
| 2015 | 6,952.1 | 265 | 13,465.1 | 2,172.5 |
| 2016 | 6,840.6 | 265 | 14,438.8 | 1,929.5 |
| 2017 | 8,558.4 | 267 | 17,583.1 | 1,958.4 |
| 2018 | 7,466.0 | 267 | 16,146.7 | 1,736.8 |
| 2019 | 7,815.3 | 271 | 16,710.0 | 1,770.0 |
| 2020 | 7,139.7 | 271 | 15,890.0 | 1,770.0 |
| 2021 | 7,122.63 | 276 | 18,081.1 | 2,233.1 |
| 2022 | 6,566.4 | 286 | 16,558.5 | 1,788.7 |
| 2023 | 6,450.0 | 283 | 16,740.2 | 1,474.8 |
| 2024 | 6,528.79 | 283 | 20,010.0 | 1,490.0 |

Source: Philippine Stock Exchange, Inc. and PSE Annual Reports

Trading on the Philippine Stock Exchange

The PSE operates as a double auction market, where both buyers and sellers are represented by stockbrokers. To initiate a trade, bid (buy) or ask (sell) prices are electronically posted on the PSE's trading system. A buy order that matches the lowest asking price, or a sell order that matches the highest bidding price, is automatically executed. When a single broker receives both buy and sell orders for the same security at the same price, these orders are "crossed" on the PSE at the indicated price. Payment for purchases of listed securities must be settled by the buyer on or before the second trading day following the trade, which is known as the settlement date.

Generally, equities trading on the PSE occurs from 9:30 a.m. to 12:00 p.m., followed by a one-hour lunch break. Trading then resumes at 1:00 p.m. and concludes at 3:00 p.m. Trading days are typically Monday through Friday, except for legal holidays and days when the Bangko Sentral ng Pilipinas (BSP) clearing house is closed, as well as any other days declared as non-trading days by the Philippine SEC or the PSE.

To maintain stability in the stock market, daily price movements are monitored and regulated through the enforcement of both static and dynamic thresholds.

The static threshold implements a trading band within which a stock's price is permitted to move, specifically a 50% upper limit and a 30% lower limit. If the price of a listed security increases by 50% (reaching its price ceiling) or decreases by 30% (hitting its floor price) on a given day (calculated from the higher of the last closing price or last adjusted closing price), the PSE automatically freezes the price of that security. This freeze remains in effect unless there is an official statement from the corporation or a government agency justifying the price fluctuation, in which case the affected security can still be traded, but only at the frozen price. Should the subject corporation fail to submit such an explanation, the PSE will impose a trading halt on the listed security the following day. Trading will only resume once the subject corporation's disclosure is disseminated, and will again be subject to the trading band.

The dynamic threshold represents the maximum allowable price difference between an update in the Last Traded Price (LTP) of a given stock or group of stocks and its preceding LTP. This percentage is set by the PSE and varies based on the stock's or group's trade frequency. The dynamic threshold for a listed stock can be 10%, 15%, or 20%, depending on its trade frequency.

In instances where an order has been partially matched, only the portion of the order that would cause a breach of the trading threshold will be frozen. If an order results in a breach of a trading threshold, the following procedures apply:

- **Static Threshold Breach:** The PSE will accept the order if its price is within the allowable percentage price difference under the implementing guidelines of the revised trading rules (i.e., 50% of the previous day's reference or closing price, or the last adjusted closing price). Otherwise, the order will be rejected. If the order is accepted, the PSE will adjust the static threshold to 60%. Any orders that breach this 60% static threshold will be rejected by the PSE.
- **Dynamic Threshold Breach:** The PSE will accept the order if its price is within the allowable percentage price difference under existing regulations (i.e., 20% for security cluster A and newly-listed securities, 15% for security cluster B, and 10% for security cluster C). Otherwise, the order will be rejected by the PSE.

Non-Resident Transactions

When the purchase or sale of Philippine shares involves a non-resident, regardless of whether the transaction occurs in the domestic or foreign market, the responsibility for registering the transaction with the Bangko Sentral ng Pilipinas (BSP) rests with the securities dealer or broker. The local securities dealer or broker is required to file an application in the prescribed registration form with the BSP within three business days from the transaction date. Upon compliance with all other necessary undertakings, the BSP will issue a Certificate of Registration. Under BSP rules, all registered foreign investments in Philippine securities, including profits and dividends, net of taxes and charges, may be freely repatriated.

