

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

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



## **Alliance Global Group, Inc.**

*(incorporated in the Republic of the Philippines)*

**Preliminary Prospectus relating to the Offer to Eligible Shareholders of up to 2,225,874,470 warrants at an Offer Price of Php 0.50 per warrant, with an Exercise Ratio of one (1) warrant to one (1) common share with a par value of Php 1.00 of Alliance Global Group, Inc., at an Exercise Price of Php 12.00 per share (excluding the Warrant's Offer Price), to be listed and traded on the Main Board of The Philippine Stock Exchange, Inc.**

*Sole Issue Manager, Underwriter, and Bookrunner*



**BDO Capital & Investment Corporation<sup>1</sup>**

**THE SECURITIES BEING OFFERED OR SOLD HEREIN HAVE NOT BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION UNDER THE SECURITIES REGULATION CODE. ANY FUTURE OFFER OR SALE THEREOF IS SUBJECT TO REGISTRATION REQUIREMENTS UNDER THE CODE UNLESS SUCH OFFER OR SALE QUALIFIES AS AN EXEMPT TRANSACTION.**

**AN APPLICATION FOR CONFIRMATION THAT THE OFFER OF THE WARRANTS IS A TRANSACTION EXEMPT FROM THE REGISTRATION REQUIREMENTS UNDER SECTION 10.1 OF THE SRC AND ITS IMPLEMENTING RULES AND REGULATIONS HAS BEEN FILED WITH THE PHILIPPINE SEC. THE PHILIPPINE SEC HAS ISSUED SUCH CONFIRMATION ON 28 OCTOBER 2025.**

**THE PHILIPPINE SEC 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 SEC. THE PHILIPPINE SEC HAS NOT REVIEWED THIS PROSPECTUS IN THE SAME MANNER AS THAT FILED FOR REGISTRATION CONSIDERING THAT THE ACTION SOUGHT IS ONLY CONFIRMATION OF AN EXEMPT TRANSACTION.**

The date of this Prospectus is 10 November 2025

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<sup>1</sup> BDO Capital & Investment Corporation is a subsidiary of BDO Unibank, Inc. which is the lender of the loan of the Company that will be repaid with the proceeds of the exercise of the Warrant. For further discussion, please see section on Use of Proceeds.

**ALLIANCE GLOBAL GROUP, INC.**

7th Floor, 1880 Eastwood Avenue,  
Eastwood City CyberPark  
188 E. Rodriguez Jr. Avenue, Bagumbayan,  
Quezon City 1110  
Telephone Number: (632) 87092038

This Prospectus (the “**Prospectus**”) relates to the offer of the right to subscribe (the “**Offer**”) to up to 2,225,874,470 warrants (the “**Warrants**”) (“**Entitlement Rights**”) of Alliance Global Group, Inc. (“**we**”, “**us**”, “**our**”, “**AGI**”, the “**Company**” or the “**Issuer**”), a corporation organized and existing under Philippine law. For every four (4) common shares of AGI (the “**Common Shares**”), shareholders on record as of the record date (the “**Eligible Shareholders**”), which will be as of [20 November], 2025, 5:00 p.m. (Manila time) (the “**Record Date**”), are entitled to purchase one (1) Warrant (the “**Eligible Shareholders**”) (the “**Entitlement Ratio**”). The Eligible Shareholder who opts to purchase the Warrant and in whose name a Warrant is registered (the “**Warrantholder**”) may exercise his right to purchase Common Shares in the Company (the “**Underlying Shares**”) during the Exercise Period (as defined below) at an exercise price of Php 12.00 (exclusive of the Offer Price) per share (the “**Exercise Price**”). The Warrants are exercisable during business hours within the first two (2) trading days of each month beginning on the immediately following month after the twelfth (12th) month from the Issue Date of the Warrants until 5:00 p.m. on the date immediately preceding the fifth (5th) anniversary of the issue date of the Warrants (the “**Exercise Period**”). The Warrants shall be offered at a price of Php 0.50 per Warrant (the “**Offer Price**”). The determination of the Offer Price and Exercise Price is described on page of this Prospectus.

The Underlying Shares will be issued from the unissued Common Shares of AGI from its existing authorized capital stock, and will be listed on The Philippine Stock Exchange, Inc. (“**PSE**”). As of the date of this Prospectus, the Company’s authorized capital stock is Php 12,950,000,000 divided into 12,950,000,000 Common Shares. A total of up to 2,225,874,470 unissued Common Shares of AGI out of its authorized capital stock shall be earmarked to ensure enough common shares are available in the event a Warrantholder exercises the Warrants within the Exercise Period.

If an applicant fully subscribes to his Entitlement Rights and subject to the availability of unsubscribed Entitlement Rights arising from the failure of the other Eligible Shareholders to fully subscribe for their Entitlement Rights in the initial round of the Offer, the applicant may simultaneously apply for an additional subscription of the unsubscribed Entitlement Rights (the “**Additional Entitlement Rights**”). The Additional Entitlement Rights are payable in exact amount upon submission of the application to subscribe, which must be made simultaneously and within the same application as the Entitlement Rights (the “**Application**”). If the aggregate number of Additional Entitlement Rights available for subscription equals or exceeds the aggregate number of Additional Entitlement Rights so subscribed for, an applicant will be allocated the number of Additional Entitlement Rights indicated in his Application. If the aggregate number of Additional Entitlement Rights available for subscription is less than the aggregate number of Additional Entitlement Rights so subscribed for, the available Additional Entitlement Rights will be allocated to applicants who have applied to subscribe for such Additional Entitlement Rights and such allocation shall be made in the absolute discretion of the Company taking into account various factors including each applicant’s original shareholding in the Company as of the Record Date relative to the original shareholding of all other applicants for Additional Entitlement Rights as of such Record Date, provided that no applicant for Additional Entitlement Rights shall be allocated more Additional Entitlement Rights than the number for which such applicant has applied for. There can be no guarantee as to whether any additional subscription to Entitlement Rights may be allocated to an Eligible Shareholder. A subscription for Additional Entitlement Rights is irrevocable on the part of the applicant and may not be cancelled or modified by such applicant.

The Andresons Group, Inc. (“**TAGI**”), which [directly] holds 54.1% of the total outstanding Common Shares of the Company (the “**Principal Shareholder**”), has executed on [●] an undertaking to subscribe in favor of BDO Capital & Investment Corporation as sole underwriter (the “**Sole Underwriter**”), pursuant to which the Principal Shareholder has agreed to subscribe to its Entitlement Rights in the Offer and to subscribe to any unsubscribed Warrants not taken by other Eligible Shareholders to ensure that the Entitlement Rights under

the Offer are fully subscribed (the “**Undertaking to Subscribe**”). The Principal Shareholder’s subscriptions in the Offer shall have no preference over the subscriptions of any other Eligible Shareholders.

Any Entitlement Rights which remain unsubscribed and which are not taken up by the Principal Shareholder pursuant to its Undertaking to Subscribe, subject to certain conditions, will be taken up by the Sole Underwriter, which shall procure purchasers in the Philippines who are qualified institutional buyers as defined under the Securities Regulation Code (“**SRC**”) to purchase the unsubscribed Warrants, or failing which, shall purchase the unsubscribed Warrants itself.

Existing shareholdings in certificated and scripless form will be treated as separate shareholdings for the purpose of calculating entitlements under the Offer. Fractions of Entitlement Rights will not be allotted to existing shareholders and fractional entitlements will be rounded down to the nearest whole number of Entitlement Rights. Such fractions, if any, will be aggregated and sold for the benefit of the Company.

Eligible Shareholders may participate in the Offer if they are: (i) located within the Philippines, or (ii) located in jurisdictions outside the Philippines where it is legal to participate in the Offer under the securities laws of such jurisdiction. Each foreign shareholder is urged to consult his/her/its independent professional adviser regarding the consequences of participating in the Offer and to determine eligibility to subscribe to the Entitlement Rights.

As of the date of this Prospectus, there are 10,269,827,979 listed shares of AGI in the main board of the PSE of which 8,814,192,679 shares are outstanding. For avoidance of doubt, upon issuance of the Warrants, the outstanding shares shall remain the same. Assuming all Warrants are exercised within the Exercise Period, there will be enough unissued shares available, raising the number of issued shares to 12,495,702,449 shares.

All of the Warrants shall have rights pursuant to the Description of the Warrants.

It is the Company’s policy to periodically declare a portion of its unrestricted retained earnings as dividend usually in the third quarter of each year. The declaration of dividends depends upon the Company’s earnings, cash flow and financial condition, among other factors. The Company may declare dividends out of its unrestricted retained earnings only. Unrestricted retained earnings represent the net accumulated earnings of the Company, with its capital unimpaired, which are not appropriated for any other purpose. The Company may pay dividends in cash, by the distribution of property, or by the issue of shares of stock. Cash dividends are subject to the approval by the board of directors (“**BOD**”). Stock dividends are subject to the approval by both the BOD and at least two-thirds (2/3) of the outstanding capital stock of the stockholders at a stockholders’ meeting called for such purpose.

The Company’s Common Shares are listed in the PSE under the symbol “AGI”.

The Company files annual and interim reports, as well as other information, with the PSE (where its Common Shares are listed). The information filed by the Company with the PSE does not form part of this Prospectus, is not incorporated by reference herein and should not be relied on when making an investment decision with respect to the Warrants nor the Underlying Shares.

The Offer is conditioned on (a) the confirmation of exemption from registration of the Warrants and the Underlying Shares with the SEC and (b) the listing of the Warrants and the Underlying Shares with the PSE. The approval by the PSE of the Offer is based on the price set forth above. The Company expects to raise gross proceeds of approximately Php 1.11 Billion from the Offer and Php 26.71 Billion from the exercise of the Warrants during the Exercise Period, assuming that all Warrants are exercised. The net proceeds from the Offer, determined by deducting from the gross proceeds applicable taxes, professional fees, and expenses related to the Offer which are estimated to be equal to approximately 6% of the gross proceeds of the Offer or ₱1.05 Billion, will be used to fund capital expenditure, refinance obligations and general corporate purpose. The net proceeds from the full exercise of the Warrants during the Exercise Period, determined by deducting from the gross proceeds applicable taxes, professional fees, and expenses related to the exercise of the Warrants which are estimated to be equal to approximately 0.06% of the gross proceeds of the exercise of the Warrants or ₱26.69 Billion, will be used to fund capital expenditure, refinance obligations and general corporate purpose. See “Use of Proceeds.”



No dealer, salesman, or any other person has been authorized to give any information or to make any representation not contained in this Prospectus. If given or made, any such information or representation must not be relied upon as having been authorized by the Company or the Sole Underwriter. The distribution of this Prospectus and the offer and sale of the Warrants may, in certain jurisdictions, be restricted by law. The Company and the Sole Underwriter require persons into whose possession this Prospectus comes, to inform themselves of and observe all such restrictions.

On 28 October 2025, the SEC issued the Confirmation of Exemption from Registration of the Warrants, confirming that the Offer of the Warrants is an exempt transaction under the Securities Regulation Code of the Philippines.

The application for listing of the Warrants and Underlying Shares was filed by the Company on 1 July 2025 and subsequently, the Notice of Approval was issued on 7 November 2025 by the PSE, subject to the fulfillment of certain listing conditions. The PSE assumes no responsibility for the correctness of any statements made or opinions expressed in this Prospectus. The PSE makes no representation as to its completeness and expressly disclaims any liability whatsoever for any loss arising from reliance on the entire or any part of this Prospectus. Such approval for listing is permissive only and does not constitute a recommendation or endorsement of the Offer by the PSE.

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

**THE SECURITIES BEING OFFERED OR SOLD HEREIN HAVE NOT BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION UNDER THE SECURITIES REGULATION CODE. ANY FUTURE OFFER OR SALE THEREOF IS SUBJECT TO REGISTRATION REQUIREMENTS UNDER THE CODE UNLESS SUCH OFFER OR SALE QUALIFIES AS AN EXEMPT TRANSACTION.**

**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.**

**ALLIANCE GLOBAL GROUP, INC.**

By:

**KEVIN ANDREW L. TAN**

President and Chief Executive Officer

**SUBSCRIBED AND SWORN** to before me this \_\_\_\_\_ in \_\_\_\_\_, Philippines, by affiant who is personally known to me and exhibited to me his [●] issued on [●] at [●].

Doc. No.: \_\_\_\_\_

Page No.: \_\_\_\_\_

Book No.: \_\_\_\_\_

Series of 2025.

## CONVENTIONS USED IN THIS PROSPECTUS

In this Prospectus, unless otherwise specified or the context otherwise requires, all references to the “**Company**,” the “**Issuer**,” “**AGI**,” “**we**,” “**us**” or “**our**” are to Alliance Global Group, Inc. All references to the “**BSP**” are references to *Bangko Sentral ng Pilipinas*, the central bank of the Philippines. All references to the “**Government**” are references to the government of the Republic of the Philippines. All references to “**United States**” or “**U.S.**” are to the United States of America. All references to “**Philippine Pesos**,” “**Php**,” “**P**” and “**₱**” are to the lawful currency of the Philippines, and all references to “**U.S. Dollars**” or “**U.S.\$**” are to the lawful currency of the United States. Certain terms used herein are defined in the “*Glossary*” contained elsewhere in this Prospectus. Any specific time of day refers to Philippine Standard Time.

## EXCHANGE RATE INFORMATION

This Prospectus contains translations of certain Peso amounts into U.S. Dollar amounts at specified rates solely for the convenience of the reader. These translations should not be construed as representations that the Philippine Peso amounts represent such U.S. Dollar amounts or could be, or could have been, converted into U.S. Dollars at the rates indicated or at all. Financial information contained in the Prospectus should be read in conjunction with our financial statements, which would have corresponding notes on the foreign exchange translations.

## PRESENTATION OF FINANCIAL INFORMATION

The Company’s consolidated financial statements are reported in Philippine Pesos and are prepared based on the Group’s accounting policies, which are in accordance with the Philippine Financial Reporting Standards (“**PFRS Accounting Standards**”) issued by the Financial and Sustainability Reporting Standards Council of the Philippines. Unless otherwise indicated, financial information relating to the Company and its subsidiaries in this Prospectus is stated in accordance with PFRS Accounting Standards.

The Group’s fiscal year begins on January 1 and ends on December 31 of each year. The financial information in this Prospectus has been derived from the Company’s audited consolidated financial statements as at and for the years ended December 31, 2024, 2023, and 2022, which were prepared in accordance with Philippine Accounting Standard 1, Presentation of Financial Statements.

P&A Grant Thornton (the “**Independent Auditors**”) have audited the consolidated financial statements as at and for the years ended December 31, 2024, 2023 and 2022, in accordance with Philippine Standards on Auditing (“**PSA**”). Figures in this Prospectus have been subject to rounding adjustments. Accordingly, figures shown for the same item of information may vary, and figures which are totals may not be an arithmetic aggregate of their components.

**This Prospectus includes certain non-PFRS financial measures, including EBITDA and EBITDA margin. References to “EBITDA” are to net profit before interest expense, taxes, depreciation and amortization. EBITDA is a supplemental measure of its performance and liquidity that is not required by, or presented in accordance with PFRS. Further, EBITDA is not a measurement of the Group’s financial performance or liquidity under PFRS and should not be considered as an alternative to net income, revenues, or any other performance measure derived in accordance with PFRS Accounting Standards or as an alternative to cash flow from operations or as a measure of the Group’s liquidity. The Company believes that EBITDA may facilitate operating performance comparisons from period to period and from company to company by eliminating potential differences caused by variations in capital structures (affecting interest expense), tax positions (such as the impact on periods or companies of changes in effective tax rates or net operating losses) and the age and book depreciation and amortization of tangible assets (affecting relative depreciation and amortization expenses). However, as there are various EBITDA calculation methods, the Group’s presentation of EBITDA may not be comparable to similarly titled measures used by other companies. “EBITDA Margin” is calculated as EBITDA divided by revenues.**

## FORWARD-LOOKING STATEMENTS

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

- known and unknown risks;
- uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from expected future results; and
- performance or achievements expressed or implied by forward-looking statements.

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

- risks relating to our business, risks relating to the Philippines, and risks relating to the Offer and the Warrants;
- our ability to successfully implement our current and future business strategies;
- our ability to manage our expansion and growth;
- our ability to leverage on our strengths;
- our ability to anticipate and respond to consumer trends;
- increases in inventory, maintenance and rental costs;
- the condition and changes in the Philippine, Asian or global economies and future political instability in the Philippines;
- changes in interest rates, inflation rates and the value of the Philippine Peso against the U.S. Dollar and other currencies;
- changes in Government regulations, including tax laws, or licensing in the Philippines; and
- competition in the telecommunications industry in the Philippines.

Additional factors that could cause our actual results, performance or achievements to differ materially from forward-looking statements include, but are not limited to, those disclosed under “*Risk Factors*” and elsewhere in this Prospectus. These forward-looking statements speak only as of the date of this Prospectus. We and the Sole Underwriter expressly disclaim any obligation or undertaking to release, publicly or otherwise, any updates or revisions to any forward-looking statement contained herein to reflect any change in our expectations with regard thereto or any change in events, conditions, assumptions or circumstances on which any statement is based.

This Prospectus includes statements regarding our expectations and projections for future operating performance and business prospects. The words “believe,” “plan,” “expect,” “anticipate,” “budget,” “estimate,” “project,” “intend,” “seek,” “target,” “aim,” “may,” “might,” “will,” “would,” “could,” and similar words identify forward-looking statements. Statements that describe the Company’s objectives, plans or goals are forward-looking statements. In addition, all statements other than statements of historical facts included in this Prospectus are forward-looking statements. In light of the risks and uncertainties associated with forward-looking statements, investors should be aware that the forward-looking events and circumstances discussed in this Prospectus might not occur. Actual results could differ materially from those contemplated in the relevant forward-looking statement and we give no assurance that such forward-looking statements will prove to be correct or that such intentions will not change. This Prospectus discloses, under the section “*Risk Factors*” and elsewhere, important factors that could cause actual results to differ materially from our expectations. All subsequent written and oral forward-looking statements attributable to us or persons acting on behalf of us are expressly qualified in their entirety by the above cautionary statements.

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## GLOSSARY

**“Additional Entitlement Rights”** shall mean unsubscribed Entitlement Rights arising from the failure of the other Eligible Shareholders to fully subscribe for their Entitlement Rights in the initial round of the Offer.

**“AGI”** or the **“Company”** or the **“Issuer”** shall mean Alliance Global Group, Inc., a publicly listed holding company incorporated in the Philippines.

**“AMLA”** shall mean Anti-Money Laundering Act of 2001, as amended, and its implementing rules and regulations.

**“AMLC”** shall mean the Anti-Money Laundering Council.

**“Applicant”** shall mean a person, whether natural or juridical, who seeks to subscribe for the Offer of the Warrants.

**“Application”** shall mean the document evidencing the application to subscribe to the Entitlement Rights.

**“AWGI”** shall mean Anglo Watsons Glass, Inc.

**“BOD”** or **“Board of Directors”** or the **“Board”** shall mean the board of directors of AGI.

**“Bodegas Fundador”** shall mean Bodegas Fundador S.L.U.

**“BPO”** shall mean business process outsourcing.

**“BSP”** shall mean the *Bangko Sentral ng Pilipinas*, the Central Bank of the Philippines.

**“Common Shares”** shall mean common shares constituting the authorized or issued capital stock of the Company at any time, as the context may require.

**“DBLC”** shall mean Domecq Bodega Las Copas SL.

**“EDI”** shall mean Emperador Distillers, Inc., a wholly-owned subsidiary of Emperador Inc. and its brandy manufacturing arm in the Philippines.

**“Eligible Shareholders”** shall mean shareholders on Record Date that are eligible to purchase the Warrants.

**“EMP”** or **“EMI”** or **“Emperador”** shall mean Emperador, Inc., a listed subsidiary of AGI involved in the manufacture, distribution, and sale of global alcoholic beverages.

**“Entitlement Ratio”** shall mean one (1) Warrant for every four (4) Common Shares of AGI held by an Eligible Shareholder as of Record Date.

**“Entitlement Rights”** shall mean the right to subscribe to up to 2,225,874,470 warrants of AGI being offered to Eligible Shareholders as of Record Date at the Entitlement Ratio.

**“Exercise Date”** shall mean any date within the Exercise Period when the Warrantholders may exercise their rights to subscribed to the Underlying Shares pursuant to the Warrants.

**“Exercise Notice”** shall mean the document delivered by a Warrantholder giving notice of its intention to exercise in whole or in part the Warrant/s in accordance with the Warrant Instrument.

**“Exercise Period”** shall mean the business hours within the first two (2) trading days of each month beginning on the immediately following month after the twelfth (12th) month from the Issue Date of the Warrants until 5:00 p.m. on the date immediately preceding the fifth (5th) anniversary of the Issue Date of the Warrants.

**“Exercise Price”** shall mean Php 12.00 per common share, payable in exact amount upon exercise of each Warrant, and shall be subject to adjustment in the event of any stock split, stock dividend, capital reorganization, reclassification, consolidation, merger, spin-off, or similar corporate event affecting the Company’s share capital. The intent of such adjustment is to preserve, to the extent practicable, the value of the Warrants.

**“GADC”** or **“Golden Arches”** shall mean Golden Arches Development Corporation, the exclusive franchisee of McDonald’s Philippines and an affiliate of AGI.

**“GERI”** shall mean Global-Estate Resorts, Inc., a listed subsidiary of Megaworld Corporation focused on integrated tourism estate development.

**“GES”** shall mean Grupo Emperador Spain S.A.U.

**“GPR”** shall mean Gross Profit Rate.

**“Group”** shall mean AGI and its subsidiaries, associates, and joint ventures.

**“Issue Date”** or **“Listing Date”** shall mean the date of listing of the Warrants on the PSE.

**“Megaworld”** or **“Megaworld”** or together with its subsidiaries, the **“Megaworld Group”** shall mean Megaworld Corporation, a PSE-listed subsidiary of AGI engaged in real estate development.

**“MICE”** shall mean Meetings, Incentives, Conventions and Exhibitions.

**“NP”** shall mean Net Profit.

**“NPO”** shall mean Net Profit to owner.

**“NPOR”** shall mean NPO rate.

**“NPR”** shall mean NP rate.

**“NWR”** shall mean Newport World Resorts.

**“Offer”** shall mean the offering for subscription to Eligible Shareholders of the Warrants, subject to the terms and conditions stated in this Prospectus and in the Application.

**“Offer Price”** shall mean Php 0.50 per Warrant, payable upon subscription to the Warrants. The Offer Price is non-refundable and independent of whether the Warrant is exercised.

**“PAGCOR”** shall mean Philippine Amusement and Gaming Corporation.

**“PCD Nominee”** shall mean PCD Nominee Corporation.

**“PDTC”** shall mean Philippine Depository & Trust Corp., which provides centralized scripless lodgment, clearing, and settlement of securities.

**“PFRS Accounting Standards”** shall mean Philippine Financial Reporting Standards, the accounting standards adopted by the Financial and Sustainability Reporting Standards Council of the Philippines.

**“Principal Shareholder”** or **“TAGI”** shall mean The Andresons Group, Inc .



**“Prospectus”** shall mean this prospectus together with all its annexes, appendices and amendments, if any.

**“PSE”** shall mean The Philippine Stock Exchange, Inc.

**“QSR”** shall mean Quick Service Restaurant, referring to the segment of AGI’s business operated by GADC (McDonald’s Philippines).

**“Record Date”** shall mean November 20, 2025 or such date fixed by the Company to determine the Eligible Shareholders entitled to subscribe to the Warrants.

**“Receiving Agent”** shall mean BDO Unibank, Inc. – Trust and Investments Group, the third-party entity designated to accept subscriptions and process payments in relation to the Offer.

**“SEC”** shall mean the Philippine Securities and Exchange Commission

**“Sole Underwriter”** shall mean BDO Capital & Investment Corporation.

**“SRC”** shall mean R.A. No. 8799, also known as the Securities Regulation Code of the Philippines.

**“Stock Transfer Agent”** shall mean BDO Unibank, Inc. – Trust and Investments Group

**“Travellers”** shall mean Travellers International Hotel Group, Inc., the developer and operator of Newport World Resorts.

**“Underlying Shares”** shall mean Common Shares of AGI to be issued upon valid exercise of the Warrants.

**“Undertaking to Subscribe”** shall mean the undertaking of The Andresons Group, Inc. to subscribe to any unsubscribed Warrants not taken by the Eligible Shareholders to ensure that the Entitlement Rights under the Offer are fully subscribed.

**“Warrants”** shall pertain to the transferable instruments granting the holder the right to subscribe to one (1) Common Share of AGI at the Exercise Price during the Exercise Period.

**“Warrants Certificate”** shall pertain to the certificate issued by the Issuer to a Warrantholder representing the Warrantholder’s right to a Warrant.

**“Warrant Instrument”** shall mean the written document or deed containing the terms and conditions of the issue and exercise of the Warrants whose terms and conditions shall include (i) the maximum underlying Common Shares that can be purchased upon exercise, (ii) the exercise period, and (iii) such other terms and conditions as the SEC may require.

**“Warrant Registrar”** shall mean BDO Unibank, Inc. – Trust and Investments Group tasked to maintain the Warrants Registry Book’s scripless record system.

**“Warrant Registry Book”** shall mean all sale, transfer, or assignment of a Warrant shall be recorded in a warrants registry, including the names of the transferor and transferee, the number of Warrants transferred and the number of Underlying Shares covered by said transfer.

**“Warrantholder”** shall pertain to an Eligible Shareholder or transferee who holds Warrants issued under this Offer.

**“WMG”** shall mean Whyte and Mackay Group Limited.

**“YoY”** shall mean year-on-year.

## SUMMARY

*The following summary does not purport to be complete and is taken from and qualified in its entirety by the more detailed information including the Company's consolidated financial statements and notes relating thereto appearing elsewhere in this Prospectus. For a discussion of certain matters that should be considered in evaluating any investment in the Warrants, see the section entitled "Risk Factors" on page [•] of this Prospectus. Terms defined elsewhere in this Prospectus shall have the same meanings when used in this summary.*

*Prospective investors should read this entire Prospectus fully and carefully, including the Company's consolidated financial statements and related notes. In case of any inconsistency between this summary and the detailed information in this Prospectus, the more detailed portions, as the case may be, shall prevail.*

## OVERVIEW

AGI is one of the largest conglomerates in the Philippines, with interests in property development, food and beverage manufacture and distribution, quick-service restaurants and integrated tourism development businesses. The Company and its subsidiaries, associates and jointly-controlled entities, such as Megaworld Corporation, Emperador Inc., Travellers International Hotel Group, Inc., Golden Arches Development Corporation ("GADC") and Alliance Global - Infracorp Development Inc. (the "**Group**") operate a diversified range of businesses that focus on providing and developing innovative products and services that generally cater to the target markets' needs, demands and aspirations.

Incorporated on October 12, 1993, AGI began operations in 1994 as a flint glass-container manufacturer after it acquired a glass manufacturing plant in Canlubang, Laguna. AGI initially listed its shares in the PSE in 1999; after which in the same year, it broadened its primary business and became a holding company. Immediately, the Company began its diversification into the food and beverage and real estate industries, and, in 2005, into the quick-service restaurant business. In 2007, it reorganized to consolidate businesses controlled by Dr. Andrew L. Tan and family ("**Tan Family**"), specifically in the distilled spirit manufacturing and property development. In 2008, the Company entered into integrated tourism development, with gaming activities, by partnering with a leading multinational leisure, entertainment and hospitality group. In 2011, AGI expanded its integrated tourism estate development outside of Metro Manila, particularly in the Calabarzon and Visayan regions, and in 2014, in Mindanao.

From 2013 to 2017, the Group expanded its spirits manufacturing business abroad through acquisitions of rich heritages in Spain, United Kingdom and Mexico. The Group acquired vineyard lands, aged liquids and assets in Spain, and brandy and sherry wine assets, which include the oldest bodegas in Spain, the first brandy in Jerez and Mexico and other well-known brandy and sherry brands which the Group now owns. The Group acquired and now owns the 5<sup>th</sup> largest producer of Scotch Whisky in the world by capacity (*Source: Scotch Whisky Industry Review, 2023*) with a history of more than 175 years and ownership of some of the most iconic Scotch Whisky brands in the industry, thus fortifying the distilled spirits business segment.

The Group have been doing realignments and acquisitions also in the real estate segment where it continues to introduce innovative concepts such as 'integrated lifestyle community' and 'transit-oriented developments' in addition to its 'live-work-learn-play' townships within and outside of Metro Manila while the expansion of hotels and non-gaming facilities and offerings and quick-service restaurants is ongoing. AGI began diversifying into infrastructure in 2017 and, in 2018, received an original proponent status for its Fort Bonifacio-Makati Sky Train Project.

The Tan Family beneficially owns a majority interest in AGI.

## RISK OF INVESTING

Before making an investment decision, prospective investors should carefully consider the risks associated with an investment in the Warrants and the Underlying Shares. These risks are discussed in the section entitled "*Risk Factors*" and include:

- risks relating to our businesses and operations,
- risks relating to the Philippines, and
- risks relating to the Offer, the Warrants and the Underlying Shares.

#### **CORPORATE INFORMATION**

The Company is a corporation established under the laws of the Republic of the Philippines with registered office and principal executive offices located at the 7<sup>th</sup> Floor, 1880 Eastwood Avenue, Eastwood City CyberPark, Bagumbayan, Quezon City, Philippines. The Company's telephone number is +(632) 8709 2038 to 41. The Company's website is [www.allianceglobalinc.com](http://www.allianceglobalinc.com). The information on its website is not incorporated by reference into, and does not form a part of, this Prospectus.

## TERMS AND CONDITIONS OF THE OFFER

*All capitalized terms used herein and not otherwise defined shall have the same meanings ascribed to them in the Prospectus for the Warrants.*

*The Warrants to be issued under this Offer do not represent ownership interests in the Company and do not entitle the Warrantholder to any shareholder rights, including voting rights, rights to dividends, or other rights accorded to holders of Common Shares, unless and until such Warrants are validly exercised and the corresponding Underlying Shares are issued and recorded in the name of the Warrantholder.*

*The Warrants are highly speculative investments and may expire unexercised and without value if not exercised within the Exercise Period. Investors are advised to make their own independent evaluation of the merits and risks of investing in the Warrants and, in particular, should consider the risk that the market price of the Company's Common Shares may not exceed the Exercise Price during the Exercise Period.*

*Neither the Company nor the Sole Underwriter provides any assurance or representation that the Warrants will be actively traded, or that an active market for the Warrants will develop or be sustained following the Offer. Accordingly, there is no assurance that Warrantholders will be able to sell their Warrants or realize any gain from such Warrants prior to their expiration.*

*Prospective investors are urged to consult their own professional advisors, including legal, tax, and financial counsel, before making any investment decision with respect to the Warrants.*

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| <b>Issuer</b>            | Alliance Global Group, Inc. (the “ <b>Company</b> ” or “ <b>AGI</b> ”), a publicly-listed corporation organized and existing under Philippine law                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>Offer</b>             | Offer for subscription of up to 2,225,874,470 Warrants to Eligible Shareholders as of the Record Date                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <b>Underlying Shares</b> | Up to 2,225,874,470 Common Shares of the Company, with full voting rights and entitlement to dividends and other shareholder rights upon issuance. The Underlying Shares will be issued from the unissued Common Shares of AGI from its existing authorized capital stock.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>Entitlement Right</b> | <p>Each Eligible Shareholder is entitled to one (1) Warrant for every four (4) Common Shares of AGI such Eligible Shareholder holds as of the Record Date.</p> <p>Fractions of Entitlement Rights will not be allotted to existing shareholders, and fractional entitlements will be rounded down to the nearest whole number of Entitlement Rights. Such fractions will be aggregated and offered for the benefit of the Company.</p> <p>If an Applicant fully subscribes to his Entitlement Rights and subject to the availability of unsubscribed Entitlement Rights arising from the failure of the other Eligible Shareholders to fully subscribe for their Entitlement Rights in the initial round of the Offer, the Applicant may simultaneously apply for an additional subscription of the unsubscribed Entitlement Rights (the “<b>Additional Entitlement Rights</b>”). The Additional Entitlement Rights are payable in exact amount upon submission of the application to subscribe (the “<b>Application</b>”). If the aggregate number of Additional Entitlement Rights available for subscription equals or exceeds the aggregate</p> |

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|                                                       | <p>number of Additional Entitlement Rights so subscribed for, an Applicant will be allocated the number of Additional Entitlement Rights indicated in his Application. If the aggregate number of Additional Entitlement Rights available for subscription is less than the aggregate number of Additional Entitlement Rights so subscribed for, the available Additional Entitlement Rights will be allocated to Applicants who have applied to subscribe for such Additional Entitlement Rights and such allocation shall be made in the absolute discretion of the Company taking into account various factors including each applicant's original shareholding in the Company as of the Record Date relative to the original shareholding of all other Applicants for Additional Entitlement Rights as of such Record Date, provided that no Applicant for Additional Entitlement Rights shall be allocated more Additional Entitlement Rights than the number for which such Applicant has applied for. There can be no guarantee as to whether any additional subscription to Entitlement Rights may be allocated to an Eligible Shareholder. A subscription for Additional Entitlement Rights is irrevocable on the part of the Applicant and may not be cancelled or modified by such Applicant.</p> |
| <b>Offer Price</b>                                    | <p>Php0.50 per Warrant.</p> <p>The Offer Price is non-refundable and independent of whether the Warrant is exercised.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>Minimum Subscription</b>                           | <p>Each Application must be for a minimum of one (1) Entitlement Right.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>Eligible Shareholders</b>                          | <p>The Entitlement Rights are being offered to eligible holders of Common Shares of AGI as of the Record Date, consisting of: (i) holders located within the Philippines; or (ii) holders located in jurisdictions outside the Philippines and outside the United States where it is legal to participate in the Offer under the laws of the applicable jurisdiction, in each case as of the Record Date. Each foreign shareholder is urged to consult his/her/its independent professional adviser regarding the consequences of participating in the Offer and to determine eligibility to subscribe to the Entitlement Rights.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| <b>Principal Shareholder Undertaking to Subscribe</b> | <p>The Andresons Group, Inc. which directly holds or owns 54.09% of the total outstanding Common Shares of the Company (the "<b>Principal Shareholder</b>") has executed an undertaking to subscribe on [●] in favor of the Sole Underwriter, pursuant to which the Principal Shareholder has agreed to subscribe to its Entitlement Rights in the Offer and to subscribe to any unsubscribed Warrants not taken by the Eligible Shareholders to ensure that the Entitlement Rights under the Offer are fully subscribed. The Principal Shareholder's subscriptions in the Offer shall have no preference over the subscriptions of any other Eligible Shareholders.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| <b>Offer Firm Undertaking</b>                         | <p>The Sole Underwriter will firmly underwrite the Offer in accordance with the underwriting agreement entered into with the Company. To</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |

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|                                  | <p>the extent that any Entitlement Rights remain unsubscribed and are not taken up by the Principal Shareholder pursuant to its Undertaking to Subscribe, subject to certain conditions, the unsubscribed portion of the Offer will be taken up by the Sole Underwriter who shall procure purchasers in the Philippines who are qualified institutional buyers as defined under the SRC, or failing which, shall purchase the unsubscribed Warrants as set out below.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <b>Warrants Offer Period</b>     | <p>The Offer Period shall commence on [4 December] 2025 at 9:00 a.m. (Manila time) and end on [11 December] 2025 at 12:00 pm (noon) (Manila time). The Company and the Sole Underwriter reserve the right to extend or terminate the Offer Period with the approval of the PSE.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>Procedure for Application</b> | <p>Applications to subscribe to the Warrants will be mailed by the Issuer and will also be made available in the Issuer's website. All Applications shall be evidenced by the Application, duly executed in each case by an authorized signatory of the Applicant and accompanied by two (2) completed specimen signature cards, the corresponding proof of payment for the Warrant covered by the Application and all other required documents including documents required for registry with the Receiving Agent. The duly executed Application and required documents should be submitted to the Receiving Agent by the end of the Offer Period. The Application must also be signed by the nominated Trading Participant signifying its conformity to receive the Warrants on Issue Date.</p> <p>i. For corporate, partnership, trust or institutional clients:</p> <ul style="list-style-type: none"> <li>a) A copy of the SEC Certificate of Registration and Articles of Incorporation, By-Laws, and other constitutive document, each as amended to date, duly certified by the corporate secretary or equivalent officer;</li> <li>b) A duly executed and notarized corporate secretary's certificate certifying to the resolution of the Board of Directors or equivalent body authorizing the purchase of the Warrants, specifying therein their authorized signatory/ies, including their respective specimen signatures, and certifying to the percentage of the capital stock held by non-Philippine citizens and/or corporations, if any;</li> <li>c) Two (2) specimen signature card/s fully completed and signed by the authorized signatory/ies, and certified by the Applicant's corporate secretary or equivalent officer; and,</li> </ul> |

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|                                 | <p>d) Copy of two (2) valid government-issued identification cards of the authorized signatory/ies;</p> <p>Such other documents as may be reasonably required by the Issuer or the Receiving Agent in the implementation of its internal policies regarding “know your customer” and anti-money laundering.</p> <p>ii. For foreign corporate and institutional clients, in addition to the documents required in paragraph (a) above, four (4) copies of a representation and warranty statement that the purchase of the Warrants will not violate the laws of their jurisdiction of incorporation or organization, and that they are allowed under such laws to acquire, purchase, and hold the Warrants; and</p> <p>iii. For individual clients:</p> <p>a) Two (2) duly accomplished signature card/s containing the specimen signatures of the Applicant;</p> <p>b) Copy of two (2) valid government-issued identification cards of the Applicant; and</p> <p>c) Such other documents as may be reasonably required by the Issuer or the Receiving Agent in the implementation of its internal policies regarding “know your customer” and anti-money laundering.</p> |
| <b>Payment for the Warrants</b> | <p>The Offer Price of the Warrants must be paid in exact amount in Philippine Pesos upon submission of the Application together with the requisite attachments. Any and all bank charges, remittance fees, and all relative charges and fees shall be for the account of the Applicant.</p> <p>Participating Trading Participants may coordinate with the Receiving Agent for other modes of payment and shall strictly adhere to the procedures to be imposed by the Receiving Agent for such other modes of payment.</p> <p>For payments through banks, no applications shall be considered accepted until the funds for payment through BDO branches have been credited to the nominated bank account in cleared funds. Along with the other Application documents, Trading Participants should send the proof of payment clearly indicating the Trading Participant’s company name to the Receiving Agent via email to <a href="mailto:bdoreceivingagent@bdo.com.ph">bdoreceivingagent@bdo.com.ph</a>.</p> <p>Payment by individual Applicants shall be made either by:</p>                                                                                           |

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|                                               | <ul style="list-style-type: none"> <li>▪ Over-the-counter cash or check deposit payment in any BDO branch via Bills Payment under the biller name: BDO-TIG as Receiving Agent 004</li> <li>▪ Digital Banking Bills Payment via BDO Online Banking or BDO biller name: BDO-TIG as Receiving Agent 004</li> </ul> <p>Deadline for online payments is at 12:00 noon on [•] 2025.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>Application / Rejection of Application</b> | <p>An Application, when accepted, shall constitute a binding and effective agreement between the Applicant and the Company for the subscription to the Warrants notwithstanding any provision to the contrary as may be found in the Application, this Prospectus, and other offer-related document. Notwithstanding the acceptance of any Application, the actual issuance of the Warrants to an Applicant shall take place only upon the listing of the Warrants on the PSE.</p> <p>Subject to the right of the Company to withdraw or cancel the Offer and sale of the Warrants prior to the Issue Date of the Warrants pursuant to the “Withdrawal of the Offer” section of the Prospectus, the Company and any of its agents involved in the Offer undertake to comply with all conditions that are within the control of the Company and any of its agents involved in the Offer, to ensure the listing of the Warrants on Issue Date of the Warrants.</p> <p>The Company has full discretion to accept or reject all or a portion of any Application under the terms and conditions of the Offer. The actual number of Warrants to which any Applicant may be entitled is subject to the confirmation of the Company.</p> <p>Grounds for rejection of an Application may include, but is not limited to the following:</p> <ul style="list-style-type: none"> <li>i. the check submitted by the Applicant or any payments received as payment is for an amount less than the number of Entitlement Rights and/or Additional Entitlement Rights applied for, or if the payment received is not the exact amount applied for, or the check submitted by the Applicant is dishonored, or the check is subject to clearing periods of over one (1) banking day;</li> <li>ii. the Application, any supporting documents, or the corresponding payment is not in accordance with the terms and conditions of the Offer, or which are incomplete or deficient in any essential information, or which are improperly or fraudulently executed;</li> <li>iii. there exists a legal restriction prohibiting the acceptance or consummation of the Application;</li> <li>iv. Applications received beyond the Offer Period;</li> </ul> |



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|                                          | <p>v. the Company will suffer actual or potential prejudice if the Application, by itself or together with any other Application, is accepted;</p> <p>vi. the Offer is suspended, terminated, or cancelled on or before the Listing Date; or</p> <p>vii. any other grounds at the absolute discretion of the Company and the Sole Underwriter.</p> <p>Moreover, receipt of Applications and payments for the subscription price do not constitute approval or acceptance by the Company, the Receiving Agent or the Sole Underwriter of the Application.</p>                                                                                                                                                                                                                                |
| <b>Refunds for Rejected Applications</b> | <p>In the event that the number of the Warrants to be allotted to an Applicant, as confirmed by the Sole Underwriter, is less than the number covered by its Application, or if an Application is wholly or partially rejected by the Issuer, then the Issuer shall refund, without interest, within five (5) business days from the end of the Offer Period, all, or a portion of the payment corresponding to the number of the Warrants wholly or partially rejected.</p> <p>All refunds shall be made through the Receiving Agent with whom the Applicant has filed the Application. Any checks that remain unclaimed after fifteen (15) calendar days from the Issue Date shall be mailed or delivered, at the risk of the Applicant, to the address specified in the Application.</p> |
| <b>Withdrawal of the Offer</b>           | <p>The Company reserves the right to withdraw the offer and sale of the Warrants at any time before the commencement of the Offer Period, in which event the Company shall make the necessary disclosures to the SEC and PSE. Please refer to the section on the “Withdrawal of the Offer” section of the Prospectus.</p> <p>The Company may also withdraw the offer and sale of the Warrants at any time on or after the commencement of the Offer Period and prior to the Issue Date, if there is a supervening force majeure or fortuitous event, as enumerated in the “Withdrawal of the Offer” section of the Prospectus.</p>                                                                                                                                                          |
| <b>Exercise Price</b>                    | <p>The Warrants may be exercised at the price of Php12.00 per Common Share of AGI, payable in exact amount upon exercise of each Warrant. The Warrantholder is required to tender the exact amount of the Exercise Price during the Exercise Period in order to exercise the rights under the Warrant.</p> <p>The Exercise Price shall be subject to adjustment in the event of any stock split, stock dividend, capital reorganization, reclassification, consolidation, merger, spin-off, or similar corporate event affecting the Company’s share capital. The intent of such adjustment is to preserve, to the extent practicable, the value of the Warrants.</p>                                                                                                                       |

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| <b>Exercise Ratio</b>                            | Each Warrant entitles the holder to subscribe to one (1) common share of the Company.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>Exercise Period</b>                           | <p>Warrants may be exercised during business hours within the first two (2) trading days of each month beginning on the immediately following month after the twelfth (12<sup>th</sup>) month from the Issue Date until 5:00 p.m. on the business day immediately preceding the fifth (5<sup>th</sup>) anniversary of the Issue Date.</p> <p>The Warrants will expire on [19 December 2030] or five (5) years from their Issue Date as defined under the terms of the Warrant Instrument unless otherwise amended.</p> <p>Warrants that are not exercised within the Exercise Period shall automatically expire and become null and void.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>Procedure in the Exercise of the Warrants</b> | <p>Subject to the provisions of the Warrant Certificate, and compliance with rules and regulations applicable to the issuance of Warrants, a Warrantholder may exercise his/her right to purchase shares in the Company during the Exercise Period.</p> <p>AGI shall recognize only the registered holder of any Warrant as the absolute owner thereof, and accordingly, except upon the order of a court of competent jurisdiction or as required by law, AGI shall not be bound to recognize any equitable or other claim to or interest in such Warrant by any other person.</p> <p>Any right to purchase shares which have not been exercised during the Exercise Period shall lapse and the Warrants shall cease to be valid for any purpose whatsoever. The Warrants shall automatically be delisted upon the lapse of the Exercise Period, subject to PSE rules.</p> <p>For the process of exercising of a Warrant, please refer to page [•] of the Prospectus under “Description of the Warrants”.</p> <p>All expenses for the issuance of the Underlying Shares in the name of the Warrantholders who exercised the right under the Warrants, such as but not limited to, documentary stamp taxes and other fees and charges shall be for the sole account of the Company.</p> |
| <b>Settlement of Underlying Shares</b>           | Within the prescribed settlement period, the Company shall cause the issuance of the Underlying Shares in scripless form, lodged with PDTC.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <b>Registration and Listing of Warrants</b>      | The Offer of the Warrants is an exempt transaction under the SRC. and the Warrants will be listed and traded on the Philippine Stock Exchange, subject to the approval of regulatory authorities. Subject to the approval of the PSE made on 7 November 2025, the Warrants are expected to be listed on the PSE on or about [19 December] 2025, and shall be traded under the symbol [AGIW].                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |

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| <b>Registration and Listing of Underlying Shares</b>           | The Common Shares to be issued upon exercise of the Warrants will also be listed on the PSE.                                                                                                                                                                                                                                                                                                         |
| <b>Registration and Lodgment of the Warrants with the PDTC</b> | The Warrants will be issued upon exact payment of the Entitlement Rights and will be lodged under the scripless book-entry system with the PDTC. The Applicant must indicate in the space provided in the Application and provide the information required for the PDTC-lodgment of the Warrants. The Warrants will be lodged with the PDTC at least three (3) trading days prior to the Issue Date. |