Settlement

The Securities Clearing Corporation of the Philippines (SCCP) is a wholly-owned subsidiary of the PSE, primarily organized as a clearance and settlement agency for trades executed through the PSE's facilities. SCCP commenced commercial operations on 3 January 2000, and received its permanent license to operate on 17 January 2002. Its key responsibilities include:

- Synchronizing the settlement of funds and the transfer of securities through delivery versus payment clearing and settlement of transactions for clearing members, who are also PSE trading participants.
- Guaranteeing the settlement of trades in the event of a trading participant's default through the implementation of its fails management system and administration of the Clearing and Trade Guaranty Fund.
- Performing risk management and monitoring to ensure final and irrevocable settlement of transactions.

SCCP settles PSE trades within a two-day rolling settlement environment, meaning that settlement of trades takes place two (2) days after the transaction date (T+2). The deadline for trade settlement is 12:00 noon on T+2. Securities sold must be in scripless form and lodged under the book-entry system of the Philippine Depository & Trust Corp. (PDTC). Each PSE trading participant maintains a cash settlement account with one of SCCP's nine existing settlement banks, which include BDO Unibank, Inc., Rizal Commercial Banking Corporation, Metropolitan Bank & Trust Company, Deutsche Bank, Union Bank of the Philippines, The Hongkong and Shanghai Banking Corporation Limited, Maybank Philippines, Inc., Asia United Bank, and China Banking Corporation. Payments for securities bought must be in good, cleared funds and be final and irrevocable. Currently, settlement is conducted at the broker level.

SCCP implemented its Central Clearing and Central Settlement (CCCS) system on May 29, 2006. The CCCS system employs multilateral netting, automatically offsetting "buy" and "sell" transactions per issue and per flag to arrive at a net receipt or net delivery security position for each clearing member. All cash debits and credits are also netted into a single net cash position for each clearing member. This system involves the novation of the original PSE trade contracts, with SCCP interposing itself between the original trading parties and becoming the central counterparty to each PSE-eligible trade cleared through it.

Scripless Trading

In 1995, the PDTC (formerly the Philippine Central Depository, Inc.) was established to create a central depository in the Philippines and introduce scripless, or book-entry, trading. On 16 December 1996, the PDTC was granted a provisional license by the Philippine SEC to operate as a central securities depository.

All listed securities on the PSE have been converted to book-entry settlement within the PDTC system. The PDTC's depository service provides the necessary infrastructure for the lodgment (deposit) and upliftment (withdrawal) of securities, pledging of securities, securities lending and borrowing, and corporate actions such as shareholders' meetings, dividend declarations, and rights offerings. The PDTC also provides depository and settlement services for non-PSE trades of listed equity securities. For transactions on the PSE, the security component of the trade is settled through the book-entry system, while the cash component is settled through the current settlement banks, which include BDO Unibank, Inc., Rizal Commercial Banking Corporation, Metropolitan Bank & Trust Company, Deutsche Bank, The Hongkong and Shanghai Banking Corporation Limited, Union Bank of the Philippines, and Maybank Philippines, Inc.

To utilize the book-entry system, securities must be immobilized into the PDTC system through a process called lodgment. Lodgment involves shareholders transferring legal title (but not beneficial title) over their shares to PCD Nominee Corporation (PCD Nominee), a wholly-owned subsidiary of PDTC, whose sole purpose is to act as the nominee and legal title holder of all shares lodged with the PDTC. "Immobilization" is the process by which the warrant or

share certificates of lodging holders are canceled by the transfer agent, and the corresponding transfer of beneficial ownership of the immobilized shares to the account of PCD Nominee, through the PDTC participant, is recorded in the issuing corporation's registry. This trust arrangement between participants and PDTC, through PCD Nominee, is established by and explained in the PDTC Rules and Operating Procedures approved by the Philippine SEC. No consideration is paid for the transfer of legal title to PCD Nominee. Once lodged, transfers of beneficial title to the securities are accomplished via book-entry settlement.

Under the current PDTC system, only participants (such as brokers and custodians) are recognized by the PDTC as the beneficial owners of the lodged equity securities. Therefore, each beneficial owner of shares, acting through their participant, will be the beneficial owner to the extent of the number of shares held by such participant in PCD Nominee's records. All lodgments, trades, and uplifts involving these shares must be channeled through a participant. Ownership and transfers of beneficial interests in the shares will be reflected, concerning the participant's aggregate holdings, in the PDTC system, and concerning each beneficial owner's individual holdings, in the records of the participants. Beneficial owners are thus advised that to exercise their rights as beneficial owners of lodged shares, they must rely on their participant-brokers and/or participant-custodians.

Any beneficial owner of shares wishing to trade their interests in the shares must conduct the trade through a participant. The participant can execute PSE trades and non-PSE trades of lodged equity securities through the PDTC system. All matched transactions in the PSE trading system will be routed through the SCCP and into the PDTC system. Once it is determined on the settlement date (T+2) that there are adequate securities in the participant-seller's securities settlement account and sufficient cleared funds in the participant-buyer's settlement bank account, the PSE trades are automatically settled in the SCCP Central Clearing and Central Settlement system, in accordance with the SCCP and PDTC Rules and Operating Procedures. Upon settlement, the beneficial ownership of the securities is transferred from the participant-seller to the participant-buyer without the physical transfer of stock certificates covering the traded securities.

If a shareholder wishes to withdraw their shareholdings from the PDTC system, the PDTC has an upliftment procedure under which PCD Nominee will transfer back the legal title to the lodged shares to the shareholder, and these shares will no longer be eligible for settlement through the PCD system. The uplifting shareholder must adhere to the PDTC's Rules and Operating Procedures for the upliftment of shares lodged under the name of PCD Nominee. The transfer agent will prepare and send a Registry Confirmation Advice to the PDTC, reflecting the new number of shares lodged under PCD Nominee. The expenses for upliftment are borne by the uplifting shareholder.

The distinction between the depository and the registry lies in the recording of ownership of shares in the issuing corporations' books. In the depository setup, shares are merely immobilized; customers' certificates are canceled, and a confirmation advice is issued in the name of PCD Nominee to confirm new balances of shares lodged with the PDTC. Transfers among and between broker and/or custodian accounts, as applicable, occur only within the PDTC's book-entry system. However, as far as the issuing corporation is concerned, the underlying certificates remain in PCD Nominee's name. In the registry setup, settlement and recording of ownership of traded securities are directly made in the corresponding issuing company's transfer agents' books or system. Likewise, recording is at the beneficiary level (whether a client or a registered custodian holding securities for its clients), thereby removing the broker's current "de facto" custodianship role.

Amended Rule on Lodgment of Securities

On 24 June 2009, the PSE informed all listed companies and market participants, via Memorandum No. 2009-0320, that effective 1 July 2009, as a condition for the listing and trading of an applicant company's securities, the applicant company must electronically lodge its registered securities with the PDTC or any other entity duly authorized by the SEC, without any jumbo or mother certificate, in compliance with the requirements of Section 43 of the SRC. In adherence to this requirement, the actual listing and trading of securities on the scheduled listing date will take effect only after the applicant company submits the documentary requirements outlined in Article III Part A of the Revised Listing Rules.

Pursuant to this amendment, the PDTC issued an implementing procedure as follows:

- For a new company to be listed on the PSE as of 1 July 2009, the usual procedure will be observed, but the company's transfer agent will no longer issue a certificate to PCD Nominee. Instead, it will issue a Registry Confirmation Advice, which will serve as the basis for the PDTC to credit the holdings of the depository participants on the listing date.
- For an existing listed company, the PDTC will await advice from the transfer agent indicating its readiness to accept the surrender of PCD Nominee jumbo certificates. Upon such advice, the PDTC will surrender all PCD Nominee jumbo certificates to the transfer agent for cancellation. The transfer agent will then issue a Registry Confirmation Advice to PDTC, evidencing the total number of shares registered in the name of PCD Nominee in the listed company's registry as of the confirmation date.