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| <b>Winding up of the Company</b> | <p>If an effective resolution is passed at any time before the expiration of the Exercise Period, for the voluntary winding up of the Company for the purpose of reorganization, merger or consolidation, then every Warrantholder shall be entitled at any time within thirty (30) business days after the passing of such resolution for the voluntary winding up of the Company, by irrevocable surrender of his Warrant Certificate(s) to the Company together with the payment of the Exercise Price (or the relative portion thereof) to elect to be treated as if he had immediately prior to the commencement of such winding up, exercised the Rights represented by his Warrant(s) and had on such date been the holder of the shares to which he would have become entitled pursuant to such exercise and the Company and the liquidator of the Company shall give effect to such election accordingly. The Company shall give notice to the Warrantholders of the passing of any such resolution within seven (7) business days after the passing thereof and such notice shall contain a reminder to Warrantholders with respect to their Rights under this paragraph.</p> <p>Subject to the foregoing, if the Company is wound up, all Rights which have not been exercised as of the date of passing of such resolution within the period provided above shall lapse and the Warrant Certificates shall cease to be valid for any purpose.</p> |
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| <b>Documentary Stamp Tax</b> | <p>All documentary stamp taxes due on the issuance of the Warrants, and the issuance of the Common Shares with respect to the exercise of the Warrants, if any, shall be for the sole account of the Company.</p> <p>For the avoidance of doubt, the Company shall not be responsible for documentary stamp taxes due for any secondary transfers of the Common Shares or Warrants which shall be for the account of the relevant investor or Warrantholder.</p> |                |                    |             |                    |              |                       |
| <b>Expected Timetable</b>    | <p>The timetable of the Offer is scheduled as follows:</p> <table border="1"> <tr> <td>Ex-Rights Date</td><td>[19 November] 2025</td></tr> <tr> <td>Record Date</td><td>[20 November] 2025</td></tr> <tr> <td>Offer Period</td><td>[4-11 December ] 2025</td></tr> </table>                                                                                                                                                                                      | Ex-Rights Date | [19 November] 2025 | Record Date | [20 November] 2025 | Offer Period | [4-11 December ] 2025 |
| Ex-Rights Date               | [19 November] 2025                                                                                                                                                                                                                                                                                                                                                                                                                                               |                |                    |             |                    |              |                       |
| Record Date                  | [20 November] 2025                                                                                                                                                                                                                                                                                                                                                                                                                                               |                |                    |             |                    |              |                       |
| Offer Period                 | [4-11 December ] 2025                                                                                                                                                                                                                                                                                                                                                                                                                                            |                |                    |             |                    |              |                       |

|                                                                            |                                                                                                                                                                                            |                    |
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|                                                                            | Issue Date                                                                                                                                                                                 | [19 December] 2025 |
|                                                                            | <p>The dates listed above are subject to market and other conditions and may be changed at the discretion of the Company and the Sole Underwriter, subject to the approval of the PSE.</p> |                    |
| <b>Sole Issue Manager, Underwriter and Bookrunner</b>                      | BDO Capital & Investment Corporation                                                                                                                                                       |                    |
| <b>Receiving Agent, Stock Transfer Agent and Warrant Registrar</b>         | BDO Unibank, Inc. – Trust and Investments Group                                                                                                                                            |                    |
| <b>Legal Counsel to the Issuer</b>                                         | Picazo Buyco Tan Fider & Santos                                                                                                                                                            |                    |
| <b>Legal Counsel to the Sole Issue Manager, Underwriter and Bookrunner</b> | Angara Abello Concepcion Regala & Cruz                                                                                                                                                     |                    |
| <b>Independent Auditor</b>                                                 | Punongbayan & Araullo                                                                                                                                                                      |                    |

#### Summary Provisions of the Warrant Certificate

|                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
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| <b>Warrant Certificates</b> | <p>Each Warrantholder may request for a Warrant Certificate with the endorsement thereon of the conditions in respect of the Warrants issued or transferred to such Warrantholder.</p> <p>Such physical Warrant Certificates shall be signed by the President (or such other officer as may be authorized by the Board of Directors) and the Corporate Secretary. The Warrant Certificate shall state the following on its face:</p> <p><b>“The Warrant contained herein does NOT represent shares of stock; but a mere right to subscribe to shares of stock in the Issuer under the terms and conditions stated herein.”</b></p> <p>In case of subsequent sale or transfer, the transferor thereof shall cause the Warrant Registrar to make available the Warrant Certificates, if so requested, to the purchasers or transferees, no later than ten (10) trading days after the date of such sale or transfer and submission of all requirements.</p> <p>The Company undertakes to lodge the Warrants with the PDTC at least three (3) trading days prior to the Issue Date, and, if requested, shall make available the Warrant Certificates to the original Warrantholders within twenty (20) trading days from the receipt of such request and submission of all requirements, subject to processing timelines and procedures beyond the Issuer’s control.</p> |
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| <b>Subscription Rights to the Underlying Shares</b>             | <p>Rights of the Warranholders to subscribe to the Underlying Shares pursuant to the Warrants, within the Exercise Period and subject to the Exercise Ratio. The Underlying Shares shall be taken from the remaining authorized and unissued capital stock of the Company.</p> <p>In relation to the Warrants, each Warranholder has the right to the aggregate number of Underlying Shares stated in the Warrant Certificate.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>Exercise of Subscription Rights to the Underlying Shares</b> | <p>Warranholders may exercise their subscription rights in whole or in part on any Exercise Date within Exercise Period. Any subscription rights which have not been exercised upon the expiry of the Exercise Period will lapse and the Warrants shall cease to be valid for any purpose whatsoever.</p> <p>In order for the Warranholder to exercise in whole or in part the subscription rights under the Warrants, the Warranholder is required, subject to and otherwise in compliance with any applicable exchange controls and other applicable laws and regulations, to complete, sign and deliver an Exercise Notice, surrender and endorse the Warrant Certificate if in certificated form, and tender the exact Exercise Price to the Warrant Registrar. All exercising scripless Warranholders are required to uplift their Warrants through their respective lodging PDTC participant-brokers, and tender the exact Exercise Price to the Warrant Registrar.</p> <p>Payment of the Exercise Price shall be made in cash, or a cashier's or manager's check drawn on any Metro Manila branch of a BSP authorized agent bank, and payable to the order of the Company. The payment of the Exercise Price shall be for the exact amount corresponding to the number of Warrants to be exercised. Any unexercised Warrants shall remain scripless unless separately requested to be certificated. If the Warranholder is a corporation, a secretary's certificate evidencing the resolution authorizing the exercise of the Right under the Warrant shall also be presented to the Warrant Registrar.</p> <p>The exercise of the subscription right under a Warrant shall be deemed completed upon receipt of the Warrant Registrar of the PDTC participant broker endorsed Exercise Notice and receipt of the payment of the exact Exercise Price. If payment is effected by check, or by means other than cash, then payment shall be deemed complete upon actual receipt of the funds by the Company.</p> <p>The documentary stamp tax for the issuance of the Underlying Shares in the names of the Warranholders who exercise the whole or part of their Warrants shall be for the account of the Company.</p> <p>The Underlying Shares shall be issued to the exercising Warranholder in scripless form. If the exercising Warranholder opts to receive the Underlying Shares in certificated form, the exercising</p> |

|                                                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
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|                                                                        | <p>Warrantholder may request the upliftment of the Underlying Shares separately with its broker after the issuance of said Underlying Shares in scripless form.</p> <p><i>The Exercise Notice shall refer to the document delivered by a Warrantholder in accordance with the [Warrant Instrument] pursuant to the Warrantholders' exercise in whole or in part of the subscription rights under the Warrants.</i></p> <p>For the process of exercising of a Warrant, please refer to page [•] of the Prospectus under "Description of the Warrants".</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>Exercise Period of Subscription Rights to the Underlying Shares</b> | <p>The Exercise Period shall commence within the first two (2) trading days of each month beginning on the immediately following month after the twelfth (12<sup>th</sup>) month from Issue Date and expire on the fifth (5<sup>th</sup>) anniversary from Issue Date. Any unexercised Warrants shall be automatically delisted upon the lapse of the Exercise Period.</p> <p>If a Warrantholder has not exercised its subscription rights on or before the expiry of the Exercise Period: (i) that Warrantholder's subscription rights and Warrant(s) shall on the expiry of the Exercise Period automatically lapse and cease to be exercisable; and (ii) the Warrantholder shall have no further rights hereunder (without prejudice to any rights in respect of an antecedent breach by the Company).</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| <b>Irrevocable Undertakings of the Company</b>                         | <p>The Company undertakes from the date of the execution of the Warrant Certificate until the expiration of the Exercise Period, for so long as any subscription rights remain outstanding:</p> <p>(a) it shall not make any adjustment to the Exercise Price unless warranted under the Warrant Certificate;</p> <p>(b) reserve and keep available for issue, free from preemptive or other similar rights, out of its authorized but unissued capital such number of Underlying Shares as would be required to be issued upon exercise in full of all subscription rights from time to time remaining unexercised and exercisable, and shall ensure that all Underlying Shares allotted upon exercise of any subscription rights will be duly and validly issued;</p> <p>(c) not in any way modify the rights attaching to the Underlying Shares as a class or attach any special restrictions thereto;</p> <p>(d) not amend or make any supplement to the Warrant Certificate or in any way modify the subscription rights or attach any restrictions thereto without the approval of Warrantholders representing not less than a majority of the total unexercised Warrants;</p> <p>(e) not issue any of the following securities unless with the consent of the majority members of the Board of Directors and shareholders</p> |

|  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
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|  | <p>owning at least two-thirds (2/3) of the outstanding capital stock of the Company:</p> <p>(i) securities which are convertible into or exchangeable for shares otherwise than in accordance with the terms thereof (save to the extent that any of such terms have been amended by, or as a result of any change in, or the bringing into force of, any law validly promulgated by the government of the Republic of the Philippines occurring after the issue of the relative securities); and</p> <p>(ii) securities with rights to convert into or be exchanged for shares; and</p> <p>(f) not do any act or engage in any transaction the result of which would be to reduce the Exercise Price to below the par value of the shares. .</p> <p>The Company covenants that with respect to each Warrantholder until the expiration of the Exercise Period, it will:</p> <p>(a) upon exercise of the subscription rights pursuant to the Warrant Certificate, within twenty (20) trading days after the Exercise Date, issue and allot the Underlying Shares subscribed by the Warrantholder, subject to the rules of the PSE, and the processing timelines and procedures beyond the Issuer's control;</p> <p>(b) all Underlying Shares so allotted shall rank <i>pari passu</i> in all respects with the Common Shares of the Company in issue on the relevant Exercise Date and shall accordingly entitle the holders to participate in full in all dividends or other distributions paid or made on the Shares after the relevant Exercise Date other than any dividend or other distribution previously declared or recommended or resolved to be paid or made if the Record Date therefore shall be on or before the relevant Exercise Date and notice of the amount and the Record Date shall have been given to the PSE prior to the relevant Exercise Date;</p> <p>(c) it will use its best endeavors to obtain the lodgment of the relevant Warrants with the PDTC at least three (3) trading days prior to the Issue Date;</p> <p>(d) it will use its best endeavors to obtain the listing on the PSE of the Warrants and to ensure that all Underlying Shares allotted in exercise of the subscription rights will be admitted for listing on the PSE;</p> <p>(e) it will send to each Warrantholder, at the same time as the same are sent to the Common Share shareholders, its audited accounts and all other notices, reports communications dispatched by it to the shareholders generally;</p> |
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|----------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                              | <p>(f) it will pay stamp and capital duties, registration fees or similar charges if any, payable in respect of the execution of the Warrant Certificate, the creation and initial issue of the Warrants in registered form, and the issue of the Underlying Shares to Warrantheolders upon exercise of the subscription rights under the Warrants; and</p> <p>(g) it will not apply for its Common Shares to be delisted from the PSE or to be suspended from trading on the main market of PSE, except to the extent that it may be required to do so by the rules thereof in either case.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| <b>Transfer and Transmission of Warrants</b> | <p>The Warrants shall be transferable through the scripless book-entry system of the PDTC or by completing:</p> <p>(i) the endorsement at the back of the Warrant Certificate; and</p> <p>(ii) surrendering the same to the Warrant Registrar.</p> <p>All Warrants shall be freely transferable on the PSE upon admission to listing, independently from the Entitlement Rights. Any sale, transfer, or assignment of a Warrant must be duly recorded in the Warrants Registry Book, including the names of the transferor and transferee, the number of Warrants transferred and the number of Underlying Shares covered by said transfer. Unless recorded in the Warrants Registry Book, the transfer of Warrants shall not be binding on the Company.</p> <p>Transferors of Warrants shall be responsible for the payment of applicable taxes on gain and stamp duties, if any are payable as a result of any off-market transfer of the Warrants.</p> <p>The subscription rights exercisable under any of the Warrants rank <i>pari passu</i> in all respects and without discrimination or preference with any other Warrants which are created following a transfer of part of any Warrants.</p> |
| <b>Termination of Warrant Registrar</b>      | <p>The Company reserves the right at any time to vary or terminate the appointment of the Warrants Registrar and to appoint another warrants registrar, provided that it will at all times maintain a warrants registrar during the Exercise Period. Notice of any such termination or appointment and of any change of the office of the Warrant Registrar will be given to the Warrantheolders within seven (7) business days effectively of such change.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| <b>Variation of Rights</b>                   | <p>Any modification to the Warrant Certificate and/or any of the conditions may be effected only by a supplementary Warrant Certificate executed by the Company and expressed to be supplemental hereto, and only if it shall first have been approved by a majority of the Board of Directors of the Company, and by Warrantheolders representing not less than a majority of the total unexercised Warrants, in a meeting called for that purpose.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |



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|--------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                      | <p>Any supplemental Warrant Certificate shall be endorsed on the Warrant Certificate. Notice of every modification to the Warrant Certificate shall promptly be given to the Warrantholders.</p> <p>All Warrant Certificates shall, notwithstanding the fact that they do not incorporate any modification to the Warrant Certificate as effected by any modification supplemental to this Instrument, be valid documents of title for the Warrants in all respects and be treated as if such modification had been incorporated therein.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| <b>Meetings of Warrantholders</b>    | <p>Meetings of Warrantholders to consider any matter affecting their rights under the Warrant Certificate and/or interest in any modification of the Warrant Certificate or in any instance where their approval shall be necessary may be convened by the Company or Warrantholders representing more than fifty percent (50%) of the Warrants remaining unexercised. Any resolution shall be considered approved when passed at a duly convened meeting by not less than a majority of the votes cast by all Warrantholders, entitled to vote in person or by proxy, except in those cases where a higher vote is required. Any resolution passed at any meeting of the Warrantholders shall be binding on all the Warrantholders, whether or not they are represented at said meeting.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| <b>Issuance of Underlying Shares</b> | <p>The Company shall, upon exercise of any of the subscription rights from time to time during the Exercise Period, allot and issue the appropriate number of Underlying Shares, free and clear from any and all liens, in accordance with the conditions of the Warrant Certificate.</p> <p>The Underlying Shares shall have identical rights and privileges and rank equally in all respects with the Company's Common Shares in issue on the date on which the relevant Underlying Shares are allotted and issued.</p> <p>The subscription rights are not exercisable in respect of a fraction of an Underlying Share and no fractions of an Underlying Share shall be allotted or issued on the exercise of any subscription rights and no refund will be made to the Warrantholder exercising such subscription rights in respect of that part of the Exercise Price which represents such a fraction (if any), provided that, if subscription rights in respect of more than one Warrant are exercised at the same time by the same Warrantholder, then, for the purposes of determining the number of Underlying Shares to be issued and whether any (and, if so, what) fraction of an Underlying Share arises, the number of Underlying Shares arising on the exercise of subscription rights in respect of each Warrant shall first be aggregated.</p> <p>The Company shall within twenty (20) trading days after the allotment and issue of any Underlying Shares to a Warrantholder, subject to the processing timelines and procedures beyond the</p> |

|                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                            | <p>Issuer's control, issue the Underlying Shares in scripless form through the electronic book-entry system of the Stock Transfer Agent and lodged with the PDTC as depository agent upon issuance through PSE Trading Participants nominated by the Warrantholder. After such issuance, the Warrantholders may request the Stock Transfer Registrar, through their nominated PSE Trading Participant, to (a) open a scripless registry account and have their holdings of the Underlying Shares registered under their name, or (b) issue stock certificates evidencing their Underlying Shares.</p> <p>Any expense that will be incurred in relation to such registration or issuance shall be for the account of the requesting exercising Warrantholder.</p> |
| <b>Cancellation and Termination of Warrant Certificate</b> | <p>The Warrant Certificate shall be automatically cancelled in case of occurrence of any of the following events:</p> <p>(a) The offering, sale and distribution of the Underlying Shares is suspended, cancelled, or terminated for any reason;</p> <p>(b) The Underlying Shares and the Warrants cannot be listed with the PSE or the listing thereof is suspended, cancelled or terminated, for any reason; or</p> <p>(c) The Exercise Period has expired.</p> <p>The Warrant Certificate shall terminate and shall cease to have effect when all subscription rights have been exercised or have lapsed in accordance with the terms of the Warrant Certificate.</p>                                                                                         |

## SUMMARY FINANCIAL INFORMATION

The following tables present a summary consolidated financial information for the Company and should be read in conjunction with the Company's audited consolidated financial statements and notes thereto contained in this Prospectus and the section entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations." The summary financial information presented below as at and for the years ended December 31, 2024, 2023, and 2022 and periods ended March 31, 2025 and 2024 was prepared in accordance with PFRS Accounting Standards. The Company's audited consolidated financial statements as of December 31, 2024, 2023, and 2022 and each of the three years in the period ended December 31, 2024 were audited by Punongbayan & Araullo.

The information below is not necessarily indicative of the results of future operations. The selected financial information set out below does not purport to project the results of operations or financial position of the Company for any future period or date. Please note that figures may not sum up due to rounding off; the complete financial statements of the Company can be found starting on page [•] of this Prospectus.

### CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (IN PHP)

|                                                                   | Dec 2022               | Dec 2023               | Dec 2024               | Mar 2024               | Mar 2025               |
|-------------------------------------------------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
| <b><u>A S S E T S</u></b>                                         |                        |                        |                        |                        |                        |
| <b>CURRENT ASSETS</b>                                             |                        |                        |                        |                        |                        |
| Cash and cash equivalents                                         | 79,929,420,988         | 65,020,293,464         | 60,602,840,049         | 75,816,885,359         | 48,700,979,496         |
| Trade and other receivables - net                                 | 78,381,241,085         | 76,137,327,017         | 82,472,560,868         | 79,423,845,092         | 75,961,261,053         |
| Contract assets                                                   | 13,613,227,726         | 16,725,717,102         | 22,818,989,860         | 19,473,734,161         | 25,672,108,624         |
| Financial assets at fair value through profit or loss             | 14,962,280,499         | 14,979,877,496         | 16,054,284,922         | 15,169,695,357         | 16,012,542,636         |
| Inventories - net                                                 | 168,184,703,157        | 184,971,533,515        | 188,885,475,796        | 187,469,363,958        | 183,561,110,333        |
| Other current assets                                              | 19,150,406,701         | 24,019,299,755         | 23,591,248,080         | 24,366,756,363         | 24,539,089,364         |
|                                                                   | 374,221,280,156        | 381,854,048,349        | 394,425,399,575        | 401,720,280,290        | 374,447,091,506        |
| Non-current assets classified as held for sale                    | 961,744,740            | -                      | -                      | -                      | -                      |
| <b>Total Current Assets</b>                                       | <b>375,183,024,896</b> | <b>381,854,048,349</b> | <b>394,425,399,575</b> | <b>401,720,280,290</b> | <b>374,447,091,506</b> |
| <b>NON-CURRENT ASSETS</b>                                         |                        |                        |                        |                        |                        |
| Trade and other receivables - net                                 | 22,030,887,658         | 29,464,201,523         | 33,934,105,742         | 29,880,951,343         | 33,765,886,123         |
| Contract assets                                                   | 6,006,696,047          | 8,995,733,228          | 12,696,802,261         | 9,385,766,366          | 12,683,526,813         |
| Advances to landowners and joint operators                        | 7,896,413,808          | 8,160,417,609          | 8,830,352,156          | 8,029,717,049          | 9,119,956,778          |
| Financial assets at fair value through other comprehensive income | 342,843,851            | 516,804,124            | 638,188,728            | 568,173,912            | 622,158,989            |
| Investments in associates and joint ventures                      | 6,441,645,845          | 6,597,586,489          | 6,601,858,154          | 6,591,638,776          | 17,794,995,444         |
| Property, plant and equipment - net                               | 148,458,368,969        | 158,306,841,259        | 168,493,285,797        | 160,753,041,202        | 143,071,249,698        |
| Investment properties - net                                       | 129,355,913,097        | 136,346,654,133        | 148,084,535,098        | 138,152,401,626        | 149,379,943,209        |
| Intangible assets - net                                           | 40,665,090,713         | 42,012,224,412         | 42,686,703,083         | 42,288,609,282         | 41,607,456,382         |
| Deferred tax assets - net                                         | 5,062,963,643          | 5,532,181,062          | 2,251,334,369          | 5,479,242,872          | 896,234,458            |
| Other non-current assets                                          | 6,576,302,090          | 4,756,358,650          | 5,436,351,471          | 4,813,771,050          | 6,179,800,447          |
| <b>Total Non-current Assets</b>                                   | <b>372,837,125,721</b> | <b>400,689,002,489</b> | <b>429,653,516,859</b> | <b>405,943,313,478</b> | <b>415,121,208,341</b> |
| <b>TOTAL ASSETS</b>                                               | <b>748,020,150,617</b> | <b>782,543,050,838</b> | <b>824,078,916,434</b> | <b>807,663,593,768</b> | <b>789,568,299,847</b> |
| <b><u>LIABILITIES AND EQUITY</u></b>                              |                        |                        |                        |                        |                        |
| <b>CURRENT LIABILITIES</b>                                        |                        |                        |                        |                        |                        |
| Trade and other payables                                          | 84,620,688,818         | 80,924,053,058         | 77,069,078,841         | 80,328,387,085         | 64,402,690,301         |
| Interest-bearing loans                                            | 32,504,240,444         | 43,345,155,280         | 46,479,695,155         | 47,391,992,388         | 47,770,715,375         |
| Bonds payable                                                     | 14,026,453,110         | 11,997,992,546         | -                      | 12,000,000,000         | -                      |
| Lease liabilities                                                 | 1,361,900,995          | 1,223,819,878          | 1,246,685,477          | 1,290,623,024          | 249,792,377            |

|                                      |                        |                        |                        |                        |                        |
|--------------------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
| Contract liabilities                 | 3,392,947,567          | 1,763,382,934          | 1,669,576,401          | 2,175,048,068          | 2,164,741,237          |
| Income tax payable                   | 2,299,470,084          | 2,806,533,744          | 2,169,071,129          | 2,549,651,560          | 2,219,857,416          |
| Advances from other related parties  | 1,627,756,528          | 813,376,420            | 1,004,242,464          | 868,008,480            | 898,625,377            |
| Redeemable preferred shares          | -                      | -                      | 1,574,159,348          | -                      | -                      |
| Other current liabilities            | 18,689,682,065         | 18,237,251,890         | 18,908,554,230         | 17,751,444,250         | 18,282,158,086         |
| <b>Total Current Liabilities</b>     | <b>158,523,139,611</b> | <b>161,111,565,750</b> | <b>150,121,063,045</b> | <b>164,355,154,855</b> | <b>135,988,580,169</b> |
| <b>NON-CURRENT LIABILITIES</b>       |                        |                        |                        |                        |                        |
| Interest-bearing loans               | 136,287,705,784        | 147,765,467,616        | 183,524,224,160        | 162,581,366,716        | 175,527,460,925        |
| Bonds payable                        | 31,212,622,400         | 19,116,598,705         | 20,049,554,649         | 19,261,150,897         | 19,854,370,916         |
| Lease liabilities                    | 16,405,976,571         | 17,716,166,635         | 17,248,683,855         | 17,718,305,839         | 1,124,698,788          |
| Contract liabilities                 | 4,853,473,963          | 5,693,360,461          | 4,914,917,981          | 5,305,111,344          | 4,553,603,558          |
| Retirement benefit obligation        | 754,923,733            | 1,744,230,935          | 1,838,949,459          | 1,497,615,279          | 1,357,475,303          |
| Redeemable preferred shares          | 1,537,091,539          | 1,574,159,348          | -                      | 1,574,159,348          | -                      |
| Deferred tax liabilities - net       | 19,323,313,874         | 22,359,550,189         | 21,239,236,055         | 22,967,007,881         | 22,341,054,214         |
| Other non-current liabilities        | 13,153,790,806         | 10,894,439,768         | 9,417,022,689          | 10,914,133,791         | 8,032,080,188          |
| <b>Total Non-current Liabilities</b> | <b>223,528,898,670</b> | <b>226,863,973,657</b> | <b>258,232,588,848</b> | <b>241,818,851,095</b> | <b>232,790,743,892</b> |
| <b>Total Liabilities</b>             | <b>382,052,038,281</b> | <b>387,975,539,407</b> | <b>408,353,651,893</b> | <b>406,174,005,950</b> | <b>368,779,324,061</b> |
| <b>EQUITY</b>                        |                        |                        |                        |                        |                        |
| Equity attributable to owners        |                        |                        |                        |                        |                        |
| of the parent company                | 232,732,073,072        | 260,893,094,852        | 294,373,193,126        | 265,642,476,366        | 303,960,928,746        |
| Non-controlling interest             | 133,236,039,264        | 133,674,416,579        | 121,352,071,415        | 135,847,111,452        | 116,828,047,040        |
| <b>Total Equity</b>                  | <b>365,968,112,336</b> | <b>394,567,511,431</b> | <b>415,725,264,541</b> | <b>401,489,587,818</b> | <b>420,788,975,786</b> |
| <b>TOTAL LIABILITIES AND EQUITY</b>  | <b>748,020,150,617</b> | <b>782,543,050,838</b> | <b>824,078,916,434</b> | <b>807,663,593,768</b> | <b>789,568,299,847</b> |

## CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (IN PHP)

|                                                                                   | Dec 2022        | Dec 2023        | Dec 2024        | Mar 2024       | Mar 2025       |
|-----------------------------------------------------------------------------------|-----------------|-----------------|-----------------|----------------|----------------|
| <b>REVENUES AND INCOME</b>                                                        |                 |                 |                 |                |                |
| <b>Sale of goods</b>                                                              | 98,235,209,238  | 107,859,417,513 | 112,405,005,950 | 25,130,716,723 | 25,310,298,708 |
| <b>Rendering of services</b>                                                      | 80,512,683,661  | 96,900,516,812  | 106,115,015,106 | 24,272,657,910 | 24,498,455,162 |
| <b>Share in net profits of associates and joint ventures - net</b>                | -               | 46,212,055      | -               | -              | 65,191,238     |
| <b>Finance and other income</b>                                                   | 4,864,336,528   | 6,007,956,593   | 5,044,478,043   | 1,201,434,622  | 5,453,389,729  |
|                                                                                   | 183,612,229,427 | 210,814,102,973 | 223,564,499,099 | 50,604,809,255 | 55,327,334,837 |
| <b>COSTS AND EXPENSES</b>                                                         |                 |                 |                 |                |                |
| <b>Cost of goods sold</b>                                                         | 60,598,041,604  | 65,347,824,318  | 67,788,282,633  | 14,815,041,799 | 15,038,262,658 |
| <b>Cost of services</b>                                                           | 42,933,749,824  | 51,985,509,337  | 57,665,265,438  | 13,456,091,202 | 12,833,575,838 |
| <b>Other operating expenses</b>                                                   | 37,922,896,998  | 43,397,062,648  | 47,344,752,415  | 10,443,196,657 | 11,360,303,009 |
| <b>Share in net losses of associates and joint ventures - net</b>                 | 41,478,932      | -               | 212,497,485     | 5,947,802      | -              |
| <b>Finance costs and other charges</b>                                            | 10,800,898,629  | 12,318,287,823  | 14,799,084,476  | 3,456,382,216  | 3,261,376,975  |
|                                                                                   | 152,297,065,987 | 173,048,684,126 | 187,809,882,447 | 42,176,659,676 | 42,493,518,480 |
| <b>PROFIT BEFORE TAX</b>                                                          | 31,315,163,440  | 37,765,418,847  | 35,754,616,652  | 8,428,149,579  | 12,833,816,357 |
| <b>TAX EXPENSE</b>                                                                | 6,126,220,887   | 7,415,988,492   | 7,835,791,293   | 1,821,296,382  | 1,863,128,082  |
| <b>NET PROFIT</b>                                                                 | 25,188,942,553  | 30,349,430,355  | 27,918,825,359  | 6,606,853,197  | 10,970,688,275 |
| <b>OTHER COMPREHENSIVE INCOME (LOSS)</b>                                          |                 |                 |                 |                |                |
| <b>Items that will not be reclassified subsequently to profit or loss</b>         | -               | -               | -               | -              | -              |
| <b>Actuarial gains (losses) on remeasurement of retirement benefit obligation</b> | 415,908,397     | (858,938,376)   | 67,403,759      | 215,414,000    | 122,100,000    |
| <b>Net unrealized fair value gain (loss) on financial assets at fair</b>          | (77,741,121)    | 85,342,706      | 57,977,672      | 81,488,057     | 140,644,029    |

|                                                                                           |                       |                       |                       |                      |                       |
|-------------------------------------------------------------------------------------------|-----------------------|-----------------------|-----------------------|----------------------|-----------------------|
| value through other comprehensive income                                                  |                       |                       |                       |                      |                       |
| Deferred tax income (expense) relating to components of other comprehensive income (loss) | (70,320,718)          | 169,138,340           | (45,137,519)          | (53,853,500)         | (30,525,000)          |
|                                                                                           | 267,846,558           | (604,457,330)         | 80,243,912            | 243,048,557          | 232,219,029           |
| Items that will be reclassified subsequently to profit or loss                            |                       |                       |                       |                      |                       |
| Translation adjustments                                                                   | (2,133,567,217)       | 2,488,466,638         | 1,069,332,210         | 546,256,646          | (369,224,593)         |
| Net unrealized fair value gain (loss) on cash flow hedge                                  | 91,147,190            | (34,246,151)          | (55,952,053)          | (44,394,121)         | 104,804,319           |
| Share in other comprehensive income (loss) of associates                                  | 6,138,277             | (3,348,877)           | 34,148,095            | -                    | -                     |
| Deferred tax expense relating to components of other comprehensive income (loss)          | (34,939,076)          | (20,892,102)          | (30,503,365)          | 6,468,613            | 20,513,171            |
|                                                                                           | (2,071,220,826)       | 2,429,979,508         | 1,017,024,887         | 508,331,138          | (243,907,103)         |
| <b>TOTAL COMPREHENSIVE INCOME</b>                                                         | <b>23,385,568,285</b> | <b>32,174,952,533</b> | <b>29,016,094,158</b> | <b>7,358,232,892</b> | <b>10,959,000,201</b> |
| Net profit attributable to:                                                               |                       |                       |                       |                      |                       |
| Owners of the parent company                                                              | 16,107,842,209        | 19,615,471,565        | 17,363,945,049        | 4,216,119,942        | 8,415,208,453         |
| Non-controlling interest                                                                  | 9,081,100,344         | 10,733,958,790        | 10,554,880,310        | 2,390,733,255        | 2,555,479,822         |
| Total comprehensive income attributable to:                                               | 25,188,942,553        | 30,349,430,355        | 27,918,825,359        | 6,606,853,197        | 10,970,688,275        |
| Owners of the parent company                                                              | 14,152,371,053        | 21,001,172,555        | 18,390,265,756        | 4,843,554,867        | 8,698,240,754         |
| Non-controlling interest                                                                  | 9,233,197,232         | 11,173,779,978        | 10,625,828,402        | 2,514,678,025        | 2,260,759,447         |
| Earnings Per Share for the Net Profit Attributable to Owners of the Parent Company:       | 23,385,568,285        | 32,174,952,533        | 29,016,094,158        | 7,358,232,892        | 10,959,000,201        |
| Basic and Diluted                                                                         | 1.7960                | 2.2178                | 1.9773                | 0.4782               | 0.9613                |

## CONSOLIDATED STATEMENTS OF CASH FLOWS (IN PHP)

|                                                                      | Dec 2022        | Dec 2023        | Dec 2024        | Mar 2024      | Mar 2025        |
|----------------------------------------------------------------------|-----------------|-----------------|-----------------|---------------|-----------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                          |                 |                 |                 |               |                 |
| Profit before tax                                                    | 31,315,163,440  | 37,765,418,847  | 35,754,616,652  | 8,428,149,579 | 12,833,816,357  |
| Adjustments for                                                      |                 |                 |                 |               |                 |
| Interest expense                                                     | 8,517,493,283   | 10,820,585,377  | 12,926,596,809  | 2,841,239,719 | 3,017,654,500   |
| Depreciation and amortization                                        | 11,299,521,390  | 10,711,722,826  | 11,846,077,289  | 2,700,216,577 | 3,021,093,147   |
| Interest income                                                      | (3,202,355,753) | (4,797,687,835) | (4,008,474,746) | (954,044,448) | (659,013,075)   |
| Impairment losses (reversal) - net                                   | (72,582,971)    | 166,072,819     | (24,184,777)    | (15,433,568)  | (29,885,341)    |
| Unrealized foreign currency (gain) loss - net                        | 2,191,644,269   | (90,855,610)    | 767,712,376     | 183,430,474   | (549,916,419)   |
| Impairment loss on inventories                                       | 244,758,199     | 85,473,767      | 245,775,956     | 26,504,290    | 5,604,275       |
| Stock option benefit expense                                         | 92,790,833      | 62,108,633      | 97,299,207      | 2,584,345     | 2,537,185       |
| Share in net losses (profits) of associates and joint ventures       | 41,478,932      | (46,212,055)    | 212,497,485     | 5,947,803     | (65,191,238)    |
| Net loss on disposal of assets                                       | 65,065,014      | 43,765,970      | 20,088,408      | 10,784,041    | 35,723,710      |
| Provisions                                                           | 41,117,103      | 34,159,365      | 36,707,116      | 34,159,365    | 37,000,000      |
| Dividend income                                                      | (1,631,280)     | (26,083,388)    | (97,571,890)    | (8,330,427)   | (14,842,126)    |
| Gain from derecognition of right-of-use assets and lease liabilities | (6,920,584)     | (13,092,751)    | (22,562,023)    | -             | (10,534,761)    |
| Impairment on goodwill                                               | -               | -               | 77,347,633      | -             | -               |
| Loss (gain) from deconsolidation of subsidiaries                     | -               | -               | 193,974,187     | -             | (3,428,117,621) |
| Gain from COVID-19-related rent concessions                          | (239,692,435)   |                 |                 |               |                 |

|                                                                              |                  |                  |                  |                 |                 |
|------------------------------------------------------------------------------|------------------|------------------|------------------|-----------------|-----------------|
| Operating profit before working capital changes                              | 50,285,849,440   | 54,715,375,965   | 58,025,899,682   | 13,255,207,750  | 14,195,928,593  |
| Decrease (increase) in trade and other receivables                           | 5,102,997,247    | 2,143,125,035    | (8,922,538,199)  | (4,294,124,331) | 2,604,405,116   |
| Decrease (increase) in inventories                                           | (14,264,327,698) | (13,573,136,959) | (3,437,576,892)  | (1,053,885,630) | 2,270,025,129   |
| Decrease (increase) in contract assets                                       | 302,323,589      | (10,431,752,509) | (11,362,234,817) | (3,138,050,197) | (2,839,843,316) |
| Decrease (increase) in financial assets at fair value through profit or loss | (73,806,404)     | 261,718,204      | (225,489,263)    | (54,822,960)    | (28,011,550)    |
| Decrease (increase) in advances to landowners and joint ventures             | (737,837,585)    | (264,003,801)    | (669,934,547)    | 130,700,560     | (289,604,622)   |
| Decrease (increase) in other current assets                                  | (2,094,657,538)  | (5,752,196,549)  | 1,184,455,859    | (282,223,483)   | (1,169,401,292) |
| Increase (decrease) in trade and other payables                              | 21,987,744,326   | (3,063,808,782)  | (3,468,435,871)  | 235,589,955     | 3,027,819,907   |
| Increase (decrease) in contract liabilities                                  | 842,725,722      | (789,678,135)    | (627,840,277)    | 23,416,017      | 133,850,413     |
| Increase (decrease) in retirement benefit obligation                         | 118,459,282      | 891,040,849      | 149,676,801      | (108,095,818)   | (43,535,451)    |
| Increase (decrease) in other current liabilities                             | (315,441,156)    | 662,234,833      | 671,302,340      | (485,807,640)   | (626,396,144)   |
| Increase (decrease) in other non-current liabilities                         | (7,031,199,090)  | (2,259,351,038)  | (1,162,584,801)  | 19,694,023      | (619,715,020)   |
| Cash generated from operations                                               | 54,122,830,135   | 22,539,567,113   | 30,154,700,015   | 4,247,598,246   | 16,615,521,763  |
| Cash paid for taxes                                                          | (4,554,550,464)  | (3,584,878,774)  | (6,483,653,749)  | (1,352,217,437) | (848,477,832)   |
| Net Cash From Operating Activities                                           | 49,568,279,671   | 18,954,688,339   | 23,671,046,266   | 2,895,380,809   | 15,767,043,931  |

#### CASH FLOWS FROM INVESTING ACTIVITIES

|                                                                     |                  |                  |                  |                 |                  |
|---------------------------------------------------------------------|------------------|------------------|------------------|-----------------|------------------|
| Cash of deconsolidated subsidiary                                   | -                | -                | -                | -               | (5,224,603,868)  |
| Acquisitions of:                                                    |                  |                  |                  |                 |                  |
| Property, plant and equipment                                       | (12,713,725,444) | (13,089,458,474) | (16,337,592,197) | (4,214,306,473) | (4,009,950,786)  |
| Investment properties                                               | (12,115,399,232) | (8,435,618,145)  | (14,299,145,364) | (1,699,541,638) | (1,405,304,541)  |
| Intangible assets                                                   | (28,365,606)     | (39,259,402)     | (92,792,288)     | (19,747,733)    | (404,431,425)    |
| Interest received                                                   | 2,352,361,201    | 3,082,520,546    | 2,557,687,869    | 478,073,124     | 500,170,499      |
| Collection of advances to associates and other related parties      | 546,138,474      | 1,573,190,035    | 931,391,148      | 184,320,871     | 30,521,046       |
| Additional advances granted to associates and other related parties | (2,766,629,151)  | (1,307,080,330)  | (1,247,577,802)  | (433,733,754)   | (2,119,980,083)  |
| Payment of stock subscription payable to an associate               | -                | (1,114,665,008)  | -                | -               | -                |
| Proceeds from:                                                      |                  |                  |                  |                 |                  |
| Disposal of property, plant and equipment                           | 784,315,633      | 674,904,404      | 387,083,421      | 140,911,312     | 255,897,041      |
| Collection of notes and loans receivables                           | 28,446,184       | 26,032,422       | 6,521,739        | 6,521,739       | -                |
| Disposal of subsidiary                                              | -                | -                | 129,285,000      | -               | -                |
| Disposal of investment property                                     | 832,805          | -                | -                | -               | -                |
| Cash dividends received                                             | 291,632,530      | 26,083,388       | 97,571,890       | 8,330,427       | 14,842,126       |
| Decrease (increase) in other non-current assets                     | 173,458,941      | 1,820,395,350    | (641,810,601)    | 72,127,825      | (2,452,814,777)  |
| Net Cash Used in Investing Activities                               | (23,446,933,665) | (16,782,955,214) | (28,509,377,185) | (5,477,044,300) | (14,815,654,768) |

#### CASH FLOWS FROM FINANCING ACTIVITIES

|                                                |                  |                  |                  |                  |                  |
|------------------------------------------------|------------------|------------------|------------------|------------------|------------------|
| Proceeds from interest-bearing loans and bonds | 21,473,670,017   | 53,999,985,162   | 70,643,991,802   | 29,276,302,680   | 3,744,623,028    |
| Payment of interest-bearing loans and bonds    | (29,902,560,084) | (46,526,938,375) | (46,914,069,337) | (10,889,638,475) | (10,316,276,881) |
| Interest paid                                  | (9,352,933,407)  | (16,439,154,464) | (16,204,077,102) | (4,168,843,466)  | (4,486,985,477)  |

|                                                             |                       |                         |                       |                       |                       |
|-------------------------------------------------------------|-----------------------|-------------------------|-----------------------|-----------------------|-----------------------|
| Dividends paid                                              | (2,998,221,291)       | (3,283,068,559)         | (4,505,186,490)       | (305,160,171)         | (1,019,240,398)       |
| Payment of lease liabilities                                | (1,785,136,226)       | (1,849,802,898)         | (2,146,465,369)       | (260,194,255)         | (497,643,583)         |
| Acquisition of treasury shares                              | (3,895,393,284)       | (1,498,905,527)         | (644,182,044)         | (328,842,987)         | (172,109,318)         |
| Advances paid to related parties                            | (2,433,986,742)       | (1,324,956,145)         | (206,799,732)         | (455,943,977)         | (150,022,855)         |
| Buyback of shares from non-controlling interest             | (916,099,229)         | (668,595,880)           | -                     | -                     | -                     |
| Advances collected and received from related parties        | 1,592,209,958         | 510,576,037             | 397,665,776           | 510,576,037           | 44,405,768            |
| Redemption of preferred shares                              | (251,597,580)         | -                       | -                     | -                     | -                     |
| Proceeds from secondary offering of subsidiary's shares     | -                     | -                       | -                     | -                     | -                     |
| Net Cash Used in Financing Activities                       | (28,470,047,868)      | (17,080,860,649)        | 420,877,504           | 13,378,255,386        | (12,853,249,716)      |
| <b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b> |                       |                         |                       |                       |                       |
|                                                             | (2,348,701,862)       | (14,909,127,524)        | (4,417,453,415)       | 10,796,591,895        | (11,901,860,553)      |
| <b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR</b>   | <b>82,278,122,850</b> | <b>(79,929,420,988)</b> | <b>65,020,293,464</b> | <b>65,020,293,464</b> | <b>60,602,840,049</b> |
| <b>CASH AND CASH EQUIVALENTS AT END OF THE YEAR</b>         | <b>79,929,420,988</b> | <b>65,020,293,464</b>   | <b>60,602,840,049</b> | <b>75,816,885,359</b> | <b>48,700,979,496</b> |

## RISK FACTORS

*An investment in the Warrants involves a number of risks. You should carefully consider all the information contained in this Prospectus, including the risk factors described below, before deciding to invest in the Warrants. The occurrence of any of the following events, or other events not currently anticipated, could have a material adverse effect on our business, prospects, financial condition, results of operations, the market price of the Warrants and our ability to make dividend distributions to our shareholders. All or part of an investment in the Warrants could be lost. The price of securities can and does fluctuate, and any individual security is likely to experience upward or downward movements and may even become valueless. There is an inherent risk that losses may be incurred rather than profit made as a result of buying and selling securities. Our past performance is not a guide to our future performance. There may be a large difference between the buying price and the selling price of the Warrants. For investors that deal in a range of investments, each investment carries a different level of risk.*

*This section does not purport to disclose all of the risks and other significant aspects of investing in the Warrants. The risks described below are not the only risks facing us. Additional risks and uncertainties not currently known to us or those we currently view to be immaterial may also materially and adversely affect our business, financial condition or results of operations. Investors should undertake independent research and study the trading of securities before commencing any trading activity. You should seek professional advice if you are uncertain of, or have not understood, any aspect of this Offer or the nature of risks involved in purchasing, holding and trading the Warrants. You should consult your own counsel, accountant and other advisors as to the legal, tax, business, financial and related aspects of an investment in the Warrants.*

*The risk factors discussed in this section are of equal importance and are separated into categories for ease of reference only. The order in which risks are presented is not necessarily an indication of the likelihood of the risks actually materializing, of the potential significance of the risks or of the scope of any potential harm to our business, results of operations, financial condition and prospects.*

### **RISKS RELATING TO OUR BUSINESS**

#### ***The Group is exposed to hazards and natural or other catastrophes.***

The Group's assets are always exposed to losses or impairment through fire and natural or man-made disasters and accidents that may materially disrupt operations and result in losses. In particular, damage to project structures resulting from such natural catastrophes could also give rise to claims from third parties or for physical injuries or loss of property. EDI, Whyte and Mackay, Bodegas Fundador, Pik-Nik and GADC also run the risk of contamination through tampering of ingredients, bottles or products that could result in product recall or food poisoning which in turn could create negative publicity that could adversely affect sales. Safety precautionary measures have been undertaken and installed within the operating system. Adequate insurance policies are likewise taken to cover from these risks or mitigate the effect of uninsured losses.

#### ***The Group's businesses are highly regulated and exposed to regulatory developments.***

The Group operates in a highly regulated business environment. For example, in the property development and integrated tourism industries, it is required that a number of permits and approvals be obtained for development plans at both the national and local levels. Travellers is subject to gaming regulations for its casino operations. In the alcohol industry, there are restrictions on advertising, marketing and sales of alcoholic beverages to consumers and restrictions governing the operation of manufacturing facilities. The QSR industry is subject to retail trade and other industry specific regulations.

The Group's results of operations could be affected by the nature and extent of any new legislation, interpretation or regulations, including the relative time and cost involved in procuring approvals for projects. If the group fails to meet safety, health and environmental requirements, it may also be subject to administrative, civil and criminal proceedings initiated by the Government, as well as civil proceedings by environmental groups and other individuals, which could result in substantial fines and penalties against the



Group, as well as orders that could limit or halt its operations. The Group, thus, keeps abreast of current happenings and immediately institutes measures to contain any adverse effect on the group.

***The Group's real estate and gaming businesses are exposed to money laundering and cheating at gaming areas.***

The gaming industry is characterized by an element of chance. Win rates for gaming operations depend on a variety of factors. Casino and gaming activities are cash intensive and involve significant amounts of revenue daily. Customers may seek to influence their gaming returns through cheating or other fraudulent methods. Fraudulent activities could cause Travellers and its customers to experience losses, harm its reputation and ability to attract customers, and materially and adversely affect its business, goodwill, financial condition and results of operations. Travellers takes numerous preventive and security measures for the handling of chips, cash and gaming equipment. It uses special technologies to prevent and detect potential fraudulent and counterfeiting activities as well as high value and suspicious transactions.

In 2017, casino operators have been included in the coverage of the AMLA. Any violation of the AMLA, as amended, which designated casinos as covered persons or the Casino Implementing Rules and Regulations may result in the imposition of penalties and could have an adverse effect on Travellers' reputation. In 2021, real estate developers became covered institutions under the AMLA. They are required to report covered and suspicious transactions to the AMLC within the period prescribed by the law and its implementing rules and regulations. A 'covered' transaction involves a single cash transaction involving an amount in excess of Php 7.5 million or its equivalent in any other currency. 'Suspicious' transactions are as defined under the AMLA and under Republic Act No. 10168 or the Terrorism Financing Prevention and Suppression Act of 2012, and their respective implementing rules and regulations.

Travellers and the Megaworld Group have taken appropriate steps to fully comply with the law. Internal control policies and procedures, employee training, and compliance programs are also continuously being implemented

***The Group depends heavily on the supply of raw materials and packaging materials.***

Materials used in production demand high quality and specialty. The raw materials that GADC and EMI groups use, such as distilled neutral spirit, brandy distillates, chicken, beef and paper, are largely commodities and are subject to price volatility caused by changes in supply and demand, weather conditions, fuel costs for transportation and production, agricultural uncertainty and Government controls. Megaworld, GERI and Travellers source construction materials such as lumber, steel and cement as well as curated equipment for specific business lines such as gaming equipment for Travellers for its ongoing projects, and may also experience shortages or increases in prices. Rising price changes will result in unexpected increases in production or construction costs and decreases in gross margins if such increased costs cannot be passed on to consumers or buyers. If these costs are passed on, any increase in prices could materially affect demand for and the relative affordability of such products. The overall supply chain of the raw materials of the Group would be adversely impacted by logistical concerns such as long delay in shipments or congestion of ports for imported materials. Faulty materials on any of the Group's business lines may damage consumer trust and patronage of any of the Group's businesses. Rising prices, delays and unreliable raw materials and products may have adverse impact to the Group's financial performance. The purchasing team keeps abreast of supply sufficiency, reliability and efficiency in the market and always looks out for new potential sources.

***The Group is exposed to changing consumer tastes, trends and preferences.***

Consumer preferences may shift due to a variety of factors, including changes in demographic and social trends, leisure activity patterns and a downturn in economic conditions, which may reduce customers' willingness to purchase premium branded products or properties. In addition, concerns about health effects due to negative publicity regarding alcohol or fast food consumption, negative dietary effects, project location, regulatory action or any litigation or customer complaint against companies in the industry may have an adverse effect on results of operations. Any significant changes in consumer preferences and failure to anticipate and react to such changes may result in reduced demand for consumer products or projects or in erosion of its competitive and financial position. Likewise, the launch and ongoing success of new products

may not go as planned as is their appeal to customers. Product innovation and responsiveness to changing consumer tastes and trends, therefore, have been important aspects of the Group's ability to sell their products.

***The Group operates in competitive industries.***

Each of the Company's primary business operations is subject to intense competition. Some competitors may have substantially greater financial and other resources than EMI, Megaworld, GERI, Travellers or GADC, which may allow them to undertake more aggressive marketing and to react more quickly and effectively to changes in the markets and in consumer preferences. In addition, the entry of new competitors into any of the Company's primary business segments may reduce the Company's sales and profit margins. Product innovation and premiumization have been the Group's key response to competition.