Furthermore, on 21 May 2010, the PSE informed all listed companies and market participants, through Memorandum No. 2010-0246, that the Amended Rule on Lodgment of Securities under Section 16 of Article III, Part A of the Revised Listing Rules of the PSE shall apply to all securities lodged with the PDTC or any other entity duly authorized by the PSE.

For listing applications, the amended rule on lodgment of securities applies to:

- The offer shares/securities of the applicant company in the case of an initial public offering.
- The shares/securities lodged with the PDTC, or any other entity duly authorized by the Philippine SEC, in the case of a listing by way of introduction.
- New securities to be offered and applied for listing by an existing listed company.
- Additional listing of securities of an existing listed company.

Issuance of Stock Certificates for Certificated Shares

On or after the listing of the shares on the PSE, any beneficial owner of the shares may apply with the PDTC, through their broker or custodian-participant, for a withdrawal from the book-entry system and a return to conventional paper-based settlement. If a shareholder wishes to withdraw their shareholdings from the PDTC system, the PDTC has an upliftment procedure under which PCD Nominee will transfer back the legal title to the lodged shares to the shareholder. The uplifting shareholder must follow the PDTC's Rules and Operating Procedures for the upliftment of shares lodged under the name of PCD Nominee. The transfer agent will prepare and send a Registry Confirmation Advice to the PDTC, reflecting the new number of shares lodged under PCD Nominee.

Upon the issuance of stock certificates for the shares in the name of the person applying for upliftment, such shares will be deemed withdrawn from the PDTC book-entry settlement

system, and trading on such shares will follow the normal process for the settlement of certificated securities. The expenses for the upliftment of shares into certificated securities will be charged to the person applying for upliftment. Pending the completion of the upliftment process, the beneficial interest in the shares covered by the application for upliftment is frozen, and no trading or book-entry settlement will be permitted until the relevant stock certificates in the name of the person applying for upliftment have been issued by the relevant company's transfer agent.

Amended Rule on Minimum Public Ownership

On 1 December 2017, the Philippine SEC issued SEC Memorandum Circular No. 13, Series of 2017 (SEC MC 13-2017), which sets forth the rules and regulations on minimum public ownership (MPO) for initial public offerings.

Under SEC MC 13-2017, companies filing a registration statement pursuant to Sections 8 and 12 of the SRC, with the intention of listing their shares for trading on an exchange, must apply for registration with a public float of at least 20% of the companies' issued and outstanding shares. The company is required to maintain an MPO of at least 20% at all times. If the company's MPO falls below 20% at any point after registration, the company must increase the public float to at least 20% within a maximum period of twelve (12) months from the date of such decline.

The determination of whether shareholdings are considered public or non-public is based on: (a) the amount of shareholdings and their significance to the total outstanding shares; (b) the purpose of investment; and (c) the extent of involvement in the management of the company.

Shares held by the following are generally considered public: (i) individuals whose shares are not of significant size and are non-strategic in nature; (ii) PSE trading participants (such as brokers) whose shareholdings are non-strategic in nature; (iii) investment funds and mutual funds; (iv) pension funds that hold shares in companies other than the employing company or its affiliates; (v) PCD Nominee, provided that none of the beneficial owners of the shares have significant holdings (i.e., shareholdings by an owner of 10% or more are excluded and considered non-public); and (vi) Social Security funds.

Conversely, if an investment in a listed company is intended to acquire sizable shares for the purpose of gaining substantial influence over the company's management, then such investor's shareholdings are considered non-public. Ownership of 10% or more of the total issued and outstanding shares of a listed company is deemed a significant holding and thus categorized as non-public.

Listed companies that become non-compliant with the minimum public ownership requirement will face trading suspension for a period not exceeding six months. If non-compliance persists after the suspension period, the company will be automatically delisted.

Notwithstanding the quarterly public ownership report requirement of the PSE, listed companies on the PSE are required to (a) establish and implement an internal policy and procedure to continuously monitor their MPO levels; and (b) immediately report to the Philippine SEC within the next business day if their MPO level falls below 20%. Listed companies are also required to submit to the Philippine SEC a time-bound business plan, within ten (10) days from gaining knowledge that their MPO has become deficient, describing the steps the company will take to restore the public float to at least 20% within a maximum period of twelve (12) months. Furthermore, listed companies must submit a public ownership

report and a progress report on any such submitted business plan to the Philippine SEC within fifteen (15) days after the end of each month until their MPO reaches the required level.

The MPO requirement is also a condition for the registration of securities. Non-compliance with these MPO requirements subjects publicly listed companies to administrative sanctions, including the suspension and revocation of their registration with the SEC.

On 3 August 2020, the PSE issued Memorandum CN-No. 2020-0076 (Guidelines on MPO Requirement for Initial and Backdoor Listings), effective immediately. Under these guidelines, companies applying for initial listing through an initial public offering (IPO) are required to have a minimum public offer size ranging from 20% to 33% of their outstanding capital stock, as follows:

| Market Capitalization | Minimum Public Offer |
|---------------------------------|--|
| Not exceeding ₱500 million | 33% or ₱50 million, whichever is higher |
| Over ₱500 million to ₱1 billion | 25% or ₱100 million, whichever is higher |
| Over ₱1 billion | 20% or ₱250 million, whichever is higher |

Whether a company pursues an IPO or a backdoor listing, it is strictly mandated to maintain an MPO level of at least 20% of its issued and outstanding shares at all times. For entities undergoing a listing by way of introduction, this 20% public float requirement applies both upon and subsequent to their listing.

In the context of a backdoor listing, the 20% MPO obligation commences from the actual issuance or transfer (as applicable) of the securities that activate the application of the Backdoor Listing Rules. This also extends to cases where the Backdoor Listing Rules are triggered by a substantial change in the company's business, with the MPO requirement taking effect from the actual transfer of the business.

Rule 72.2 of the SRC allows for exemptive relief from any provision of the SRC and the rules adopted thereunder. A request for exemptive relief shall be submitted to the SEC En Banc for decision.

Amendments to the Voluntary Delisting Rules

On 1 December 2020, the PSE issued Memorandum Circular No. 2020-0104 (C.N. 2020-0104) to amend its voluntary delisting rules. Under C.N. 2020-0104, a voluntary delisting must receive approval from: (i) at least two-thirds (2/3) of the entire Board of Directors, including a majority (but not less than two) of its independent directors; and (ii) stockholders owning at least two-thirds (2/3) of the listed company's total outstanding and listed shares.

Furthermore, the number of votes cast against the delisting proposal should not exceed ten percent (10%) of the total outstanding and listed shares of the listed company.

Regarding the tender offer price, the minimum tender offer price must be the higher of: (i) the highest valuation based on the fairness opinion or valuation report prepared by an independent valuation provider in accordance with SRC Rule 19.2.6; or (ii) the volume

weighted average price of the listed security for one year immediately preceding the date the company's Board of Directors publicly disclosed its approval of the delisting.

Rules on Listing by Way of Introduction

Under the Consolidated Listing and Disclosure Rules of the PSE, listing by way of introduction pertains to listing of securities that are already issued or securities that will be issued upon listing, where no public offering will be undertaken because the securities for which listing is sought would be of such an amount and would be so widely held that their adequate marketability when listed can be assumed, or when listing in an exchange or public offering is mandated by law or by the SEC or other government agencies, in the exercise of their powers under the law.

The suitability of companies applying to list their securities by way of introduction shall be based on the listing criteria and requirements established by the PSE for initial listing. Notably, a company applying to list its securities by way of introduction shall determine the initial listing price of its securities on listing date, and such initial listing price must be supported by a Fairness Opinion prepared by an independent and reputable firm. The Fairness Opinion must be in accordance with the Guidelines for Fairness Opinions and Valuation Reports.

Among other circumstances, listing by way of introduction is appropriate where the securities of an unlisted Issuer are distributed by way of property dividend by a listed Issuer to shareholders of the latter. The said applicant company shall be subject to the prescribed lock-up requirement in accordance with the applicable Board. If listing on the Main Board, the applicant company shall cause its existing stockholders who own an equivalent of at least 10% of the issued and outstanding shares of stock of the company to refrain from selling, assigning or in any manner disposing of their shares for a period of:

1. 180 days after the listing of said shares, if the applicant company meets the track record requirements under Section 1 of Article III Part D of the Listing Rules; or
2. 365 days after the listing of the shares, if the applicant company is exempt from the track record and operating history requirements of the Listing Rules.