***The Group's businesses are subject to the interests and priorities of joint development partners.***

Megaworld and GERI obtain a significant portion of its land bank through joint development agreements with landowners, as part of its overall land acquisition strategy and intend to continue to do so. A joint venture involves special risks where the venture partner may have economic or business interests or goals inconsistent with or different from those of the Group.

***The Group is exposed to changes in the global economic, political, and social environment.***

Portion of the Group's revenue comes primarily from foreign countries. Any global economic disruption or contractions could impact the number of foreign customers who visit our property or the amount of which they may be willing to spend. Changes brought about by fears of war such as those in the Middle East (e.g., conflicts between Israel and Iran, and Israel and Palestine) and Eastern Europe (e.g., conflict between Ukraine and Russia) and future acts of terrorism or other malicious security threats such as attack in the Philippines or such premises of the Group or other malicious security threats may disrupt travel, foot traffic, reduce demand for luxury amenities and leisure activities and may have significant impact on our operational results. Demand for hotel, trade shows, conventions, and other entertainment activities that the Group offers are sensitive to swings in the global economy, which impacts discretionary spending.

The recent COVID-19 pandemic, for instance, had caused economic and social disruptions due to the lockdown measures and safety protocols implemented by the governments to restrict mobility of people, and these affected the conduct of Group's businesses. The Group had conducted its businesses during this time in compliance with the safety protocols and guidelines/regulations issued by the governments. It equipped its employees with the necessary protection (face masks, face shields, protective equipment, alcohol, Vitamin C) and service (transport service). It rolled out a vaccination program for its employees. The higher-than-expected global inflation towards the second semester of 2022, and logistics and supply chain disruptions from that year, have caused increased input costs which called for immediate actions from the Group's affected entities. These did not cause significant impact to the Group as a going concern and the global situation has been improving.

***The Group's operations are exposed to risks associated with cybersecurity threats.***

The Group relies on information technology and other systems to maintain and transmit large volumes of customer information and transactions, employee information and information concerning the Group's operations. The systems and processes that have been implemented to protect this information are subject to the ever changing risk of compromised security. These risks include cyber and physical security breaches, system failure, computer viruses, and negligent or intentional misuse by customers, company employees or employees of third-party vendors. The Group is continuously working towards developing a proactive approach in dealing with potential and emerging security threats to prevent any untoward incidents from happening. This includes strict implementation of, and adherence to, information security policies such as firewall security and data privacy policies, and timely software or system upgrades.

***The Group may be unable to retain key personnel and attract and retain skilled professionals.***

Any loss of key personnel, the inability to replace such personnel and failure to train and retain replacement personnel could materially and adversely affect the ability of the Group to provide products and services to its customers. In addition, the Group has relied and will continue to rely significantly on the continued individual and collective contributions of its senior management team. If any key personnel, including senior management, are unable or unwilling to continue in their present positions, the Group may not be able to replace them easily, and its business may be significantly disrupted.

The Group's ability to plan, design and execute current and future projects depends on its ability to attract, train, motivate and retain highly skilled personnel. Any inability on the part of the Company to hire and, more importantly, retain qualified personnel could impair its ability to operate well its businesses.

#### *Risks relating to its Property Development Business*

##### ***The Philippine property market is cyclical.***

Megaworld anticipates generating a significant portion of its future revenue from its current township development projects, making it reliant on the Philippine property market. The market has historically been cyclical, influenced by factors such as supply and demand, economic growth, and political developments. Since 2008, global financial markets have faced significant disruptions, which have impacted property markets worldwide. These disruptions, along with events such as rising government debt and the COVID-19 pandemic have further affected global and local markets, influencing the demand for residential projects in the Philippines. Demand fluctuates based on economic conditions both locally and internationally, including factors like interest rates, overseas Filipino workers' remittances, and political stability. Megaworld expects these cyclical trends to continue, with results potentially fluctuating due to changes in the Philippine economy, the property market, and global conditions. There is no certainty that these fluctuations will not negatively impact Megaworld's financial health.

##### ***Megaworld is subject to significant competition in connection with the acquisition of land for development projects.***

Megaworld's future growth and development are dependent, in part, on its ability to acquire or enter into agreements to develop additional tracts of land suitable for development projects. As Megaworld and its competitors attempt to locate sites for development, Megaworld may experience difficulty in locating parcels of suitable size in locations and at prices acceptable to Megaworld.

##### ***Megaworld faces risks relating to its real estate development projects, including risks relating to project cost and completion.***

One of the numerous risks associated with real estate development is the potential for delays in acquiring government approvals and permits, which could take longer than anticipated and cost more money. Additionally, construction delays, cost overruns, or project failure are possible. Large upfront costs for building and site acquisition are necessary for development, and cash flow might not turn a profit for a year or longer. Project budgets and schedules can be affected by several variables, including weather, labor disputes, currency fluctuations, material shortages, and legislative changes. Removal or relocation expenses may increase due to problems with renters or informal settlers. These elements have the potential to cause project delays, cost overruns, or penalties, which could negatively impact Megaworld's financial outcomes by lowering profitability and postponing sales recognition.

##### ***Megaworld is exposed to risks that it will be unable to lease or sell its properties in a timely manner or collect rent at profitable rates or at all.***

Megaworld is exposed to risks associated with its leasing activities and residential sales, both of which could materially affect its financial performance. In terms of leasing, Megaworld may face the risk of being unable to lease its office and retail properties in a timely manner or at satisfactory rates. A significant portion of Megaworld's rental revenue depends on the growth of the Business Process Outsourcing (BPO) sector. Should the BPO industry not grow as expected or if Megaworld fails to attract BPO tenants, it may experience difficulty in leasing its office spaces, which could adversely impact both its office and retail leasing activities.

In relation to residential sales, Megaworld is subject to risks associated with the cancellation of sales under Republic Act No. 6552, also known as the Maceda Law. This law grants buyers certain rights to refund in case of cancellation of contracts involving installment payments. Both the leasing and sales are adversely affected by oversupply of real estate assets and aggressive competition. These leasing and sales risks could have a material adverse effect on Megaworld's operations, financial condition, and overall business performance. Megaworld remains committed to managing these risks through strategic tenant acquisition, adaptive leasing arrangements, and prudent financial planning.

***Construction defects and other building-related claims that may be asserted against Megaworld may be subject to liability for such claims.***

Philippine law provides that property developers, such as Megaworld, warrant the structural integrity of structures that were designed or built by them for a period of 15 years from the date of completion of the structures. Megaworld may also be held responsible for hidden (that is, latent or non-observable) defects in a structure sold by it when such hidden defects render the structures unfit for the use for which it was intended or when its fitness for such use is diminished to the extent that the buyer would not have acquired it or would have paid a lower price had the buyer been aware of the hidden defect. This warranty may be enforced within six months from the delivery of the house to the buyer. In addition, Republic Act No. 6541, as amended, or the National Building Code of the Philippines (the "Building Code"), which governs, among others, the design and construction of buildings, sets certain requirements and standards that must be complied with by Megaworld. Megaworld or its officials may be held liable for administrative fines or criminal penalties in case of any violation of the Building Code.

There can be no assurance that Megaworld will not be held liable for damages, the cost of repairs, and/or the expense of litigation surrounding possible claims or that claims will not arise out of uninsurable events, such as landslides or earthquakes, or circumstances not covered by Megaworld's insurance and not subject to effective indemnification agreements with Megaworld's contractors.

Neither can there be any assurance that the contractors hired by Megaworld will be able to either correct any such defects or indemnify Megaworld for costs incurred by Megaworld to correct such defects. In the event a substantial number of claims arising from structural or construction defects arise, this could have a material adverse effect on Megaworld's reputation and on its business, financial condition and results of operations.

#### *Risks relating to its Food and Beverage Businesses*

***The prices of EMI's brandy products have increased, and continue to increase, because of the Sin Tax Reform Law of 2012, as amended in 2020 by Republic Act No. 11467, which may result in decreased demand for, and sales of, its products.***

EDI's products are subject to excise taxes levied on alcohol and tobacco producers by the Government which increase the cost and price of the products. The applicable duty on alcohol products will increase gradually every year – starting from specific tax of Php 42.00 per proof liter at January 1, 2020 to Php 66 per proof liter by year 2024 and further increasing 6% every year thereafter, plus an ad valorem tax equivalent to 22.0% of the net retail price per proof every year (20% in previous five (5) years). Presently, EDI passes these increasing tax payments to consumers by increasing the prices of its products. However, there can be no assurance in the future that EDI will be able to continue to raise the prices of its products and pass on to its customers the higher excise taxes, which could result in lower margin. Consequently, EMI's sales, result of operations and financial condition may be adversely affected.

***EMI is subject to risks associated with growing its business through acquisitions, such as a failure to successfully integrate any acquired entity and its assets.***

Growth through acquisitions involves business risks, including unforeseen contingent risks or latent business liabilities that may only become apparent after the acquisition is finalized, unsuccessful integration and management of the acquired entity with EMI, failure to retain key personnel and risks relating to management of a larger business, including diversion of management's attention from other on-going business concerns.

If EMI is unable to manage these risks successfully, its results of operations and financial condition could be adversely affected.

***Water is critical to EMI's operations and any shortage or contamination of its water supply source would adversely affect its operations.***

EDI sources its water requirements for its beverage production from two deep wells located in its facility. The water then undergoes treatment at its in-house water filtration facility to ensure water safety and suitability for beverage production. The Philippines has from time-to-time experienced drought conditions and may continue to experience drought, for example, caused by El Niño. If EMI experiences a shortage of water for any reason, including competition from other users, drought or contamination, its beverage production business could be materially and adversely affected.

***The Group is exposed to risks from product liability claims.***

The success of the Company depends in large part upon consumers' perception of its brands. The contamination of products by bacteria or other external agents, whether arising accidentally or through deliberate third party action, could result in product liability claims. Product liability claims, whether or not they are successful, could adversely affect the reputation of the brands used by the Company and the sales by the Company. Any of the problems mentioned above may adversely affect the Company's reputation and its ability to charge a premium for its products, which may result in reduced sales and profitability of the affected brand or all of the Company's brands.

#### *Risks relating to Gaming*

***Travellers' gaming operations are dependent on the gaming license issued by PAGCOR.***

Traveller's gaming operations in the Philippines are subject to stringent government regulations and oversight, which can significantly impact its business activities. Regulatory risk refers to the potential for changes in laws, regulations, or policies that could affect Travellers' ability to operate efficiently and profitably. These changes may increase operational costs, impose new compliance requirements, or restrict certain business practices.

The Philippine gaming industry is regulated by the Philippine Amusement and Gaming Corporation (PAGCOR). In 2017, casinos were designated as covered persons under AMLA. PAGCOR and the AMLC enforce regulations related to licensing, anti-money laundering (AML), counter-terrorism financing (CTF), and responsible gaming practice. Compliance with these regulations often requires substantial resources and can lead to increased administrative burdens. Failure to comply with regulatory requirements can result in severe penalties, fines, and reputational damage.

Moreover, regulatory changes can be unpredictable and may arise from shifts in political priorities, public opinion, or economic conditions. In the highly regulated gaming industry, the risk of regulatory changes is particularly pronounced. For example, recent measures to strengthen AML and CTF frameworks have increased scrutiny on gaming operations

***The business of Travellers is subject to various operational challenges.***

Travellers' gaming operations face various operational challenges that can impact its performance and profitability. These challenges include maintaining the reliability and security of gaming platforms, managing customer expectations, and ensuring the seamless integration of new technologies. Additionally, Travellers must continuously innovate to stay competitive in a rapidly evolving market, which requires significant investment in research and development.

On November 5, 2024, Philippine President Ferdinand R. Marcos, Jr. signed Executive Order No. 74 (E.O. 74), entitled, "Immediate Ban of Philippine Offshore Gaming, Internet Gaming, and Other Offshore Gaming Operations in the Philippines, and for other purposes." E.O. 74 expressly provides that all Philippine Offshore Gaming Operations ("POGOs"), among others, shall completely cease operations including the winding up of

their affairs on December 31, 2024 or earlier. Following this, Philippine Inland Gaming Operators (“PIGOs”) have seen significant growth. PIGO cater primarily to the local market, offering various online gaming options such as eBingo games, eCasino games, sports betting, specialty games, online poker games and numeric games. With the convenience of online gaming, many players may prefer to place bets from the comfort of their homes rather than visiting land-based gaming operations. Given this, the government is currently reviewing the impact of PIGO to ensure they do not replicate the problems associated with the now-banned POGOs.

Operational risks also encompass the management of human resources, including hiring skilled personnel and maintaining a motivated workforce. Travellers must navigate these challenges effectively to sustain its growth and maintain a strong market presence.

Moreover, Travellers’ success partly depends on the reputation and integrity of the independent gaming promoters or junket operators it engages, and Travellers may be affected by a lack of probity and integrity of any such operators. There could also be increased regulation or scrutiny on independent gaming promoters.

We are also exposed to risk on credit extended to its clients. Any default by VIP gaming customers may cause significant volatility in Travellers’ revenues and cash flows.

## **RISKS RELATING TO THE PHILIPPINES**

***The operations of the Group are concentrated in the Philippines, and therefore any downturn in general economic conditions in the Philippines could have a material adverse impact on the Group.***

Historically, the Group’s results of operations have been influenced, and will continue to be influenced, to a significant degree by the general state of the Philippine economy and as a result, its income and results of operations depend, to a significant extent, on the performance of the Philippine economy. In the past, the Philippines has experienced periods of slow or negative growth, high inflation, significant devaluation of the peso and the imposition of exchange controls.

In addition, global financial, credit and currency markets have experienced, and may continue to experience, significant dislocations and liquidity disruptions. There is significant uncertainty as to the potential for a continued downturn in the U.S. and the global economy, which would be likely to cause a deterioration of the economic conditions in the Philippines. There can be no assurance that current or future governments will adopt economic policies conducive to sustaining economic growth, and the Group cannot provide assurance of effective mitigation to such systemic risk.

Moreover, loss of investor confidence in the financial systems may cause increased volatility in the financial markets and a slowdown in economic growth or economic contraction in the Philippines. Any such increased volatility or slowdown could reduce the demand for our services, affect the ability of our customers to pay for our services or subscribe to value added services, force our customers to downsize bandwidth requirements, among others, all of which will materially adversely affect our business, results of operations, financial condition and prospects.

***The Group’s business operations and financial condition may be adversely affected by any political instability in the Philippines***

The Philippines had experienced political and military instability in the past. The Philippine Constitution provides that in times of national emergency, when public interest so requires, the Government may take over and direct the operation of any privately-owned public utility or business. In the last few years, there has been political instability in the Philippines, including public and military protests. No assurance can be given that the political environment in the Philippines will stabilise and that the Company can provide effective mitigation to such political instability. Any political instability in the future may result in inconsistent or sudden changes in the economy, regulations and policies that affect the Group, which could have an adverse effect on its business, results of operations and financial condition.

Furthermore, a change in the administration, may lead to a change in Government priorities, regulations and policies that might affect the Group, its business, operations and financial condition. The Group cannot provide assurance of effective mitigation when this happens.

At present, the country's exchange rate policy supports a freely floating exchange rate system whereby the BSP leaves the determination of the exchange rate to market forces. Under a market-determined exchange rate framework, the BSP does not set the foreign exchange rate but instead allows the value of the Philippine Peso to be determined by the supply and demand of foreign exchange. The implementation of the revised Foreign Exchange rules eased the purchase of foreign currencies in the banking system. There is no assurance that the Philippine Peso will not depreciate further against other currencies and that such depreciation will not have an adverse effect on the Philippine economy and the Group's financial condition and results of operation.

***Any decrease in the credit ratings of the Philippines may adversely affect the Company's business.***

The sovereign credit ratings of the Philippines directly affect companies residing and domiciled in the Philippines as international credit rating agencies issue credit ratings by reference to that of the sovereign. Historically, the Philippines' sovereign debt has been rated non-investment grade by international credit rating agencies. In 2019, the Philippines' long-term foreign currency-denominated debt was upgraded by S&P Global ("**S&P**"), to BBB+ with stable outlook, while Fitch Ratings ("**Fitch**"), and Moody's Investors Service ("**Moody's**") affirmed the Philippines' long-term foreign currency-denominated debt to the investment-grade rating of BBB and Baa2, respectively, with a stable outlook. In November 2022, S&P affirmed its rating of BBB+, with stable outlook, for the Philippines' long-term foreign currency-denominated debt. In September 2022, Moody's affirmed its rating of Baa2, with stable outlook. In May 2023, Fitch revised the outlook on the Philippines long-term foreign currency-denominated debt to stable from negative and affirmed the rating at BBB.

International credit rating agencies issue credit ratings for companies with reference to the country in which they reside. As a result, the sovereign credit ratings of the Philippines directly affect companies that reside in the Philippines, such as the Company.

With investment grade status from three credit rating agencies, the Philippines is now eligible to be part of investment grade indices. These ratings reflect an assessment of the Government's overall financial capacity to pay its obligations and its ability or willingness to meet its financial commitments as they become due. The ratings of the Government directly affect companies residing in the Philippines, as international credit rating agencies issue credit ratings by reference to that of the sovereign.

While the Philippines is currently rated investment grade by major international credit rating agencies such as Moody's, S&P and Fitch, no assurance can be given that these international credit rating agencies will not downgrade the credit ratings of the Philippines in the future and, therefore, Philippine companies, including the Company. As a systemic risk, the Company cannot provide assurance of effective mitigation. Any such downgrade could have an adverse impact on the liquidity in the Philippine financial markets, the ability of the Government and Philippine companies, including the Company, to raise additional financing and the interest rates and other commercial terms at which such additional financing is available. The Group cannot provide assurance of effective mitigation to such systemic risks.

***Territorial disputes among the Philippines and its neighbouring nations may adversely affect the Philippine economy and the Group's business.***

China and other Southeast Asian nations, such as Philippines, Brunei, Malaysia, and Vietnam, have been engaged in competing and overlapping territorial disputes over islands in the West Philippine Sea. This has produced decades' worth of tension and conflict among the neighbouring nations. The West Philippine Sea is believed to house unexploited oil and natural gas deposits, as well as providing home to some of the biggest coral reefs in the world. China, in recent years, has been vocal in claiming its rights to nearly the whole of the West Philippine Sea – as evidenced by its increased military presence in the area. This has raised conflict in the region among the claimant countries.

In 2013, the Philippines filed a case to legally challenge China's claims in the West Philippine Sea and to resolve the dispute under the United Nations Convention on the Law of the Sea. The case was filed on the Permanent Court of Arbitration, the international arbitration tribunal at The Hague, Netherlands. In July 2016, the tribunal ruled in favor of the Philippines and stated that China's nine-dash line claim overlapping with the Philippine exclusive economic zone was invalid. Although China is a signatory to the treaty establishing the tribunal, it refuses to accept the ruling, claiming the tribunal had no jurisdiction over the case. The Philippine government, under the then Duterte administration, had taken action to de-escalate tensions concerning the territorial dispute with China. On June 9, 2019, a fishing boat manned by Filipino fishermen was rammed by a Chinese vessel at Recto Bank, an underwater feature being claimed by both the Philippines and China in the portion of the West Philippine Sea (South China Sea). The Filipino fishermen were abandoned in the open sea and were eventually rescued by a Vietnamese vessel. This incident increased tensions between China and the Philippines. Clashes have heightened, with the Chinese coast guards increasing its deployment and its use of water cannons since 2023. There is no guarantee that tensions will not escalate further or that the territorial disputes among the Philippines and its neighbouring countries, especially China, will cease. In an event of escalation, the Philippine economy may be disrupted and the Company's business and financial standing may be adversely affected. The Company cannot provide assurance of effective mitigation to such systemic risk.

***Acts of terrorism or other malicious security threats in the Philippines could lead to possible destabilization of the country which could have an adverse effect on the Group's business, financial condition and results of operation.***

The Philippines experienced various security threats, including acts of terrorism and other malicious security threats. In the early 2000s, the country was subject to terrorist attacks, and the Philippine army has been in conflict with the Abu Sayyaf organization, which has been identified as responsible for kidnapping and terrorist activities particularly in the southern part of the Philippines and has links to Al-Qaeda and the Islamic State in Iraq and Syria (ISIS). Moreover, isolated bombings had taken place in the past mainly in cities in the southern part of the country.

The Government and the Armed Forces of the Philippines ("AFP") have clashed with members of several separatist groups seeking greater autonomy, including the Moro Islamic Liberation Front, the Moro National Liberation Front and the New People's Army. While these insurgencies have already weakened in recent years, the continued conflicts between the Government and separatist groups could lead to further injuries or deaths by civilians and members of the military, which could destabilize parts of the country and adversely affect the country's economy.

On May 23, 2017, after a joint operation of the AFP and the Philippine National Police ("PNP") was launched in Marawi City to capture an alleged terrorist leader, prolonged fighting ensued between the AFP and PNP and a radical Islamist group called the Maute Group. The Maute Group is a group inspired by the bigger extremist militant group known as ISIS. President Duterte declared martial law in Mindanao. Hostilities have led to several casualties and substantial property damage. On October 17, 2017, the Government announced that the leaders of the Maute Group had been killed. The Basilan-based top-ranking senior leader of Abu Sayyaf and his successor had also been killed in 2020 and 2022, respectively. In 2023, Sulu, known as Abu Sayyaf stronghold, had been declared free of Abu Sayyaf.

No assurance can be given that the country or any of the premises of the Group will not be subject to further acts of terrorism or other malicious security threats in the future. The possibility of terrorist activities and other malicious incidents could negatively affect the general economic conditions and operating environment in the Philippines, which could have a material impact on our business, prospects, financial condition and results of operations. The Group cannot provide assurance of effective mitigation to such systemic or isolated risk.

***Investors may face difficulties enforcing judgments against the Company.***

It may be difficult for investors to enforce judgments against the Company obtained outside of the Philippines. In addition, substantially all of the directors and officers of the Company are residents of the Philippines, and all or a substantial portion of the assets of such persons are located in the Philippines. As a result, it may be



difficult for investors to effect service of process upon such persons, or to enforce against them judgments obtained in courts or arbitral tribunals outside the Philippines predicated upon the laws of jurisdictions other than the Philippines.

The Philippines is not a party to any international treaty in relation to the recognition or enforcement of foreign judgments but is a signatory to the United Nations Convention on the Recognition and Enforcement of Foreign Arbitral Award. Nevertheless, the Philippine Rules of Civil Procedure provide that a judgment or final order of a foreign court is, through the institution of an independent action, enforceable in the Philippines as a general matter, unless there is evidence that: (i) the foreign court rendering judgment did not have jurisdiction; (ii) the judgment is contrary to the laws, public policy, customs or public order of the Philippines; (iii) the party against whom enforcement is sought did not receive notice; or (iv) the rendering of the judgment entailed collusion, fraud, or a clear mistake of law or fact. There is no assurance that the Company will be able to manage such risk.

***Natural catastrophes, including severe weather conditions, may affect the Group's business, operations and financial condition.***

The Philippines, which is located along the Pacific Ring of Fire and a typhoon belt, has experienced a number of major natural catastrophes over the past years, including typhoons, volcanic eruptions, earthquakes, tsunamis, mudslides, fires, droughts and floods related to El Niño and La Niña weather events. In January 2020, the Taal Volcano entered into a period of intense unrest beginning with phreatic or steam-driven activity in several points inside the Main Crater that quickly progressed into a magmatic eruption. The Philippine Institute of Volcanology and Seismology (“PHIVOLCS”) raised the alert level to Alert Level 4 on January 12, 2020. This means that hazardous explosive eruption is possible within hours to days. Pursuant to such events, PHIVOLCS ordered the total evacuation of the Volcano Island and high-risk areas within a 14-kilometre radius from the Taal Main Crater. Although PHIVOLCS has since lowered the Alert Level covering Taal to Level 1, there can be no assurance that the Taal Volcano will not increase seismic activity or erupt in the future. In the second half of 2020, the country was hit by three major typhoons Quinta, Rolly and Ulysses, causing damage to properties and major flooding, in part due to rising sea levels. In December 2021, PHIVOLCS recorded a phreatic eruption at Mt Pinatubo. A phreatic eruption occurs when water is heated by magma, lava, hot rocks, or new volcanic deposits, the intense heat may cause it to boil and generate an explosion of steam, water, ash, blocks, and bombs. Although the volcanic activity at Mt Pinatubo is relatively weak, there can be no assurance that Mt Pinatubo will not increase seismic activity or erupt in the future. In addition, in December 2021, the Philippines was severely hit by typhoon Rai, locally known as typhoon Odette, which caused significant damage to properties and infrastructure, including concrete power poles and fiber optic cable facilities, and flooding. Telecommunications providers in the Philippines undertook restoration efforts to repair damaged power lines, fiber optic cables and other communications infrastructure.

Natural catastrophes, such as any renewed eruption of the Taal Volcano or the further occurrence of major typhoons, may cause damage to the terminals or telecommunications infrastructure of the Group and materially disrupt and adversely affect the business, operations, and financial condition of the Group. While the Company has obtained insurance over its properties, there is no guarantee that the insurance coverage the Group maintains for these risks will adequately compensate it for all damages and economic losses resulting from natural catastrophes. Any material uninsured loss could materially and adversely affect the Group's business, financial condition and results of operations.

***Corporate governance and disclosure standards in the Philippines may differ from those in more developed countries.***

Although a principal objective of Philippine securities laws is to promote full and fair disclosure of material corporate information, there may be less publicly available information about Philippine publicly listed companies, such as the Company, than is regularly made available by publicly listed companies in the United States and other countries. As a result, public shareholders of the Company may not have access to the same amount of information or have access to information in as timely of a manner as may be the case for companies listed in the United States and many other jurisdictions. Furthermore, although the Company complies with the requirements of the Philippine SEC and the PSE with respect to corporate governance standards, these standards may differ from those applicable in other jurisdictions. For example, the

Corporate Governance Guidelines for Companies Listed on the PSE recommend that listed companies have at least three independent directors or such number of independent directors as is equal to 30.0% of its board of directors, whichever is higher. The Company currently has three (3) independent directors on its Board pursuant to its adopted corporate governance standards. Many other jurisdictions may require more independent directors.

Moreover, corporate governance standards may be different for public companies listed on the Philippine securities markets than for securities markets in developed countries. Rules and policies against self-dealing and regarding the preservation of shareholder interests may be less well-defined and enforced in the Philippines than elsewhere, putting shareholders at a potential disadvantage. Because of this, the directors of Philippine companies may be more likely to have interests that conflict with the interests of shareholders generally, which may result in them taking actions that are contrary to the interests of shareholders. Consequently, the Company's Manual of Corporate Governance and the Company's Charter of the Board of Directors, alongside its other adopted policies and good corporate governance standards, provide that one of the Board's responsibilities is to act in the best interest of the Company and its shareholders, including minority shareholders, and consistent with the Company's corporate objectives.

## **RISKS RELATING TO THE OFFER AND THE WARRANTS**

***Eligible Shareholders and Warrantholders who do not purchase the warrants and exercise the warrants, respectively, may experience dilution in their shareholdings.***

Eligible Shareholders who do not purchase the Warrants, and Warrantholders who do not exercise the warrants in full, may experience dilution in their shareholding of the Common Shares of AGI if the Warrants are exercised. When warrants are exercised, new shares are issued, increasing the total number of outstanding Common Shares. This can dilute the ownership percentage of existing shareholders who did not participate in the Offer or did not fully exercise their Warrants.

***Warrantholders, prior to the exercise of the option, are not entitled to any of the rights of a shareholder.***

Warrantholders prior to the exercise of the Warrant, are not entitled to any of the rights of a shareholder such as right to vote, receive notice of meetings and entitlement to any dividends in the event of any dividend declaration by the Company.

***There can be no guarantee that the Underlying Shares will be listed on the PSE.***

On July 1, 2025, the Company filed an application for listing of the Warrants and Underlying Shares, which the PSE approved on November 7, 2025.

The Underlying Shares will not be listed and traded until holders of the Warrants exercise the option in accordance with the terms of the Warrants within the Exercise Period and pay the Exercise Price for the Underlying Shares. Moreover, the actual listing and eligibility for trading of the Underlying Shares are subject to certain conditions and requirements.

***There is no guarantee that the Exercise Price for the Underlying Shares shall be at a discount to the market price of the Common Shares during the Exercise Period.***

The Exercise Price was determined through discussions between the Company and the Sole Underwriter. Among the factors considered in determining the Exercise Price were the prevailing market conditions, the Company's historical performance, the business potential and the ability to generate earnings and cash flow of the Company, and the prevailing market valuation of companies currently listed in the PSE engaged in comparable businesses. The Exercise Price may not have any correlation to the actual book value of the Common Shares.

There is no guarantee that the Exercise Price will be at a discount to the market or trading price of the Common Shares, which is dependent on various factors some of which are beyond the Company's control, at the time of the exercise of the option under the Warrants during the Exercise Period.

***There may be no liquidity in the market for the Warrants and Underlying Shares and the prices of these may fall.***

The Warrants and the Underlying Shares will be listed on the PSE where trading volumes have historically been significantly smaller than on major securities markets in more developed countries and have also been highly volatile. There can be no assurance that an active market for the Warrants and Underlying Shares will develop or, if developed, that such market will be sustained. The price at which the Common Shares will be traded on the PSE may vary significantly from the Exercise Price.

***Future issuance and/or sales of Common Shares in the public market could adversely affect the prevailing market price of the Common Shares and shareholders may experience dilution in their holdings.***

In order to finance the expansion of the Company's business and operations, the Board will consider the funding options available to them at the time, which may include the issue of new Common Shares. If additional funds are raised through the issuance of new equity or equity-linked securities by the Company other than on a pro-rata basis to existing shareholders, the percentage ownership of the shareholders may be reduced, shareholders may experience subsequent dilution and/or such securities may have rights, preferences and privileges senior to those of the Common Shares.

Furthermore, the market price of the Common Shares could decline as a result of future sales of substantial amounts of the Common Shares in the public market or the issuance of new Common Shares, or the perception that such sales, transfers or issuances may occur. This could also materially and adversely affect the prevailing market price of the Common Shares or the Company's ability to raise capital in the future at a time and at a price it deems appropriate.

There is no restriction on the Company's ability to issue Common Shares or the ability of any of its shareholders to dispose of, encumber or pledge their Common Shares, and there can be no assurance that the Company will not issue Common Shares or that such shareholders will not dispose of, encumber or pledge their Common Shares.

***Future changes in the value of the peso against the U.S. Dollar or other currencies will affect the foreign currency equivalent of the value of the Common Shares and any dividends.***

Fluctuations in the exchange rate between the peso and other currencies will affect the foreign currency equivalent of the peso price of the Common Shares on the PSE. Such fluctuations will also affect the amount in foreign currency received upon conversion of cash dividends or other distributions paid in pesos by the Company on, and the peso proceeds received from any sales of, the Common Shares. The Company cannot provide assurance of effective mitigation to such risk.

***No guarantee that the Issuer will pay any dividends.***

Dividends declared by the Company on the Common Shares are payable in cash or in additional shares. Nevertheless, the payment of dividends in the future will depend upon the Company's future results of operations and general financial condition, capital requirements, foreign exchange rates, legal, regulatory and contractual restrictions, loan obligations and loan covenants, and other factors the Board may deem relevant.

Declaration of cash dividends by the Company requires the approval of the Board, the declaration of stock dividends by the Company requires the approval of its Board and the approval of stockholders representing at least 2/3 of the outstanding capital stock.

No assurance can be given as to the Group's ability to declare or pay dividends, nor is there any assurance that the level of dividends will increase over time, or that the Group will generate adequate income available for dividends to shareholders.

***Volatility of the Philippine securities market may substantially limit investors' ability to sell the Common Shares at a desired price.***

The Philippine securities markets are substantially smaller, less liquid, and more volatile relative to major securities markets in the world, and are not as highly regulated or supervised as compared with larger markets. The Exercise Price could differ significantly from the price at which the Common Shares will trade subsequent to completion of the Offer. There can be no assurance that even after the Warrants have been approved for listing on the PSE, any active trading market for the Common Shares will develop or be sustained after the Offer, or that the Exercise Price will correspond to the price at which the Common Shares will trade in the Philippine public market subsequent to the Offer. There is no assurance that investors may sell the Warrants or the Underlying Shares at prices or at times deemed appropriate.

Factors that could affect the price of the Common Shares include the following:

- fluctuations in the Company's results of operations and cash flows or those of other companies in the Company's industry;
- the public's reaction to the Company's press releases, announcements and filings with the SEC and PSE;
- additions or departures of key personnel;
- changes in financial estimates or recommendations by research analysts;
- changes in the amount of indebtedness the Company has outstanding;
- changes in general conditions in the Philippines and international economy, financial markets or the industries in which the Company operates, including changes in regulatory requirements and changes in political conditions in the Philippines;
- significant contracts, acquisitions, dispositions, financings, joint marketing relationships, joint ventures or capital commitments by the Company or its competitors;
- asset impairments or other charges;
- developments related to significant claims or proceedings against the Company;
- the Company's dividend policy; and
- future sales of the Company's equity or equity-linked securities.

In recent years, stock markets, including the PSE, have experienced extreme price and volume fluctuations. This volatility has had a significant effect on the market price of securities issued by many companies for reasons unrelated to the operating performance of these companies. These broad market fluctuations may adversely affect the market prices of the Company's Common Shares. The Company cannot provide assurance of effective mitigation to such risk.

**RISKS RELATING TO STATEMENTS IN THIS PROSPECTUS**

***The Prospectus contains certain statistical and industry information.***

Certain statistical or industry information in this Prospectus relating to the Philippines and other jurisdictions, the industries and markets in which the Company operates, and other data used in this Prospectus was obtained or derived from internal surveys, market research, government data, publicly available information and/or industry publications. Industry publications generally state that the information they contain has been obtained from sources believed to be reliable. However, there is no assurance that such information is accurate or complete. Similarly, internal surveys, industry forecasts and market research have not been independently verified by the Company and may not be accurate, complete, up-to-date, balanced or consistent with other information compiled within or outside the Philippines.

***There may be possible deviations in the Use of Proceeds.***

The intended use of proceeds from the Offer is set out under “*Use of Proceeds*” on page [•] of this Prospectus. It is the Company’s current intention to apply the net proceeds from the Offer in the manner as described in that section.

However, as new business opportunities arise, or as unforeseen events occur, the Company may opt to reallocate a portion or all of the net proceeds to other business plans or new projects or to other uses or hold such funds in bank accounts or short-term securities, if such action is considered to be in the best interests of the Company. As a consequence, the actual application of the proceeds from the Offer may deviate from the intended use as described in this document. Any such material deviation, however, will be disclosed in accordance with the relevant rules of the SEC and/or PSE.

In addition, the business plans of the Company as described herein are based on assumptions of future events, which by their nature, are subject to uncertainty. As such, while the Company exerts reasonable efforts in planning, there is no assurance that the plans of the Company will materialize as intended.

***Certain information contained herein is derived from unofficial publications.***

Certain information in this Prospectus relating to the Philippines and jurisdictions, the industries in which the Company’s businesses compete and the markets in which the Company develops its projects, including statistics relating to market size, are derived from various government and private publications. This Prospectus also contains reports which are based on information from independent research conducted by third parties, as well as publicly available third-party sources identified therein, including government agencies. Industry publications generally state that the information they contain has been obtained from sources believed to be reliable, but that the accuracy and completeness of that information is not guaranteed. Similarly, any industry forecasts and market research, including those contained or extracted herein, have not been independently verified by the Company and may not be accurate, complete, up-to-date or consistent with other information compiled within or outside the Philippines. Eligible Shareholders are cautioned accordingly.

***The presentation of financial information in this Prospectus, including pro forma consolidated condensed financial information may be of limited use to investors and may not accurately show or serve as an adequate basis from which to evaluate the Company’s financial position, future prospects, business performance and results of operations.***

The presentation of financial information in this Prospectus comprises historical information of the Company as at December 31, 2024. The historical financial information presented may be of limited use to investors. While the presentation of separate historical financial results of the Company’s assets included in this Prospectus may provide a reference to investors, there is no assurance that such presentation accurately depicts what the Company’s financial results would have been had the acquisition of the Company’s assets been effected earlier, nor is such presentation indicative of future prospects, business performance, results of operations or financial position. The Company has also included pro forma condensed consolidated financial information of the Company elsewhere in this Prospectus. The pro forma consolidated results of operations and financial position of the Company included herein are necessarily based on certain assumptions, and such information is not necessarily indicative of the operating results or financial position that would have been achieved had these transactions been completed prior to such periods, nor is it indicative of future results of operations or financial position, and should not be relied upon as being so indicative.

Accordingly, the Company’s consolidated financial information in this Prospectus, including the Company’s pro forma consolidated financial information may not provide a meaningful basis for evaluating the Company’s future prospects, business and results of operations. Further, there can be no reliance on the Company’s historical results of operations as an indication of future performance.

## USE OF PROCEEDS

The Company expects to raise gross proceeds from the Offer of the Warrants of approximately Php 1.11Billion, based on the Offer Price of Php 0.50 per Warrant. After deducting estimated listing fees, applicable taxes, other fees and expenses related to the Offer, net proceeds to the company would approximately amount to Php [1.05] Billion.

|                                                                       | <b>Offer Price of Php 0.50</b> |
|-----------------------------------------------------------------------|--------------------------------|
| <b>Estimated Gross Proceeds from the Offer</b>                        | <b>1,112,937,235.00</b>        |
| <b>Breakdown of Estimated Expenses of the Offer</b>                   |                                |
| Documentary Stamp Tax - Warrants                                      | 8,347,029.26                   |
| SEC Registration Fees                                                 | 7,518,357.72                   |
| SEC Legal Research                                                    | 75,183.58                      |
| PSE Listing Fee on Warrant                                            | 448,000.00                     |
| PSE Listing Fee on Underlying Shares                                  | 29,915,752.88                  |
| Advisory, Issue Management, Underwriting and Selling Fee <sup>2</sup> | 12,631,578.95                  |
| Estimated Professional and Other Fees:                                |                                |
| Legal Fees                                                            | 5,600,000.00                   |
| Stock Transfer, Receiving Agent and Warrant Registrar Fees            | 2,000,000.00                   |
| Publication Expense                                                   | 300,000.00                     |
| <b>Estimated Offer Expenses</b>                                       | <b>66,835,902.38</b>           |
| <b>Estimated Net Proceeds</b>                                         | <b>1,046,101,332.62</b>        |

Assuming all the Warrants are exercised within the Exercise Period, the Company expects to receive gross proceeds of approximately Php 26.71 Billion based on the Exercise Price of Php 12.00 per Warrant. After deducting the Estimated Expenses of the Exercise, the net proceeds would be approximately Php 26.69 Billion. The proceeds to be received from the exercise of the Warrants will be realized and received by the Company only when the Warrants are exercised by the Warrantholder within the Exercise Period. The exercise of the Warrants is the sole discretion of the Warrantholder.

|                                                         | <b>Exercise Price of Php 12.00</b> |
|---------------------------------------------------------|------------------------------------|
| <b>Estimated Gross Proceeds from the Exercise</b>       | <b>26,710,493,640.00</b>           |
| <b>Breakdown of Estimated Expenses of the Exercise:</b> |                                    |
| Documentary Stamp Tax - Underlying shares               | 16,694,058.53                      |
| <b>Estimated Offer Expenses</b>                         | <b>16,694,058.53</b>               |
| <b>Estimated Net Proceeds</b>                           | <b>26,693,799,581.48</b>           |

The net proceeds to be received from the Offer and the Exercise of the Warrants (assuming full exercise of all Warrants) will be utilized as follows:

| Item                                                                                                                                                                                                                                                                                                                                               | Amount (in Php)     |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|
| <i>Loan repayment</i> . Prepay up to about \$300M of an existing \$500M loan of Alliance Global Group Cayman Islands, Inc. with BDO Unibank, Inc. The loan will mature on March 31, 2027 and was incurred in 2022 to refinance a loan incurred in 2017 with the same bank that was used to pay out the borrower's bonds that matured in that year. | 17.4 -17.74 Billion |
| BDO Unibank, Inc. is the parent company of the Sole Underwriter.                                                                                                                                                                                                                                                                                   |                     |
| <i>Investment</i> . Invest in Travellers International Hotel Group, Inc. through equity and/or advances. The investments to Travellers will be used in constructing the master-planned developments within the Westside City,                                                                                                                      | 10.00 Billion       |

<sup>2</sup> No fee will be payable to the Sole Underwriter for any Warrants subscribed by Eligible Shareholders. These fees will be paid by the Issuer to the Sole Underwriter with respect to the Warrants subsequently taken or placed by the Sole Underwriter to qualified buyers.

|                                                                                                                                                                                                                                                                            |                          |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|
| Mactan, and Boracay Integrated Resorts, and to fund the recurring capital expenditures and undertake renovation and expansion projects of the existing Newport Integrated Resort.                                                                                          |                          |
| The development of the Westside City, Mactan, and Boracay Integrated Resorts, as well as the expansion and additional investments in the Newport Integrated Resort, are part of the growth and long-term investment plans of the AGI Group in tourism and MICE facilities. |                          |
| Timing of disbursements will depend on when funds come in from the exercise of Warrants.                                                                                                                                                                                   |                          |
| <i>General Corporate Purpose. Amount will depend on timing of available funds and translation of USD.</i>                                                                                                                                                                  | 0- 0.34 Billion          |
| <b>Total</b>                                                                                                                                                                                                                                                               | <b>27,739,900,914.00</b> |

The foregoing discussion represents a best estimate of the use of proceeds of the Offer based on the Company's current plans and anticipated expenditures. The plans may change based on factors including changing market conditions or new information regarding the cost or feasibility of the plans. The Company's cost estimates may also change as actual costs may be different from the budgeted costs. For these reasons, the Company may find it necessary or advisable to reallocate the net proceeds with the categories described above, or to alter the plans, including the abandonment of the uses described above and/or pursuit of different projects.

In the event that any or all of the Warrants are not exercised, the Company shall use internally generated funds and/or available bank lines to the extent the proceeds of the Offer or the exercise of the Warrants are insufficient to fund its requirements.

The Company does not plan to use any portion of the proceeds to discharge any nor to reimburse any of its officer, director or employee or shareholder for services rendered, assets previously transferred, or money loaned or advanced. None of the proceeds from the Offer will be used to finance the acquisition of other businesses or acquisition of assets from affiliates or associates, other than disclosed.

In the event that there is any change in the Company's development plan, including force majeure and circumstances, such as but not limited to (1) failure to obtain requisite approvals, (2) changes in Government policies that would render any of the above plans not commercially viable, the Company will carefully evaluate the situation and may reallocate the proceeds for future investments and/or hold such funds on short-term deposit, whichever is better for the Company's and its shareholders' interest taken as whole. In the event of any deviation, adjustment or reallocation in the planned use of proceeds, the Company will secure the approval of its Board for such deviation, adjustment, or reallocation and promptly make the appropriate disclosures to the SEC and the PSE. The Company shall regularly disclose to the PSE, through Electronic Disclosure Generation Technology ("PSE EDGE") or any disclosure platform that may be used by the PSE, any disbursements from the proceeds generated from the Offer. In addition, the Company shall likewise submit through PSE EDGE the following disclosures to ensure transparency in the use of proceeds:

- a. Any disbursements made in connection with the planned use of proceeds from the Offer;
- b. Quarterly progress report on the application of the proceeds from the Offer within the first fifteen (15) calendar days of the following quarter, which should be certified by the Company's Chief Finance Officer or Treasurer and external auditor;
- c. Annual summary of the application of the proceeds on or before January 31 of the year following the Offer, which shall be certified by the Company's Chief Financial Officer or Treasurer and external auditor; and
- d. Approval by the Company's Board of any reallocation on the planned use of proceeds, or of any change in the work program. The actual disbursement or implementation of such reallocation will be

disclosed by the Company at least fifteen (15) calendar days prior to the said actual disbursement or implementation.

The quarterly and annual reports required in items b and c above shall include a detailed explanation for any material variances between the actual disbursements and the planned use of proceeds in the Prospectus, if any. The detailed explanation will state the approval of the Company's Board as required in item d above.



## PLAN OF DISTRIBUTION

### The Offer

The Offer is comprised of the right to subscribe to up to 2,225,874,470 Warrants of AGI as of Record Date. For every four (4) Common Shares, with a par value of Php 1.00 per share, entitles the Eligible Shareholder to purchase one (1) Warrant. The Warrantholder may exercise his right to purchase the Underlying Shares during the Exercise Period at an Exercise Price of Php 12.00 (exclusive of the Offer Price) per share. The Warrants are exercisable during the Exercise Period which is within the first two (2) trading days of each month beginning on the immediately following month after the 12<sup>th</sup> month from the Issue Date of the Warrants until 5:00 p.m. on the date immediately preceding the fifth (5<sup>th</sup>) anniversary date of the Issue Date of the Warrants. The Warrants shall be offered at an Offer Price of Php 0.50 per Warrant.

The Underlying Shares will be issued from the unissued Common Shares of AGI from its existing authorized capital stock, and will be listed on the PSE. As of the date of this Prospectus, the Company's authorized capital stock is Php 12,950,000,000 divided into 12,950,000,000 Common Shares. A total of [2,225,874,470] unissued Common Shares of AGI out of its authorized capital stock shall be earmarked to ensure enough common shares are available in the event a Warrantholder exercises the Warrants within the Exercise Period.

If an applicant fully subscribes to his Entitlement Rights and subject to the availability of unsubscribed Entitlement Rights arising from the failure of the other Eligible Shareholders to fully subscribe for their Entitlement Rights in the initial round of the Offer, the applicant may simultaneously apply for Additional Entitlement Rights. The Additional Entitlement Rights are payable in exact amount upon submission of the Application. If the aggregate number of Additional Entitlement Rights available for subscription equals or exceeds the aggregate number of Additional Entitlement Rights so subscribed for, an applicant will be allocated the number of Additional Entitlement Rights indicated in his Application. If the aggregate number of Additional Entitlement Rights available for subscription is less than the aggregate number of Additional Entitlement Rights so subscribed for, the available Additional Entitlement Rights will be allocated to applicants who have applied to subscribe for such Additional Entitlement Rights and such allocation shall be made in the absolute discretion of the Company taking into account various factors including each applicant's original shareholding in the Company as of the Record Date relative to the original shareholding of all other applicants for Additional Entitlement Rights as of such Record Date, provided that no applicant for Additional Entitlement Rights shall be allocated more Additional Entitlement Rights than the number for which such applicant has applied for. There can be no guarantee as to whether any additional subscription to Entitlement Rights may be allocated to an Eligible Shareholder. A subscription for Additional Entitlement Rights is irrevocable on the part of the applicant and may not be canceled or modified by such applicant.

The Principal Shareholder, which directly holds 54.1% of the total outstanding Common Shares of the Company, has executed an Undertaking to Subscribe on [●] in favor of the Sole Underwriter, pursuant to which the Principal Shareholder has agreed to subscribe to its right to subscribe to the Warrants in the Offer and to subscribe to any unsubscribed Warrants not taken by the Eligible Shareholders to ensure that the Entitlement Rights under the Offer are fully subscribed. The Principal Shareholder's subscriptions in the Offer shall have no preference over the subscriptions of any other Eligible Shareholders.

To the extent that any Entitlement Rights remain unsubscribed and are not taken up by the Principal Shareholder pursuant to its Undertaking to Subscribe, subject to certain conditions, will be taken up by the Sole Underwriter who shall procure purchasers in the Philippines who are qualified institutional buyers as defined under the SRC, or failing which, shall purchase the unsubscribed Warrants as set out below.