If there is any issuance or transfer of shares or of instruments which leads to an issuance or transfer of shares done and fully paid for within 180 days prior to the listing date, and the transaction price is lower than that of the initial listing price, all shares availed of shall be subject to a lock-up period of at least 365 days from the full payment of the aforesaid shares.

Rule on Initial Listing Through a Preferred Shares Offering

On 24 May 2022, the PSE issued Memorandum Circular No. 2022-0023 (C.N. 2022-0023), which immediately put into effect the Rule on Initial Listing through a Preferred Shares Offering. Under C.N. 2022-0023, the minimum offering to the public must be at least One Billion Philippine Pesos (₱1,000,000,000.00) or twenty percent (20%) of the market capitalization of the preferred shares applied for listing, whichever amount is higher.

Additionally, upon listing, the applicant company must have at least 1,000 stockholders, with each holding at least one board lot, regardless of whether it is listing on the Main Board or the SME Board. After listing, the company will be subject to the 20% public float requirement.

Concerning the lock-up rule, the 180-day or 365-day lock-up period will not apply to initial listings conducted through a preferred shares offering. However, preferred shares and instruments that entitle the holder to the issuance of preferred shares (such as convertible bonds or warrants) that were issued and fully paid within 180 days before the IPO at a price lower than the IPO price will be locked up for 365 days from the date of full payment. If the applicant company has outstanding common shares that are already listed, those shares will not be subject to this lock-up rule.

Companies that are legally or regulatorily mandated to list and/or offer their shares to the public cannot use this mode of initial listing. Furthermore, a company that lists under this specific Rule cannot subsequently list by way of introduction.

Amendments to the Rules on Follow-On Offering

On 16 April 2024, the PSE issued Memorandum Circular CN No. 2024-0024 (C.N. 2024-0024), which immediately amended Article III, Part F, Section 13 and Article V, Part F of the Consolidated Listing and Disclosure Rules.

Under C.N. 2024-0024, the allocation of offer shares to Local Small Investors is now mandatory.

Moreover, the offering of secondary shares acquired at a discount before a follow-on offering is now prohibited. If any issuance or transfer of shares (e.g., private placement, asset-for-shares swap, or similar transaction) or instruments leading to an issuance or transfer of shares (e.g., convertible bonds, warrants, or similar instruments) was done and fully paid for within 180 days prior to the start of the offering period, and the transaction price was lower than the offer price, all shares subscribed, acquired, or availed of through such transactions shall not be part of the offer shares. This prohibition applies to all follow-on offerings, including public offerings undertaken by companies listed by way of introduction or through backdoor listing. However, this prohibition does not apply to shares subscribed, acquired, or availed of through stock dividend distribution or a stock option plan. The PSE may also rule on a case-by-case basis that this prohibition would not apply to shares subscribed, acquired, or availed of through any other transaction, provided it can be demonstrated that the offering will not give an undue advantage to the subscriber.

CORPORATE GOVERNANCE

The Board of Directors at PHC is entrusted with the responsibility of setting the Company's vision, strategic objectives, and key policies. It establishes procedures for effective management and ensures the presence and sufficiency of internal control mechanisms to uphold good governance. Additionally, the Board monitors and evaluates the performance of the Management to ensure alignment with the Company's goals.

PHC's commitment to good governance is demonstrated through the adoption of the Manual of Corporate Governance; the Committee Charters for the Nomination and Compensation Committee, the Audit and Risk Committee, and the Executive Committee; the Whistleblowing Policy; and the Enterprise Risk Manual.

The Chief Risk and Compliance Officer (CRCO) duly advises the Board of Directors on emerging regulatory risks, compliance requirements and control effectiveness. Additionally, he ensures Board visibility into compliance through structured reports and escalation procedures.

There have been no deviations from the Company's Manual of Corporate Governance. PHC has adopted leading practices and principles of good corporate governance as outlined in the Manual, and full compliance has been maintained since its adoption.

The Company is also taking further steps to enhance adherence to the principles and practices of good corporate governance. These efforts are aimed at ensuring that PHC continues to uphold the highest standards of governance, thereby fostering trust and confidence among its stakeholders.

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