Existing shareholdings in certificated and scripless form will be treated as separate shareholdings for the purpose of calculating entitlements under the Offer. Fractions of Entitlement Rights will not be allotted to existing shareholders and fractional entitlements will be rounded down to the nearest whole number of Entitlement Rights. Such fractions, if any, will be aggregated and sold for the benefit of the Company.

Eligible Shareholders may participate in the Offer if they are: (i) located within the Philippines, or (ii) located in jurisdictions outside the Philippines where it is legal to participate in the Offer under the securities laws of

such jurisdiction. Each foreign shareholder is urged to consult his/her/its independent professional adviser regarding the consequences of participating in the Offer and to determine eligibility to subscribe to the Entitlement Rights.

All of the Warrantholders will be provided Warrant Certificates evidencing the Warrantholder's rights to their warrant. AGI at all times will keep a Warrants Registry Book maintained by the Warrants Registrar independent of the Issuer. The Stock and Transfer Agent of the Issuer shall be preferred in the appointment of the Warrants Registrar. Upon the exercise of the right granted under a Warrant, a notation to this effect shall be duly recorded in the Warrants Registry Book, and the purchase of the Underlying Shares shall be recorded in the Stock and Transfer Book of the corporation which issued the Underlying Shares.

### **BDO Capital & Investment Corporation**

BDO Capital is the wholly owned investment banking subsidiary of BDO Unibank, Inc., which, in turn, is an associate of the SM Group. BDO Capital is a full-service investment house primarily involved in securities underwriting and trading, loan syndication, financial advisory, private placement of debt and equity, project finance, and direct equity investment. Incorporated in December 1998, BDO Capital commenced operations in March 1999. It obtained its license to operate as an investment house in 1998 and is licensed by the Philippine SEC to engage in underwriting and distribution of securities to the public. As of December 31, 2024, it had ₱5.44 billion and ₱5.08 billion in assets and capital, respectively.

### **Selling Restrictions**

No securities, except of a class exempt under Section 9 of the SRC or unless sold in any transaction exempt under Section 10 thereof, shall be sold or distributed by any person within the Philippines, unless such securities shall have been registered with the SEC on Form 12-1 and the registration statement has been declared effective by the SEC.

### **Offer Period**

The Warrants will be offered to Eligible Shareholders beginning 9:00 AM of [4 December 2025] until 12:00 PM of [11 December 2025].

### **Withdrawal of the Offer**

Before the execution of the underwriting agreement, the Offer may be withdrawn at any time, in which event AGI shall make the necessary disclosures to the SEC and PSE.

At any time on or after the commencement of the Offer Period and prior to the Listing Date, the Offer may be withdrawn if any of the following events occur:

- a. there has been any change or any event or series of events resulting in any change in the condition (financial or other) management, assets, liabilities, business, results of operations, performance or prospectus of AGI or the Group which would make it impracticable or inadvisable to market the Warrants or proceed with the Offer or delivery of the Warrants on the terms and in the manner contemplated in the Prospectus; or
- b. an order revoking, cancelling, suspending, preventing, or terminating the offer, sale, distribution or issuance of the Warrants is issued by any court or governmental agency or authority; or
- c. a change or impending change in the law, rule, regulation, policy, or a ruling, interpretation, decree or order issued, made or adopted after the transaction documents for the Offer which shall: (i) materially and adversely affect the marketability of the Warrants; (ii) have a Material Adverse Effect; (iii) materially and adversely affect the ability of the Sole Underwriter to perform any of its obligations hereunder; or

- d. any event or change (whether or not forming part of a series of events occurring before, on and/or after the date hereof) of a political, military, or economic nature; or any adverse change in local, national or international financial, political, economic or stock market conditions; or
- e. a requirement by any competent government authority for AGI to stop its operations which is not remedied within five (5) working days; or
- f. the commencement by any entity, person or regulatory body of any public action, court proceeding or other litigation against the Sole Underwriter with respect to the issuance and sale by AGI of the Warrants in the Offer; or
- g. a general moratorium on commercial banking activities declared by any relevant authorities in the Philippines or a material disruption in commercial banking or securities settlement or clearances services in the Philippines; or
- h. the cancellation, suspension or termination of the approval of the PSE of the listing of the Warrants, the SEC Confirmation of Exemption, or an order revoking, cancelling, suspending, preventing or terminating the offer, sale, distribution or listing of the Warrants issued by any court or governmental agency or authority with jurisdiction on the matter, the SEC or the PSE; or
- i. a moratorium, restriction, suspension or material limitation in trading in securities generally on the PSE for at least three (3) consecutive trading days; or
- j. any adverse event, or series of events, beyond the control of the Sole Underwriter (including without limitation, any acts of God or force majeure, acts of government, economic or other sanctions, war, riot, public disorder, civil commotion, explosion, epidemic (including but not limited to severe acute respiratory syndrome and avian flu), act of terrorism (whether or not responsibility has been claimed), act or declaration of war, outbreak or escalation of hostilities (whether or not war is or has been declared), declaration of a state of emergency or calamity or crisis) shall have occurred, happened or come into effect, in each case, which will materially prejudice the success of the Offer and the distribution of the Warrants, rendering it impracticable or inadvisable to proceed with the Offer in the manner contemplated by the transaction documents for the Offer or would have a material adverse effect on the Philippine economy or on the securities or other financial or currency markets of the Philippines, and not otherwise disclosed in this Prospectus;

which: (a) makes it impracticable or inadvisable to market the Warrants or proceed with the Offer or the delivery of the Warrants on the terms and in the manner contemplated in Prospectus; (b) would be likely to prejudice materially the success of the Offer and distribution of the Warrants or dealings in the Common Shares in the secondary market; or (c) is or will make it impracticable or inadvisable for any material part of the transaction documents for the Offer or the Offer to be performed or implemented as envisaged.

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

The PSE, in the exercise of its authority as a self-regulatory organization and further to its mandate to maintain a fair and orderly market, may impose appropriate sanctions and penalties on AGI and/or the Sole Underwriter if, based on the facts gathered by PSE and after proper evaluation, the PSE makes a reasonable determination that the cancellation or suspension of the underwriting commitment was not warranted based on the facts gathered by the PSE after proper evaluation and after due and proper proceedings initiated by the PSE not later than five (5) banking days after such cancellation, suspension, or termination.

## **DIVIDENDS AND DIVIDEND POLICY**

### **LIMITATIONS AND REQUIREMENTS**

Under Philippine law, a corporation can only declare dividends to the extent that it has unrestricted retained earnings that represent the undistributed earnings of the corporation which have not been allocated for any managerial, contractual or legal purpose and which are free for distribution to the shareholders as dividends. The amount of retained earnings available for declaration as dividends may be determined pursuant to regulations issued by the SEC.

The approval of the board of directors is generally sufficient to approve the distribution of dividends, except in the case of stock dividends which requires the approval of stockholders representing at least two-thirds of the outstanding capital stock at a shareholders' meeting duly called for the purpose.

The Philippine Corporation Code of the Philippines generally requires a Philippine corporation with retained earnings in excess of 100.00% of its paid-in capital to declare and distribute as dividends the amount of such surplus. Notwithstanding this general requirement, a Philippine corporation may retain all or any portion of such surplus in the following cases: (i) when justified by definite expansion plans approved by the board of directors of the corporation; (ii) when the required consent of any financing institution or creditor to such distribution has not been secured; (iii) when retention is necessary under special circumstances, such as when there is a need for special reserves for probable contingencies; or (iv) when the non-distribution of dividends is consistent with the policy or requirement of a Government office.

### **RECORD DATE AND PAYMENT DATE**

Pursuant to existing SEC rules, any declaration of cash dividends must have a record date not less than ten (10) nor more than thirty (30) days from the date of declaration. For stock dividends, the record date should not be less than ten (10) nor more than thirty (30) days from the date of the shareholders' approval, provided however, that the set record date is not to be less than ten (10) trading days from receipt by the PSE of the notice of declaration of stock dividend. In the event that a stock dividend is declared in connection with an increase in authorized capital stock, the corresponding record date is to be fixed by the SEC.

In relation to foreign shareholders, dividends payable may not be remitted using foreign exchange sourced from the Philippine banking system unless the investment was first registered with the BSP.

Pursuant to the "Amended Rules Governing Pre-emptive and other Subscription Rights and Declaration of Stock and Cash Dividends" of the SEC, all cash dividends and stock dividends declared by a company shall be remitted to PDTC for immediate distribution to participants not later than eighteen (18) trading days after the record date (the "**Payment Date**"); provided that in the case of stock dividends, the credit of the stock dividend shall be on the Payment Date which in no case shall be later than the stock dividends' listing date. If the stock dividend shall come from an increase in capital stock, all stock shall be credited to PDTC for immediate distribution to its participants no later than twenty (20) trading days from the date of approval by the SEC of the registration, which in no case shall be later than the stock dividends' listing date.

### **DIVIDEND POLICY ON COMMON SHARES**

It is the Company's policy to periodically declare a portion of its unrestricted retained earnings as dividend usually in the third quarter of each year. The declaration of dividends including the payout percentages depends upon the Company's earnings, cash flow and financial condition, among other factors. The Company has declared up to 18% of the preceding year's net profits as dividends in the past two years. Dividends may be declared out of its unrestricted retained earnings only. Unrestricted retained earnings represent the net accumulated earnings of the Company, with its capital unimpaired, which are not appropriated for any other purpose. The Company may pay dividends in cash, by the distribution of property, or by the issue of shares of stock. Cash dividends are subject to the approval by the Board of Directors ("**BOD**"). Stock dividends are subject to the approval by both the BOD and at least two-thirds (2/3) of the outstanding capital stock of the stockholders at a stockholders' meeting called for such purpose.

## **RECENT HISTORY OF DIVIDEND PAYMENT**

On November 15, 2022, the Company declared cash dividends of Php0.12 per share payable on December 22, 2022 to all stockholders of record as of December 1, 2022. On December 1, 2023, the Company declared cash dividends of Php0.15 per share payable on January 12, 2024 to all stockholders of record as of December 18, 2023. On December 10, 2024, the Company declared cash dividends of Php0.10 per share payable on January 24, 2025 to all stockholders of record as of December 27, 2024.

## **DETERMINATION OF THE OFFER PRICE AND THE EXERCISE PRICE**

The Warrants will be offered at an Offer Price of Php 0.50 per Warrant.

The Warrants' Offer Price and the Exercise Price were determined through a consultation and discussion between the Issuer and the Sole Underwriter.

The factors considered in determining the Offer Price and the Exercise Price were, among others, market practice, our ability to generate and grow our earnings and cash flow, our short and long-term prospects, the present value of the Company's projected cash flows, and overall market conditions at the time of launch of the Offer. The Offer Price and the Exercise Price may not have any correlation to the actual book value of the Warrants nor the Underlying Shares.

Investors should not rely on the historical market price of the Common Shares of AGI on the PSE as an indicator of the value of the Warrants nor the value of the Underlying Shares.

Trading volumes on the PSE have historically been significantly smaller than other major securities markets in more developed countries and have also been highly volatile. There can be no assurance that an active market for the Warrants or the Underlying Shares will develop following the Offer or if developed, that such market will be sustained.

The price at which the Underlying Shares will trade on the PSE at any point in time after the exercise of the Warrants may vary significantly from the Exercise Price.

## DESCRIPTION OF THE WARRANTS

*The following is general information relating to the Company's warrants issuance but does not purport to be complete or to give full effect to the provisions of law and is in all respects qualified by reference to the applicable provisions of the Company's articles of incorporation and by-laws.*

This Prospectus relates to the proposed issuance by AGI of up to 2,225,874,470 Warrants, each of which entitles a Warrantholder to purchase one (1) Common Share of the Company (the “**Underlying Share**”) at the Exercise Price of ₱12.00 at any time during the Exercise Period, subject to the terms and conditions set forth herein and in the applicable Warrant documentation.

The Warrants will be issued at a non-refundable Offer Price of ₱0.50 per Warrant and may be exercised at the sole discretion of the Warrantholder by tendering the Exercise Price in cash or check deposit during the applicable Exercise Period.

### **Issuance and Exercise**

Each Warrant shall be issued to shareholders of record as of the Record Date, at a ratio of one (1) Warrant for every four (4) common shares held. The Warrants shall be detached and exercisable separately from any associated shareholding.

The Warrants shall be exercisable within the Exercise Period which is the business hours within the first two (2) trading days of each month beginning on the immediately following month after the twelfth (12th) month from the Issue Date of the Warrants until 5:00 p.m. on the date immediately preceding the fifth (5th) anniversary of the Issue Date of the Warrants. Any Warrants not exercised within the Exercise Period shall automatically lapse and become void, without value or compensation to the Warrantholder.

### **Manner of Exercise**

To exercise the Warrants, the Warrantholder completes and submits the Exercise Notice to the Warrantholder's nominated PDTC participant broker (“**Broker**”), KYC documents of the Warrantholder, such as but not limited to, valid identification cards, appropriate resolutions (if a corporation) authorizing the lodgement and designating the authorized person/s to give the instruction to the Warrant Registrar and execute the endorsement of the Warrant Certificate, along with the other necessary requirements as set by the Broker. Simultaneous to the submission of the Exercise Notice to the Broker, the Warrantholder shall remit the exact amount corresponding to the Exercise Price to the designated account specified by AGI as seen below.

Payment by exercising Warrantholders shall be made over-the-counter cash or check deposit payment in the account below:

|                |  |
|----------------|--|
| Account Name   |  |
| Account Number |  |
| Bank           |  |
| Bank Address   |  |

**Deadline for check payments is at 12:00 noon on the second trading day of each month.**

All bank charges shall be for the account of the Warrantholder. The payment for the Exercise Price must be received by the Company in full without any deduction.

The exercising Warrantholder shall provide proof of payment to both AGI and BDO Trust as Warrant Registrar via email to the following:

Alliance Global Group, Inc.

|                     |                     |
|---------------------|---------------------|
| Contact Person: [•] | Contact Person: [•] |
| Email Address [•]   | Email Address [•]   |

BDO Unibank, Inc. – Trust and Investments Group

|                     |                     |
|---------------------|---------------------|
| Contact Person: [•] | Contact Person: [•] |
| Email Address [•]   | Email Address [•]   |

In the event that the exercising Warrantholder has in his possession a physical Warrant Certificate, the exercising Warrantholder shall endorse the Warrant Certificate for exercise and send the endorsed Warrant Certificate to the Warrant Registrar.

Upon receipt of the Broker of the Exercise Notice, the Broker shall send an Upliftment Instruction to PCD Nominee Corporation (“**PCD**”) to request the upliftment of the Warrantholder’s Warrants.

The Broker shall sign and endorse the Exercise Notice to the Warrant Registrar. An email copy should be sent to [•]. The physical copy shall then be sent to the Warrant Registrar’s address of [•].

**BOTH THE PHYSICAL AND EMAIL COPY OF THE ENDORSED EXERCISE NOTICE MUST BE SUBMITTED TO THE WARRANT REGISTRAR WITHIN THE FIRST TWO (2) TRADING DAYS OF EACH MONTH. SHOULD THE WARRANT REGISTRAR RECEIVE THIS AFTER THE FIRST TWO (2) TRADING DAYS OF EACH MONTH, THE EXERCISE NOTICE SHALL BE PROCESSED IN THE SUCCEEDING MONTH.**

The Warrant Registrar shall inform AGI of all the Exercise Notices received and the total number of Warrants exercised via an email to AGI.

AGI shall reconcile all subscription payments received. Once confirmed and accounted for, AGI shall confirm and prepare the forms of the lodgment instruction. AGI shall then send the physical forms, as applicable, to the Broker of each exercising Warrantholder. Upon receipt of each Broker of the lodgment instruction, each Broker shall sign the lodgment instruction for their respective conformity.

Each Broker shall return to AGI their respective signed lodgment instruction.

The Warrant Registrar shall be informed by PCD of the upliftment request for the Warrants received from the Broker.

Upon receipt of the notification from PCD, the Warrant Registrar shall prepare the physical Warrant Certificates. Each of the Warrant Certificates shall then be sent to the President and Corporate Secretary of AGI for their respective signatures.

AGI shall pay the corresponding Documentary Stamp Tax for the new common shares that will be issued in favour of the exercising Warrantholders.

AGI shall send the (i) Broker-endorsed lodgment instruction, (ii) Warrant Certificate (signed by the President and Corporate Secretary) and (iii) proof of DST payment to the Warrant Registrar. The Warrant Registrar shall then update the Warrant Registry Book for the increase in certificated warrants.

Upon receipt of the documents, BDO Unibank, Inc. – Trust and Investments Group as Warrant Registrar shall cancel the Warrant Certificates in the Warrant Registry Book. BDO Unibank, Inc. – Trust and Investments Group as the Stock Transfer Agent of AGI Common Shares shall in turn confirm with PCD the increase in AGI’s Common Shares through the submission of a Registration Certificate to PCD.



PCD shall issue to AGI a written confirmation of the electronic lodgment of the Underlying Shares for the exercised Warrants.

AGI shall submit to the PSE's Listing Department all requirements, such as but not limited to proof of payment of the listing fee, lodgment confirmation, and such other certificates that may be required by the PSE.

The PSE shall publish a disclosure under Listing Notices of PSE Edge the listing of the common shares in favour of the exercising Warrantholder. The PCD shall credit each of the Brokers of the exercising Warrantholder the shares of their respective clients. Each Broker shall then credit each of the Warrantholder their respective common shares.

Should an exercising Warrantholder hope to receive the common shares in certificated form, the exercising Warrantholder may request through its Broker the upliftment of the Common Shares after the process described above.

### ***Underlying Shares***

The Common Shares to be issued upon exercise of the Warrants shall be taken from the Company's authorized but unissued capital stock and shall rank equally in all respects with the existing common shares of the Company, including the right to receive dividends (when declared), the right to vote, and all other rights accorded to shareholders under applicable law and the Company's Articles of Incorporation and By-Laws.

The Underlying Shares shall be issued in scripless form and lodged with the Philippine Depository & Trust Corporation (PDTC). Ownership shall be evidenced through book-entry accounts in the name of the Warrantholder or his/her/its broker, as applicable. Exercising holders may request for stock certificates or PDTC withdrawal subject to applicable procedures and costs.

### ***Form and Transfer of Warrants***

The Warrants will be issued in scripless form and recorded in the Warrants Registry Book maintained by the Warrants Registrar. Transfers of Warrants shall be recorded in the Warrants Registry Book upon submission of proper documentation and subject to compliance with applicable securities laws, including any restrictions on ownership or transferability under Philippine regulations or foreign ownership limitations, if any.

AGI shall recognize only the registered holder of any Warrant as the absolute owner thereof, and accordingly, except upon the order of a court of competent jurisdiction or as required by law, AGI shall not be bound to recognize any equitable or other claim to or interest in such Warrant by any other person.

The Warrants may be transferred at any time up to the end of the Exercise Period , subject to settlement through the PDTC system or other procedures that may be prescribed by the Company or the Warrants Registrar.

The Warrants will expire on 19 December 2030 or five (5) years from their Issue Date as defined under the terms of the Warrant Instrument unless otherwise amended.

### ***Listing and Trading***

The Warrants and the Underlying Shares shall be listed on the Main Board of the PSE, subject to regulatory approvals. Trading of the Warrants shall be subject to the rules of the PSE and applicable securities regulations.

No assurance is given that an active trading market for the Warrants will develop or be sustained. Investors are advised to consider the possible illiquidity of the Warrants in making their investment decision.

### ***Status and Ranking***

The Warrants represent direct, general, unsubordinated, and unsecured obligations of the Company. They do not constitute equity or ownership interests in the Company, and do not entitle the Warrantholder to any rights as a shareholder of the Company, including the right to vote or to receive dividends, unless and until such time as the Warrants are duly exercised and the corresponding Underlying Shares are issued.

### ***Adjustments***

The number of Underlying Shares subject to the Warrants and/or the Exercise Price shall be subject to adjustment in the event of any stock split, stock dividend, capital reorganization, reclassification, consolidation, merger, spin-off, or similar corporate event affecting the Company's share capital. The intent of such adjustment is to preserve, to the extent practicable, the value of the Warrants.

Any adjustments shall be determined by the Company in good faith, or upon the recommendation of an independent valuation adviser, and disclosed through the PSE Edge and the Company's website.

### ***Taxation***

All documentary stamp taxes on the original issuance of the Warrants and the issuance of the Underlying Shares shall be for the account of the Company. Any other taxes (including income taxes, capital gains taxes, or stock transaction taxes) arising from the transfer or exercise of the Warrants or from the issuance and holding of the Underlying Shares shall be for the account of the relevant Warrantholder or investor.

Warrantholders are strongly urged to consult their own tax advisers regarding the tax consequences of holding, transferring, or exercising the Warrants under relevant laws.

### ***Governing Law***

The Warrants shall be governed by and construed in accordance with the laws of the Republic of the Philippines.

### ***Limitation of Liability***

The Company, its officers, and agents shall not be liable to any person for any loss, cost, or expense arising from any action taken or omitted to be taken in relation to the issuance, transfer, listing, or exercise of the Warrants, except in cases of willful misconduct or gross negligence.

### ***Risk Factors***

Investment in the Warrants involves certain risks. Prospective investors should consider, among others, (i) Eligible Shareholders and Warrantholders who do not purchase the warrants and exercise the warrants, respectively, may experience dilution in their holdings.; (ii) Warrantholders, prior to the exercise of the option, are not entitled to any of the rights of a shareholder; (iii) There can be no guarantee that the Underlying Shares will be listed on the PSE; (iv) There may be no liquidity in the market for the Warrants and Underlying Shares and the prices of these may fall; and (v) Future sales of Common Shares in the public market could adversely affect the prevailing market price of the Common Shares and shareholders may experience dilution in their holdings.

Please refer to the section *Risk Factors* on page 36 for a more detailed discussion.

## CAPITALIZATION

The following table sets out the unaudited consolidated short-term and long-term debt and capitalization of the Company as of March 31, 2025 and as adjusted to give effect to the Offer following the exercise of the Oversubscription Option). This table should be read in conjunction with the Company's unaudited consolidated financial statements and the related notes thereto as of and for the period ended March 31, 2025 attached to this Prospectus.

| <i>In Php</i>                                        | <b>As of<br/>March 31, 2025<br/>(Unaudited)</b> | <b>After giving<br/>effect to the<br/>Offer<br/>(Unaudited)</b> | <b>After full<br/>exercise of the<br/>Warrants<br/>(Unaudited)</b> |
|------------------------------------------------------|-------------------------------------------------|-----------------------------------------------------------------|--------------------------------------------------------------------|
| <b>Total Liabilities</b>                             | <b>368,779,324,061</b>                          | <b>368,779,324,061</b>                                          | <b>368,779,324,061</b>                                             |
| Equity attributable to Parent Company's shareholders |                                                 |                                                                 |                                                                    |
| Capital Stock                                        | 10,269,827,979                                  | 10,269,827,979                                                  | 12,495,702,449                                                     |
| Additional Paid-in Capital                           | 34,518,916,029                                  | 34,518,916,029                                                  | 60,116,472,434                                                     |
| Treasury Shares                                      | (16,726,938,225)                                | (16,726,938,225)                                                | (16,726,938,225)                                                   |
| Net Actuarial Losses on Retirement Benefit Plans     | (341,295,614)                                   | (341,295,614)                                                   | (341,295,614)                                                      |
| Net Fair Value Gain on Financial Assets at FVOCI     | 692,134,057                                     | 692,134,057                                                     | 692,134,057                                                        |
| Accumulated Translation Adjustments                  | (3,868,087,868)                                 | (3,868,087,868)                                                 | (3,868,087,868)                                                    |
| Revaluation Reserves on Cashflow Hedges              | 40,430,137                                      | 40,430,137                                                      | 40,430,137                                                         |
| Share Options                                        | 620,625,162                                     | 620,625,162                                                     | 620,625,162                                                        |
| Other Reserves                                       | 64,135,632,323                                  | 64,135,632,323                                                  | 64,135,632,323                                                     |
| Warrants                                             | -                                               | 1,112,937,235                                                   | -                                                                  |
| Retained Earnings (deficit)                          | 214,619,684,766                                 | 214,619,684,766                                                 | 214,619,684,766                                                    |
| Non-controlling interest                             | 116,828,047,040                                 | 116,828,047,040                                                 | 116,828,047,040                                                    |
| <b>Total Equity</b>                                  | <b>420,788,975,786</b>                          | <b>421,901,913,021</b>                                          | <b>448,612,406,661</b>                                             |
| <b>Total Liabilities &amp; Equity</b>                | <b>789,568,299,847</b>                          | <b>790,681,237,082</b>                                          | <b>817,391,730,722</b>                                             |

## DILUTION

Subscription to the Warrants will not translate to dilution since Warrants do not increase the number of common shares at the onset. Only in the event of an exercise of the Warrants shall there be a material dilutive impact to the extent of the difference between the Exercise Price to acquire the Underlying Share and the Company's net tangible book value per share after the Offer. Book value per share dilution results from a 25% increase in the number of common shares.

As of March 31, 2025, the Company's net tangible book value per share was Php 42.25. Net tangible book value per Share represents the Company's total assets (less intangible assets and goodwill) less total liabilities, divided by the total number of common shares outstanding.

Without taking into account any changes in pro forma net tangible book value other than to give effect to the exercise of the Warrants by the sole discretion of each Warrantholder at an exercise price of Php 12.00 per Warrant and after deducting the estimated costs of the Offer and Exercise of the Warrant as applicable, the pro forma net tangible book value per share assuming exercise of all the Warrants is Php 36.34. This represents an immediate decrease in pro forma net tangible book value of Php 6.04 per common share to existing shareholders from the point that the Offer was completed.

The following table illustrates dilution on a per common share basis based on an Offer Price of Php 0.50 and an Exercise Price of Php 12.00 per Warrant assuming the exercise of all the Warrants:

|                                                                                                                                            |                       |
|--------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|
| Offer Price per Warrant (a)                                                                                                                | Php 0.50              |
| Exercise Price per Warrant (b)                                                                                                             | Php 12.00             |
| Net tangible book value as of March 31, 2025 (c)                                                                                           | Php 379,181,519,404   |
| Number of issued and outstanding shares as of March 31, 2025 (d)                                                                           | 8,974,502,679 Shares  |
| Pro forma net tangible book value per Share as of March 31, 2025 (e) <sup>1</sup> .....                                                    | Php 42.25 per Share   |
| Pro forma net tangible assets as adjusted after the Offer(f) .....                                                                         | Php 380,294,456,639   |
| Issued and outstanding Common Shares after the Offer(g) .....                                                                              | 8,974,502,679 Shares  |
| Pro forma net tangible book value per share as adjusted after the Offer(h) <sup>2</sup> .....                                              | Php 42.37 per Share   |
| Increase (decrease) per share to investors in the Offer (based on pro forma net tangible book value) <sup>3</sup> .....                    | Php 0.12 per Share    |
| Incremental Common Shares after exercise of all Warrants(i) .....                                                                          | 2,225,874,470 Shares  |
| Pro forma net tangible assets as adjusted after the exercise of all Warrants(j) <sup>4</sup> .....                                         | Php 407,004,950,279   |
| Issued and outstanding Common Shares after the exercise of all Warrants(k) <sup>5</sup> .....                                              | 11,200,377,149 Shares |
| Pro forma net tangible book value per share as adjusted after the exercise of all Warrants(l) <sup>6</sup> .....                           | Php 36.34 per Share   |
| Increase (decrease) per share to investors in the exercise of all Warrants (based on pro forma net tangible book value) <sup>7</sup> ..... | (Php 6.04 per Share)  |

<sup>1</sup> Computed by dividing (c) by (d)

<sup>2</sup> Computed by dividing (f) by (g)

<sup>3</sup> Computed by subtracting (e) by (h)

<sup>4</sup> Computed by multiplying (i) by the sum of (a) and (b)

<sup>5</sup> Computed by adding by (d) or (g) with (i)

<sup>6</sup> Computed by dividing (j) by (k)

<sup>7</sup> Computed by Subtracting (l) by (h)

## MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OPERATION

The following discussion and analysis must be read in conjunction with the submitted audited annual consolidated financial statements and unaudited interim consolidated financial statements and the related notes to such consolidated financial statements.

### **March 31, 2025vs 2024**

#### **a. Key Performance Indicators – Top Five**

| In Million Php                                                                    | Q1 2025        | Q1 2024        | YoY '25        | %        |
|-----------------------------------------------------------------------------------|----------------|----------------|----------------|----------|
| REVENUES AND INCOME                                                               | <b>55,327</b>  | 50,605         | 4,723          | 9.3%     |
| NET PROFIT ["NP"]                                                                 | <b>10,971</b>  | 6,607          | 4,364          | 66.1%    |
| NET PROFIT TO OWNERS ["NPO"]                                                      | <b>8,415</b>   | 4,216          | 4,199          | 99.6%    |
| NP rate ["NPR"]                                                                   | <b>19.83%</b>  | 13.06%         |                |          |
| NPO rate ["NPOR"]                                                                 | <b>15.21%</b>  | 8.33%          |                |          |
| EBITDA                                                                            | <b>18,873</b>  | 13,970         | 4,903          | 35.10%   |
| EBITDA margin                                                                     | <b>34.11%</b>  | 27.61%         |                |          |
| Return on investment/assets [NP/TA]                                               | <b>1.39%</b>   | 0.82%          |                |          |
| Revenues and Income Normalized*                                                   | <b>51,899</b>  | 50,605         | 1,294          | 2.6%     |
| NP Normalized*                                                                    | <b>7,543</b>   | 6,607          | 936            | 14.2%    |
| NPO Normalized*                                                                   | <b>4,987</b>   | 4,216          | 771            | 18.3%    |
| NPR Normalized*                                                                   | <b>14.53%</b>  | 13.06%         |                |          |
| NPOR Normalized*                                                                  | <b>9.61%</b>   | 8.33%          |                |          |
| EBITDA Normalized*                                                                | <b>15,444</b>  | 13,970         | 1,475          | 10.56%   |
| EBITDA margin Normalized*                                                         | <b>29.76%</b>  | 27.61%         |                |          |
| Return on assets Normalized*                                                      | <b>0.96%</b>   | 0.82%          |                |          |
|                                                                                   | <b>Mar'25</b>  | <b>Dec'24</b>  | <b>YoY</b>     | <b>%</b> |
| TOTAL ASSETS                                                                      | <b>789,568</b> | 824,079        | (34,511)       | (4.2%)   |
| CURRENT ASSETS                                                                    | <b>374,447</b> | 394,425        | (19,978)       | (5.1%)   |
| CURRENT LIABILITIES                                                               | <b>135,989</b> | 150,121        | (14,123)       | (9.4%)   |
| Current ratio                                                                     | <b>2.75x</b>   | 2.63x          |                |          |
| Quick ratio                                                                       | <b>1.03x</b>   | 1.06x          |                |          |
|                                                                                   | <b>Q1 2025</b> | <b>Q1 2024</b> | <b>YoY '25</b> | <b>%</b> |
| Profit before tax and interest ["EBIT"]                                           | <b>15,851</b>  | 11,269         | 4,582          | 40.7%    |
| EBIT Normalized*                                                                  | <b>12,423</b>  | 11,269         | 1,154          | 10.24%   |
| Interest expense                                                                  | <b>3,018</b>   | 2,841          | 176            | 6.2%     |
| Interest coverage rate [on EBIT]                                                  | <b>5.25</b>    | 3.97           |                |          |
| Interest coverage rate [on EBITDA]                                                | <b>6.25</b>    | 4.92           |                |          |
| Interest coverage rate [EBIT Normal'd]                                            | <b>4.12</b>    | 3.97           |                |          |
| Interest coverage rate [EBITDA Normal'd]                                          | <b>5.12</b>    | 4.92           |                |          |
| *Ex gain on deconsolidation of GADC (effective March 17, 2025) of P3,428 million. |                |                |                |          |

- Revenue growth – measures the percentage change in revenues over a designated period of time. Performance is measured in terms of both amount and volume, where applicable.
- Net profit growth – measures the percentage change in net profit over a designated period of time.
- Net profit rate – computed as percentage of net profit to revenues - measures the operating efficiency and success of maintaining satisfactory control of costs.
- Return on investment [or capital employed] – the ratio of net profit to total assets - measures the degree of efficiency in the use of resources to generate net income.
- Current ratio – computed as current assets divided by current liabilities – measures the ability of the business to meet its current obligations. To measure immediate liquidity, quick assets [cash, marketable securities, accounts receivables] is divided by current liabilities.
- Interest coverage ratio - computed as profit before tax and interest expense (“EBIT”) divided by interest expense -measures the business’ ability to meet its interest payments.

#### *b. Results of Operations – First Three Months 2025 vs 2024*

The Group, one of the country’s largest and most diversified conglomerates, had a strong start to the year with its first quarter (“Q1”) net profit (“NP”) and net profit to owners (“NPO”) growing 14% and 18% year-on-year (“YoY”) to P7.5 billion and P5.0 billion, respectively, on the back of revenues and income excluding a one-time gain (“Normalized”) reaching P51.9 billion for a 3% YoY growth. This underscores the Group’s resiliency and solid performance across its diversified key business segments, further highlighting prudent and efficient cost management under the currently challenging environment.

The Group is organized into four major business segments, which aptly correspond to its operating subsidiaries, namely Megaworld, Emperador, Travellers or NWR, and GADC or McDonald’s. These subsidiaries represented the Group’s core business activities: (i) real estate development and leasing (ii) manufacturing and distribution of distilled spirits, (iii) leisure-tourism-entertainment and gaming operations, and (iv) quick-service restaurant operations. Effective March 17, 2025, GADC was deconsolidated and ceased to be a business segment as it becomes an associate from that date, yet the Group’s ownership interest over GADC has not changed.

Tucking in the P3.4 billion gain recognized on deconsolidation of GADC (and remeasuring AGI’s investment at fair value), the Group’s revenues and income climbed 9% YoY to P55.3 billion with NP surging 66% to P11.0 billion and NPO almost doubling to P8.4 billion. GADC was consolidated line-by-line up to March 16, 2025 and deconsolidated effective March 17, 2025, when the Group consequently accounted for its interest in GADC at equity method and took up P69.2 million share in GADC’s net profit from March 17 to March 31, 2025.

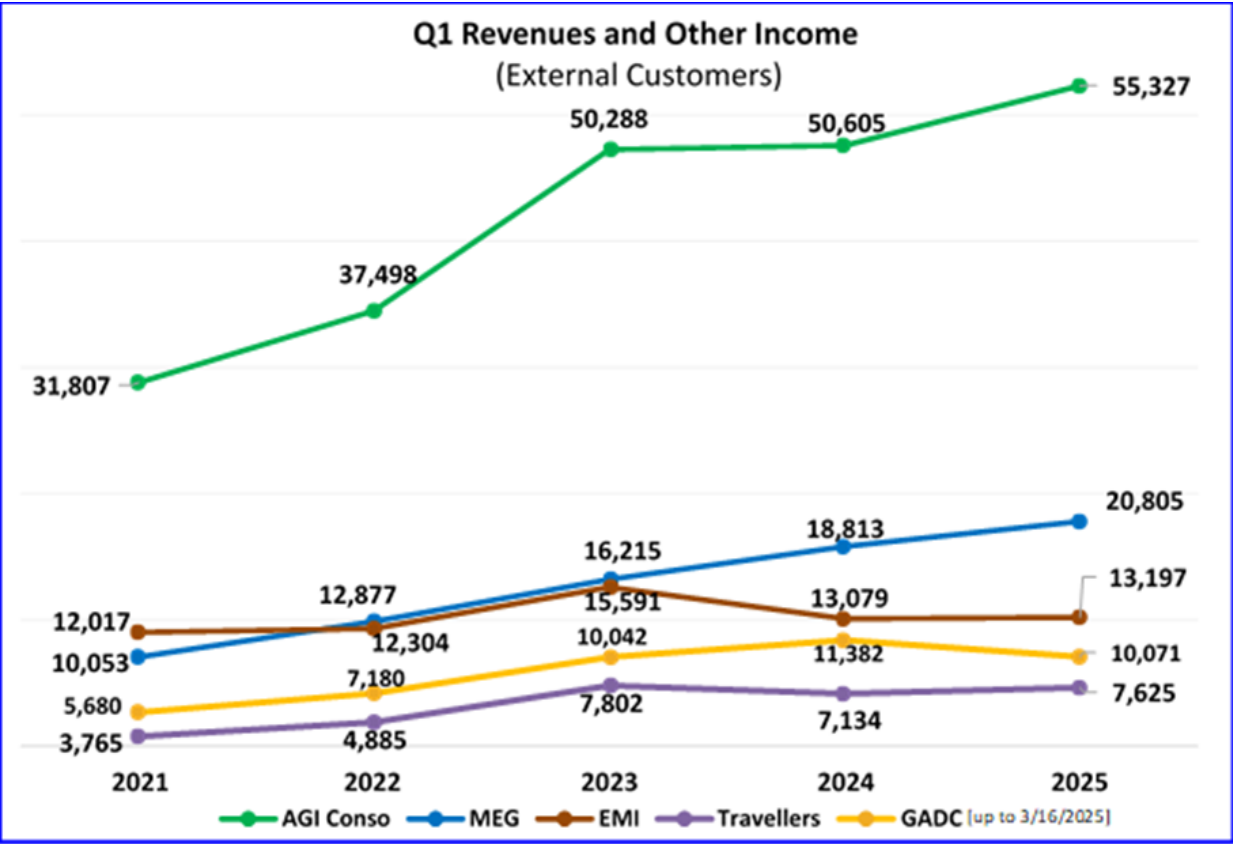
Gross profit rate (“GPR”) improved to 44%, up from 43% in Q1 2024, boosted by 4% growth in GP value. Operating expenses remained stable at 21% of revenues and income in both periods, demonstrating continued discipline in cost management. With enhanced operational efficiencies, total costs and expenses were kept at P42.5 billion, an insignificant 1% YoY expansion, thereby ending the quarter with normalized profit before tax of P9.4 billion, a 12% jump YoY.

Correspondingly, the Group’s NP rate (“NPR”), NPO rate (“NPOR”) and EBITDA rate stood at 20%, 15% and 34%, respectively, up from 13%, 8% and 28% in the same quarter last year. On a normalized basis, NPR, NPOR and EBITDA rate were posted at 15%, 10% and 30%, respectively, this quarter.

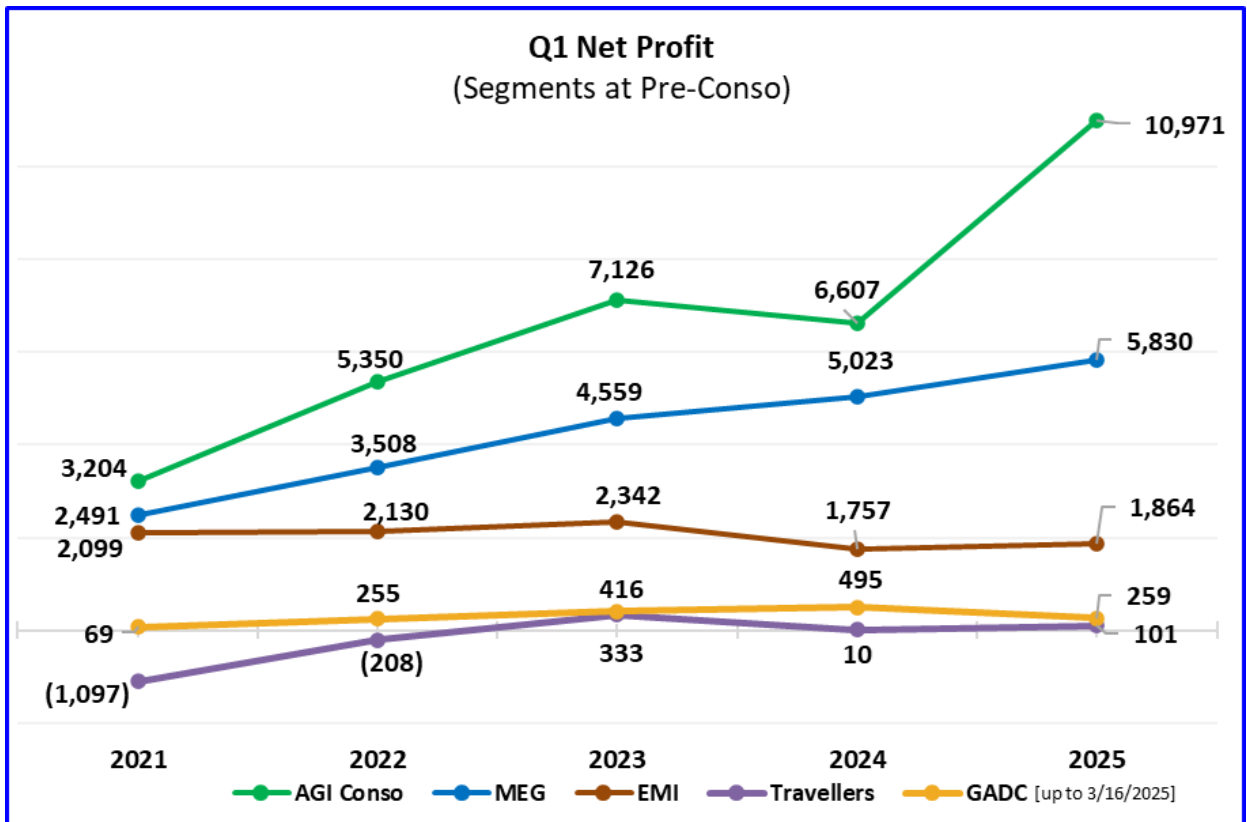
Further excluding results from GADC in both comparable interim periods would show the following performance that is somewhat better than the Normalized results:

| In Million Pesos             | Q1 2025       | Q1 2024       | YoY          | YoY %         |
|------------------------------|---------------|---------------|--------------|---------------|
| <b>Revenues and income</b>   |               |               |              |               |
| Normalized                   | 51,899        | 50,605        | 1,294        | 2.56%         |
| Less GADC up to 3/16/2025    | (10,071)      | (11,382)      |              |               |
| Less share in NP of GADC     | (69)          |               |              |               |
| <b>Ex-gain-ex-GADC</b>       | <b>41,759</b> | <b>39,223</b> | <b>2,535</b> | <b>6.46%</b>  |
| <b>Net profit</b> Normalized | 7,543         | 6,607         | 936          | 14.16%        |
| Less GADC up to 3/16/2025    | (297)         | (521)         |              |               |
| Less share in NP of GADC     | (69)          |               |              |               |
| <b>Ex-gain-ex-GADC</b>       | <b>7,176</b>  | <b>6,086</b>  | <b>1,090</b> | <b>17.92%</b> |
| <b>NPO</b> Normalized        | 4,987         | 4,216         | 771          | 18.29%        |
| Less GADC up to 3/16/2025    | (243)         | (498)         |              |               |
| Less transfer to NCI         | 124           | 254           |              |               |
| Less effect of interco tranx | (38)          | (26)          |              |               |
| Less share in NP of GADC     | (69)          |               |              |               |
| <b>Ex-gain-ex-GADC</b>       | <b>4,761</b>  | <b>3,947</b>  | <b>814</b>   | <b>20.63%</b> |

By business segments, as represented by the major subsidiary groups [based on pre-conso results, i.e. as reported separately by the major subsidiaries]:







| 2025                                                  | Megaworld     | EMI           | TRAV         | GADC          | OTHERS       | TOTAL         |
|-------------------------------------------------------|---------------|---------------|--------------|---------------|--------------|---------------|
| <b>REVENUES AND OTHER INCOME</b>                      |               |               |              |               |              |               |
| % contribution                                        | 37.6%         | 23.9%         | 13.8%        | 18.2%         | 6.6%         | 100.0%        |
| <b>External customers</b>                             | <b>20,805</b> | <b>13,197</b> | <b>7,625</b> | <b>10,071</b> | <b>3,629</b> | <b>55,327</b> |
| Intercompany/ Reclass                                 | <u>103</u>    | <u>9</u>      | <u>1</u>     | <u>(5)</u>    | <u>9,830</u> | <u>9,938</u>  |
| Total - as reported at subsidiary level ["Pre-Conso"] | 20,908        | 13,206        | 7,626        | 10,066        | 13,459       | 65,265        |
| <b>COST AND EXPENSES</b>                              |               |               |              |               |              |               |
| % contribution                                        | 32.2%         | 25.8%         | 17.7%        | 22.5%         | 1.9%         | 100.0%        |
| <b>External/conso level</b>                           | <b>13,672</b> | <b>10,944</b> | <b>7,514</b> | <b>9,561</b>  | <b>802</b>   | <b>42,494</b> |
| Intercompany/ Reclass                                 | <u>-</u>      | <u>182</u>    | <u>-</u>     | <u>33</u>     | <u>9</u>     | <u>223</u>    |
| Pre-Conso                                             | 13,672        | 11,126        | 7,514        | 9,594         | 811          | 42,717        |
| <b>TAX EXPENSE</b>                                    | <b>1,405</b>  | <b>217</b>    | <b>11</b>    | <b>213</b>    | <b>17</b>    | <b>1,863</b>  |
| % contribution                                        | 75.4%         | 11.6%         | 0.6%         | 11.4%         | 0.9%         | 100.0%        |
| <b>NET PROFIT</b>                                     |               |               |              |               |              |               |
| % contribution                                        | 52.2%         | 18.6%         | 0.9%         | 2.7%          | 25.6%        | 100.0%        |
| <b>External/conso</b>                                 | <b>5,727</b>  | <b>2,037</b>  | <b>100</b>   | <b>297</b>    | <b>2,810</b> | <b>10,971</b> |
| Intercompany/ Reclass                                 | <u>103</u>    | <u>(173)</u>  | <u>1</u>     | <u>(38)</u>   | <u>9,821</u> | <u>9,714</u>  |
| Pre-Conso                                             | 5,830         | 1,864         | 101          | 259           | 12,631       | 20,685        |
| <b>NET PROFIT TO OWNERS</b>                           |               |               |              |               |              |               |
| % contribution                                        | 44.7%         | 19.4%         | 0.7%         | 1.9%          | 33.4%        | 100.0%        |
| <b>External/conso</b>                                 | <b>3,760</b>  | <b>1,632</b>  | <b>57</b>    | <b>157</b>    | <b>2,809</b> | <b>8,415</b>  |
| Intercompany/ Reclass                                 | <u>103</u>    | <u>(173)</u>  | <u>1</u>     | <u>(38)</u>   | <u>9,821</u> | <u>9,714</u>  |
| Transfer to minority                                  | <u>1,230</u>  | <u>392</u>    | <u>39</u>    | <u>124</u>    | <u>1</u>     | <u>1,787</u>  |
| Pre-Conso                                             | 5,093         | 1,851         | 98           | 243           | 12,631       | 19,916        |
| 2024                                                  | Megaworld     | EMI           | TRAV         | GADC          | OTHERS       | TOTAL         |
| <b>REVENUES AND OTHER INCOME</b>                      |               |               |              |               |              |               |
| % contribution                                        | 37.2%         | 25.8%         | 14.1%        | 22.5%         | 0.4%         | 100.0%        |
| <b>External customers</b>                             | <b>18,813</b> | <b>13,079</b> | <b>7,134</b> | <b>11,382</b> | <b>197</b>   | <b>50,605</b> |
| Intercompany/ Reclass                                 | <u>61</u>     | <u>9</u>      | <u>1</u>     | <u>(16)</u>   | <u>122</u>   | <u>177</u>    |
| Pre-Conso                                             | 18,874        | 13,088        | 7,135        | 11,366        | 319          | 50,782        |
| <b>COST AND EXPENSES</b>                              |               |               |              |               |              |               |
| % contribution                                        | 30.0%         | 25.6%         | 16.9%        | 25.2%         | 2.3%         | 100.0%        |
| <b>External/conso level</b>                           | <b>12,637</b> | <b>10,815</b> | <b>7,114</b> | <b>10,639</b> | <b>971</b>   | <b>42,177</b> |
| Intercompany/ Reclass                                 | <u>-</u>      | <u>143</u>    | <u>3</u>     | <u>11</u>     | <u>15</u>    | <u>170</u>    |
| Pre-Conso                                             | 12,637        | 10,958        | 7,117        | 10,650        | 986          | 42,347        |
| <b>TAX EXPENSE</b>                                    | <b>1,214</b>  | <b>372</b>    | <b>8</b>     | <b>221</b>    | <b>5</b>     | <b>1,821</b>  |
| % contribution                                        | 66.6%         | 20.5%         | 0.5%         | 12.1%         | 0.3%         | 100.0%        |
| <b>NET PROFIT</b>                                     |               |               |              |               |              |               |
| % contribution                                        | 75.1%         | 28.6%         | 0.2%         | 7.9%          | -11.8%       | 100.0%        |
| <b>External/conso</b>                                 | <b>4,963</b>  | <b>1,892</b>  | <b>11</b>    | <b>521</b>    | <b>(780)</b> | <b>6,607</b>  |
| Intercompany/ Reclass                                 | <u>60</u>     | <u>(135)</u>  | <u>(1)</u>   | <u>(26)</u>   | <u>107</u>   | <u>7</u>      |
| Pre-Conso                                             | 5,023         | 1,757         | 10           | 495           | (673)        | 6,614         |
| <b>NET PROFIT TO OWNERS</b>                           |               |               |              |               |              |               |
| % contribution                                        | 75.5%         | 36.5%         | 0.2%         | 6.4%          | -18.5%       | 100.0%        |
| <b>External/conso</b>                                 | <b>3,182</b>  | <b>1,538</b>  | <b>8</b>     | <b>269</b>    | <b>(780)</b> | <b>4,216</b>  |
| Intercompany/ Reclass                                 | <u>60</u>     | <u>(135)</u>  | <u>(1)</u>   | <u>(26)</u>   | <u>107</u>   | <u>7</u>      |
| Transfer to minority                                  | <u>1,160</u>  | <u>335</u>    | <u>4</u>     | <u>254</u>    | <u>1</u>     | <u>1,754</u>  |
| Pre-Conso                                             | 4,403         | 1,738         | 11           | 498           | (673)        | 5,977         |
| <b>YoY Change</b>                                     |               |               |              |               |              |               |
| Revenues and Other Income                             | 1,991         | 118           | 491          | (1,310)       | 3,432        | 4,723         |
| Cost and Expenses                                     | 1,035         | 129           | 400          | (1,078)       | (169)        | 317           |
| Tax Expense                                           | 192           | (156)         | 3            | (8)           | 12           | 42            |
| Net Profit                                            | 765           | 145           | 89           | (224)         | 3,590        | 4,364         |
| Net Profit to Owners                                  | 578           | 94            | 50           | (113)         | 3,590        | 4,199         |
| <b>YoY Change %</b>                                   |               |               |              |               |              |               |
| Revenues and Other Income                             | 10.6%         | 0.9%          | 6.9%         | (11.5%)       | 1745.0%      | 9.3%          |
| Cost and Expenses                                     | 8.2%          | 1.2%          | 5.6%         | (10.1%)       | (17.4%)      | 0.8%          |
| Tax Expense                                           | 15.8%         | (41.8%)       | 32.0%        | (3.8%)        | 220.9%       | 2.3%          |

|                      |       |      |        |         |        |       |
|----------------------|-------|------|--------|---------|--------|-------|
| Net Profit           | 15.4% | 7.6% | 785.7% | (43.0%) | 460.3% | 66.1% |
| Net Profit to Owners | 18.2% | 6.1% | 628.8% | (41.8%) | 460.0% | 99.6% |

Note: Numbers may not add up due to rounding off

Pre-Conso numbers presented may slightly differ due to reclassifications for alignment made at consolidation level

| In Million Pesos                                      | Q1 2025       | Q1 2024       | YoY'25       | %            |
|-------------------------------------------------------|---------------|---------------|--------------|--------------|
| <b>REVENUES AND OTHER INCOME</b>                      |               |               |              |              |
| Sale of goods                                         | 25,310        | 25,131        | 180          | 0.7%         |
| Consumer goods                                        | 12,222        | 13,011        | (790)        | (6.1%)       |
| Revenue from real estate (RE) sales                   | 13,088        | 12,119        | 969          | 8.0%         |
| Rendering of services                                 | 24,498        | 24,273        | 226          | 0.9%         |
| Gaming                                                | 7,911         | 7,478         | 433          | 5.8%         |
| Less: Promotional allowance                           | (2,092)       | (2,153)       | 61           | (2.8%)       |
| Net Gaming                                            | 5,819         | 5,325         | 493          | 9.3%         |
| Sales by company-operated quick-service restaurants   | 9,272         | 10,326        | (1,054)      | (10.2%)      |
| Franchise revenues                                    | 734           | 982           | (247)        | (25.2%)      |
| Rental Income                                         | 5,393         | 4,742         | 651          | 13.7%        |
| Others                                                | 3,280         | 2,898         | 383          | 13.2%        |
| Hotel operations                                      | 2,903         | 2,538         | 365          | 14.4%        |
| Other services                                        | 377           | 359           | 18           | 5.0%         |
| Share in net profits of associated and joint ventures | 65            | -             | 65           |              |
| Finance and other income                              | 5,453         | 1,201         | 4,252        | 353.9%       |
| <b>TOTAL</b>                                          | <b>55,327</b> | <b>50,605</b> | <b>4,723</b> | <b>9.3%</b>  |
| <b>COST AND EXPENSES</b>                              |               |               |              |              |
| Cost of goods sold                                    | 15,038        | 14,815        | 223          | 1.5%         |
| Consumer goods sold                                   | 8,525         | 8,747         | (222)        | (2.5%)       |
| RE sales                                              | 6,514         | 6,068         | 445          | 7.3%         |
| Cost of services                                      | 12,834        | 13,456        | (623)        | (4.6%)       |
| Gaming                                                | 2,454         | 2,489         | (35)         | (1.4%)       |
| Services                                              | 10,380        | 10,967        | (588)        | (5.4%)       |
| Other operating expenses                              | 11,360        | 10,443        | 917          | 8.8%         |
| Selling and marketing                                 | 4,661         | 4,178         | 483          | 11.6%        |
| General and administrative                            | 6,700         | 6,265         | 434          | 6.9%         |
| Share in net losses of associates and joint ventures  | -             | 6             | (6)          | (100.0%)     |
| Finance cost and other charges                        | 3,261         | 3,456         | (195)        | (5.6%)       |
| <b>TOTAL</b>                                          | <b>42,494</b> | <b>42,177</b> | <b>317</b>   | <b>0.8%</b>  |
| <b>TAX EXPENSE</b>                                    | <b>1,863</b>  | <b>1,821</b>  | <b>42</b>    | <b>2.3%</b>  |
| <b>NET PROFIT</b>                                     | <b>10,971</b> | <b>6,607</b>  | <b>4,364</b> | <b>66.1%</b> |
| <b>NET PROFIT TO OWNERS</b>                           | <b>8,415</b>  | <b>4,216</b>  | <b>4,199</b> | <b>99.6%</b> |
| <b>NET PROFIT- NORMALIZED</b>                         | <b>7,543</b>  | <b>6,607</b>  | <b>936</b>   | <b>14.2%</b> |
| <b>NET PROFIT TO OWNERS- NORMALIZED</b>               | <b>4,987</b>  | <b>4,216</b>  | <b>771</b>   | <b>18.3%</b> |

### *By business segment*

The following discussions are based on pre-consolidation results, i.e. the numbers reported separately by the major subsidiaries:

**Megaworld**, one of the country's largest real estate developer and pioneer in township developments, kicked off the year with a strong first quarter, posting consolidated revenues and income of Php 20.9 billion, NP of Php 5.8 billion and NPO of Php 5.1 billion, marking YoY increases of 11%, 16% and 16%, respectively. This robust performance was underpinned by broad-based growth across all revenue streams, underscoring the strength of the group's diversified portfolio.

Costs and expenses rose 8% YoY to Php 13.7 billion, a pace slower than revenue growth indicating improved operating leverage. Operating expenses stood at 23% of topline, slightly higher than the 22% recorded in the same period last year. GPR remained stable at 49%, while NPR and NPOR improved to 28% and 24%, respectively, from 27% and 23% a year ago.

Real estate sales continued to serve as Megaworld's primary revenue driver, contributing 66% of total revenues (vs 68% a year ago). Sales grew 8% YoY to Php 13.1 billion, supported by healthy and steady demand across township developments, and accelerated construction progress across multiple projects. This reflects continued market confidence in the Group's integrated 'LIVE- WORK-PLAY' township concept, particularly in Metro Manila and key provincial growth areas

The current brand contribution mix among Megaworld-GERI-Empire East-Suntrust/SLI was 72%-11%-9%-8%. Geographically, 58% of sales were from Metro Manila projects, 28% from the rest of Luzon, and 14% from Vis-Min projects. Reservation sales for the quarter reached Php 26.9 billion, representing 21% of Megaworld's full year reservation sales target of Php 130.0 billion. Megaworld remains on track to reach a total of 37 integrated townships by end of the year.

Rental income accounted for 27% of Megaworld's total revenues, increasing 15% YoY in value to Php 5.3 billion. This was driven by continued demand from high-value tenants and the strong synergy between Megaworld's office and retail ecosystems. *Megaworld Premier Offices* contributed Php 3.7 billion, up 17% YoY, with occupancy rate of 87%, bolstered by new lease signings and expansions from existing tenants. The 51,300 sqm. of newly secured leases marked the highest quarterly figure in five years. *Megaworld Lifestyle Malls* generated Php 1.7 billion in rental revenues, up 11% YoY, mainly driven by increased foot traffic, improved tenant sales, 13,616 sqm. of new store openings, and a healthy 92% occupancy rate.

*Megaworld Hotels & Resorts* posted the highest YoY growth among the group's revenue streams, with revenues surging 27% to Php 1.4 billion. Growth was fueled by the higher room rates, complemented by curated packages and experiential promotions targeting both business and leisure travelers. Average occupancy rate stood at 63%, compared to 70% a year ago.

These operating results brought in 38%, 52% and 45% to AGI's consolidated revenues and income, NP and NPO, respectively, making Megaworld the biggest contributor among AGI's Business Segments.

**Emperador**, a global alcoholic beverage group, is on a good start as it opened the year with Php 1.9 billion NPO from its global operations in Q1 2025, growing 7% YoY, on the back of Php 13.2 billion revenues and other income, registering a 1% modest growth, driven by its Brandy business. This performance was achieved amid persistent softness in the global beverage alcohol industry, highlighted by the shifting spending habits and consumption patterns of consumers. High inflation levels continued to weigh on consumers' purchasing power, leading to a growing sensitivity to price and promotional campaigns. Nevertheless, the group remained resilient, backed by its diversified product portfolio across various price points, a wide distribution reach in over 100 global markets, and deep range of aging liquid stockholdings.

The Brandy Segment turned over Php 8.7 billion revenues and income from external customers, up 10% YoY, driven by improved domestic sales performance, particularly the strong double-digit growth of 'Fundador', while 'Emperador' continued to be the leading local brandy brand. The performance of other Spanish and Mexican brands, while reflective of the current global slowdown, remained strong in their local territories. 'Terry' and 'Tres Cepas' continued to lead in Spain and Equatorial Guinea, respectively. On the other hand, the Scotch Whisky Segment recorded P4.5 billion revenues and income from external customers, reflecting a 13% YoY decline, as global demand for Scotch Whisky remained subdued across most markets worldwide. Its sales in UK and Latin America, nevertheless, continued to show growth during the quarter.

Emperador group sustained a considerably healthy GPR of 30% of sales, in spite of 14% drop in value, notwithstanding high global input costs. GP for Brandy Segment increased 4% in value, for an improved GPR of 25% versus 24% YoY, primarily due to product mix.

Meanwhile, GP for Scotch Whisky Segment declined 28% in value resulting in GPR reduction to 37% versus 44% a year ago, reflective of moderate single malts' sales in the product mix.

Moreover, in support of brand equity and market reach, the group's operating expenses grew 12% YoY as the group increased its spending on advertising and promotions, travel and transportation, freight and handling, fuel and oil and higher salaries and benefits. Capital expenditures continued offshore, particularly in the Scotch Whisky segment, as part of the Group's long-term growth strategy. These investments were mostly financed through loan drawdowns, which led to a notable 14% increase in the group's finance costs and other charges due to additional interest costs. As a result, the Group moderated its net profit before tax at Php 2.1 billion, slightly lower by 2% YoY. Nevertheless, NP and NPO grew 6% and 7%, respectively, to Php 1.9 billion, resulting in improved NPR and NPOR of 14% versus 13% a year ago, primarily due to lower income tax expense. EBITDA, on the other hand, was sustained at Php 2.9 billion, translating to a steady 22% EBITDA rate in both periods.

Brandy's NPO rose significantly to P1.4billion, up76% YoY, with NPOR improving to 16% versus 10% a year ago. Its EBITDA totaled Php 2.1 billion, equivalent to 24% EBITDA rate, higher than 20% a year ago. On the other hand, Scotch Whisky's NPO amounted to Php 0.4 billion, halved from Php 0.9 billion a year ago, reflecting 9% NPOR versus 17% a year ago. Its EBITDA reached Php 0.8 billion, translating to 16% EBITDA rate versus 24% a year ago.

Scotch Whisky's interest expense jumped 83% to Php 0.2 billion from Php 0.1 billion YoY due to additional loan drawdowns for the Segment's ongoing expansion in its facilities at a lower SONIA rate while Brandy's interest and other charges declined 12% due to decreasing EURIBOR and principal base.

The group contributed 24% to AGI's consolidated revenues and income, 19% to consolidated NP and NPO.

**Travellers**, the owner and operator of Newport World Resorts ("NWR"), an integrated leisure and tourism resort in Pasay City, ended Q1 with Php 7.7 billion core revenues, reflecting an 8% YoY growth. GPR improved significantly to 46%, up from 41% in the same period last year. The increase in revenues was achieved alongside effective cost management, as direct costs declined 2% to Php 4.1 billion. General and administrative expenses rose 12% to Php 2.4 billion, reflecting continued investment to support its operations. Interest expenses increased markedly by 37% to Php 1.0 billion, attributed mainly to lower amount capitalized as part of construction costs this current interim as most of the projects got completed and fully operational, resulting in higher interest expense recognized in the consolidated statement of profit and loss. NP and NPO stood at Php 0.1 billion for the quarter.

Gross gaming revenues increased 6% YoY to Php 7.9 billion, primarily driven by higher win rates in both the Cash tables and VIP segments. Meanwhile, promotional allowance decreased 3% YoY to Php 2.1billion YoY due to lower gaming points issued and reduced revenue sharing arrangements.

Non-gaming core revenues (from hotels, food, beverage and other operating income) remained steady at Php 1.8 billion, supported by sustained demand in tourism-related services. Growth in food & beverage covers and higher occupancy rates in hotels contributed to its stability. Hotel operations continued to benefit from the recovery in both domestic and international tourism. Occupancy rates across the five hotels in NWR ranged from 85% to 95%, improving from 75% to 90% a year ago. However, occupancy at the hotel in Iloilo declined to 39%, compared to 43% in Q1 2024.

Travellers group accounted for 14% of AGI's consolidated revenues and income, 1% to consolidated NP and NPO.

**GADC**, the master franchise holder of McDonald's in the Philippines and a strategic partnership with the George Yang group, reported core revenues of Php 10.0 billion for the period January 1 to March 16, 2025, lagging Php 1.3 billion behind full first quarter of 2024. The resulting GPR, NPR and NPOR for the period ending March 16, 2025 were recorded at 21%, 3%, and 2%, respectively, versus 23%, 4%, and 4%, in the full first quarter of 2024.

Note that the results presented as GADC's performance were for the period January 1 to March 16, 2025, prior to its deconsolidation from the Group effective March 17, 2025. Share in GADC's net profit for the remaining days of the quarter (i.e. March 17 to March 31, 2025) was posted at Php 69.2 million.

These operating results translated into 18% contribution to consolidated revenues and income, 3% to consolidated NP and 2% to consolidated NPO of AGI.

## **December 31, 2024 vs 2023 and 2023 vs 2022**

### *a. Key Performance Indicators - Top Five*

| In Million Pesos                    | 2024         | 2023         | 2022         | 2021         | YoY 2024 | %      | YoY 2023 | %    | YoY 2022 | %     |
|-------------------------------------|--------------|--------------|--------------|--------------|----------|--------|----------|------|----------|-------|
| REVENUES AND INCOME                 | 223,564      | 210,814      | 183,612      | 152,793      | 12,750   | 6.0    | 27,202   | 14.8 | 30,820   | 20.2  |
| NET PROFIT ["NP"]                   | 27,919       | 30,349       | 25,189       | 23,789       | (2,431)  | (8.0)  | 5,160    | 20.5 | 1,400    | 5.9   |
| NET PROFIT TO OWNERS ["NPO"]        | 17,364       | 19,615       | 16,108       | 16,944       | (2,252)  | (11.5) | 3,508    | 21.8 | (836)    | (4.9) |
| EBITDA                              | 60,527       | 59,298       | 51,132       | 46,395       | 1,230    | 2.1    | 8,166    | 16.0 | 4,737    | 10.2  |
| NP rate ["NPR"]                     | 12.49%       | 14.40%       | 13.72%       | 15.57%       |          |        |          |      |          |       |
| NPO rate ["NPOR"]                   | 7.77%        | 9.30%        | 8.77%        | 11.09%       |          |        |          |      |          |       |
| EBITDA Margin                       | 27.07%       | 28.13%       | 27.85%       | 30.36%       |          |        |          |      |          |       |
| Return on investment/assets [NP/TA] | 3.39%        | 3.88%        | 3.37%        | 3.38%        |          |        |          |      |          |       |
|                                     | Dec 31, 2024 | Dec 31, 2023 | Dec 31, 2022 | Dec 31, 2021 | YoY 2024 | %      | YoY 2023 | %    | YoY 2022 | %     |
| TOTAL ASSETS                        | 824,079      | 782,543      | 748,020      | 703,960      | 41,536   | 5.3    | 34,523   | 4.6  | 44,060   | 6.3   |
| CURRENT ASSETS                      | 394,425      | 381,854      | 375,183      | 352,380      | 12,571   | 3.3    | 6,671    | 1.8  | 22,803   | 6.5   |
| CURRENT LIABILITIES                 | 150,121      | 161,112      | 158,523      | 172,459      | (10,991) | (6.8)  | 2,588    | 1.6  | (13,936) | (8.1) |
| Current ratio                       | 2.63x        | 2.37x        | 2.37x        | 2.04x        |          |        |          |      |          |       |
| Quick ratio                         | 1.06x        | 0.97x        | 1.09x        | 0.98x        |          |        |          |      |          |       |
|                                     | 2024         | 2023         | 2022         | 2021         | YoY 2024 | %      | YoY 2023 | %    | YoY 2022 | %     |
| Profit before tax and interest      | 48,681       | 48,586       | 39,833       | 35,316       | 95       | 0.2    | 8,753    | 22.0 | 4,517    | 12.8  |

|                                 |        |        |       |       |       |      |       |      |       |      |
|---------------------------------|--------|--------|-------|-------|-------|------|-------|------|-------|------|
| Interest expense                | 12,927 | 10,821 | 8,517 | 7,240 | 2,106 | 19.5 | 2,303 | 27.0 | 1,278 | 17.6 |
| Interest coverage rate [EBIT]   | 3.77   | 4.49   | 4.68  | 4.88  |       |      |       |      |       |      |
| Interest coverage rate [EBITDA] | 4.68   | 5.48   | 6.00  | 6.41  |       |      |       |      |       |      |

- Revenue growth – measures the percentage change in revenues over a designated period of time. Performance is measured both in terms of amount and volume, where applicable.
- Net profit growth – measures the percentage change in net profit over a period of time.
- Net profit rate – computed as percentage of net profit to–revenues – measures the operating efficiency and success of maintaining satisfactory control of costs.
- Return on asset investment [or capital employed] – the ratio of net profit to total assets – measures the degree of efficiency in the use of resources to generate net income.
- Current ratio – computed as current assets divided by current liabilities – measures the ability of the business to meet its current obligations. To measure immediate liquidity, quick assets [cash, marketable securities, accounts receivables] is divided by current liabilities.
- Interest coverage ratio – computed as profit before interest expense, tax expense, depreciation and amortization (“EBITDA”) divided by interest (expense plus capitalized) – measures the business’ ability to meet its interest payments.

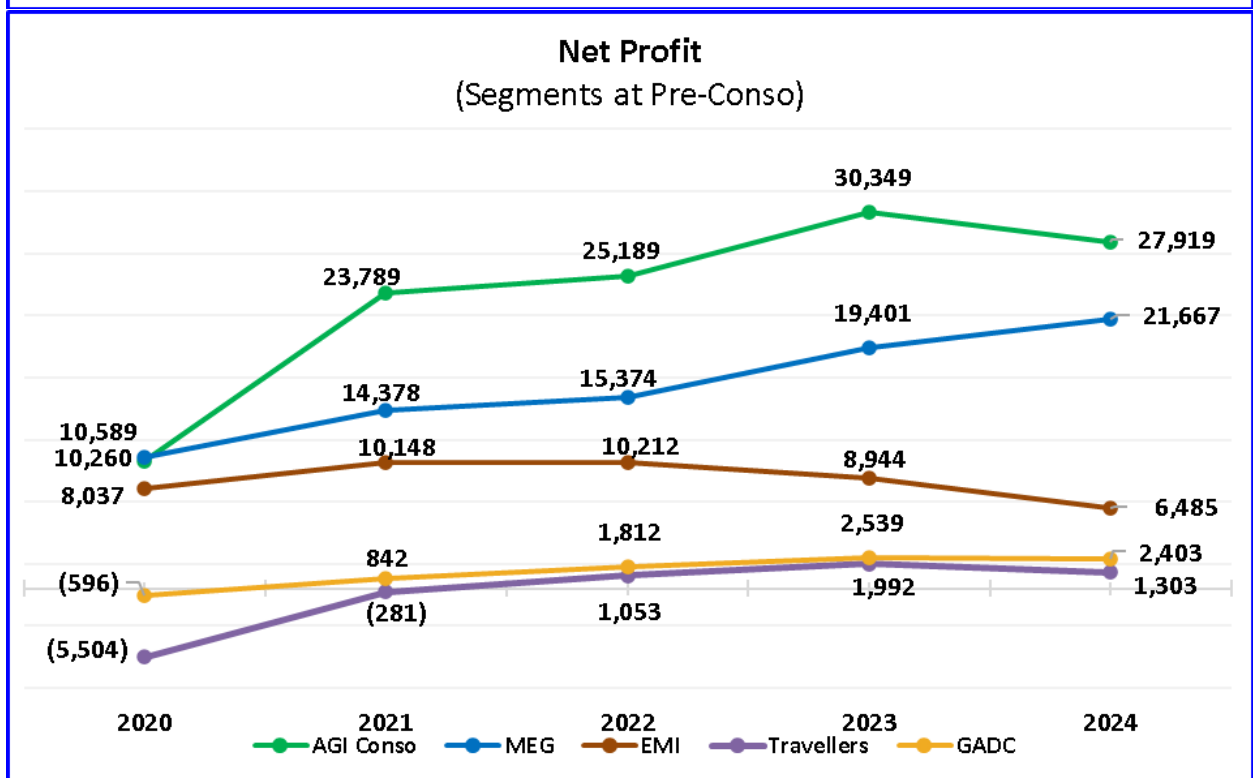
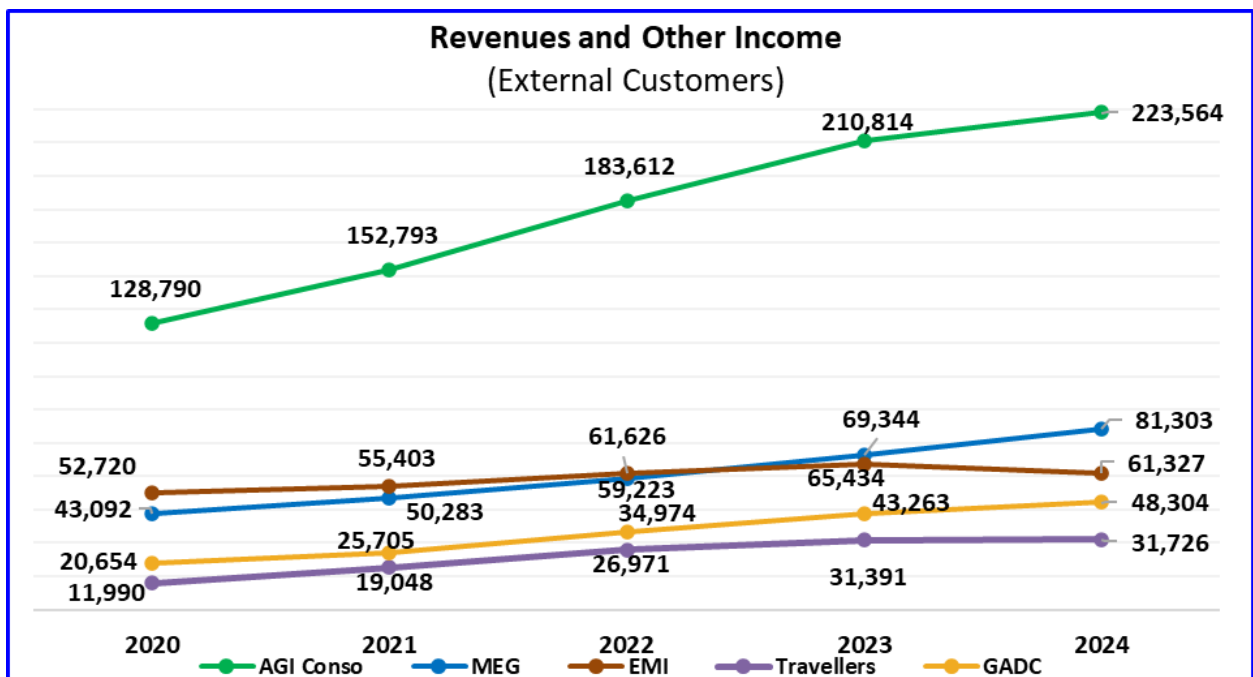
*b. Results Of Operations for the Last Three Years*

The **global economic environment** has remained volatile over the last three years, shaped by a series of compounding challenges- ranging from inflationary pressures on prices and consumer spending, high interest rates, and supply chain disruptions, not only as aftermath of the COVID-19 pandemic but not least from geopolitical tensions, particularly in Eastern Europe and Middle East. While certain markets showed signs of gradual recovery, the overall pace remained uneven. The external headwinds impacted consumer sentiment, cost structures, and international trade dynamics. The world’s full-year GDP growth rates for 2022, 2023 and 2024 were recorded at 3.2%, 2.8% and 3.2%, respectively. Meanwhile, the Philippine economy posted GDP growth rates of 7.6% in 2022, and 5.6% in both 2023 and 2024. While inflation in the Philippines showed notable downward trend in 2024, showing 3.2% average for the year, a significant improvement from 5.8% in 2022 and 6.0% in 2023, consumer prices remained high. Consumer price index reached 126 points for the year 2024 as compared to 122 points for 2023 and 115 points for 2022.

Despite these global and domestic economic challenges, the **AGI Group** consistently demonstrated resilience and adaptability. Through its diverse businesses, solid brand equity, and strategic agility, the Group delivered strong performance in the last three years. Leveraging its established brands and financial discipline, the Group sustained positive consolidated topline results over the last three years. The Group’ bottom line was also moving on an upward growth trajectory until it was halted in 2024 by the effects of still-high inflation, high interest rates and weak foreign currency manifest during the year.

The Group is organized into major business segments, which aptly correspond to its operating subsidiaries, namely Megaworld, Emperador, Travellers or NWR, and GADC or McDonald’s. These subsidiaries represented the Group’s core business activities: (i) real estate development and leasing (ii) manufacturing and distribution of distilled spirits, (iii) leisure-tourism-entertainment and gaming operations, and (iv) quick-service restaurant operations. Effective March 17, 2025, GADC was deconsolidated and ceased to be a business segment as it becomes an associate from that date, yet the Group’s ownership interest over GADC has not changed.

The following discussion presents the consolidated results of operations of the Group by its segments.





| In Million Php                          | Contribution | 2024 Pre Conso | 2024 Conso | 2023 Pre Conso | 2023 Conso | 2022 Pre Conso | 2022 Conso | YoY % 2024 Conso | YoY % 2023 Conso | YoY % 2022 Conso |
|-----------------------------------------|--------------|----------------|------------|----------------|------------|----------------|------------|------------------|------------------|------------------|
| Revenues and income (external customer) | 100%         | 231,285        | 223,564    | 217,237        | 210,814    | 193,868        | 183,612    | 6.0              | 14.8             | 20.2             |
| Megaworld                               | 36%          | 81,687         | 81,303     | 69,663         | 69,344     | 59,527         | 59,223     | 17.2             | 17.1             | 17.8             |
| Emperador                               | 27%          | 61,419         | 61,327     | 65,496         | 65,434     | 61,662         | 61,626     | (6.3)            | 6.2              | 11.2             |
| Travellers                              | 14%          | 32,346         | 31,727     | 31,642         | 31,391     | 26,974         | 26,971     | 1.1              | 16.4             | 41.6             |
| Golden Arches                           | 22%          | 48,339         | 48,304     | 43,227         | 43,263     | 34,900         | 34,974     | 11.7             | 23.7             | 36.1             |
| Others                                  |              | 7,493          | 905        | 7,209          | 1,382      | 10,805         | 818        | (34.5)           | 69.0             | (65.2)           |
| Costs and expenses                      | 100%         | 188,345        | 187,810    | 174,229        | 173,049    | 152,643        | 152,297    | 8.5              | 13.6             | 22.1             |
| Megaworld                               | 29%          | 54,812         | 54,792     | 45,806         | 45,806     | 40,385         | 40,385     | 19.6             | 13.4             | 12.9             |
| Emperador                               | 28%          | 53,301         | 52,604     | 54,555         | 53,933     | 49,952         | 49,250     | (2.5)            | 9.5              | 16.2             |
| Travellers                              | 17%          | 30,927         | 31,345     | 29,584         | 29,534     | 25,885         | 26,179     | 6.1              | 12.8             | 36.2             |
| Golden Arches                           | 24%          | 45,095         | 44,878     | 39,860         | 39,794     | 32,369         | 32,358     | 12.8             | 23.0             | 35.4             |
| Others                                  | 2%           | 4,209          | 4,191      | 4,424          | 3,982      | 4,051          | 4,125      | 5.3              | (3.5)            | 20.7             |
| Tax expense                             | 100%         | 7,836          | 7,836      | 7,416          | 7,416      | 6,126          | 6,126      | 5.7              | 21.1             | 42.9             |
| Megaworld                               | 66%          | 5,208          | 5,208      | 4,456          | 4,456      | 3,768          | 3,768      | 16.9             | 18.3             | 566.9            |
| Emperador                               | 21%          | 1,633          | 1,633      | 1,997          | 1,997      | 1,498          | 1,498      | (18.2)           | 33.3             | (45.4)           |
| Travellers                              | 1%           | 116            | 116        | 66             | 66         | 35             | 35         | 74.7             | 90.0             | 4.1              |
| Golden Arches                           | 11%          | 841            | 841        | 827            | 827        | 718            | 718        | 1.7              | 15.1             | (14.5)           |
| Others                                  | 0%           | 37             | 37         | 70             | 70         | 107            | 107        | (46.4)           | (35.0)           | 4.8              |
| Net profit                              | 100%         | 35,105         | 27,919     | 35,592         | 30,349     | 35,099         | 25,189     | (8.0)            | 20.5             | 5.9              |
| Megaworld                               | 76%          | 21,667         | 21,303     | 19,401         | 19,082     | 15,374         | 15,070     | 11.6             | 26.6             | 8.2              |
| Emperador                               | 25%          | 6,485          | 7,090      | 8,944          | 9,504      | 10,212         | 10,878     | (25.4)           | (12.6)           | 6.0              |
| Travellers                              | 1%           | 1,303          | 266        | 1,992          | 1,791      | 1,053          | 757        | (85.2)           | 136.7            | 473.0            |
| Golden Arches                           | 9%           | 2,403          | 2,584      | 2,539          | 2,642      | 1,812          | 1,898      | (2.2)            | 39.2             | 96.6             |
| Others                                  | -12%         | 3,247          | (3,323)    | 2,716          | (2,669)    | 6,648          | (3,414)    | 24.5             | (21.8)           | (192.6)          |
| Net profit to owners                    | 100%         | 31,985         | 17,364     | 33,311         | 19,615     | 33,051         | 16,108     | (11.5)           | 21.8             | (4.9)            |
| Megaworld                               | 80%          | 18,749         | 13,932     | 17,345         | 12,357     | 13,455         | 9,419      | 12.7             | 31.2             | 3.5              |
| Emperador                               | 33%          | 6,322          | 5,651      | 8,706          | 7,587      | 10,061         | 8,787      | (25.5)           | (13.7)           | 1.4              |
| Travellers                              | -1%          | 1,314          | (228)      | 1,997          | 992        | 1,057          | 334        | (123.0)          | 196.8            | 264.5            |
| Golden Arches                           | 8%           | 2,353          | 1,334      | 2,546          | 1,350      | 1,829          | 982        | (1.2)            | 37.5             | 78.8             |
| Others                                  | -19%         | 3,247          | (3,325)    | 2,716          | (2,671)    | 6,648          | (3,414)    | 24.5             | (21.8)           | (192.6)          |

These are further reflected in the profit and loss accounts, as follows:

| In Million Php                                        | 2024    | 2023    | 2022     | YoY % 2024 | YoY % 2023 |
|-------------------------------------------------------|---------|---------|----------|------------|------------|
| REVENUES AND OTHER INCOME                             |         |         |          |            |            |
| Sale of goods                                         | 112,405 | 107,859 | 98,235   | 4.2        | 9.8        |
| Consumer goods                                        | 61,417  | 65,138  | 61,385   | (5.7)      | 6.1        |
| Revenue from real estate (RE) sales                   | 50,988  | 42,721  | 36,850   | 19.4       | 15.9       |
| Rendering of services                                 | 106,115 | 96,901  | 80,513   | 9.5        | 20.4       |
| Gaming                                                | 31,979  | 34,192  | 31,830   | (6.5)      | 7.4        |
| Less: Promotional allowance                           | (8,589) | (9,700) | (10,227) | (11.5)     | (5.2)      |
| Net Gaming                                            | 23,390  | 24,492  | 21,603   | (4.5)      | 13.4       |
| Sales by company-operated quick-service restaurants   | 43,924  | 38,962  | 31,305   | 12.7       | 24.5       |
| Franchise revenues                                    | 3,984   | 3,865   | 3,141    | 3.1        | 23.0       |
| Rental Income                                         | 20,027  | 18,189  | 15,946   | 10.1       | 14.1       |
| Others                                                | 14,790  | 11,393  | 8,517    | 29.8       | 33.8       |
| Hotel operations                                      | 11,288  | 9,269   | 6,730    | 21.8       | 37.7       |
| Other services                                        | 3,502   | 2,123   | 1,787    | 64.9       | 18.8       |
| Share in net profits of associated and joint ventures | -       | 46      | -        | (100.0)    |            |
| Finance and other income                              | 5,044   | 6,008   | 4,864    | (16.0)     | 23.5       |
| TOTAL                                                 | 223,564 | 210,814 | 183,612  | 6.0        | 14.8       |

| In Million Php                                       | 2024           | 2023           | 2022           | YoY % 2024    | YoY % 2023  |
|------------------------------------------------------|----------------|----------------|----------------|---------------|-------------|
| <b>COSTS AND EXPENSES</b>                            |                |                |                |               |             |
| Cost of goods sold                                   | 67,788         | 65,348         | 60,598         | 3.7           | 7.8         |
| Consumer goods sold                                  | 42,407         | 43,743         | 42,043         | (3.1)         | 4.0         |
| RE sales                                             | 25,381         | 21,605         | 18,555         | 17.5          | 16.4        |
| Cost of services                                     | 57,665         | 51,986         | 42,934         | 10.9          | 21.1        |
| Gaming                                               | 10,679         | 10,754         | 9,432          | (0.7)         | 14.0        |
| Services                                             | 46,986         | 41,231         | 33,501         | 14.0          | 23.1        |
| Other operating expenses                             | 47,345         | 43,397         | 37,922         | 9.1           | 14.4        |
| Selling and marketing                                | 19,111         | 17,458         | 12,723         | 9.5           | 37.2        |
| General and administrative                           | 28,233         | 25,939         | 25,200         | 8.8           | 2.9         |
| Share in net losses of associates and joint ventures | 212            | -              | 41             | 0.0           | (100.0)     |
| Finance cost and other charges                       | 14,799         | 12,318         | 10,801         | 20.1          | 14.0        |
| <b>TOTAL</b>                                         | <b>187,810</b> | <b>173,049</b> | <b>152,297</b> | <b>8.5</b>    | <b>13.6</b> |
| <b>TAX EXPENSE</b>                                   | <b>7,836</b>   | <b>7,416</b>   | <b>6,126</b>   | <b>5.7</b>    | <b>21.1</b> |
| <b>NET PROFIT</b>                                    | <b>27,919</b>  | <b>30,349</b>  | <b>25,189</b>  | <b>(8.0)</b>  | <b>20.5</b> |
| <b>NET PROFIT TO OWNERS</b>                          | <b>17,364</b>  | <b>19,615</b>  | <b>16,108</b>  | <b>(11.5)</b> | <b>21.8</b> |
|                                                      |                |                |                |               |             |

#### For the Year Ended December 31, 2024 vs. 2023

The Group, one of the country's largest conglomerates, increased its revenues by 6% year-on-year ("YoY") to P223.6 billion from P210.8 billion. This growth was primarily driven by strong contributions and double-digit performance from the real estate sales, rentals, quick-service restaurants, and hotel operations. The Group posted a net profit ("NP") and net profit to owners ("NPO") of P27.9 billion and P17.4 billion, respectively.

Despite persistent external headwinds, the Group remained focused on operating efficiency, cost discipline and strategic execution to mitigate macroeconomic and industry challenges while preserving financial stability. The Gross profit rate ("GPR") held steady at 43%, reflecting effective cost management while NP rate ("NPR") and NPO rate ("NPOR") stood at 12% and 8%, respectively, compared to 14% and 9%, in the previous year. Operating expenses were maintained at 21% of revenues in both years, although these increased 9% YoY, reflecting the Group's expansion of business activities and its support to brands/projects (advertising and promotions), employees and agents (salaries and benefits, commissions), and to government (taxes and licenses). Meanwhile, finance and other charges increased to 7% of revenues, from 6% in the prior year, due to higher interest expenses and foreign currency losses. These factors contributed to a tempered profitability in 2024.

*By business segments, as represented by the major subsidiary groups [based on pre-conso results]:*

**Megaworld**, recognized as the country's biggest office developer and lessor and pioneer in the live-work-play township concept, concluded the year with another exceptional performance with pre-conso revenues, NP and NPO of P81.7 billion, P21.7 billion and P18.7 billion, respectively soaring 17%, 12% and 8% YoY. The strong performance was anchored on double-digit growth in all of its revenue streams, reflecting successful project executions across diversified portfolio. The group's costs and expenses increased by 19% YoY, attributed to continued aggressive expansion, higher interest expense and foreign currency losses incurred during the period. Operating expenses were maintained at 24% of topline, consistent with the previous year. The group's GPR remained stable at 49% for both periods, reflecting sustained cost efficiency in core operations. NPR and NPOR stood at 27% and 23%, respectively, slightly down from 28% and 25% a year ago.

Real estate sales remained a dominant revenue stream, accounting for 67% of Megaworld's consolidated revenues up from 66% in the previous year. Revenues from this segment grew by 19% YoY to P51.0 billion, reflecting strong demand for residential properties in both Metro Manila and key provincial locations. The current brand mix for Megaworld -GERI-Empire East-Suntrust/SLI stood at 72%-12%-6%-10%. About 58% of sales were from Metro Manila projects, 17% from Cavite-Laguna-Batangas-Rizal, and 15% from Visayas Region. Reservation sales for the year reached P131.9 billion, slightly lower than the P139.2 billion recorded in

2023. Megaworld also launched the most number of townships during the year, contributing nearly 400 hectares to its portfolio: the 150ha Lialto Golf and Beach Estate and the 25ha San Benito Private Estate in Batangas; the 84ha Ilocandia Coasttown in Laoag Ctiy; and the 117ha The Upper Central in Cagayan de Oro. With these additions, Megaworld closed 2024 with a total of 35 townships and total land bank of almost 7,000 hectares.

Rental income, which comprised 26% of Megaworld's total revenues (vs 28% a year ago), increased by 10% YoY to P19.7 billion as the company continued to attract high-profile tenants. Megaworld Premier Offices rentals posted a 7% YoY increase to P13.4 billion, registering an average occupancy rate of 86%. The growth was supported by the successful turnover of the International Finance Center in Uptown Bonifacio and the securing of nearly 140,000 sqm of new leases. The office segment continued to highlight its sustainable appeal to multinational companies and top-tier BPO firms. Megaworld Lifestyle Malls rentals reported a 19% YoY surge in rental income to P6.3 billion, mainly driven by nearly 50,000 sqm of new tenant store openings, higher foot traffic and a sustained occupancy rate of 93%.

Megaworld Hotels & Resorts delivered another banner year, registering the highest percentage growth among all revenue streams. Revenues rose by 34% YoY to P5.1 billion, largely buoyed by its expanding MICE capabilities and the continued rebound in both domestic and international travel. Hotels in Metro Manila posted a 71% occupancy, up from 67% a year ago.

These impressive operating results contributed 36%, 76% and 80% to AGI's consolidated revenues and income, NP and NPO, respectively.

**Emperador**, the world's largest brandy producer and owner of Whyte and Mackay, recognized as the 5th largest Scotch whisky producer globally by production capacity, ended the year 2024 with revenues of P61.6 billion, 6% behind last year's P65.6 billion. The decline was mainly attributed to weakness in consumer demand driven by high living costs resulting in consumers' shift to more affordable product options and moderation. Amid the global rise in prices of input costs and product mix impact, Emperador managed to keep consolidated GPR above 30% of sales. Operating expenses rose 0.7% YoY while interest and other charges jumped 9%YoY due to higher interest on higher principal base this year, resulting in NP and NPO of P6.5 billion and P6.3 billion, respectively. NPR and NPOR were registered at 11% and 10% respectively. EMI continues to pursue its strategic long-term CPI strategy – Contemporize offering, Premiumize portfolio and Internationalize business while adapting to the current trends, which is made possible by its wide range of aging liquid stockholdings.

The Brandy segment turned over revenues and income from external customers at P36.4 billion, a 9% fall YoY. Persisting high living costs resulted in consumers' discretionary spending towards affordable alternatives and moderation, causing the general softening in the domestic and international markets. GPR reached 21% versus 25% a year ago, or a 22% drop in value YoY, due to high cost of inputs, product-sales mix, and, to a modest extent, the Peso to Euro currency weakness. With increased operating expenses of 5% largely on advertising and promotions, decreased other charges of 10% due to lower interest expense, and reduced tax expense of 42% due to lower taxable base, the segment realized NP and NPO of P2.0 billion and P1.8 billion, respectively, with both NPR and NPOR hitting 5%. EBITDA rate reached 13% this year versus 18% last year.

The Scotch Whisky segment turned over revenues and other income from external customers of P25.3 billion, slightly down by 2% YoY due to the global market slowdown attributed to moderation and downtrading. Sales of single malt whiskies took a dip while bulk sales pushed revenues up during the year. GPR remained at 43.5% for both comparable years as the segment managed its costs. Operating expenses went down 3% YoY, in spite of increased spending on advertising and promotions and salaries and benefits which was tempered by the release of excess onerous lease provision during the year. Interest expense surged 2.6 times YoY due to additional loans drawn during the year and higher interest rates. Tax expense climbed 5% due to higher taxable base and rate. As a result of all these, the segment realized NP and NPO of P4.5 billion during the year, lagging

10% YoY, with NPR and NPOR of 18% versus 19% a year ago. EBITDA rate stayed at 25% for both comparable years, with this year's rate improved by 61bps.

Emperador group contributed 27% to AGI's consolidated revenues and income, 25% to consolidated NP, and 33% to consolidated NPO.

**Travellers**, the owner and operator of Newport World Resorts ("NWR"), an integrated leisure and tourism resort in Pasay City, ended the year with P31.3 billion core revenues, reflecting a slight decrease YoY as increase in non-gaming core revenues (+P0.9 billion) was knocked down by the decline in gaming revenues (-P1.1 billion). GPR stood at 43%, slightly lower than the 45% reported in 2023. However, higher finance costs weighed on overall profitability, resulting in NP and NPO of P1.2 billion, compared to P2.0 billion in the previous year.

Net gaming revenues contracted 5% YoY to P23.4 billion as casino volume slightly declined. This was primarily driven by the drop in the VIP segment, despite continued growth in the Mass and Slots segments. Additionally, win rates for both VIP and Mass tables were lower compared to the previous year, while the win rate for Slots improved.

Non-gaming core revenues which include income from hotels, food, beverage and other operating activities climbed 13% YoY to P7.9 billion. This was driven by the rise in occupancy rates in both hotels and mall tenants, increased MICE activities, rise in foot traffic and new retail and restaurant offerings during the year. The hotels segment benefitted from the continued growth in both domestic and international tourism. Occupancy rates at its five hotels in NWR ranged from 80% to 91%, up from 75% to 83% a year earlier. Meanwhile, the 326-room hotel in the province of Iloilo, managed to improve occupancy rate to 38%, from 32% in the previous year.

Travellers group accounted for 14%, 1% and -1% of AGI's consolidated revenues and income, consolidated NP and consolidated NPO, respectively.

**GADC**, the master franchise holder of McDonald's in the Philippines and a strategic partnership with the George Yang group, showed improvement as its core revenues increased 12% YoY to hit P47.9 billion, attributed to value pricing and well-received limited time offerings. Cost of sales grew faster than core revenues as it jumped 14% YoY. Food inflation remains a key concern, further impacting consumer spending behavior thus dragging NP and NPO to P2.4 billion with GPR and NPR standing at 22% and 5% as compared to 24% and 6% in 2023. Drivers of GADC sales includes well received limited time offers, introduction of more value-driven meal bundles and large food orders and holiday group offers.

Systemwide store sales increased 9% YoY, propelled by front-counter channels escalating 10% with dine-in sales climbing 16% YoY. Same-store sales expanded 15% YoY. McDonald's Philippines maintained a strong focus on value, emphasizing Sulit Busog Meals and the McDonald's App while staying committed to its core menu offerings. Building on the 2023 product renovations for burgers and chicken, the brand introduced a richer, creamier McCafé Iced Coffee in the third quarter. Throughout the year, various limited-time offers and promotions added excitement to the menu. The year kicked off with the launch of Spicy Wings paired with Sprite PeaChee Fruit Fizz, followed by an array of McNuggets flavors, including Classic Ranch, Cheesy Smoked Chili, Fiery Garlic Aioli, and Sweet Chili Plum. During the year, GADC opened a total of 65 new stores (46 in Luzon, 13 in Visayas, 6 in Mindanao) and closed 13 stores (12 in Luzon, 1 in Mindanao), bringing total store count to 792 from 740 stores at the beginning of the year. Stores were concentrated 81% in Luzon, including Metro Manila.

These operating results translated into 22% contribution to consolidated revenues and income, 9% to consolidated net profit and 8% to net profit to owners of AGI.

#### **For the Year Ended December 31, 2023 vs. 2022**

**The Group**, one of the country's largest conglomerates, marked another record-breaking year as its topline and bottom lines reached new heights amid high inflationary pressures. Revenues and income surged 15% YoY to P210.8 billion while NP soared 20% YoY to P30.3 billion and net profit to owners ("NPO") climbed 22% YoY to P19.6 billion, on the strength of the Group's diversified revenue streams, strong brand equity, creative offerings and aggressive market positioning. Amid rising costs and expenses, the Group maintained operating efficiencies as GPR improved to 43% as compared to 42% last year while NPR and NPOR remained stable at 14% and 9%, respectively, for the two comparable years.

*By business segments, as represented by the major subsidiary groups [based on pre-conso results]:*

**Megaworld**, the county's pioneer township developer, achieved a landmark milestone as it ended the year with pre-conso revenues and income of P69.7 billion, NP of P19.4 billion and NPO of P17.3 billion, respectively soaring 17%, 26% and 29% YoY, which were accredited to the double-digit growths in all of its revenue streams. The group's costs and expenses expanded 14% YoY, mainly due to accelerated activities across all business segments. The group's GPR remained comparatively stable at 49% while NPR and NPOR improved to 28% and 25%, respectively, as compared to 26% and 23% a year ago.

Real estate sales, which comprised 61% of Megaworld's revenue streams, grew 16% YoY to P42.7 billion, attributable to higher project completion rates as construction activities continued to pick up during the year as well as sale of condominium units and commercial lots. The current brand mix for Megaworld-GERI-Empire East-Suntrust/SLI was 67%-15%-9%-8%. About 63% of sales were from Metro Manila projects, 16% Cavite-Laguna-Batangas-Rizal, and 16% Visayas. Reservation sales reached P139 billion, up 17% YoY, surpassing Megaworld's reservation sales target of P130 billion, driven mainly by its attractive projects catering to the mid-to high-end segments of the residential markets. Baytown Palawan in Puerto Princesa City was launched in 2023 as Megaworld's 31<sup>st</sup> township.

Rental income, which comprised 26% of Megaworld's revenues, increased 14% YoY to P17.8 billion mainly fueled by recovery in retail operations and tenant sales. Megaworld Premier Offices rentals grew 3% YoY to P12.6 billion, registering 88% occupancy rate as compared to 92% in 2022. Megaworld Lifestyle Malls rentals soared 54% YoY to P5.3 billion, mainly driven by higher occupancy (93% this year vs 90% in 2022) as well as recovery in retail operations and tenant sales as it started to remove rent concessions.

Megaworld Hotels & Resorts continued its recovery momentum as hotel revenues took a 46% leap YoY to P3.8 billion, benefitting from the resurgence in local tourism and resumption of MICE activities. Hotels in Metro Manila attained 67% occupancy versus 64% a year ago.

These operating results brought in 33%, 63% and 63% to AGI's consolidated revenues and income, NP and NPO, respectively.

**Emperador**, the world's largest brandy company and owner of the world's 5th largest Scotch whisky producer in the world by capacity, ended the year 2023 with revenues and income growing 5% YoY to record-high of P65.6 billion, driven by the sustained performance of its international business, owing to strong sales of its single-malt Scotch whisky. GPR improved to 33% from 32% a year ago. Higher spends on advertising and promotions, interest, and income tax weighed down heavily on the bottom lines, resulting in NP and NPO of P8.9 billion and P8.7 billion, respectively, behind 12% and 13% from a year ago. NPR and NPOR were registered at 14% and 13% respectively. EMI continues to pursue its strategic long-term CPI strategy – Contemporize offering, Premiumize portfolio and Internationalize business.

The Brandy segment maintained its revenues and income from external customers at P40.0 billion from its global operations in Philippines, Spain and Mexico, yet lagging 2% behind last year. Consumers' discretionary spending, as a result of inflation, caused general softening in spirits market globally. Nevertheless, GPR was maintained at 25%, same as last year. With increased operating expenses, interest and income tax expense,

the segment realized NP and NPO of P4.0 billion and P3.7 billion, respectively, with NPR and NPOR of 10% and 9%, as compared to 14% and 13% a year ago.

The Scotch Whisky segment grew revenues and other income from external customers to P25.7 billion, up 16% YoY, driven by the single malt whiskies which continued to rank among the fastest growing single malts worldwide. Scotch Whisky sold strongly particularly in Asia, North America and travel retail. Supply chain challenges continued to affect the segment's markets yet demand remained high as GPR reached almost 44%. With increased operating expenses, largely on strategic marketing spending, and higher tax expense, the segment realized NP of P5.0 billion for NPR of 19%, as compared to 20% a year ago.

Emperador group contributed 31% to AGI's consolidated revenues and income, 31% to consolidated NP, and 39% to consolidated NPO.

**Travellers**, the owner and operator of NWR, an integrated leisure and tourism resort in Pasay City, reported core revenues surging 17% YoY to record-high P31.5 billion, exceeding pre-pandemic 2019. This helped surpass the pre-pandemic levels with NP of P2.0 billion, in itself a hefty 89% or P0.9 billion leap YoY. Both gaming and non-gaming segments delivered double-digit growths of 13% and 32%, respectively, while direct costs swelled 14% YoY, yet resulting in GPR of 45%, better than 43% a year ago. Current operations required higher general and administrative expenses and higher interest costs from a year ago, resulting in NPR/NPOR of 6% (4% in 2022).

Gross gaming revenues climbed 7% YoY while promotional allowance depleted 5% YoY reflecting decrease in VIP gaming activity, resulting in net gaming revenues growth of 13% YoY to P24.5 billion at end of the year. The period showed higher drops in the mass segment as it surpassed pre-pandemic 2019 levels. Casino volume rose by 4% driven mainly from the increase on Non-VIP and Slot segments. Blended win rate was at 4.8% as compared to 4.7% from a year ago.

Non-gaming core revenues (from hotels, food, beverage and other operating income) escalated 32% YoY to P7.0 billion, following the increase in the number of mall goers, hotel occupancy, corporate events and MICE activities. Hotel occupancy rates of the five (5) hotels in NWR ranged 75% to 83% (56% to 82% a year ago), while the hotel in Iloilo registered an occupancy rate of 32% (28% a year ago).

Travellers group accounted for 15%, 6% and 5% of AGI's consolidated revenues and income, consolidated NP and consolidated NPO, respectively.

**GADC**, the master franchise holder of McDonald's in the Philippines and a strategic partnership with the George Yang group, continued its strong recovery momentum and surpassed sales targets for the year as its core revenues soared 24% YoY to hit P42.8 billion. Cost of sales also grew at the same pace of 24% YoY so that GPR stood at 24% for both years. The group managed to increase NP and NPO by 40% and 39% YoY, respectively, to P2.5 billion from P1.8 billion, reporting NPR/NPOR at 6%, an improvement from 5% of a year ago.

Systemwide store sales rose 22% YoY, propelled by front-counter channels shooting up 36% with dine-in sales climbing 48% YoY. Same-store sales expanded 15% YoY. McDonald's continued to exceed its sales targets, surpassing previous year's performance mainly attributed to its creative product offerings and promotions. The launch of 'Better Chicken McDo' campaign exceeded sales targets with a month-over-month increase. McDonald's launched a strong limited time offer during the holiday season as it also exceeded target sales and the 'Coke Color Changing Cups' completely sold out before the promotion's end date. During the year, GADC opened a total of 50 new stores (43 in Luzon, 3 in Visayas, 4 in Mindanao) and closed 14 stores (13 in Luzon, 1 in Mindanao), bringing total store count to 740 from 704 stores at the beginning of the year. Stores were concentrated 82% in Luzon, including Metro Manila.

These operating results translated into 20% contribution to consolidated revenues and income, 9% to consolidated net profit and 7% to net profit to owners of AGI.

## CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (IN PHP)

|                                                                                                              | Dec 2022        | Dec 2023        | Dec 2024        | Mar 2024       | Mar 2025       |
|--------------------------------------------------------------------------------------------------------------|-----------------|-----------------|-----------------|----------------|----------------|
| <b>REVENUES AND INCOME</b>                                                                                   |                 |                 |                 |                |                |
| Sale of goods                                                                                                | 98,235,209,238  | 107,859,417,513 | 112,405,005,950 | 25,130,716,723 | 25,310,298,708 |
| Rendering of services                                                                                        | 80,512,683,661  | 96,900,516,812  | 106,115,015,106 | 24,272,657,910 | 24,498,455,162 |
| Share in net profits of associates and joint ventures - net                                                  | -               | 46,212,055      | -               | -              | 65,191,238     |
| Finance and other income                                                                                     | 4,864,336,528   | 6,007,956,593   | 5,044,478,043   | 1,201,434,622  | 5,453,389,729  |
|                                                                                                              | 183,612,229,427 | 210,814,102,973 | 223,564,499,099 | 50,604,809,255 | 55,327,334,837 |
| <b>COSTS AND EXPENSES</b>                                                                                    |                 |                 |                 |                |                |
| Cost of goods sold                                                                                           | 60,598,041,604  | 65,347,824,318  | 67,788,282,633  | 14,815,041,799 | 15,038,262,658 |
| Cost of services                                                                                             | 42,933,749,824  | 51,985,509,337  | 57,665,265,438  | 13,456,091,202 | 12,833,575,838 |
| Other operating expenses                                                                                     | 37,922,896,998  | 43,397,062,648  | 47,344,752,415  | 10,443,196,657 | 11,360,303,009 |
| Share in net losses of associates and joint ventures - net                                                   | 41,478,932      | -               | 212,497,485     | 5,947,802      |                |
| Finance costs and other charges                                                                              | 10,800,898,629  | 12,318,287,823  | 14,799,084,476  | 3,456,382,216  | 3,261,376,975  |
|                                                                                                              | 152,297,065,987 | 173,048,684,126 | 187,809,882,447 | 42,176,659,676 | 42,493,518,480 |
| <b>PROFIT BEFORE TAX</b>                                                                                     | 31,315,163,440  | 37,765,418,847  | 35,754,616,652  | 8,428,149,579  | 12,833,816,357 |
| <b>TAX EXPENSE</b>                                                                                           | 6,126,220,887   | 7,415,988,492   | 7,835,791,293   | 1,821,296,382  | 1,863,128,082  |
| <b>NET PROFIT</b>                                                                                            | 25,188,942,553  | 30,349,430,355  | 27,918,825,359  | 6,606,853,197  | 10,970,688,275 |
| <b>OTHER COMPREHENSIVE INCOME (LOSS)</b>                                                                     |                 |                 |                 |                |                |
| Items that will not be reclassified subsequently to profit or loss                                           |                 |                 |                 |                |                |
| Actuarial gains (losses) on remeasurement of retirement benefit obligation                                   | 415,908,397     | (858,938,376)   | 67,403,759      | 215,414,000    | 122,100,000    |
| Net unrealized fair value gain (loss) on financial assets at fair value through other comprehensive income   | (77,741,121)    | 85,342,706      | 57,977,672      | 81,488,057     | 140,644,029    |
| Deferred tax income (expense) relating to components of other comprehensive income (loss)                    | (70,320,718)    | 169,138,340     | (45,137,519)    | (53,853,500)   | (30,525,000)   |
|                                                                                                              | 267,846,558     | (604,457,330)   | 80,243,912      | 243,048,557    | 232,219,029    |
| Items that will be reclassified subsequently to profit or loss                                               |                 |                 |                 |                |                |
| Translation adjustments                                                                                      | (2,133,567,217) | 2,488,466,638   | 1,069,332,210   | 546,256,646    | (369,224,593)  |
| Net unrealized fair value gain (loss) on cash flow hedge                                                     | 91,147,190      | (34,246,151)    | (55,952,053)    | (44,394,121)   | 104,804,319    |
| Share in other comprehensive income (loss) of associates                                                     | 6,138,277       | (3,348,877)     | 34,148,095      |                |                |
| Deferred tax expense relating to components of other comprehensive (loss) income                             | (34,939,076)    | (20,892,102)    | (30,503,365)    | 6,468,613      | 20,513,171     |
|                                                                                                              | (2,071,220,826) | 2,429,979,508   | 1,017,024,887   | 508,331,138    | (243,907,103)  |
| <b>TOTAL COMPREHENSIVE INCOME</b>                                                                            | 23,385,568,285  | 32,174,952,533  | 29,016,094,158  | 7,358,232,892  | 10,959,000,201 |
| <b>Net profit attributable to:</b>                                                                           |                 |                 |                 |                |                |
| Owners of the parent company                                                                                 | 16,107,842,209  | 19,615,471,565  | 17,363,945,049  | 4,216,119,942  | 8,415,208,453  |
| Non-controlling interest                                                                                     | 9,081,100,344   | 10,733,958,790  | 10,554,880,310  | 2,390,733,255  | 2,555,479,822  |
|                                                                                                              | 25,188,942,553  | 30,349,430,355  | 27,918,825,359  | 6,606,853,197  | 10,970,688,275 |
| <b>Total comprehensive income attributable to:</b>                                                           |                 |                 |                 |                |                |
| Owners of the parent company                                                                                 | 14,152,371,053  | 21,001,172,555  | 18,390,265,756  | 4,843,554,867  | 8,698,240,754  |
| Non-controlling interest                                                                                     | 9,233,197,232   | 11,173,779,978  | 10,625,828,402  | 2,514,678,025  | 2,260,759,447  |
|                                                                                                              | 23,385,568,285  | 32,174,952,533  | 29,016,094,158  | 7,358,232,892  | 10,959,000,201 |
| <b>Earnings Per Share for the Net Profit Attributable to Owners of the Parent Company: Basic and Diluted</b> | 1.7960          | 2.2178          | 1.9773          | 0.4782         | 0.9613         |

## December 31, 2024 vs 2023

**Revenues and other income**, as a result of the foregoing discussions, increased 6% YoY (+P12.8 billion) to P223.6 billion in 2024, from P210.8 billion a year ago. This growth was driven by both Sale of goods and Rendering of services.

**Sale of goods** (real estate, alcoholic beverages and snack products) rose 4% YoY (+P4.5 billion) to P112.4 billion. Notably, real estate sales surged 19% YoY (+P8.3 billion) to P51.0 billion, while consumer goods sales declined by 6% YoY (-P3.7 billion) to P61.4 billion.

**Service revenues** (gaming, hotels, quick-service restaurants, cinemas and theaters, leasing, hotels and other related services) grew 10% YoY (+P9.2 billion) to P106.1 billion. Within this steam, quick-service restaurant sales expanded 13% (+P5.0 billion), franchise revenues increased 3% (+P0.1 billion), rental income rose 10% (+P1.8 billion), and hotel operations climbed 22% (+P2.0 billion). Net gaming revenues, on the other hand, contracted by 5% (-P1.1 billion) due to decline in the VIP segment despite growth in the mass and slot markets.

**Share in net profit of associates and joint ventures**, which came from Megaworld and Emperador, reversed from a profit last year due to a loss share reported by Megaworld this year.

**Finance and other income** dropped 16% YoY (-P1.0 billion) to P5.0 billion, mainly due to lower interest income, and foreign currency losses (compared to gains in the previous year).

**Costs and expenses** climbed 9% YoY (+P14.8 billion) to P187.8 billion.

**Cost of goods sold** and **cost of services** increased 4% YoY (+P2.4 billion) and 11% YoY (+P5.7 billion), respectively, reflecting the uptick in sales, rising input costs and accelerated construction activities. Cost efficiencies were maintained as GPR was sustained at same level as last year.

**Other operating expenses** went up 9% YoY (+P3.9 billion) to P47.3 billion largely driven by the expansion of business operations, and the resumption of full-scale business activities across the Group's subsidiaries. Despite the increase, Other operating expenses ratio was maintained at 21% of revenues. This stable cost to revenue ratio highlights improved operating leverage and the Group's continued focus on cost discipline amid revenue expansion.

**Finance and other charges** surged 20% YoY (+P2.5 billion) to P14.8 billion, mainly due to higher interest expenses on additional borrowings as well as foreign currency losses.

**Tax expense** increased 6% YoY (+P.4 billion) to P7.8 billion, in line with the higher taxable income generated during the period.

As a result of the foregoing, consolidated **N P** declined by 8% YoY (-P2.4 billion) to P27.9 billion from P30.3 billion a year ago, while **NPO** contracted by 11% YoY (-P2.2 billion) to P17.4 billion.

#### **December 31, 2023 vs 2022**

**Revenues and income**, as a result of the foregoing discussions, increased 15% YoY (+P27.2 billion) to P210.8 billion as compared to P183.6 billion a year ago.

**Sale of goods** (real estate, alcoholic beverages and snack products) escalated 10% YoY (+P9.6 billion) to P107.9 billion as real estate sales jumped 16% YoY (+P5.9 billion) to P42.7 billion and sales of consumer goods climbed 6% YoY (+P3.7 billion) to P65.1 billion.

**Service revenues** (gaming, hotels, quick-service restaurants, cinemas and theaters, leasing, hotels and other related services) ballooned 20% YoY (+P16.4 billion) to P96.9 billion. Net gaming revenues, sales of quick-



service restaurants, franchise revenues, rental revenues and hotel operations climbed 13% (+P2.9 billion), 24% (+P7.6 billion), 23% (+P0.7 billion), 14% (+P2.2 billion) and 38% (+P2.5 billion), respectively.

**Share in net profit of associates and joint ventures** which is attributable to an associate of Megaworld and Emperor's joint venture, turned around from loss last year to profit this year.

**Finance and other income** jumped 24% YoY (+P1.1 billion) to P6.0 billion, mainly due to higher interest income and foreign currency gains (loss last year) during the year.

**Costs and expenses** increased 14% YoY (+P20.8 billion) to P173.0 billion.

**Cost of goods sold** and **cost of services** increased 8% YoY (+P4.8 billion) and 21% YoY (+P9.1 billion), respectively, due to increases in sales/services, rising costs and acceleration of construction activities.

**Other operating expenses** went up 14% YoY (+P5.5 billion) to P43.4 billion due to resumption of business activities and increased business activities in global markets.

**Finance and other charges** jumped 14% YoY (+P1.5 billion) to P12.3 billion due mainly to higher interest expense during the period attributable to loans drawn during the year and high interest rates.

**Tax expense** increased 21% YoY (+P1.3 billion) to P7.4 billion primarily due to higher taxable income of the Group during the period.

As a result of the foregoing, **NP** increased 20% YoY (+P5.2 billion) to P30.3 billion from P25.2 billion a year ago and **NPO** expanded 22% YoY (+P3.5 billion) to P19.6 billion.

## CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (IN PHP)

|                                                                   | Dec 2022               | Dec 2023               | Dec 2024               | Mar 2024               | Mar 2025               |
|-------------------------------------------------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
| <b>A S S E T S</b>                                                |                        |                        |                        |                        |                        |
| <b>CURRENT ASSETS</b>                                             |                        |                        |                        |                        |                        |
| Cash and cash equivalents                                         | 79,929,420,988         | 65,020,293,464         | 60,602,840,049         | 75,816,885,359         | 48,700,979,496         |
| Trade and other receivables - net                                 | 78,381,241,085         | 76,137,327,017         | 82,472,560,868         | 79,423,845,092         | 75,961,261,053         |
| Contract assets                                                   | 13,613,227,726         | 16,725,717,102         | 22,818,989,860         | 19,473,734,161         | 25,672,108,624         |
| Financial assets at fair value through profit or loss             | 14,962,280,499         | 14,979,877,496         | 16,054,284,922         | 15,169,695,357         | 16,012,542,636         |
| Inventories - net                                                 | 168,184,703,157        | 184,971,533,515        | 188,885,475,796        | 187,469,363,958        | 183,561,110,333        |
| Other current assets                                              | 19,150,406,701         | 24,019,299,755         | 23,591,248,080         | 24,366,756,363         | 24,539,089,364         |
|                                                                   | 374,221,280,156        | 381,854,048,349        | 394,425,399,575        | 401,720,280,290        | 374,447,091,506        |
| Non-current assets classified as held for sale                    | 961,744,740            | -                      | -                      | -                      | -                      |
| <b>Total Current Assets</b>                                       | <b>375,183,024,896</b> | <b>381,854,048,349</b> | <b>394,425,399,575</b> | <b>401,720,280,290</b> | <b>374,447,091,506</b> |
| <b>NON-CURRENT ASSETS</b>                                         |                        |                        |                        |                        |                        |
| Trade and other receivables - net                                 | 22,030,887,658         | 29,464,201,523         | 33,934,105,742         | 29,880,951,343         | 33,765,886,123         |
| Contract assets                                                   | 6,006,696,047          | 8,995,733,228          | 12,696,802,261         | 9,385,766,366          | 12,683,526,813         |
| Advances to landowners and joint operators                        | 7,896,413,808          | 8,160,417,609          | 8,830,352,156          | 8,029,717,049          | 9,119,956,778          |
| Financial assets at fair value through other comprehensive income | 342,843,851            | 516,804,124            | 638,188,728            | 568,173,912            | 622,158,989            |
| Investments in associates and joint ventures                      | 6,441,645,845          | 6,597,586,489          | 6,601,858,154          | 6,591,638,776          | 17,794,995,444         |
| Property, plant and equipment - net                               | 148,458,368,969        | 158,306,841,259        | 168,493,285,797        | 160,753,041,202        | 143,071,249,698        |
| Investment properties - net                                       | 129,355,913,097        | 136,346,654,133        | 148,084,535,098        | 138,152,401,626        | 149,379,943,209        |
| Intangible assets - net                                           | 40,665,090,713         | 42,012,224,412         | 42,686,703,083         | 42,288,609,282         | 41,607,456,382         |
| Deferred tax assets - net                                         | 5,062,963,643          | 5,532,181,062          | 2,251,334,369          | 5,479,242,872          | 896,234,458            |
| Other non-current assets                                          | 6,576,302,090          | 4,756,358,650          | 5,436,351,471          | 4,813,771,050          | 6,179,800,447          |
| <b>Total Non-current Assets</b>                                   | <b>372,837,125,721</b> | <b>400,689,002,489</b> | <b>429,653,516,859</b> | <b>405,943,313,478</b> | <b>415,121,208,341</b> |
| <b>TOTAL ASSETS</b>                                               | <b>748,020,150,617</b> | <b>782,543,050,838</b> | <b>824,078,916,434</b> | <b>807,663,593,768</b> | <b>789,568,299,847</b> |

|                                                     |                        |                        |                        |                        |                        |
|-----------------------------------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
| <b>LIABILITIES AND EQUITY</b>                       |                        |                        |                        |                        |                        |
| <b>CURRENT LIABILITIES</b>                          |                        |                        |                        |                        |                        |
| Trade and other payables                            | 84,620,688,818         | 80,924,053,058         | 77,069,078,841         | 80,328,387,085         | 64,402,690,301         |
| Interest-bearing loans                              | 32,504,240,444         | 43,345,155,280         | 46,479,695,155         | 47,391,992,388         | 47,770,715,375         |
| Bonds payable                                       | 14,026,453,110         | 11,997,992,546         |                        | 12,000,000,000         |                        |
| Lease liabilities                                   | 1,361,900,995          | 1,223,819,878          | 1,246,685,477          | 1,290,623,024          | 249,792,377            |
| Contract liabilities                                | 3,392,947,567          | 1,763,382,934          | 1,669,576,401          | 2,175,048,068          | 2,164,741,237          |
| Income tax payable                                  | 2,299,470,084          | 2,806,533,744          | 2,169,071,129          | 2,549,651,560          | 2,219,857,416          |
| Advances from other related parties                 | 1,627,756,528          | 813,376,420            | 1,004,242,464          | 868,008,480            | 898,625,377            |
| Redeemable preferred shares                         |                        |                        | 1,574,159,348          |                        |                        |
| Other current liabilities                           | 18,689,682,065         | 18,237,251,890         | 18,908,554,230         | 17,751,444,250         | 18,282,158,086         |
| <b>Total Current Liabilities</b>                    | <b>158,523,139,611</b> | <b>161,111,565,750</b> | <b>150,121,063,045</b> | <b>164,355,154,855</b> | <b>135,988,580,169</b> |
| <b>NON-CURRENT LIABILITIES</b>                      |                        |                        |                        |                        |                        |
| Interest-bearing loans                              | 136,287,705,784        | 147,765,467,616        | 183,524,224,160        | 162,581,366,716        | 175,527,460,925        |
| Bonds payable                                       | 31,212,622,400         | 19,116,598,705         | 20,049,554,649         | 19,261,150,897         | 19,854,370,916         |
| Lease liabilities                                   | 16,405,976,571         | 17,716,166,635         | 17,248,683,855         | 17,718,305,839         | 1,124,698,788          |
| Contract liabilities                                | 4,853,473,963          | 5,693,360,461          | 4,914,917,981          | 5,305,111,344          | 4,553,603,558          |
| Retirement benefit obligation                       | 754,923,733            | 1,744,230,935          | 1,838,949,459          | 1,497,615,279          | 1,357,475,303          |
| Redeemable preferred shares                         | 1,537,091,539          | 1,574,159,348          | -                      | 1,574,159,348          |                        |
| Deferred tax liabilities - net                      | 19,323,313,874         | 22,359,550,189         | 21,239,236,055         | 22,967,007,881         | 22,341,054,214         |
| Other non-current liabilities                       | 13,153,790,806         | 10,894,439,768         | 9,417,022,689          | 10,914,133,791         | 8,032,080,188          |
| <b>Total Non-current Liabilities</b>                | <b>223,528,898,670</b> | <b>226,863,973,657</b> | <b>258,232,588,848</b> | <b>241,818,851,095</b> | <b>232,790,743,892</b> |
| <b>Total Liabilities</b>                            | <b>382,052,038,281</b> | <b>387,975,539,407</b> | <b>408,353,651,893</b> | <b>406,174,005,950</b> | <b>368,779,324,061</b> |
| <b>EQUITY</b>                                       |                        |                        |                        |                        |                        |
| Equity attributable to owners of the parent company | 232,732,073,072        | 260,893,094,852        | 294,373,193,126        | 265,642,476,366        | 303,960,928,746        |
| Non-controlling interest                            | 133,236,039,264        | 133,674,416,579        | 121,352,071,415        | 135,847,111,452        | 116,828,047,040        |
| <b>Total Equity</b>                                 | <b>365,968,112,336</b> | <b>394,567,511,431</b> | <b>415,725,264,541</b> | <b>401,489,587,818</b> | <b>420,788,975,786</b> |
| <b>TOTAL LIABILITIES AND EQUITY</b>                 | <b>748,020,150,617</b> | <b>782,543,050,838</b> | <b>824,078,916,434</b> | <b>807,663,593,768</b> | <b>789,568,299,847</b> |

## December 31, 2024 vs 2023

**Consolidated total assets** reached P824.1 billion at year-end 2024, up from P782.5 billion at beginning of the year, reflecting a 5% growth (+P41.5 billion) YoY. The Group maintained a strong liquidity position, with **current assets** exceeding **current liabilities** by 2.6 times, an improvement from 2.4 times at the beginning of the year. Current assets amounted to P394.4 billion and current liabilities amounted to P150.1 billion as of December 31, 2024.

The Group's borrowing-to-equity ratio increased to 60% at the end of the year, from 56% at the start of the year. Total liabilities amounted to P408.4 billion, while total equity stood at P415.7 billion, resulting in a liabilities-to-equity ratio of 0.98:1.00.

For detailed breakdowns and disclosures, please refer to the corresponding notes to the audited consolidated financial statements. Below is a summary of selected balance sheet **accounts with at least a +/-5% year-on-year movement**.

**Cash and cash equivalents** declined by 7% (-P4.4 billion) to P60.6 billion from P65.0 billion, primarily due to cash used in investing activities (capital expenditures and advances) exceeding cash provided by operating and financing activities (proceeds from interest-bearing loans and bonds, net of loan repayments, interest and dividend payments).

**Current trade and other receivables** increased by 8% (+P6.3 billion), driven by higher real estate sales and rental property occupancy, plus high sales of alcoholic beverage products nearing the Christmas season. **Non-current trade and other receivables** similarly rose by 15% (+P4.5 billion) from increased real estate sales and rental transactions.

**Contract assets** increased significantly with **current** contract assets rising by 36% (+P6.1 billion) and

**non-current** contract assets rising 41% (+P3.7 billion). These accounts represent reclassified portions of trade and other receivables pertaining to rights to payment that are contingent upon the completion of real estate units sold and represent the excess of progress of work over the corresponding right to an amount of consideration.

**Financial assets at fair value through profit or loss rose by 7%** (+P1.1 billion) mainly due to mark-to-market valuation gains.

**Advances to landowners and joint operators increased by 8%** (+P0.7 billion) attributed to additional advances made by Megaworld to landowners and co-venturers for new project developments.

**Financial assets at fair value through other comprehensive income** grew by 23% (+P0.1 billion) mainly from marked-to-market adjustments.

**Property, plant and equipment expanded 6%** (+P10.2 billion) to P168.5 billion, driven by ongoing expansion in the Scotch whisky business under Emperor, additional investments in NWR, and the rollout of new GADC stores.

**Investment properties** increased 9% (+P11.7 billion) to P148.1 billion, mainly due to land acquisitions and ongoing development of office and commercial projects under Megaworld. The increase also reflects asset reclassification consistent with PIC Q&As 2018-11, 2018-15, and 2018-15-A.

**Deferred tax assets** depleted 59% (-P3.3 billion) mainly due to movements in timing differences.

**Other non-current assets** rose by 14% (+P0.7 billion) to P5.4 billion, mainly due higher guarantee deposits for construction-related regulatory compliance under Megaworld's real estate developments and additional payments by Travellers to PAGCOR in relation to future investment.

**Trade and other payables decreased 5%** (-P3.9 billion) mainly due to timing of purchases for production and accruals for expenses, payables to contractors and suppliers of construction materials, liability for unredeemed gaming points and unredeemed gaming chips and gaming license fees.

**Current interest-bearing loans** increased 7% (+P3.1 billion) and **non-current interest-bearing loans** escalated 24% (+P35.8 billion), for a total increase of P38.9 billion, from new loan drawdowns and refinancing activities partly reduced by principal payments during the period.

**Current bonds payable** closed its beginning balance of P12.0 billion due to the maturity of peso-denominated bond **while non-current bonds payable** increased 5% (P0.9 billion) due to translation adjustments of a US Dollar-denominated bond, resulting in a net decrease of 36% (-P11.1 billion). All bonds were issued by Megaworld.

**Contract liabilities** representing Megaworld's excess of collection over the progress of work, declined during the year, with the **current** portion decreasing 5% (-P0.1 billion) and **non-current** portion decreasing by 14% (-P0.8 billion) during the year.

**Income tax payable** decreased 23% (-P0.6 billion) to P2.2 billion, primarily from lower taxable income of the Group at current year-end as compared to previous year.

**Advances from other related parties** increased by 23% (P0.2 billion) to P1.0 billion from Megaworld accounts.

**Retirement benefit obligations** increased 5% (+P0.1 billion) to P1.8 billion, driven by changes in assumptions and benefit payments under the retirement plans of Travellers, GADC, Megaworld and Emperor.

**Deferred tax liabilities** decreased by 5% (-P1.1 billion) to P21.2 billion, primarily due to movements in timing differences between financial and tax reporting.

**Other non-current liabilities** declined by 14% (-P1.5 billion) to P9.4 billion, mainly due to NWR patron deposit withdrawals, utilizations and reversal of WMG's provision for leased properties located in Scotland, and the decrease in retention payable, customer deposits, and other liabilities to counterparties of Megaworld.

The **changes in equity components** are presented in detail in the consolidated statements of changes in equity. Equity attributable to owners increased by 13% (+P33.5 billion) mainly from consolidated net profit during the year and Megaworld's consolidation reserves, partially offset by the acquisition of treasury shares and dividends paid. Non-controlling interest decreased 9% to P121.4 billion primarily due to change in percentage of ownership and dividend paid by investee. Treasury shares pertain to the acquisition cost of shares that have been repurchased from the market pursuant to AGI's ongoing share buyback program.

### **December 31, 2023 vs 2022**

**Consolidated total assets** reached P782.5 billion at end of the year from P748.0 billion at beginning of the year, reflecting a 5% growth (+P34.5 billion) YoY. The Group is liquid with **current assets** exceeding **current liabilities** 2.4 times at both beginning and end of the year. Current assets amounted to P381.8 billion while current liabilities amounted to P167.0 billion at the end of the year. The Group's borrowing-to-equity ratio had gone down to 56% at the end of the year from 58% at the start of the year. Total liabilities amounted to P388.0 billion while total equity totaled P394.6 billion at year-end for a liabilities-to-equity ratio of 0.98:1.00.

For most of the balance sheet accounts, there is a corresponding note found in the audited consolidated financial statements where details, breakdown or composition of the accounts are presented. Please refer to those notes accompanying the consolidated financial statements. In summary, for **accounts with at least +/- 5% changes YoY**:

**Cash and cash equivalents** were depleted by 19% (-P14.9 billion) during the year, ending at P65.0 billion from P79.9 billion at the start of the year, primarily due to cash used in the Group's financing activities (payments of interest, dividends and treasury shares) and investing activities (capital expenditures, advances) exceeded cash provided by operating activities.

**Current trade and other receivables** decreased 3% (-P2.2 billion) primarily due to collection of trade receivables and application of advances to suppliers and contractors on completed projects while **non-current trade and other receivables** increased 34% (+P7.4 billion) from new real estate sales and rentals during the year.

**Contract assets**, which represent the reclassified portion of trade and other receivables relating to rights to payment which are conditioned upon the completion of units sold and represent excess of progress of work over the right to an amount of consideration, increased 23% (+P3.1 billion) for **currently** maturing assets while the **non-currently** maturing assets also increased 50% (+P3.0 billion).

**Inventories** increased 10% (+P16.8 billion) mainly from real-estate-related accounts as construction activities pumped up completion, and from continuous laying down of liquids holding for future sales and advanced production to fulfill customer orders without disruption.

**Other current assets** increased 25% (+P4.9 billion) mainly from timing of prepayments, taxes (input vat and creditable withholding taxes) and deposits.

**Non-current assets classified as held for sale** as reported under current assets in 2022 was reclassified back to property, plant and equipment in 2023 due to change in business plans in the use of the assets.

**Financial assets at fair value through other comprehensive income** increased 51% (+P0.2 billion) mainly from marked-to-market valuation during the year.

**Property, plant and equipment** went up 7% (+P9.8 billion) to P158.3 billion and **investment properties** increased 5% (+P7.0 billion) to P136.3 billion due to higher capital expenditures as from a year ago due to resumption of business and planned expansion projects.

**Deferred tax assets** jumped 9% (+P0.5 billion) mainly from deferred tax assets of GADC and EMI, attributed to movements of timing differences.

**Other non-current assets** shrank 28% (-P1.8 billion) to P4.8 billion, mainly due to application against the advances for future investments (made by Travellers to PAGCOR) of parcels of land received in 2023, and a decrease in Megaworld's deferred commissions.

**Current interest-bearing loans** increased 33% (+P10.8 billion) and **non-current interest-bearing loans** also increased 8% (+P11.5 billion), for a total increase of P22.3 billion, from new loans, drawdowns and refinancing partly reduced by principal payments during the period.

**Current bonds payable** sank 14% (-P2.0 billion) and **non-current bonds payable** also sank by 39% (-P12.1 billion), for a total decrease of 31% (-P14.1 billion), mainly due to maturity of \$250 million bond in 2023. These bonds are all issued by Megaworld.

**Current lease liabilities** decreased 10% (-P0.1 billion) to P1.2 billion while **non-current lease liabilities** increased 8% (+P1.3 billion) to P17.7 billion mainly due to rental payments.

**Contract liabilities** represent Megaworld's excess of collection over the progress of work with **current** portion decreasing 48% (-P1.6 billion) and **non-current** portion increasing 17% (+P0.8 billion) during the year.

**Income tax payable** jumped 22% (+P0.5 billion) to P2.8 billion primarily from higher income taxes at current year-end which is further attributed to higher taxable profit.

**Advances from other related parties** fell 50% (-P0.8 billion) to P0.8 billion from payments of Megaworld accounts.

**Retirement benefit obligations** ballooned 131% (+P1.0 billion) to P1.7 billion from changes in assumptions and benefit payments in retirement plans of Travellers, GADC, Megaworld and Emperador.

**Deferred tax liabilities** increased 16% (+P3.0 billion) to P22.4 billion due to movements in timing differences.

**Other non-current liabilities** went down 17% (-P2.3 billion) to P10.9 billion due to withdrawals in deposits from NWR patrons, partly reduced by increase in customer deposits of Megaworld.

The **changes in equity components** are presented in detail in the consolidated statements of changes in equity. The equity attributable to owners increased 12% (+P28.2 billion) mainly from consolidated net profit during the year plus Megaworld's consolidation reserves during the year, reduced by acquisition of treasury shares and dividends paid; while non-controlling interest remained stable at P133.7 billion. Treasury shares pertain to the acquisition cost of the shares that have been brought back from the market pursuant to the AGI's ongoing buyback program

## DESCRIPTION OF BUSINESSES

**Alliance Global Group, Inc.** (“AGI” or “the **Company**”) is one of the largest conglomerates in the Philippines, with interests in property development, food and beverage manufacture and distribution, quick-service restaurants and integrated tourism development businesses. The Company and its subsidiaries, associates and jointly-controlled entities (the “**Group**”) operate a diversified range of businesses that focus on providing and developing innovative products and services that generally cater to the target markets’ needs, demands and aspirations.

Incorporated on October 12, 1993, AGI began operations in 1994 as a flint glass-container manufacturer after it acquired a glass manufacturing plant in Canlubang, Laguna. AGI initially listed its shares in the PSE in 1999; after which in the same year, it broadened its primary business and became a holding company. Immediately, the Company began its diversification into the food and beverage and real estate industries, and, in 2005, into the quick-service restaurant business. In 2007, it reorganized to consolidate businesses controlled by the **Tan family**, specifically in the distilled spirit manufacturing and property development. In 2008, the Company entered into integrated tourism development, with gaming activities, by partnering with a leading multinational leisure, entertainment and hospitality group. In 2011, AGI expanded its integrated tourism estate development outside of Metro Manila, particularly in the Calabarzon and Visayan regions, and in 2014, in Mindanao.

In the years 2013 to 2017, the Group expanded its spirits manufacturing business abroad through acquisitions of rich heritages in Spain, United Kingdom and Mexico. The Group acquired vineyard lands, aged liquids and assets in Spain, and brandy and sherry wine assets, which include the oldest bodegas in Spain, the first brandy in Jerez and in Mexico and other well-known brandy and sherry brands which the Group now owns. The Group acquired and now owns the 5<sup>th</sup> largest producer of Scotch Whisky in the world by capacity (*Source: 46th Scotch Whisky Industry Review, 2023*) with a history of more than 175 years and ownership of some of the most iconic Scotch Whisky brands in the industry, thus fortifying the distilled spirits business segment.

The Group have been doing realignments and acquisitions also in the real estate segment where it continues to introduce innovative concepts such as ‘integrated lifestyle community’ and ‘transit-oriented developments’ in addition to its ‘live-work-learn-play’ townships within and outside of Metro Manila while the expansion of hotels and non-gaming facilities and offerings and quick-service restaurants is ongoing. AGI began diversifying into infrastructure in 2017 and, in 2018, received an original proponent status for its Fort Bonifacio-Makati Sky Train Project.

The Tan Family beneficially owns a majority interest in AGI.

### Subsidiaries

#### **Emperador Inc.**

**EMPERADOR INC.** (“EMI” or “**Emperador**”) is a publicly-listed holding company which operates an integrated global business of manufacturing, bottling and distributing distilled spirits and other alcoholic beverages, particularly brandy and Scotch Whisky, through its subsidiaries from the Philippines, United Kingdom, Spain, and Mexico. At present, EMI and its subsidiaries (collectively referred to as “**EMI Group**”) has a wide range of products in its portfolio across multiple price points – from accessible to luxury — and an international reach to at least 116 countries. The Group’s brandy and Scotch Whisky portfolios include some of the oldest and best-recognized brands in the world, including brands with centuries-old legacies. EMI Group has acclaimed renown as the world’s largest brandy producer, leading the local brandy segment in the Philippines and Spain, and as the world’s fifth largest Scotch whisky producer (*46th Scotch Whisky Industry Reviews 2023*).

Emperador has established its identity in the Philippine alcoholic beverages business as producer of high-quality liquor and innovative products – predominated by its own brand ‘Emperador Brandy’ which was

introduced in 1990 through its wholly-owned subsidiary **Emperador Distillers, Inc. (“EDI”)**, the Philippines’ largest liquor company and the world’s largest brandy producer (Source: 2024 *International Wines and Spirits Record* or “*IWSR*”). This strong presence was further fortified by ensuing offshore acquisitions.

EMI has grown from a Philippine company to a global player with heritage brands under its portfolio. It has enriched its heritage with the acquisitions of century-old businesses in Jerez, Spain, known as the world capital of sherry wine and home of the Brandy De Jerez, and in Scotland, United Kingdom, home of Scotch whisky, which themselves were acclaimed as being the first and oldest facility in Spain and the fifth largest Scotch whisky producer in the world, respectively. These were immediately followed by the acquisition of popular brands and half-century-old business in Mexico that traced its roots in Jerez.

EMI was incorporated on November 26, 2001 and listed its shares on the PSE on December 19, 2011. On July 14, 2022, EMI successfully listed on the Main Board of the Singapore Exchange Securities Trading Ltd. (“**SGX-ST**”)- the first PSE-primary listed company to conduct a secondary listing on the SGX-ST. This secondary listing marked the latest step in its ambitious plans for future international growth. EMI’s shares are currently trading in both exchanges under the symbol ‘EMI’.

From August to September 2013, AGI, EDI and EMI, which were substantially a shell company at the time, entered into a reverse acquisition in a series of transactions whereby AGI acquired majority control over EMI and EMI acquired full ownership of EDI. In 2013, EMI transformed into a holding company, increased its capital base to P20.0 billion and changed its corporate name to Emperador Inc. As of March 31, 2025, EMI has P20.0 billion authorized capital stock, 16.2 billion shares of which are issued and 15.74 billion shares outstanding (net of treasury shares), with consolidated total assets of P158.8 billion.

**EDI**, a wholly-owned subsidiary of EMI, is the leading brandy manufacturer and distributor in the Philippines and owns the leading brandy brand in the world. It produces its own label brands, namely, ‘Emperador Brandy’, ‘Andy Player’ whisky, ‘The BaR’ flavored alcoholic beverage and ‘So Nice’, and ‘Smirnoff Mule’ under license from Diageo North America, Inc. It distributes the Group’s products in the Philippines, namely, the Scotch whisky and Brandy de Jerez products, ‘New York Club No. 1 vodka’ and ‘Pik-Nik’ shoestring-shaped potato snacks. It also distributes ‘Ernest & Julio Gallo’ wines in the Philippines. Since 2020, EDI has established a significant distribution footprint in at least sixty (60) countries. EDI continues to collaborate across these countries.

EDI was incorporated on June 6, 2003 and was acquired by AGI from **The Andresons Group, Inc. (“TAGI”)** and the Tan Family on February 16, 2007. EDI has an authorized capital stock of 22 billion shares, of which 12.5 billion shares are outstanding and all held by EMI as of to-date.

EDI operates two manufacturing plants in Laguna. The main plant is being leased from its wholly-owned subsidiary **Tradewind Estates, Inc. (“TEI”)** while the annex plant was acquired in May 2012. TEI was incorporated on September 22, 2000 and was acquired by EDI from its previous owner, Alliance Global Brands, Inc. (a wholly-owned subsidiary of AGI), in March 2016. EDI owns two distillery plants in Batangas that are being leased out to and operated by **Progreen Agricorp, Inc. (“Progreen”)**, its wholly-owned domestic subsidiary. EDI procures its new bottles from **Anglo Watsons Glass, Inc. (“AWG” or “AWGI”)**, another wholly-owned domestic subsidiary of EDI, which caters principally to EMI Group’s requirements. AWG operates a flint glass container manufacturing plant in Laguna on a 24-hour shift which it leases from AGI. A subsidiary of TEI acquired in July 2018, **Boozylife, Inc.** is engaged in the on-demand delivery of alcoholic and non-alcoholic beverages. Its online platform proved useful during the COVID-19 quarantine time. **The World’s Finest Liquor Inc. (“TWFLI”)**, is a wholly-owned subsidiary of EDI that was incorporated in May 2022 to engage in, among others, the retailing and marketing of the Group’s products, , including but not limited to alcoholic and non-alcoholic beverages, in its specialty retail stores. **Ocean One Transport, Inc.**, a wholly-owned subsidiary of Progreen, was incorporated in the Philippines on January 11, 2023, for the purpose of engaging in ocean, coastwise and inland commerce, and generally in the carriage of freight, goods, cargo in bulk, passengers, mail and personal effects by water between various ports and to engage generally in waterborne commerce.

## Emperador International Operations

**EIL**, a wholly-owned subsidiary of EMI, is a business company incorporated in the British Virgin Islands on December 13, 2006. It is an investment and holding company which is the parent company of the Group's offshore subsidiaries that handle the Scotch whisky, Jerez and Mexican brandies and sherry wine operations. At present, voting rights to EIL is 84% and 16% directly owned by EMI and EDI, respectively. Thus, it is 100% beneficially owned by EMI.

### *Emperador Spain*

**Emperador Asia Pte Ltd. ("EAsia")**, a wholly-owned subsidiary of EIL, was incorporated in Singapore. It wholly owns **GES**, a public liability company in Spain, incorporated on September 28, 2011.

**Grupo Emperador Spain S.A.U. ("GES")** is a wholly-owned subsidiary of EAsia. Its main activities are the production of wines, fortified wines, brandies and all types of alcoholic drinks, as well as the purchase and operation of any type of land and, in particular, vineyards. The Spain group acquired vineyard estates in Toledo, called Daramizas and Bergonza, and in Madrid, called Monte Batres, in 2013-2014. And from thereon, the Spain group started growing. GES group includes subsidiaries operating in Spain and Mexico.

In 2013, GES acquired **Bodega San Bruno, S.L.U. ("BSB")**, a wholly-owned subsidiary incorporated on January 10, 2013, whose business activities involved the plantation, growing and operation of vineyards. The acquisition included Bodega San Bruno, the San Bruno trademark, vineyards, and sizable inventory of high-quality well-matured brandy from **Gonzalez Byass S.A. ("Gonzales Byass")**, one of the largest and oldest liquor and wine conglomerate in Spain.

In 2014, GES invested in **Bodega Las Copas ("BLC")**, a 50%-50% joint venture with Gonzalez Byass. Presently, BLC and its wholly-owned subsidiaries are engaged in the planting, cultivation and operation of vineyards, and the conversion and production of alcohol and spirits. The main industrial facilities are located at Jerez de la Frontera in Cadiz and Tomelloso in Ciudad Real.

On February 29, 2016, **Bodegas Fundador S.L.U. ("Bodegas Fundador")**, a wholly-owned subsidiary of GES, incorporated on September 28, 2011, acquired the Spanish brandy and sherry business from Beam Suntory Inc. The purchase included Spain's largest and oldest brandy cellars established in 1730 with sizeable brandy inventory aged more than 50 years; four iconic brands including 'Fundador Brandy de Jerez' and 'Terry Centenario' (Spain's number one selling brandy), production and bottling facilities, vineyards, distillery and winery facilities. The completion of the purchase marked the birth of the world's biggest brandy company, and a new era began not only for Emperador and Fundador but for the whole brandy and sherry industry in Spain. Bodegas Fundador was consolidated starting March 2016. Bodegas Fundador's wholly-owned subsidiary is Harvey's Cellars, S.L.U. (formerly Destilados de la Mancha S.L.) held the Queen Elizabeth II Royal Warrant, granted as a mark of recognition to companies who have regularly supplied goods or services to the Royal Household.

On January 19, 2017, GES acquired the Grupo Garvey brands and associated inventories, casks and real estate properties. Bodegas Garvey, founded in 1780 by the Irish aristocrat William Garvey and based in Jerez de la Frontera, is one of the oldest brandy and sherry companies in Spain.

On March 30, 2017, BLC and its two subsidiaries, Pedro Domecq S.A. de C.V. and Bodega Domecq S.A. de C.V. (absorbed in 2019 by Pedro Domecq SA de CV), completed the acquisition of the 'Domecq' brand portfolio and related assets from **Pernod Ricard SA**, which was signed on December 1, 2016. In a restructuring that followed later that year, the Domecq brandy portfolio, which include the trademark to the first Mexican brandy 'Presidente', and wine business were integrated into **Domecq Bodega Las Copas SL ("Domecq BLC" or "DBLC")** effective September 1, 2017. Domecq BLC is a subsidiary of GES incorporated on December 20,



2017. It wholly owns **Pedro Domecq SA de CV** (“**Pedro Domecq**”) (incorporated in Mexico on March 15, 2017) is involved in the manufacturing, bottling and selling of spirits.

**Grupo Emperador Gestion, S.L.U.**, a wholly-owned subsidiary of GES, was incorporated on October 11, 2016. It provides consulting, management and administration services to the Spain group.

**Stillman Spirits, S.L.U.**, a wholly-owned subsidiary of GES, was incorporated on March 20, 2019. It imports UK products into Europe, following UK’s exit from the European Union. It manages The Dalmore Boutique in Madrid (Spain), a recently opened exclusive boutique, including a retail area which hosts some of the most exclusive whiskies in the world. Additionally, a Whisky Lounge for tastings will soon be launched where 66 VIP clients and their close guests can enjoy their Dalmore whiskies. The boutique officially opened in October 2024.

#### *Emperador Europe*

**Emperador Europe SARL** (“**EES**”), a wholly-owned subsidiary of EIL, is a private limited liability company incorporated in Luxembourg in September 2014. The objective of the company is the holding of participations in any form whatsoever and all other forms of investments.

**Emperador Holdings (GB) Limited** (“**EHGB**” or “**EGB**”), the ultimate UK parent undertaking and controlling entity, is a wholly-owned subsidiary of EIL. EGB is a private company incorporated under the laws of England and Wales on June 19, 2014. It operates as an investment and holding company and wholly owns EUK.

**Emperador UK Limited** (“**EUK**”), a subsidiary of EGB, is a private limited company incorporated in Scotland on May 6, 2014. It is the immediate parent of WMG.

**Whyte and Mackay Group Limited** (“**WMG**” or “**Whyte and Mackay**”), incorporated on August 7, 2001 in Scotland, is the smallest consolidating group under EGB. WMG and subsidiaries were folded into the EMI Group on October 31, 2014 upon completion of a deal signed on May 9, 2014 between EUK and United Spirits (Great Britain) Limited, an indirect wholly-owned subsidiary of **United Spirits Limited** (“**USL**”) of India. Emperador took the reins from USL (the world’s largest spirits company by volume).

WMG wholly owns **Whyte and Mackay Global Limited** (“**WM Global**”) which was incorporated on December 4, 2018 in Scotland. The main trading entity is WM Global’s wholly-owned subsidiary, **Whyte and Mackay Limited** (“**WML**”), which was incorporated on January 20, 1927 in Scotland, whose principal activity is the production, marketing and distribution of distilled potable alcoholic drinks which include Scotch whisky, vodka, liqueurs and other alcoholic drinks. WM Global also wholly owns **Whyte and Mackay Warehousing Ltd.** (“**WMW**”), incorporated in Scotland for the principal activity of warehousing and blending of bulk whisky for related and third-party customers, and **Whyte and Mackay Americas Ltd, LLC** (“**WMA**”), incorporated in the United States of America, a direct subsidiary of WML handling Whyte and Mackay’s business portfolio in US market. There are forty-six dormant companies within WMG Group that are retained for branding purposes. Whyte and Mackay is headquartered in Glasgow and has significant malt and grain production capability from its four malt distilleries and one large grain distillery. In 2022, WML acquired **St. Vincent Street (446) Limited**, the landlord of its bottling premises at Grangemouth.

On December 4, 2014, with the completion of the Whyte and Mackay acquisition as a condition precedent to its entry, Singapore sovereign wealth fund **GIC Private Ltd.** (“**GIC**”), through its private equity arm, **Arran Investment Pte. Ltd.** (“**Arran**”) initially invested P17.6 billion in EMI split into 70%-equity and 30%-equity-linked securities debt (“**ELS**”), which is convertible to equity between 2 to 7 years. In 2017, additional new shares were issued to Arran in consideration for the three-year accrued interest on the ELS. On February 5, 2020, Arran partly converted a portion of its ELS into EMI shares (“**Tranche 1 Shares**”). On December 3, 2021, Arran elected to exercise its conversion right in respect of the remaining balance of the ELS (“**Tranche 2 Shares**”), which is expected to be converted anytime up to August 12, 2025. While the Tranche 2 shares remain

unissued, they shall continue to earn variable interest which is at same rate and terms as EMI's dividends to shareholders. As of December 31, 2024, Arran held about 9.5% in EMI's outstanding issued shares.

Whyte and Mackay is the fifth largest producer of Scotch whisky in the world by capacity (*Source: 46th Scotch Whisky Industry Review, 2023*) with a history of 175 years and ownership of some of the most iconic Scotch brands in the industry, including British luxury brands 'The Dalmore Single Highland Malt', 'Jura Single Malt', 'Tamnavulin Single Malt', 'Fettercairn Single Malt', and 'Whyte & Mackay Blended Scotch Whisky'. The products are distributed in approximately 116 countries across the world including a strong presence in the global travel retail space. Some of these products are being distributed in the Philippines by EDI.

### **Megaworld Corporation**

**MEG AWORLD CORPORATION** ("**Megaworld**" or "**Megaworld**"), a publicly-listed company since June 15, 1994, is one of the leading property developers in the Philippines and is primarily engaged in the development of large scale mixed-use planned communities or townships, which are comprised of residential, commercial, and office developments and integrated leisure, entertainment and educational/training components. Founded on August 24, 1989, Megaworld initially established a reputation for building high-end residential condominiums and commercial properties located in convenient urban locations with easy access to offices as well as leisure and entertainment amenities in Metro Manila. In 1996, responding to growing demand for integrated lifestyle communities, Megaworld pioneered the "live-work-play" model and began the development of mixed-use communities, primarily for the middle-income market with the launch of Eastwood City project, its first mixed-use township development. Megaworld and its subsidiaries have since then grown and diversified its roster of townships to thirty-five (35): - four in Fort Bonifacio, seven in Metro Manila, sixteen in Luzon, six in Visayas, and two in Mindanao.

Megaworld and its subsidiaries ("**Megaworld Group**" or "**Megaworld**") have real estate portfolio under the 'Megaworld', 'Global Estate Resort', 'Empire East' and 'Suntrust' brands that include residential condominium units, subdivision lots and townhouses as well as office projects and retail space. It has the following three primary business segments: (i) real estate sales of residential developments, (ii) leasing of office space, primarily to business process outsourcing ("**BPO**") enterprises and retail space and (iii) management of hotel operations. As of December 31, 2024, Megaworld owns or has development rights to over 5,554 hectares of land located throughout the Philippines. Since its incorporation in 1989, Megaworld and its affiliates have launched over 800 residential developments, including condominium buildings, residential and commercial lots, alongside more than 1.5 million square meters of gross leasable office space, over 500,000 square meters of mall retail space, and more than 5,000 hotel room keys across 14 homegrown hotels.

The company and its subsidiaries have won recognition and awards over the years from prestigious organizations locally and internationally that recognized not only the organization itself, its subsidiaries and its foundation, but also its executives and leadership team, as well as its institutional initiatives, campaigns and events.

Megaworld also engages in other property related activities such as project design, construction oversight and property management. Through its wholly-owned subsidiaries, Megaworld owns, manages and operates its homegrown hotel brands – '**Richmonde**' in Pasig City, Quezon City and Iloilo City; '**Belmont**' in Pasay City and Boracay; '**Savoy**' in Pasay City, Lapu-Lapu City, Cebu and Boracay; and '**Lucky Chinatown**' in Manila City.

Megaworld has P45.7 billion authorized capital stock and P33.8 billion paid-up capital (both common and preferred stock) as at March 31, 2025. Its consolidated total assets amounted to P471.7 billion as at March 31, 2025.

From 46% effective ownership interest in Megaworld in 2007, the Group increased its effective ownership interest in Megaworld which is now at 74% by March 31, 2025 through stock subscription, exercise of stock rights and warrants, and purchases in the market.

**Global-Estate Resorts, Inc. (“GERI”)**, a publicly listed domestic company incorporated on May 18, 1994, is likewise one of the leading property developers in the country and is engaged primarily in the development of integrated tourism and leisure estates and integrated lifestyle communities consisting of residential, office, retail, hotel and/or golf components. It has a vast land bank where key developments include Boracay Newcoast in Malay, Aklan; Twin Lakes in Laurel, Batangas; Sta. Barbara Heights in Iloilo; Southwoods City in Laguna and Cavite; Alabang West in Las Piñas, Metro Manila; Eastland Heights in Antipolo, Rizal; The Hamptons Caliraya in Lumban-Cavinti, Laguna; Arden Botanical Estate in Cavite; and The Fifth in Pasig City, Metro Manila. GERI undertakes its development business by itself or through joint ventures with landowners. Its joint venture corporations are **Twin Lakes Corporation** (incorporated on March 2, 2011), **Oceanfront Properties, Inc.** (incorporated on October 12, 2010 to develop parts of Boracay Newcoast) and **Southwoods Mall, Inc.** (incorporated on July 18, 2013). The township developments are marketed by a subsidiary **Megaworld Global-Estate, Inc.** (incorporated on March 14, 2011) and an in-house marketing group.

Hotel developments in Boracay and Twin Lakes are operated by its subsidiaries **Twin Lakes Hotel, Inc.** (incorporated on September 28, 2018), **Savoy Hotel Boracay, Inc.** (incorporated on January 24, 2017), **Belmont Hotel Boracay, Inc.** (incorporated on March 18, 2019) and **Fil-Estate Urban Development Corporation** (incorporated on March 6, 2000). Another subsidiary operates Fairways and Bluewater, a resort complex integrated with Boracay Newcoast.

AGI acquired 60% interest in GERI in January 2011 and rebranded it to engage in the development of integrated tourism and leisure estates. With the capital infusion, GERI was able to pay its interest-bearing loans and pursue its development plans. In 2013, GERI doubled its authorized capital stock, of which Megaworld subscribed to 25% of the said increase; this together with indirect holdings translates to Megaworld’s 24.7% beneficial ownership in GERI at end-2013. In 2014, GERI was consolidated under Megaworld when the latter acquired AGI’s stake in GERI. As at March 31, 2025, Megaworld holds 82.51% of GERI. GERI has P20 billion authorized capital stock, P10.986 billion of which was subscribed and paid-up as of December 31, 2024. Total assets reported as at end-2024 amounted to P62.8 billion.

**Empire East Land Holdings, Inc. (“Empire East” or “ELI”)**, a publicly-listed domestic company incorporated on July 15, 1994, is one of the leading developers of mid-cost residential properties. It specializes in multi-cluster condominium projects and multi-phase subdivision developments in key locations in Metro Manila, Laguna and Rizal. Laguna Bel-Air is ELI’s flagship township project while Pioneer Woodlands in Mandaluyong is its first transit-oriented development. Transit-oriented developments (“**TOD**”) and urban resort communities have been the signature concepts of ELI in recent years. **Eastwood Property Holdings, Inc.**, a wholly-owned subsidiary, serves as ELI’s marketing arm that markets ELI’s projects and those of other related parties. ELI is 81.72% owned by Megaworld. ELI has P31.495 billion authorized capital stock, P14.803 billion (14.803 billion shares) of which was issued and P14.701 billion (14.676 billion shares) outstanding as at December 31, 2024. Total assets reported as at end-2024 amounted to P49.4 billion.

**Suntrust Properties, Inc. (“SPI”)**, incorporated on November 14, 1997, develops master-planned self-sustaining residential communities and condominiums in Cavite, Laguna, Batangas, Baguio, Davao, Metro Manila and Palawan that provide affordable homes for the low- to moderate-income families. The developments focus on space-saving and functionality features. In March 2011, Megaworld acquired 50% majority interest in SPI. In 2013, Megaworld acquired 100% ownership by buying out the minority interests of Empire East and another related party. In July 2018, SPI acquired **Stateland, Inc.**, a 42-year old real estate company known for building affordable quality homes and well-developed communities in Cavite, Laguna and Metro Manila. The acquisition brings 150 hectares of raw land and other allied properties that spread across more than 200 hectares into the group.

**MREIT, Inc. (“MREIT”)**, is a real estate investment trust (“REIT”) incorporated on October 2, 2020. MREIT was designated by Megaworld, its parent and sponsor, to operate as its flagship REIT company, the primary focus of which is office and retail leasing to a diversified tenant base, with a high-quality portfolio of 14 office, hotel,

retail and other assets across the Philippines and an aggregate gross leasable area (“GLA”) of 280,175 sqm as of December 31, 2021. which has since increased to 482,000 square meters. On October 1, 2021, MREIT conducted an initial public offering and listed its shares in the PSE. MREIT is 63.44% owned by Megaworld as of December 31, 2024 and 35.52% owned by the public.

### ***Travellers International Hotel Group, Inc.***

**TRAVELLERS INTERNATIONAL HOTEL GROUP, INC.** (“**Travellers**”), incorporated on December 17, 2003, is the developer and operator of **Newport World Resorts** (“**NWR**”) (as rebranded on July 20, 2022, formerly known as Resorts World Manila), an integrated tourism resort in the Philippines. NWR is the first integrated leisure and resort property in the Philippines that combines privately-operated gaming facilities with hotel, retail, dining, entertainment and other leisure amenities. Travellers was awarded one of the first licenses issued by the **Philippine Amusement and Gaming Corporation** (“**PAGCOR**”) in June 2008 to construct and operate integrated leisure and gaming facilities to an international standard with the goal of enhancing tourism in the Philippines. NWR, which was the first site to be completed, opened in August 2009.

NWR is an approximately 11.5-hectare integrated tourism resort that is strategically located across the Ninoy Aquino International Airport Terminal 3 (“**NAIA-3**”) in Pasay City, Manila and near NAIA Terminals 1 and 2 and directly linked to highways leading to Makati City. NWR is a 24-hour, one-stop, world-class leisure and entertainment facility within Newport City, a mixed-use community of integrated residential condominiums, hotels, restaurants, shops and offices. NWR features a themed shopping and entertainment center, five hotels (4 of which are five-star international branded hotels), and the Marriott Grand Ballroom, a **MICE** (meetings, incentives, conventions and exhibitions) venue with over 8,000 sqm of function space.

The 21,168 sqm Newport Mall offers a retail mall, four cinemas and a 1,710 seat performing arts theater (the “**Newport Performing Arts Theater**” or “**NPAT**”). The Marriott Hotel Manila is the first hotel to open in October 2009 with 342 rooms and suites, to which 228 rooms were later added in the Marriott West Wing in November 2016. Holiday Inn Express Newport City (as rebranded in February 2018) opened in November 2011. The Marriott Grand Ballroom, a world-class events and convention center, formally opened its doors to the public in March 2015. In 2018, NWR opened Grand Wing, a portion of its Phase 3 development project dedicated to gaming activities. In October 2018, Hilton Manila officially opened with 357 rooms. Also in 2018, Travellers opened the first international hotel in Iloilo City- the Courtyard by Marriott Iloilo with 326 rooms. In January 2019, Sheraton Manila Hotel made its comeback to the Philippines after 22 years and officially opened its doors to the public, adding 386 rooms. And during the last quarter of 2021, Hotel Okura Manila, a 190-room Japanese brand hotel that features Hinoki-yu rooms and Japanese fine dining restaurant began its commercial operations. In 2021, Travellers completed the renovation Garden Wing, its Phase 1 gaming facilities.

Travellers has P10 billion authorized capital stock (common and preferred shares), of which P1.93 billion is outstanding as at end-2024. AGI’s ownership interest is accounted through direct holding of 42.12% and indirect holdings through its subsidiaries Megaworld, First Centro, Inc. and Adams Properties, Inc. (“**Adams**”) which hold 2.66%, 3.92% and 19.58%, respectively, of Travellers’ outstanding common shares. Adams holds 66.48% of outstanding preferred shares while AGI holds 20.23% of its outstanding preferred shares. Travellers has consolidated total assets of P128.6 billion as at end-2024.

### ***Golden Arches Development Corporation***

**GOLDEN ARCHES DEVELOPMENT CORPORATION** (“**GADC**”), a strategic partnership with the George Yang group, is the master franchise holder of McDonalds’ in the Philippines. GADC is granted the license in the Philippines to, among other things, own, develop and operate restaurants and engage in the sub-franchising of restaurants under the McDonald’s brand in accordance with the multi-unit franchise agreement with **McDonald’s Corporation** (“**MCD**”), a company incorporated in Delaware with principal offices in Illinois, USA. GADC was incorporated on July 16, 1980. It has P99.44 million authorized and paid-up common capital stock, 49% of which is held by AGI and the rest by GTY Food Trends, Corp., a company wholly owned by Mr. George

Yang's son, Mr. Kenneth Yang. Its consolidated total assets amounted to P47.22 billion at end-2024.

AGI acquired its 49% interest in GADC on March 17, 2005 from **McDonald's Restaurant Operations, Inc. ("MRO")**, a subsidiary of MCD, both of which are foreign corporations incorporated in the USA. MRO holds all of GADC's preferred shares.

#### ***Alliance Global-Infracorp Development, Inc.***

**ALLIANCE GLOBAL-INFACORP DEVELOPMENT, INC. ("Infracorp")**, a wholly-owned domestic corporation, is AGI's foray into infrastructure development aimed at providing transport solutions that will improve connectivity of the Group's properties. It is incorporated in 2017 with the primary purpose to bid for, invest in, and/or implement infrastructure-related projects, such as but not limited to monorail, airports, expressways, toll roads, reclaimed land development and, in relation to these activities, Infracorp may also acquire, lease out, develop or otherwise engage in income-generating ventures involving real property and other rights related to its infrastructure projects. It will handle infrastructure projects, particularly mass transportation that will enhance the value of the Group's real estate and tourism developments. The diversification into infrastructure building is aligned with the government's goal to usher in a golden age of infrastructure in the country.

On May 17, 2018, Infracorp received an Original Proponent Status for its Fort Bonifacio-Makati Sky Train project – a 1.87km public transit system connecting Line 3 Guadalupe Station to Uptown Bonifacio. The project is current under review and evaluation at NEDA.

#### ***Newport World Resorts Properties, Inc.***

**NEWPORT WORLD RESORTS PROPERTIES, INC. ("NWRPI")**, a wholly-owned domestic corporation, was incorporated on February 6, 2023 to invest in, acquire and own, hold, use, assign or dispose of property, including shares of stock, bonds, debentures, notes and other securities or obligations of any corporation or association, among others. It has an outstanding share purchase agreement entered into on May 30, 2023 to consolidate the interests of Genting Hong Kong Ltd. and its subsidiaries or affiliates in Travellers, its subsidiary and affiliates upon fulfillment of certain conditions.

Newport has P1.9 billion authorized capital stock (common and preferred shares), of which 705 million common shares with P1 par value were subscribed by AGI at a premium, and 84 million preferred shares with P1 par value were subscribed by Megaworld at a premium as at end of 2024.

#### **Business Description**

AGI is a holding company with interests in the food and beverage business (manufacturing and trading of consumer products), real estate (investment in and development of real estate, leasing of properties, hotel operations and tourism resorts businesses), tourism-entertainment and gaming, and quick service restaurant (McDonald's) businesses. Through its subsidiaries and associates, the Company focuses on providing and developing and providing products and services that cater to the needs, demands and aspirations of its target markets. The Company remains agile and responsive to market trends and economic conditions, reinforcing its position as one of the country's largest and most diversified conglomerates. Through its diverse portfolio and strategic investments, the Group is well positioned for long-term sustainable growth.

#### **Principal Products or Services and their Markets**

##### **EMI**

EMI group manufactures its own brands and attributes its leading position to: (i) strong brand equity gained through brand building; (ii) targeted marketing; and (iii) local and global distribution network.

**‘Emperador Brandy’**, the first brandy label, was launched in 1990 in the Philippines and is currently the leading local brandy in the country. EDI keeps on innovating its product offerings with creative flavors and packaging to suit the discriminating taste of drinkers, especially the youthful ones who are generally seeking variety and sensory experiences. In 2010, the first light brandy, **‘Emperador Light’** was introduced in response to a growing market for alcoholic beverages with lower alcohol content and targeted at younger alcoholic beverage consumers and in 2019, a lighter variant, the **‘Emperador Double Light’**, was introduced for that *‘dobleng saya, dobleng tagumpay’* feeling. **‘Emperador Light Spanish Edition’** was launched in 2023 in UAE. In March 2013, EDI introduced **‘Emperador Deluxe Spanish Edition’**, a premium brandy imported from Spain that is created specifically to appeal to the Philippine palate. In August 2021, **‘Emperador Coffee Brandy’** was launched bringing more fun to coffee and more enjoyment to brandy for that *‘sarap make-feel good’* feeling that reached globally. In 2022, newly improved **‘Emperador Original’** with a 58.72 proof was introduced, offering the classic depth, richness, body, and strength but still within the smoothness range preferred by Filipinos. Currently, it has the strongest alcohol content in the Emperador portfolio. In second quarter of 2023, **‘Chaser Sparkling Apple Iced Tea’** was launched as the perfect pair to the favorite Emperador in the ‘EMPI+Chaser’ bundle. In 2023, Emperador elevates its Tagumpay brand story to the next generation as it launched “Angat sa Tagumpay” advertising campaign and “Sakto sa Balsa” advertising and below-the-line campaign, as it expanded availability of its banner brand Emperador Original “Lapad-375ml bottle” in the smaller pack segment nationwide. In 2024, Emperador launched several Emperador Double Light campaigns and had digital promotions.

In 2019, ‘Emperador Brandy’ won the silver medal in the Distilled San Diego Spirits Competition, while ‘Emperador Light’ won the bronze medal.

The premium and imported lines, **‘Emperador Deluxe Special Reserve’** and **‘Emperador Grand Supreme’** are sold exclusively at EDI’s retail store.

**‘Andy Player Whisky’**, a popular drink in the ‘80s, was revived in October 2015. The whisky blend has a unique character, rich aroma and complex taste which include orange marmalade and maple syrup. **‘Andy Player Extra Smooth Whisky’**, was launched in August 2024. With an ABV of just 25.5%, Andy Player Extra Smooth serves as an excellent entry drink to the world of whisky. It is currently making waves in the Visayas and Mindanao regions, targeting Gen Z drinkers who prefer a light and smooth beverage.

**‘The BaR’** was initially launched in 2009. ‘The BaR’ is marketed as a ready-to-serve flavored alcoholic beverage with low alcohol content. In the third quarter of 2012, EDI introduced ‘The BaR’ cocktails line primarily targeted at younger alcoholic beverage consumers and customers. In 2018, **‘The BaR Premium Gin’**, infused with botanicals from Spain that gives it a delicious burst of flavor not found in local gin products, was launched. This world-class premium gin line comes in three variants- Pink, Lime and Premium Dry. In August 2020, **‘The BaR Fruity Mix’** was launched as more young Filipino drinkers appreciate light alcoholic beverages. It is a fruit-forward and ultralight alcohol that comes in two flavors.

**‘So Nice’** is an ultralight alcohol that gives consumers a refreshing and flavorful drinking experience. This clear, colorless, distilled spirit is available in three variants –green grape, grapefruit and original. It was launched in November 2020 catering to Filipino youth who prefer a lighter drink at an affordable price.

**‘Smirnoff Mule’**, is the number one ready-to-drink beverage in the ready-to-drink category. A full-flavored blend of Smirnoff Vodka, ginger beer, and lime, it delivers a refreshingly smooth taste with a bold kick at 6% ABV. Smirnoff Mule is being manufactured and distributed by EDI under a licensing agreement with Diageo North America, Inc.

**‘The New York Club No. 1 Vodka’** is an extremely smooth vodka produced and bottled in the USA. Evoking the vibrancy of New York City’s nightlife, this vodka is so crisp, so clean, so smooth. It is distilled six times from the finest ingredients for that extra smoothness, and filtered to perfection, making a versatile drink for every occasion.

**‘Charles & James Light’** is a light blended spirit that is distilled and aged in oak barrels and expertly crafted for exceptional richness. It is smooth and light, specifically made for the Filipino palate. Charles & James is the stepping stone to the world of whisky. It is the country’s fastest-growing imported whisky.

**‘Zabana Philippine Rum’** is an award-winning brand of rums created by Filipino master blenders from the purest sugarcane sourced across the country. Its rums range from the entry level **‘Zabana 8’** and **‘Blanco’**, mid-level **‘Zabana XO’** and **‘Zabana White’** premium **‘Zabana Small Batch Tropical Spiced’**, **‘Sherry Oak Cask’** and **‘1997’** to ultra-premium **‘Zabana Single Barrel’**. Over the years, these rums have accumulated a number of recognitions from award-giving bodies such as Cathay Pacific Hong Kong International Wine & Spirit Competition, International Spirits Challenge, Monde Selection and SIP Awards. In 2024, the brand was renamed **Cazabana**.

EDI also imports and distributes the Group’s products from the distilleries in Spain and Scotland. In 2015, EDI introduced its Scotch Whisky variants in the local market . It also began distributing ‘Fundador Brandy’, the Philippine best-selling imported premium brandy, in March 2016 and launched locally ‘Tres Cepas Light’ in December 2016, EDI also started distributing ‘Harveys Bristol Cream’ and **‘Fundador Double Light’** in 2017.

EDI also distributes **‘Pik-Nik’** brand shoestring potato snacks and **Ernest and Julio Gallo wines**. The ‘Pik-Nik’ brand is owned by AGI Group.

From **Bodegas Fundador**, the following iconic brands manufactured and distributed from Spain are under EMI Group beginning March 1, 2016:

**‘Fundador’** is a Brandy de Jerez, from the brandy capital of Spain. Fundador means the ‘founder’, as it was the first Spanish brandy to be marketed, this happened in 1874 by Pedro Domecq Loustau. It is sold in over 70 countries worldwide, and the no. 1 imported premium brandy in the Philippines. The brand has an excellent range ending with the high premium brand **‘Fundador Exclusivo’** and **‘Sherry Cask Collection – The Fundador Supremo’**.

**‘Fundador Supremo’** is a Solera Gran Reserva Collection aged in our Sherry Cask, unique in the world and which has belonged to our winery for centuries. A unique creation which represents a true innovation within the category of Brandy de Jerez. The ‘Sherry Cask Collection’ by Fundador Supremo reveals the depth of the most luxurious flavours provided by time in wood, thus creating an Ultra-Premium category Brandy.

The ageing in Sherry Casks, unique in the world and of very high value, which have contained very old Oloroso, Amontillado or Pedro Ximénez, give the brand the exclusivity and originality it deserves. In 2023, the **Fundador Supremo 30 YO Palo Cortado** was launched to the market with only 30 bottles. It has been positioned at the top of the range due to its rarity. Fundador Supremo 30 YO Palo Cortado aged in casks that have previously contained a 30 YO Palo Cortado wine. Of all sherry wines, Palo Cortado is the most famous and mysterious. Its uniqueness and exquisiteness have reached such an extent that it has been the subject of several documentaries that try to understand its origin and complexity. Palo Cortado is a type of fortified wine.

**‘Fundador Light’** is currently the best-selling ‘Fundador’ in the Philippines, having a balanced and clean aroma with a fragrance of wood seasoned sherry and a smooth light taste of brandy from our cellars in Jerez, Spain.

**‘Fundador Double Light’** is an exceptional spirit from sherry casks in our cellars in Jerez, Spain. It guarantees double smoothness and double satisfaction in every bottle with a lower alcohol by volume of 25.8% compared to 28% of ‘Fundador Light’. It is the ultimate expression of ‘Fundador Light’ with a different concept. It has more ageing profile and character that is an effect of the double casks.

**‘Fundador Double Wood’** is a Brandy de Jerez Solera Reserve, inspired by the brandies originally crafted in the 19<sup>th</sup> century, where the prolonged aging makes the holandas acquire the most important and unique characteristics of wood.

**‘Fundador Triple Wood’** is a Brandy de Jerez Solera Gran Reserve obtained through a very long ageing process that triples the standards of brandy production. A unique expression that reveals the depth of the elements contributed by the wood to a powerful bouquet from the long periods of aging.

**‘Fundador Sherry Cask’** is a Sherry Cask Solera and Solera Reserva, which is the classic Fundador version’s update. After almost 40 years, its image and liquid were refreshed in 2021 through a simultaneous launch in Spain, UK, Italy, México and USA, whose result is Brandy perfect to drink neat or mix with Cola or any other beverage. Aged in Sherry Casks that have previously contained Sherry wine, this Brandy is the combination of experience and innovation that has the credibility to reinvent the Brandy category.

**“Fundador Super Special”** is the most affordable Fundador variant in a 1-liter bottle that has the same world-class Fundador taste profile that consumers look for and adore. It also has the lightest alcohol-by-volume content within Fundador’s portfolio at 23.5% making it very easy to drink, and perfect for day-to-day small or big occasions.

**‘Terry Centenario’** is the largest brandy in Spain. Centenario means ‘centenary’, and it evokes the change to the twentieth century when the Terry family started producing brandies in its bodegas in Puerto de Santa María. It is a premium and distinguished brand with the iconic net and the unique logo of the Terry Horse. ‘Terry Centenario’ is the leading brand of the Brandy Category in Spain, with 25% market share, surpassing the combined market shares of its two main competitors.

**‘Terry White’**, a new expression, a new category, a new Classic “White Brandy” was born in 2017 to renew the brandy category in Spain by shaking the market through a modern concept of a white spirit. Through mixology platform, this disruptive concept was launched to a fashionable position for a spirit drink for a future halo of Brandy de Jerez.

**‘Tres Cepas’** is a market leader in Equatorial Guinea. In 1902, the brand ‘Tres Cepas’ was launched in the market and became a successful brand. The year 2016 was the renaissance of the brand in the Philippines, and a special expression of **‘Tres Cepas Light’**, with a different concept and bottle, was launched in December at a very affordable introductory price. Tres Cepas Spirit is a delicate selection of wines carefully distilled and aged in Bodegas Fundador’s wineries in Jerez, smooth with mineral notes and beautiful amber tones. In 2017, **‘Tres Cepas VS’** was launched. It is an ultimate expression, as the master blended and carefully tasted the oldest soleras and selected barrels with special characters and notes to make a unique blend for this Very Special Tres Cepas.

**‘Harveys’** is the number 1 selling Sherry Wine in the world and the leader in the UK. For many years, Bodegas Fundador was honored to hold the prestigious Royal Warrant of Appointment in the United Kingdom, a distinction that allowed its sherry wines to be served at Buckingham Palace and recognized it as the only Spanish company supplying the Royal Household. This unique recognition, granted since 1895, reinforced the brand’s commitment to quality and excellence.

After the passing of Her Majesty Queen Elizabeth II, Bodegas Fundador continues to benefit from the grace period granted by the Royal Warrant as per the Royal Household’s terms. We take great pride in our longstanding relationship with the British Royal Family and appreciate the opportunities it has given us to highlight the finest of Spanish tradition.

This brand was registered in Bristol by the Harvey family in 1886 and was the first cream sherry to be marketed. **‘Harveys Bristol Cream’** is a unique blend of sherries combining the character and body of aged olorosos with the aroma and finesse of finos and amontillados. It is a proprietary blend of three sherry types: Fino,



Amontillado and Oloroso, all created from the Palomino grape. “Everyday’s A Holiday” with Harveys Bristol Cream®, taken alone or with fruit or used as ingredient to desserts and baking.

‘**Vermut Marinero by Garvey**’ was launched in Spain in 2021, entering a new unexplored category. This product proposal is very different from other competitors: a red vermouth with a touch of Atlantic salt, elaborated from the most selected sherry wines and characterized by a smoothness and a flavour resulting from the Palomino Fino grape macerated with seaweed. A product totally unique and 100% suited for the aperitif moment.

From the **Domecq brands of brandies and wines** come these Mexican brandies, which are also distributed in USA. In Brazil, ‘Domecq Brandy’ is a strong brand which covers all markets in Brazil.

‘**Presidente**’ was the first Mexican brandy, launched in 1958. It is produced from a blend of the best grapes of the Hermosillo region of Mexico. Presidente is the leading imported brandy based on sales volume in US in 2023, coming from second position in 2022.

‘**Presidente Light**’ was brought in from Spain and launched in the Philippines in 2022. Presidente Light Brandy boasts of notes of caramel, toffee, dried raisins, orange marmalade with a very subtle hint of chocolate. A light brandy that is very smooth on the palate.

‘**Don Pedro**’ has been more than 50 years in the market, launched during the 1960s. Its name celebrates the company’s founder, Don Pedro Domecq.

‘**Azteca De Oro**’ has been more than 36 years in the market. These brands are also distributed in USA. In Brazil, ‘Domecq Brandy’ is a strong brand which covers all market in Brazil.

**Scotch whisky** is Scotland’s leading indigenous product and is now established as the leading international spirit drink, making it one of Britain’s most important exports. It is a distilled spirit made (distilled and matured) in Scotland using *only* cereals, water and yeast. Most whiskies mature far longer than the legal minimum of three years, and the maturation period varies for different whiskies. The age statement on a bottle reflects the amount of time the youngest whisky in that bottle has spent maturing in a cask.

Whyte and Mackay has built on its foundations as a leader in the Scotch Whisky industry.

The award-winning whisky makers’ collection now features 3 Single Malt Scotch brands ranked in the top twenty worldwide, by industry authority The IWSR. Fettercairn, is the 4<sup>th</sup> strategic international brand in the portfolio, which is a scarce ultra-premium proposition establishing its reputation as a hidden gem of Single Malt.

Looking in the near-term; The Dalmore is the fastest growing Top 10 Single Malt Brand 2018 – 2013 (+17.7% 18-23). Fettercairn has entered the worldwide Top 50 Single Malt Brands and doubled its sales value since 2020, Jura – The UK’s Number 1 Single Malt – is the 3<sup>rd</sup> fastest growing brand in the Top 20 (+20% versus 2019), whilst Tamnavulin is now the fastest growing brand in the Top 20 (19-23, +23%) and Number 2 in the UK (volume). WMG is living by its mission to be a driving force in whisky, renowned for building brands that stand out.

‘The Dalmore’ continues to enjoy exceptional performance, a ‘Masterpiece of Malt’. The ‘**Dalmore Decades**’ featured a once-in-a-lifetime collection of whiskies celebrating whisky making artistry across six decades. The campaign broke records for Sotheby’s Asia, achieving \$1.1M at auction. The collection secured prestigious features in Paris, Los Angeles, London, Taipei and Shanghai. The ‘Dalmore Decades’ set a new standard in luxury spirits marketing, with a boutique in Hainan, elite performance on Tmall and Whyte and Mackay’s first Non-Fungible Tokens (NFTs) partnership. In 2022 The Dalmore launched **The Luminary Collection**, a partnership with renowned Japanese architect Kengo Kuma and design institution V&A Dundee – Scotland’s

first design museum. The innovative product harnessed Japanese and Scottish Oak Casks, to mature the rare 48 Year Old whisky, as a tribute to the two luminaries behind the project Kengo Kuma and Richard Paterson OBE. A collectible Limited Edition was developed by their proteges Master Whisky Maker Gregg Glass and Maurizio Mauciolla, which sold at pace in global outlets. In 2024, Luminary No.2 was launched, featuring Melodie Leung as the luminary partner. This edition includes a stunning glass sculpture that encapsulates the movement of the spirit within the stills at the Distillery. The **Cask Curation Series** was also launched as a celebration of the technical expertise within the curation of exquisite rare casks that is at the heart of the whisky making artistry for which The Dalmore is renowned. **Edition 2: Port Edition** celebrated the exclusive relationship with Portugal's finest winemakers, Symington Family Estates – and their Graham's Port. In Global Travel, The Dalmore launched the **Portfolio Series** – a stunning presentation of three whiskies created in collaboration with an artist, and a further initiative of the landmark partnership with V&A Dundee, Scotland's design museum.

The Dalmore's Richard Paterson, was awarded as Officer of the Order of the British Empire (OBE) by Queen Elizabeth II celebrating his visionary contribution to the industry over the past five decades. The "Most Excellent Order of the British Empire" is an order of British Chivalry created in 1917 by King George V. Titles in the Order are awarded to members of the public for significant contributions in their field of work (Scotch Whisky Industry). The Dalmore Master Whisky Maker Gregg Glass was awarded the honor of Distiller of the Year, Scotland, by the prestigious Icons of Whisky Awards 2023. The Dalmore was recognized by Icons of Whisky with a number of commendations, including Communicator of the Year resultant from cask curation. The launch was awarded luxury launch of the year, for Global Travel Retail too.

WMG offers Single Malt and Blended Scotch whiskies, liqueurs and vodkas, under the following key brands:

**'The Dalmore Single Malt Scotch Whisky'** sits at the apex of the category in which it competes. It is positioned as a luxury brand, at the pinnacle of the luxury spirits category, and broadening its presence within the luxury consumer goods category.

The Dalmore's powerful stag emblem is built on a heritage that is rooted in the saving of King Alexander III of Scotland from being gored by a raging stag with a single arrow in 1263 by an ancestor of Mackenzie clan. The grateful king granted him the right to bear a stag's head in his coat of arms and so every bottle of The Dalmore is adorned with this noble emblem: a stag's head with twelve points to its antlers, signifying 'royalty'. The Mackenzie family ran the Dalmore distillery from the mid 1800's until Whyte and Mackay took over. It is considered the most revered single malt whisky in the world.

**'The Dalmore Principal Collection'** consists of eight expressions (12 Year Old, 12 Year Old Sherry Cask, 15 Year Old, 18 Year Old, 21 Year Old, King Alexander III, Cigar Malt, Port Wood Reserve) as well as 14 Year Old which is a US market exclusive. Our **Global Travel Retail range** comprises nine expressions (King Alexander III Travel Retail, 20 Year Old, 28 Year Old, Trio, Quartet and Quintet and three expressions within the Voyage of Time Collection which is a Taiwan duty free exclusive only).

Our **Rare & Prestige range** has five expressions (25 Year Old, 30 Year Old, 35 Year Old, 40 Year Old & 45 Year Old). In addition to these, we have Limited Editions which are a feature of this scarce and precious Single Malt, and include Cask Curation, the Portfolio Series and the Luminary Series.

**'The Dalmore Quintessence'** is the first and only single malt whisky in the world with five red wine cask finish. Master Distiller Richard Paterson travelled to California to hand select the five different casks in which this exceptional whisky would be matured; Zinfandel, Pinot Noir, Syrah, Merlot and Cabernet Sauvignon, each bringing their individual nuances to create a totally unique single malt.

**'The Dalmore Distillery Select'** launched in 2024 as a collection of three limited edition whiskies available exclusively via The Dalmore website, and boutiques.

**‘The Dalmore Portfolio Series’** is a collection of three limited edition whiskies, designed for global travelers. Each offer a red wine finish, and are an example of the multi cask curation, for which The Dalmore has become renowned. The series is presented in vibrant packaging created in creation with a leading emerging artist, selected by partner V&A Dundee – Scotland’s design museum. In 2024 the series unveiled its inaugural edition, in partnership with artist Fraser Gray.

**‘The Dalmore Vintages’** are a celebration of the whisky making artistry for which The Dalmore has become renowned. Each November the master whisky makers reacquaint themselves with the rare cask laid down to mature at the Distillery. The Vintages are a celebration of those casks that are unusual, and offer a different expression of The Dalmore’s house style. In 2024, two editions were released to domestic markets.

**‘The Dalmore Luminary Series’** is a four-year series that celebrates the worlds of whisky and architectural design. Each release is a collaboration with a luminary, leading light, in architecture, alongside The Dalmore’s master whisky makers. Each edition is led by a very rare piece sold at auction with renowned auction house, Sotheby’s. The first edition featured Kengo Kumo of Japan. The second edition featured Melodie Leung of Zaha Hadid Architects. An accompanying Limited Edition ‘collectible’ is produced by the Luminaries and made available to domestic markets and global travel.

**‘Jura Single Malt Scotch Whisky’** is a premium Scotch whisky that is considered a premium and mainstream single malt whisky. It is produced at the only distillery on the Isle of Jura, a very remote island off the west coast of Scotland. This brand is built upon building shared connection, with a creative platform that encapsulates this whisky made by a tiny Scottish island community ‘More Than A Whisky’.

**‘Jura Sherry Cask – 12 and 15’** is an Asian exclusive, which launched in Taiwan in 2023, and built distribution in China in 2024. Casks are hand selected from Jerez for the very best Sherry casks. A full finish in our Oloroso Sherry combines well with our Jura Spirit and accounts for 75% of the balanced flavour of our ‘Jura Sherry Cask’. It is rich, fruity, and vibrant - with notes of chocolate, almond, and ripe plum. In 2024, Jura 15 Sherry Cask Edition launched as the second in the range, exclusively to Asia markets.

**‘Jura 12 Years’** boasts a rich depth of flavour. The 12 Year Old is the key brand in the Jura signature series. Matured in American white oak ex-bourbon barrels for 12 years and finished in Oloroso Sherry casks from Jerez, Spain. This 12 Year Old offers refined, succulent tropical aromas of chocolate, walnut, and citrus fruit.

**‘Jura 14 Year Old - Rye Cask’** is a 2022 release from Jura Whisky and celebrates Jura’s bright community spirit; a close-knit group of around 212 warm and welcoming individuals, inspired by life on their island and all those who have a hand in making it. Matured in American White Oak ex-bourbon barrels, this spirit was then further matured in hand selected American rye whisky barrels to add depth and complexity with layered spice, aromatic, herbal and floral characteristics. The rye casks add distinctive layers of cinnamon, vibrant vanilla, cacao and warm honey flavours.

**‘Tamnavulin Single Malt Scotch whisky’** was launched in 2016, initially in the UK. The Tamnavulin Distillery was built in 1966 and was acquired by WMG in 1993. ‘Tamnavulin’ is the epitome of a Speyside malt; rich, smooth, elegant and refreshing. Tamnavulin is the Gaelic translation for ‘Mill on the Hill,’ named in part after the 16<sup>th</sup> century woollen mill which sits on the site of the distillery. This Speyside is double cask. Matured in American Oak Barrels and finished in Amoroso Oloroso Sherry casks for a rich, full-bodied, sweet and mellow taste. EDI started distributing this product in the Philippines in 2018.

**‘Tamnavulin Single Malt Scotch Whisky Vintage Collection’**, a rare range with expressions from the years 2000, 1979, 1973 and 1970, together with a new Tempranillo finish was launched in 2018 and is exclusively available in Asia.

**‘Tamnavulin Sherry Cask Edition’** is matured in American Oak Barrels and enhanced by a finesse in three different sherry casks. This classic revelation from the Speyside Valley is marked with notes of vanilla pod, glazed nectarines, and hints of sticky toffee pudding.

**‘Tamnavulin White Wine Cask Edition’** showcases the distinctive orchard fruit character of the Speyside distillery, which complements the flavours enhanced by the white wine finish. In line with Tamnavulin’s tradition of double matured whiskies, this expression began its life in American White Oak barrels, before undergoing its second maturation in Sauvignon Blanc white wine casks.

**Tamnavulin Port Cask Edition** was released in 2024 offering notes of ruby and fruits. This new product innovation was aimed at the chain retail channel.

**‘Fettercairn’** launched a new permanent collection of whiskies in 2024, reflecting the investment and availability of casks at key age-statements. The coming of age of stocks enables the brand to invest in a core range to replace the limited editions that were released in short runs 2018-2023. The domestic range features a 12 Year Old, 18 Year Old Scottish Oak, and is led by Fettercairn 16 Year Old. A differentiated range for Travel Retail, which is an important growth driver for the brand, features 14 Year Old, 17 Year Old and the 25 Year Old.

**‘Fettercairn 24 Year Old’** showcases the tropical house style as it evolves in time. A significant age statement it encapsulates how the distinctive character of this whisky develops in 24 years, with intricate flavours of Madagascan vanilla and red liquorice alongside the rich tropical fruits with a sweet, spiced finish.

**‘Fettercairn Very Rare 50 Year Old’** was released in extremely limited volumes, and bespoke crafted presentation case. Distilled in 1966 it offers antique notes of vanilla, pear and nectarine.

**Fettercairn 200<sup>th</sup> Anniversary Collection** was created in 2024 to mark the 200<sup>th</sup> Anniversary of the Distillery, and features six rare and very rare whiskies. Each whisky was selected to commemorate significant milestones in the distillery’s history. The set was presented in a hand-crafted case of Scottish Oak, produced by famed cabinet maker John Galvin. The collection is strictly limited to 10 sets, for the domestic markets.

**‘Whyte and Mackay Blended Scotch Whisky’** is produced using a unique triple maturation process that ensures a smoother, richer taste. In 2019, a new innovative product, **‘Whyte & Mackay Light’**, was launched in the UK to allow consumers to enjoy a great whisky taste whilst consuming lower units of alcohol. At 21.5% ABV, this product was a first in the UK and received widespread acclaim for quality and for the important messaging it represents. This new lighter spirit drink has been enriched by sweet Sherry casks and freshly emptied Bourbon barrels and tastes great – smooth with a subtle hint of smoke and perfectly enjoyed straight over ice, or with your favorite mixer.

**‘Woodsman Blended Scotch Whisky’** was launched in 2018 as a more contemporary proposition for younger consumers. It was designed to work well with mixers and with its modern bottle design, it has attracted new consumers into the Blended Scotch market.

**‘Shackleton’** is a Blended Malt brand launched in 2017. It was inspired by a 1907 whisky which was extracted after 100 years under ice. A conservation team carefully extracted crates of whisky left behind by renowned polar explorer Sir Ernest Shackleton. Whyte and Mackay master blender Richard Paterson carefully selected 20 of the finest highland malts to recreate the antique whisky supplied to the British Antarctic Expedition. It has hints of vanilla, ginger and licorice on the nose, with a taste of on demerara sugar, manuka honey and dried pineapples, and a whisper of bonfire smoke in the finish.

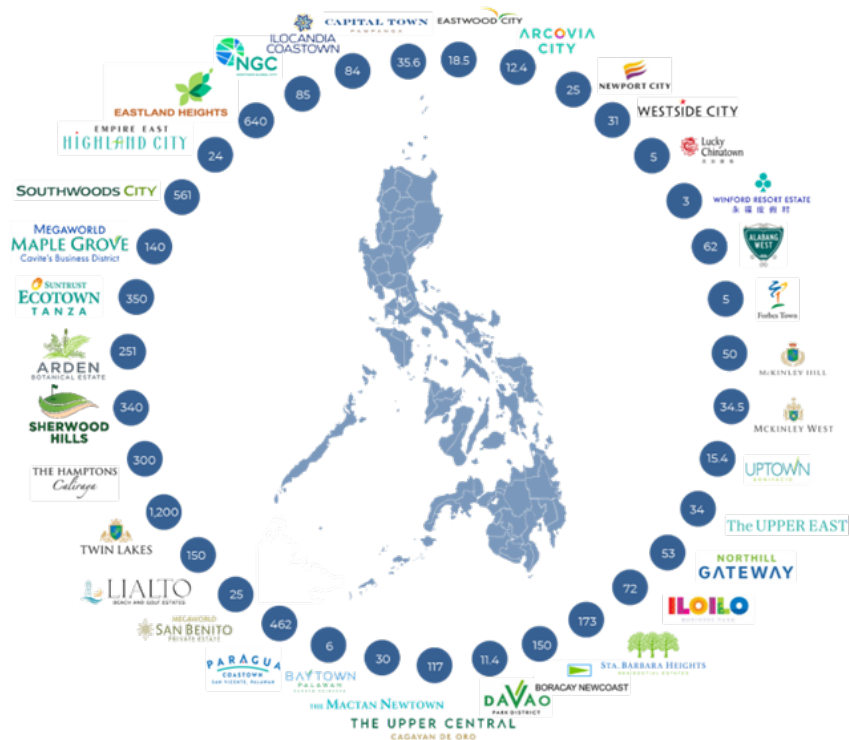
**John Barr, Cluny and Claymore** are all blended Scotch whiskies, a combination of malt whiskies and grain whiskies from a number of different distilleries.

**‘Glayva’**, a liqueur made from a blend of aged Scotch whiskies, a selected range of spices, Mediterranean tangerines, cinnamon, almonds and honey. It has a deep golden colour and a distinctive flavor. In 2022 Glayva launched a new consumer campaign in the UK, driving consumer recruitment by putting the award-winning flavour proposition front and centre.

**‘Invergordon’** is a new brand launched in 2024. It is a single grain whisky produced at Whyte & Mackay’s whisky production facility in North Scotland. The brand was designed to be distinctive in the broader whisky/ey category and offered three aged statements: 14, 18 and 21 Year Old. It is currently available exclusively in the USA, where it has secured national distribution.

Vendors may sell the products at higher or lower prices than EDI’s suggested retail prices, depending on outlet margin requirements and their operating costs. The Government does not regulate the price of alcoholic beverages in the Philippines. However, manufacturers of alcoholic beverages in the Philippines are required to pay an excise tax on alcohol production based on the percentage of alcohol contained in the beverage and net retail price.





## Megaworld

Megaworld's pioneering "live-work-play-learn" concept for integrated mixed-use communities, or commonly known as townships in the Philippines, has enabled it to launch over 800 residential developments, including condominium buildings, residential and commercial lots, alongside more than 1.5 million square meters of gross leasable office space, over 500,000 square meters of mall retail space, and more than 5,000 hotel room keys across 14 homegrown hotels. "Townships" integrate lifestyle convenience of having high quality residences in close proximity to office, commercial, educational, and leisure and entertainment facilities. The strategy is to lease all commercial and retail properties and sell all residential units. In instances where residential units are not all sold out upon completion of the project, Megaworld rents out these unsold units on a lease-to-own basis or lease with an option to buy.

A description of each of the group's 35 townships follows.

1. **Eastwood City** is Megaworld's first township and the Philippines' first IT cyberpark and the first to be granted special economic zone status by the Philippine Economic Zone Authority (PEZA). It sits on 18.5 hectare land home to a thriving residential, business, and lifestyle district, featuring 21 residential towers, 12 BPO office buildings, 4 commercial centres, and one hotel. Key retail establishments such as Eastwood Mall and Citywalk 1 & 2 provide shopping and leisure experiences, reinforcing Eastwood City's position as a premier urban destination.
2. **Forbes Town** is a 5-hectare township in Fort Bonifacio, Taguig City, offering an upscale residential and commercial environment inspired by resort-style living. It features 12 high-end residential condominiums, complemented by Forbes Town Road and Burgos Circle, which host dining, retail, and entertainment options. The township's strategic location within Fort Bonifacio provides accessibility to key business districts and lifestyle hubs, making it a preferred address for high-end urban living.
3. **McKinley Hill** is Megaworld's largest township in Metro Manila, which spans 50 hectares and is designed with Spanish-Mediterranean and Italian-inspired architecture. The township features an exclusive residential village, premium office towers, and key commercial and lifestyle developments such as the Venice Grand Canal Mall and McKinley Hill Stadium. It is home to foreign embassies,

international schools, and business hubs, making it a self-sustaining business district with a well-integrated live-work-play environment.

4. **Newport City** is a 25-hectare integrated tourism estate located across NAIA Terminal 3 in Pasay City. It features Newport World Resorts, which is a fully integrated leisure and entertainment complex renowned for its first-class gaming facilities, restaurants, world-class hotels and upscale shopping outlets. It hosts international hotel brands such as: Manila Marriott Hotel, Holiday Inn Express Manila Hotel, Hilton Manila, Sheraton Manila and Hotel Okura Manila under Travellers; and Belmont Luxury Hotel and Savoy Hotel which are condotel projects of Megaworld. It also features Travellers' Marriott Grand Ballroom, the largest events venue in the Philippines. The township also houses residential condominiums, office developments, and lifestyle destinations, including Newport Mall, which offers high-end retail and dining experiences. Runway Manila, a pedestrian bridge linking Newport City to the NAIA Terminal 3 airport, enhances connectivity, positioning the township as a key destination for business and tourism.
5. **Uptown Bonifacio** is a 15.4-hectare master-planned township in Fort Bonifacio, Taguig City, designed to reflect cosmopolitan living. It features high-rise luxury residential condominiums, state-of-the-art office towers, and premier commercial establishments which includes Uptown Mall and Uptown Parade. Uptown Bonifacio is one of Megaworld's fastest-growing townships as it is strategically located near international schools, corporate headquarters and the future Mega Manila Subway.
6. **McKinley West** is a 34.5-hectare upscale township located in Fort Bonifacio, Taguig City, adjacent to McKinley Hill and Forbes Park. It is the home to McKinley West Village, a premier gated community offering expansive lots and world-class amenities. The township also features residential developments such as The Albany, St. Moritz, and Park McKinley West's office district houses modern corporate headquarters and commercial spaces, complementing the residential lifestyle with retail establishments, dining options, and recreational facilities. McKinley West provides seamless connectivity to Bonifacio Global City (BGC) and major thoroughfares, making it a prime address for professionals and investors.
7. **The Mactan Newtown** is a 30-hectare integrated township in Lapu-Lapu City, Cebu, designed as a premier business, residential, and tourism hub. The development features 10 residential projects, five office towers, a retail and lifestyle center, and two hotels, including the Savoy Hotel Mactan. The township also houses the Newtown School of Excellence and Mactan Newtown Beach, reinforcing its identity as a self-sustaining live-work-play-learn tourism estate. Future developments include the Mactan Newtown Beach Mall, Mactan Expo, and World Museum, further enhancing the township's retail, events, and cultural offerings.
8. **Iloilo Business Park** is a 72-hectare mixed-use township in Mandurriao, Iloilo City, envisioned as the region's premier business, financial, and lifestyle district. The development includes 10 residential projects, 10 BPO office towers, a full-scale mall, and two hotels. The township is also home to the Iloilo Convention Center, positioning it as a key economic driver in Western Visayas.
9. **ArcoVia City** is a 12.3-hectare mixed-use township along E. Rodriguez Avenue in Pasig City. The township integrates residential, commercial, and office developments within a well-planned urban environment. It features 18 Avenue de Triomphe, ArcoVia Palazzo, and ArcoVia Park Place, as well as the 31-story ArcoVia Hotel. The township also highlights Arco de Emperador, a 19-meter monument symbolizing success and perseverance. Retail and commercial establishments, such as The View Deck and Arco Parade, further enhance the community's dynamic lifestyle.
10. **Davao Park District** is an 11-hectare mixed-use township in Lanang, Davao City, designed as Davao's first central business district. The development includes four residential projects, corporate office towers, and a lifestyle hub, creating a modern urban environment. Notable projects within the township include the Davao Finance Center and One Republic Plaza, which serve as key corporate landmarks. The township also features The Clock Tower, adding to its distinct identity as a prime business and residential address in Davao.
11. **Suntrust Ecotown** is a 350-hectare industrial township in Tanza, Cavite, positioned as an eco-friendly business and logistics hub. It integrates industrial zones, commercial areas, residential developments, and leisure spaces, creating a self-sustaining economic hub. The township prioritizes

sustainable infrastructure, including waste management systems and energy-efficient facilities, making it an ideal location for industrial locators and investors.

12. **Boracay Newcoast** is a 150-hectare master-planned tourism estate on the eastern side of Boracay Island, that offers a balance of residential, commercial, and leisure developments. The township houses 11 residential projects, four hotels, and a commercial and entertainment district. It is home to the 18-hole Fairways & Bluewater golf course, a 2.6-kilometer main road, and a kilometer-long coastline with three private coves. Boracay Newcoast is designed as an eco-sustainable community that integrates modern infrastructure, a centralized sewage treatment plant, and underground utilities, making it a premier resort and investment destination.
13. **Twin Lakes** is a 1,300-hectare master-planned tourism estate in Laurel, Batangas, offering a distinct European-inspired countryside living experience. Designed as the Philippines' first vineyard resort township, it features residential villages, resort accommodations, commercial hubs, and a vineyard plantation. The development is nestled in a high-altitude location, providing a cooler climate and panoramic views of Taal Lake and Volcano. Twin Lakes integrates nature, leisure, and wellness, making it a premier residential and tourism destination in Southern Luzon.
14. **Southwoods City** is a 561-hectare township spanning Carmona, Cavite, and Biñan, Laguna, that was master-planned as a live-work-play community. It features residential villages, office developments, commercial centers, and leisure facilities, including the Jack Nicklaus-designed Southwoods Golf and Country Club. Strategically located near major highways, Southwoods City is positioned as a business and lifestyle hub in the South.
15. **Alabang West** is a 62-hectare exclusive residential township located in Las Piñas City. Designed as a premier suburban enclave, it features 785 residential lots, complemented by upscale lifestyle amenities such as a clubhouse, fitness center, swimming pools, sports courts, and landscaped parks. The township's commercial hub is envisioned as a lifestyle destination, integrating retail, dining, and entertainment spaces to enhance the live-work-play experience.
16. **The Upper East** is a 34-hectare township in Bacolod City, inspired by New York's Upper East Side, that is set to become the city's new central business district (CBD). It features 10 residential projects, office towers, and a transport hub, with 35% of the township dedicated to open spaces. Key developments include Upper East Mall, Landers Superstore, and McDonald's Upper East, the largest McDonald's in the region. The township integrates smart city technologies, such as underground cabling, LED streetlights, fiber-optic connectivity, and a flood-free drainage system, reinforcing its identity as a future-ready, sustainable community.
17. **Northill Gateway** is a 50-hectare mixed-use township located along the Bacolod-Silay Airport Access Road, that was designed as a business, leisure, and residential hub. The township features four residential projects, a boutique hotel, and a commercial district, blending Bacolod's heritage with modern urban infrastructure. Positioned as a key gateway between Bacolod and Silay, Northill Gateway offers strategic accessibility for businesses and investors.
18. **Sta. Barbara Heights**, is a 173-hectare master-planned township in Sta. Barbara, Iloilo that integrated four residential phases, a commercial district, and leisure amenities. The development features a five-hectare Village Center and Country Club, the first of its kind in Iloilo. It is connected by the six-lane Iloilo International Avenue, providing direct access to Iloilo International Airport. Future developments include a business park and an international school, positioning Sta. Barbara Heights as a prime gateway to Iloilo's commercial expansion.
19. **Capital Town** is a 35.6-hectare mixed-use township located in San Fernando, Pampanga, envisioned as the region's premier central business district. As Megaworld's first township in Central Luzon, it integrates residential, commercial, cultural, and institutional developments while preserving Pampanga's historical significance. The township features a 6.3-hectare Shophouse District, a three-level Capital Mall, and several high-rise residential condominiums, including Chelsea Parkplace, Bryant Parklane, Montrose Parkview, and Saint Marcel Residences. Sustainable and cultural landmarks such as the Pasudeco Sugar Mill Museum, Rainwater Park, and the statue of Gen. Maximino H. Hizon further enhance its identity. The township is strategically located 70 kilometers from Manila and 30 minutes from Clark International Airport, providing excellent connectivity for



businesses, investors, and residents. Capital Town will also feature the 16-story Savoy Hotel Capital Town further supporting its position as Pampanga's emerging business and lifestyle hub.

20. **Westside City** is a 31-hectare integrated tourism estate in Parañaque City, strategically located within Entertainment City. Designed as a world-class leisure and gaming hub, it features luxury residential condominiums, local and international hotel brands, and a grand opera house. The township also houses a premier casino and entertainment complex, making it a key contributor to the country's tourism and gaming industries. Comprising distinct districts—Kingsford, Sunset, and South Beach—Westside City offers a seamless blend of upscale living, business, and entertainment in a dynamic urban environment.
21. **Maple Grove** is a 140-hectare sustainable urban township in General Trias, Cavite, designed with eco-friendly infrastructure and green spaces. The development includes residential and commercial districts, office spaces, and a greenhouse-themed mall. Notable features include a 2-hectare Rainwater Park with a flood detention facility, dedicated bike lanes, and tree-lined roads, reinforcing its position as Cavite's first green Central Business District.
22. **Eastland Heights**, is a 640-hectare integrated lifestyle township in Antipolo City, Rizal, designed around the concept of ecotherapy. The development is 1,000 feet above sea level, offering panoramic views of the Sierra Madre. It features exclusive residential communities, a 36-hole golf course, a retail hub, and a private international school, positioning it as a premier wellness and nature-oriented township.
23. **The Hamptons Caliraya** is a 300-hectare lakefront lifestyle township in Cavinti, Laguna, inspired by the luxurious waterfront communities of The Hamptons, New York. It features private residential estates, a golf course, and a marina complex, offering high-end leisure and recreational living. The township provides direct access to Caliraya Lake, making it an ideal location for watersports, golf, and luxury tourism.
24. **Highland City** is a 24-hectare elevated township in Cainta, Rizal, envisioned as a modern "city in the sky". The development integrates residential towers, commercial spaces, and retail hubs within a master-planned urban setting. With wide open spaces, tree-lined roads, and a central park, Highland City is designed as a self-sustaining residential and business hub in the Eastern Metro Manila corridor.
25. **Arden Botanical Estate** is a 251-hectare nature-inspired township spanning Trece Martires and Tanza, Cavite. Developed as an eco-friendly and sustainable community, it features residential villages, a commercial district, an adventure park, and a botanical garden. The township incorporates sustainable infrastructure, including stormwater recycling, permeable pavements, and electric trams, reinforcing its commitment to environmental conservation.
26. **Lucky Chinatown** is a 5-hectare mixed-use development in Binondo, Manila, serving as a cultural and commercial hub that bridges tradition with modernity. Anchored by Lucky Chinatown Mall, the development offers a diverse retail experience, lifestyle attractions, and entertainment options. It also features residential and office spaces, along with heritage-inspired elements such as the Chinatown Museum, creating a unique and immersive experience in the world's oldest Chinatown.
27. **Paragua Coastown** is a 462-hectare eco-tourism township in San Vicente, Palawan, positioned as a sustainable tourism and lifestyle hub. It features beachfront hotels, private villas, a wellness center, a cultural events space, and a town center, all designed with low-impact, eco-friendly architecture. Located 10-15 minutes from San Vicente Airport, Paragua Coastown is set to become a premier international tourism destination.
28. **Northwin Global City** is an 85-hectare mixed-use township development spanning Marilao and Bocaue, Bulacan, positioned as the province's first global business district. The township will serve as a key economic hub, integrating corporate office towers, a commercial district, residential developments, hotels, malls, and educational institutions. Designed as an iTownship, it will incorporate green infrastructure, wide sidewalks, underground utility cabling, fiber-optic connectivity, and solar-powered streetlights. Northwin Global City is strategically located 20 kilometers from Metro Manila, accessible via the NLEX Marilao Exit, and will host a station for the Manila-Clark Railway Project, providing seamless connectivity to Clark, Metro Manila, and the future New Manila International Airport. With its master-planned urban landscape, Northwin Global City is set to transform Bulacan into a thriving business and lifestyle destination.

29. **Winford Resort Estate** is a 3-hectare integrated urban resort development in Manila, envisioned as a premier lifestyle and entertainment destination. The estate includes high-end residential towers, retail and commercial spaces, and future mixed-use developments. Positioned near Manila's historic districts, Winford Resort Estate combines modern urban living with upscale leisure and entertainment options, redefining the city's luxury lifestyle experience.
30. **Sherwood Hills** is a 340-hectare township in Cavite where the Jack Nicklaus-designed Sherwood Hills Golf Club is located. The development integrates private residences with leisure and recreational facilities, creating a high-end lifestyle community. Its strategic location near Metro Manila and major highways makes it a sought-after address for golf enthusiasts and investors.
31. **Baytown Palawan** is a 5.4-hectare mixed-use township in Puerto Princesa, Palawan, featuring residential condominiums, hotel developments, and commercial spaces. Positioned as Megaworld's second township in Palawan, it is located along Puerto Princesa South Road, just 3.7 kilometers from the international airport. The township offers scenic bay views and is set to become a business and tourism hub in Puerto Princesa.
32. **Ilocandia Coastown** is an 84-hectare tourism and eco-lifestyle township development located in Laoag City, Ilocos Norte, that is envisioned as a sustainable beachfront community. As Megaworld's first township in Northern Luzon, it will integrate residential, commercial, and hospitality components, catering to both local and international tourists. The development features a 1.4-kilometer beach line along the West Philippine Sea, with planned upscale residential villages, a shophouse district, a commercial center, and a town center that will include office spaces, hotels, and event venues. Approximately 30% of the township is dedicated to open spaces, ensuring a sustainable and environmentally conscious urban landscape.
33. **Lialto Beach and Golf Estate** is a 150-hectare exclusive beachfront and golf township in Lian, Batangas, featuring an 18-hole golf course, private estates, a beach clubhouse, and a resort community. It will boast 900 meters of beachfront along the West Philippine Sea, making it an ideal destination for resort-style living and high-end tourism. Located just three hours from Metro Manila and one hour from Tagaytay, it offers a balance of luxury, nature, and recreation.
34. **San Benito Private Estate** is a 24.4-hectare luxury residential and wellness township in Lipa, Batangas, featuring premium residential estates, a wellness-focused hotel, and commercial spaces. Approximately 50% of the development is dedicated to open spaces, with views of the Malepunyo Mountain Range. Located 30 minutes from Lipa City Hall and two hours from Metro Manila, it is designed to be a tranquil, health-centric retreat for residents and visitors.
35. **The Upper Central** is a 117-hectare township in Cagayan de Oro City, envisioned as a modern, mixed-use urban district. The development integrates multiple residential projects, commercial districts, shophouses, and mixed-use developments, with 40% of the township dedicated to open spaces. Strategically located along J.R. Borja Road, the township offers future connections to DPWH bypass roads and is approximately 39 kilometers from Laguindingan International Airport. It also features bike lanes, an adventure park, and pedestrianized commercial strips, reinforcing its sustainable and well-connected urban master plan.

The GERI group has a diversified real estate inventory including residential and commercial lots, residential condominium units, condominium hotel units, and golf club shares. It has eight integrated tourism developments across the country covering more than 3,300 hectares of land. Its property developments include the following:

1. **Boracay Newcoast** is the first and only tourism estate development with world-class resort offerings in the northeast side of Boracay. It sits on 150-hectare of land and will house a private residential village, specialty boutique hotels, shop houses and a massive commercial center called Newcoast Station and international hotel brands. Its Fairways & Bluewater Newcoast, a premier luxury eco-friendly vacation hotel, has over 250 well-appointed guestrooms, each with a spectacular view of an 18-hole par-72 golf course, the only one in the island. Fairways & Bluewater Newcoast features three private white sand beach coves. (See under Townships)

2. **Twin Lakes** is the first and only vineyard resort community in the Philippines, located in the rolling terrains of Tagaytay overlooking the world-famous Taal Lake. The master-planned integrated tourism estate that sits on a 1,200-hectare property will feature real vineyard and chateaus, residential condominiums and villages, hotels, nature park as well as commercial and retail hubs. (See under Townships)
3. **Sta. Barbara Heights** is a vast township rising on a 173-hectare property beside the Sta. Barbara Golf Course, known as Asia's oldest golf course, located in Sta. Barbara, Iloilo. (See under Townships)
4. **Southwoods City** is a 561-hectare mixed-use development with golf course situated on the boundaries of Biñan, Laguna and Carmona, Cavite. (See under Townships).
5. **Alabang West** is a 62-hectare residential and commercial development in Las Piñas City. (See under Townships)
6. **Eastland Heights** is a 640-hectare township development along Marcos Highway with some areas overlooking Metro Manila's panoramic skyline. (See under Townships)
7. **The Hamptons Caliraya** is a 300-hectare sprawling community surrounding Lake Caliraya in Lumban-Cavinti, Laguna. The Hamptons Village is a high-end residential area with 112 lots ranging from 504-1281 sqm. (See under Townships)
8. **Arden Botanical Estate** is a 251-hectare property in Trece and Tanza, Cavite that will be highlighted by flower farms and gardens.
10. **The Lindgren** is a 17-hectare residential village offering lots ranging from 159sqm to 252sqm.
11. **Mountain Meadows** is a 260-hectare residential subdivision in Cagayan de Oro with a 4-hectare commercial area at the entrance of the project.
12. **Newport Hills** is a 127-hectare integrated residential and golf development in Lian, Batangas.
- 10.
13. **Lialto Beach and Gold Estates** is a sprawling integrated lifestyle community on a 150-hectare beachside property in Lian Batangas.

ELI's real estate portfolio is composed of multi-cluster mid- to high-rise condominium projects and multi-phase subdivision developments in key locations in Metro Manila and the South. ELI set the trend for transit-oriented developments ("TOD") where condominium communities are directly linked to mass-transit systems for faster and more efficient mobility in the metro. ELI's portfolio also includes ready-for-occupancy ("RFO") units available in its various high-rise development projects in Metro Manila. These include the following:

1. **Laguna BelAir** is ELI's flagship township project located outside of Metro Manila. The 156-hectare horizontal development in Sta. Rosa, Laguna is a complete community setting featuring several residential phases with American-inspired homes, commercial blocks, recreational amenity zones, a science-oriented school and a parish church. The project has spearheaded various residential and commercial developments in Santa Rosa City which is now dubbed as the "New Makati City of the South."
2. **The Sonoma** is the second township project outside Metro Manila. It is a 50-hectare horizontal development in Sta. Rosa City, Laguna. The community is centered by a clubhouse, complete with luxurious swimming pools, open courts, function rooms and other recreational facilities. The four residential land development phases, namely, The Enclave, The Country Club, The Pavilion and The Esplanade, have been completed and with a limited number of lots still available.
3. **The Cambridge Village** along East Bank Road in Pasig-Cainta boundary, is an 8-hectare micro-city community development that features resort-style recreational amenities, ground level retail stores, an expansive central park, and a parish church. All 37 towers of 6-10 levels are now nearly sold out and are ready for occupancy.
4. **The Rochester**, a seven-tower, mid-rise urban resort community at Elisco Road, San Joaquin, Pasig City. The low-rise Garden Villas 1 and 2, mid-rise Breeze Tower, Parklane Tower, Palmridge Tower, Hillcrest Tower and the newly-turned over Bridgeview Tower are sold out and ready for occupancy. The residents are currently enjoying resort-style amenities like the community clubhouse with bar area, alfresco lounge, function room, fitness gym, 25-meter lap pool and a kiddie pool, pocket gardens, a

children's play area and multi-purpose open court. Spacious bi-level suites with floor areas up to 93 square meters are available in some towers.

5. **San Lorenzo Place** is a luxurious 4-tower high-rise development on a 1.33-hectare property along EDSA corner Chino Roces Avenue, Makati City standing on a podium with an upscale shopping mall directly linked to MRT-3 Magallanes station. The project offers unparalleled accessibility to major business districts such as Makati, Bonifacio Global City and Ortigas with high-end amenities such as swimming pools, tennis court, fitness gym, jogging paths, gardens, function room, daycare center and clubhouse at the sixth level. All four towers were completed and sold out.
6. **Pioneer Woodlands** is a prime 1.27-hectare development and is one of Metro Manila's highly coveted TOD addresses that offers a transit-oriented lifestyle to its residents as it is connected directly to MRT-3 Boni station. It is located along EDSA corner Pioneer Street in Mandaluyong City, providing premium mobility and accessibility to the central business districts of Makati, Ortigas and Bonifacio Global City. The project has 6 high-rise towers, recreational amenities at the 5<sup>th</sup> level. Towers 1 to 5 have been completed and almost sold out, while Tower 6 with few units left is in full swing construction.
7. **Little Baguio Terraces** is a 4-tower mid-rise condominium community along Aurora Boulevard and N. Domingo Street, San Juan City. This TOD is between Gilmore and J. Ruiz station of LRT-2, that offers easy access to the top academic institutions in Manila's "University Belt" and the Katipunan area in Quezon City. Its four ready-for-occupancy residential towers are now complete and sold out. Residents currently utilize the recreational facilities located at the podium level.
8. **Kasara Urban Resort Residences** is a 1.8-hectare five-star six-tower resort community located between Eagle Avenue and P. E. Antonio Street near C5 Road in Ugong, Pasig City. About 60% of this property features an open-air play area, a fitness facility, jogging paths, a kiddie pool, waterfalls, a koi pond, bubblers, landscaped gardens, a function hall with bar area at the clubhouse and a lake-inspired swimming pool which is the centerpiece of this development. The project is nearly sold out, with Towers 1, 2 and 3 ready for occupancy, Tower 5 is nearing turnover and construction of Towers 4 and 6 is ongoing.
9. **Mango Tree Residences** is a two-tower high-rise community situated on a 3,000-square meter elevated and hilly terrain property along M. Paterno and J. Ledesma Streets in San Juan City. This development is bordered by decades-old mango trees that will be preserved amid the construction. With only 9 to 12 suites per floor and a perfect mix of executive studio, 1-to-2 bedroom suites and penthouse units, residents are ensured of ultimate privacy and exclusivity. The 38-level West Residences has been turned over to homebuyers, with only a few units left, while the 34-level East Residences with available units has been topped off and will soon be completed.
10. **Covent Garden** is a two-tower Transit-Oriented Development on a 5,033-sqm property located along Santol Street Extension in Santa Mesa, Manila and is of walking distance to LRT-2 V. Mapa station and the Metro Skyway Stage 3 Extension, was intelligently maximized and gives the occupants access to elevated open spaces and recreation areas. Every level of residential condos has an unhindered view of the Metro Manila skyline. South Residences is fully built and boast a high occupancy rate among homeowners and tenants, while construction of North Residences is nearing completion. All executive studios and 1-bedroom suites have been sold out while limited 2-bedroom suites and bi-level units remain available.
11. **The Paddington Place** is a four-tower Transit-Oriented Development on an 8,816 sqm property along Shaw Boulevard, Mandaluyong City, is conveniently walkable towards the MRT-3 Shaw Boulevard station and the Ortigas CBD across EDSA. Towers 1,2 and 3 are almost sold out. Construction is in full-swing, with the completion of the residential towers expected in 4 to 5 years.
12. **Empire East Highland City**, ELI's largest development in scale to-date, is a 22.8-hectare elevated sustainable township along Felix Avenue at the boundary of Pasig City and Cainta, Rizal. It is accessible to LRT-2 Marikina Station and the upcoming MRT-4 Cainta Junction Station. The project features an 8,000-sqm Highland Park hosting lush greeneries, church and Highland Mall. On the much elevated side is the 37-tower condominium complex called Highland Residences and The Chartered Club which is the center of the neighborhood. The Towers 1 to 4 of Arcadia, the first residential phase, are nearly sold out. (See under Townships)

13. **South Science Park** is a 51-hectare mixed-used development in Gimalas, Balayan, Batangas in Southern Luzon region.

**SPI's projects** provide affordable homes in well-planned and secured community developments. Its communities feature commercial centers, clubhouses and other amenities, schools and 24-hour security. These include the following:

#### *Cavite*

1. **Cybergreens** is a one-of-a-kind community in Cavite that offers a perfect balance of modern convenience and nature. It is a community with broadband-ready garden villa and where residents can go online outdoors via Wi-Fi access. This 123,123 sqm. Community is already sold out.
2. **Cyberville** is located inside Sunrise Hills Subdivision in Brgy. Santiago General Trias, Cavite, this 20.06-hectare modern community is equipped with family-friendly amenities like flower, botanical and rock gardens, playgrounds, court and a clubhouse where residents can celebrate their intimate family affairs.
3. **The Gentry Heights** offers modern-Asian homes in a 41.33-hectare property in General Trias, Cavite, neighbored by first-rate schools, business hubs, churches and top industrial zones
4. **Governor's Hills** is a Californian-Mediterranean-style homes with choices such as Jazmine, Sophia, Ysabella, Katrina and Casa Verona that also comes with beautiful amenities. Governor's Hills also offers good education for students through its very own Governor's Hills Science School. This 89-hectare community offers nine villages, situated in Biclatan, General Trias, Cavite.
5. **Rivabella** is a 3-hectare landscape community located in Sherwood Hills beside the golf clubhouse in Trece Martirez, Cavite that makes use of an Italian concept for its spacious, well-designed homes. This is already sold out.
6. **Suntrust Verona** is located in Silang, Cavite which is inspired by its namesake, the Italian City of Verona. It is a 63-hectare enclave that is made up of three residential phases and showcases a variety of single-detached duplex homes-all exquisitely designed and embraced by lush nature spaces.
7. **Washington Place**, a 40-hectare prime property along Aguinaldo Highway in Dasmariñas, Cavite that boasts of modern-themed architectural designs with two basketball courts and serenity garden.
8. **Washington Heights** is Suntrust's first mid-rise condominium project in Cavite, it is set to transform the thriving landscape of the community. Nestled within the iconic Washington Place along Aguinaldo Highway in Dasmariñas, Cavite, this four-tower development spans over 7,300 sqm and enjoy the convenient access via South Luzon Express Way (SLEX) and Cavite-Laguna Expressway (CALAX).

#### *Laguna*

9. **Suntrust Sentosa** is a two-phased residence in a 21.8-hectare lot in Calamba City, Laguna that is inspired by the popular island resort in Singapore. It boasts not only one but two Merlion replicas in its community façade.
10. **Sta. Rosa Heights** is composed of Spanish –themed homes that also comes with a 20,030-square meter leisure area that includes a clubhouse named Vista del Santa Rosa, Lagoon type pool, basketball court, jogging lanes and children's playground. It is sold out.
11. **Sta. Rosa Hills**, a 7-hectare property, is sold out.
12. **The Mandara** is a 14-hectare Asian-inspired community near Tagaytay that transforms into a gateway leading to the best of Sta. Rosa, Laguna. It is already sold out.
13. **San Francisco Heights**, a 23.46-hectare Mediterranean-inspired community. Its breathtaking amenities inspired by the wonders of San Francisco, California. It is situated in Calamba, Laguna.
14. **Gran Avila** is the latest economic housing project in Calamba, Laguna. It encompasses 16.25 hectares of modern-themed development divided into five phases.

#### *Batangas*

15. **Siena Hills** is a 51-hectare Italian-themed community that's peacefully nestled in Lipa City.
16. **Avila Heights** is a townhouse community situated in 7,500 sqm property in Sto. Tomas, Batangas.

#### *Pampanga*

17. **The Arcadia** is a 22.6-hectare property located at Porac, Pampanga. Equipped with numerous nearby destinations that cater to your business, educational, or leisure needs, this residential community is ready to be Pampanga's home of the future. Marvel at the luxurious and pristine countryside living through its modern contemporary homes and resort-inspired amenities that will surely suit your lifestyle.

#### *Negros Occ.*

18. **The Fountain Grove** is a 24.52- hectare residential enclave located inside Northhill Gateway in Talisay City (see Townships). It is the perfect balance between contemporary design and lush nature.
19. **La Riviera** is a 23.55-hectare property along the Western Nautical Highway in Barangay Tinampa-an, Cadiz City, Negros Occidental. The project is envisioned to be a prime mixed-used residential community.

#### *Tagum*

20. **The Palm City** is rising soon a 27.7-hectare property in Tagum. It offers carefree yet sophisticated lifestyle as if you are on a vacation all year round.

#### *Davao City*

21. **One Lakeshore Drive** is a condominium in Davao City that brings together the serenity of a lifestyle by the lake and the vitality of Mindanao's first-ever live-work-play-learn township, the Davao Park District (see Townships). Rising soon is **Two Lakeshore Drive** and **The Eastpark Residences** as well.

#### *Baguio City*

22. **Suntrust 88 Gibraltar** is Mediterranean inspired condo-homes situated in the heart of the country's Summer Capital, and is already sold out.
23. **The Mist Residence** gifted with multitude of charming and profound beauty with a scenic view on a 2,499.48 sqm lot in Bakakeng Central, Baguio City.
24. **The Sofia Terraces** is elevated in a sloped terrain, that paints a magnificent picture of the City of Pines, with a panoramic view of the city's mesmerizing lights in the nighttime, and an awe-striking pine tree hillside in the daytime. It has a land area of 3,232 sqm specifically designed to blend in with the terrain. Sofia terraces will be your own escape from the bustling city to a picturesque mountainside that puts you at the peak of serenity, and lets you enjoy the weather and misty air of Baguio City, right within your own community.
25. **Le Dominique** is a contemporary French Chateau Inspired Design that shows intricate details of mansard roof, natural stones and softer shades of earthy browns accentuated by pastel colors. It captures the chateausque style that compliments the natural surroundings of the city of pines. It is located in Dominican Hill, Baguio City with total land area of 4,758sqm and an estimated 303 residential and 6 commercial units.

#### *Metro Manila*

26. **Suntrust Treetop Villas**, a 6,122-sqm low-dense community in Madaluyong City, is sold out.
27. SPI condominiums in Manila namely **Suntrust Adriatico Gardens**, **UN Gardens** and **Suntrust Parkview** are already sold out. **Suntrust Solana** which is a two-tower condominium on a 3,214-sqm lot in Ermita, Manila is a modern contemporary inspired community.
28. **Suntrust Kirana**, a four-tower "ecopolis" on 7,083-sqm property is a *beautiful ray of light* in Pasig City.
29. **Suntrust Shanata** is a 33,421-sqm project of 12-cluster towers in Novaliches, Quezon City.
30. **Suntrust Asmara** is a three-tower condominium community with a low-density design located along E. Rodriguez Avenue, Quezon City on an 8,459 sqm lot.
31. **Suntrust Amadea** is a two-tower condominium project in 4,174.35-sqm in Paligsahan, QC.
32. **Suntrust Capitol Plaza**, a 33-storey tower located in the heart of Diliman, Quezon City, is emerging as a landmark and one of the city's tallest residential structures. It is designed in the 1920s Palazzo

style with a façade enlivened by cornices and corbelled arches and a lobby with a circular foyer with columns and a grand, sweeping staircase.

33. **Suntrust Ascentia** ascends you to a higher standard of quality urban living, letting you live in the middle of the renowned Sta. Ana Manila. This modern contemporary tower is envisioned to rise as a landmark that represents Sta. Ana’s timeless beauty and elegant heritage. Inspired by the Filipino traditional motifs of the 1970s, this 5,210 sqm condominium community showcases state-of-the-art amenities and well-crafted studio, 2-bedroom and 3-bedroom units designed for residents’ comfort and convenience.

#### *Palawan*

34. **Sonrisa Gardens** is a 34,955 sqm property located at Brgy. San Pedro, Puerto Princesa, that signifies a life adorned with joy, happiness and boundless positivity. The name “Sonrisa” means smile in Spanish that encapsulates the very essence of this prestigious development. It is set against a backdrop of panoramic vistas and captivating views and offers a tapestry of serenity and endless possibilities. This property is distinguished by its lush gardens and open spaces that promote a serene lifestyle while providing easy access to urban conveniences.

#### **Travellers**

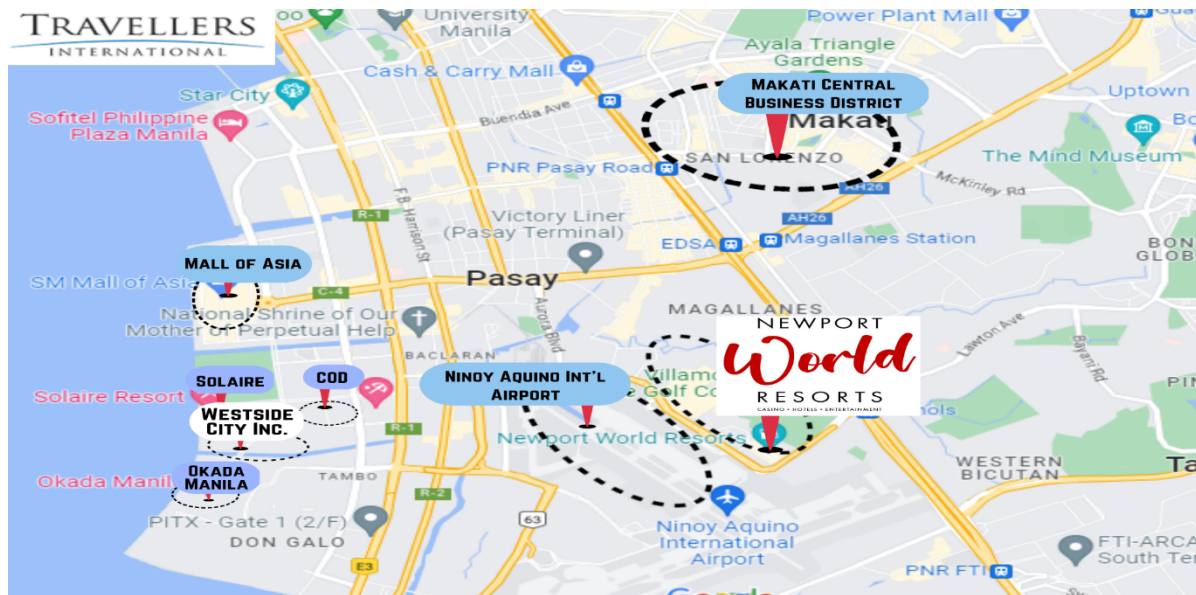
**Newport World Resorts (“NWR”, formerly known as Resorts World Manila or RWM)**, Travellers’ first integrated leisure and lifestyle complex, combines hospitality, entertainment, leisure, shopping and gaming into a one-stop non-stop destination. NWR operates gaming facilities at the Garden Wing, which includes Newport Club (a members-only lifestyle club, with a private gaming area, dining options and other fabulous lifestyle features), and at the Grand Wing and Holiday Inn Express Manila Newport City, with an aggregate area of 63,251 square meters that covers all casino area including BOH, circulation and common areas but excludes food and beverage areas. As of the end of 2024, NWR has 476 casino tables and 2,092 slot machines and 182 electronic gaming machines (EGMs). NWR also features the upscale **Newport Mall** (84 retail stores and food-and beverage outlets with a mix of high-end boutiques and mass market option), **Newport Cinemas**, the 1,710-seat **Newport Performing Arts Theater** (a majestic venue for concerts, plays, musicals and exclusive productions), **the Horizon Center** (a commercial and office building leased to tenants) and hotels.

Five hotels are currently in operation at NWR – i) the five-star 570-room **Marriott Hotel Manila** opened in October 2009, ii) the five-star 357-room **Hilton Manila** opened in October 2018, iii) the five-star 386-room **Sheraton Manila Hotel** opened in January 2019, iv) the mid-range 737-room **Holiday Inn Express Manila Newport City** opened in February 2018 and v) the 190-room **Hotel Okura Manila** opened in December 2021. Outside Metro Manila, **Courtyard by Marriott Iloilo** located in Iloilo Business Park, Iloilo City opened in 2018 and provides an additional of 326 rooms to the Company’s hotel operations.

NWR also boasts of the **Marriott Grand Ballroom**, a MICE venue with a 3,000-square meter pillarless ballroom. It is a versatile luxury space within Metro Manila and has taken center stage as the preferred venue for conventions and social affairs including internationally acclaimed performances, making full use of the impressive high-tech column-free ballrooms. The facility holds 20 individual meeting rooms and its ballroom features 6 VIP multi-use skyboxes, offering a large array of flexibility in hosting multiple events.

**RunWay Manila**, a 220-meter pedestrian link bridge that connects NAIA Terminal 3 and the Newport City, opened in April 2017. It stands 65 meters above Andrews Avenue at Pasay City, is a fully enclosed, air-conditioned bridge with moving walkways and elevators. It is designed to accommodate up to 2,000 persons at any time, or up to 216,000 individuals per day.

*Location map of the two RW sites*



## GADC

**McDonald's** is one of the world's most recognized brands. All McDonald's restaurants in the Philippines are operated either by GADC or by independent entrepreneurs or franchisees under a sub-franchise agreement. The McDonald's System in the USA is adopted and used in the domestic restaurant operations, with prescribed standards of quality, service and cleanliness. Compliance with these standards is intended to maintain the value and goodwill of the McDonald's brand worldwide.

McDonald's restaurants offer a range of quality products in all its restaurants at value prices, served fresh, hot and fast across all its channels by its friendly and courteous crew and managers, 24/7. The McDonald's menu includes iconic, global core menu items like **Big Mac**, **Quarter Pounder with Cheese**, **Cheeseburger** and **World Famous Fries**, as well as local favorites' that cater to the unique Filipino taste like **Chicken McDo**, **McSpaghetti**, and **Burger McDo**. The inclusion of local menu items in McDonald's Philippines' menu is designed to appeal to a broad target market across various socio-demographics and age groups. McDonald's also offers McCafe, a range of coffee products which include specialty espresso-based coffee products.

To continue in surprising and delighting customers, new menu items are introduced either as permanent or limited time menu offers.

Over the years, McDonald's has been at the forefront of the industry in elevating the customer experience by making customer favorites more accessible and convenient to enjoy through relevant innovations in its channels- Digital, Delivery and Drive-Thru. These channels have been key in enabling McDonald's brand to connect with customers at various touchpoints, providing optimal convenience through a modernized experience. With deliberate focus and strategic investments on its channels, McDonald's has ensured relevance with customers amidst rapid changes in customer preferences, as well as market and industry conditions. It is this commitment to consumer relevance that has allowed the company to survive and even thrive during the pandemic, while laying up the foundation for recovery and growth in the future.

## Pik-Nik

Pik-Nik is an all-American fresh-fried potato snack line that includes Shoestring Potatoes, cheese balls and cheese curls, potato chips and French-fried onion salty snacks manufactured and distributed internationally from USA by a wholly-owned subsidiary of AGI. Pik-Nik is the market leader in shoestring potato snack in the USA and is made with no preservatives or artificial ingredients. The products are packed in resealable, "stay-



### Foreign Sales

EDI local products have established international distribution in at least 60 countries outside the Philippines.

Whyte and Mackay's overriding objective is to operate as a global branded drinks company which delivers sustainable rates of growth and returns that increase overall shareholder value. The Group operates in the UK and increasingly in international markets including the Travel Retail sector. Sales in EMEA, Latin America, India and Global Travel Retail continued to rise in 2024. Whyte and Mackay continues to invest across the business for future growth. It maintains a strong level of Strategic Marketing support across its expanding brand portfolio and increased its commercial resources in key disciplines and geographies. Moreover, Whyte and Mackay invested in the assets of the business to improve efficiency and flexibility and has continued to invest in barrels, ensuring its spirit quality remains at the highest levels.

Map showing EMI group's global reach:



## **Megaworld**

Foreign sales of real estate products contributed approximately 17% and 18% of Megaworld's consolidated sales and revenues for 2024 and 2023. Foreign sales came from North America 25% (41% in 2023), Europe 68% (46% in 2023), Asia 4% (6% in 2023) and Middle East 3% (6% in 2023) through various brokers.

GERI has a broad market base that consists of end-users and investors. It targets the A and B markets with special niche products such as the integrated-tourism estates and integrated lifestyle communities with residential, commercial and leisure components. GERI's sales to foreign market accounted for 10% and 6% of GERI's consolidated real estate sales for the years 2024 and 2023, respectively.

ELI has minimal foreign sales.

## **Travellers**

Based on Travellers' rated members (those members with gaming activity), the principal foreign market consistently contributing for 2024 were from East Asia and Southeast Asia. In addition to these, foreign guests in NWR hotels came from United States, China, Korea, Singapore, Thailand, Japan, Canada, Malaysia, Taiwan and Australia.

## **Pik-Nik**

Pik-Nik products are being sold locally in USA and exported to other countries. The domestic volume in the USA depleted 9% due to lost sales from several customer accounts including distributors, wholesalers and private label. International sales outside the USA on the other hand, increased 14%. Midwest is still the strongest market in the US, followed closely by Southeast, Texas and New England.

## Distribution Methods

### **EMI**

EMI's products are distributed in at least 116 countries globally. Products are sold through general trade, modern trade, on-premise, self-owned stores and online platforms. Promotion strategy depends upon the brand and considers price, communication, and promotional activities.

EDI has a nationwide distribution network operated through sales offices and distribution outlets strategically located in the country that provides it with a distinct competitive advantage. EDI builds its on-premise sales operations to expand its market to hotels and restaurant businesses in the Philippines, given the expansion of its pouring brands and world class brands. EDI continues to adapt to the changes in purchasing behavior by making its products available on various e-commerce channels such as Lazada, Shopee and Panda Mart, among others. 'Emperador' has established international distribution to at least 60 countries outside the Philippines.

Bodegas Fundador has a small team that sells to distributors around the world. It partners with the best players in the distribution market, having long term agreements with country and regional wine and spirit distributors in place. EDI distributes 'Fundador' products in the Philippines, while Whyte and Mackay distributes them in UK and Canada. This combination assures a deep sell-out market presence around the world.

In 2018, the first Fundador Café was created in the Philippines which is located at Venice Grand Canal at McKinley Hill. It offers hot and cold drinks and blended ones infused with Fundador products and sweets with Harvey Bristol Cream variances.

In January 2022, Asia's first-ever brandy museum opened its doors in Iloilo City. It is an immersive museum where visitors will have a unique journey of senses through a faithful recreation of the Fundador bodega in Spain. The tour is capped at the museum where guests can enjoy the barista's take on popular beverages spiked with Emperador Coffee Brandy

In December 2022, the first outdoor liquor park of its kind in Asia opened in McKinley West in Taguig City, near Forbes Park. The 4,000sqm McKinley Whisky Park is bringing a whole new whisky experience to patrons through a curated selection of whisky products and concoctions, along with a wide array of food choices, games, and entertainment that could be enjoyed in an open-air setting.

The Davao Whisky Park was subsequently opened to offer consumers in the South the same excitement and luxurious experience enjoyed by its patrons in Manila

The WMG business has a strong, international Route to Market. In UK, a dedicated sales team covers all trade channels and customers. It also has a dedicated Global Travel Retail team which manages its brands in a channel where WMG have a strong presence and that is critical for single malt whisky equity building and sales. In other markets Whyte and Mackay has established a network of distribution partners that represent the brands in each territory. The goal is to develop long-term partnership with a strong local distributor in every market, with selection based on strength and commitment in the channels offering the greatest opportunity in each market. In 2016, Whyte and Mackay appointed E&J Gallo as their exclusive importer into the USA for certain key brands. In 2024, The Dalmore launched a Direct To Consumer channel via [www.TheDalmore.com](http://www.TheDalmore.com) with a specially curated range to drive direct consumer engagement, as an additional channel to the direct Route to Market in the UK.

The Dalmore has subsequently launched flagship stores at the luxurious Rosewood Hotel in Cambodia and at Caleido in Madrid's financial district. These exclusive locations feature a programme of in-store events designed to engage consumers, media and VVIPs.

The Group focused on the different core positioning of each product range that have specific target consumers, using a combination of digital and traditional marketing approaches.

## **Megaworld**

Megaworld's marketing approach focuses on brand positioning, customer engagement, and digital transformation, utilizing targeted campaigns, social media outreach, and high-impact advertising to highlight the convenience, sustainability, and long-term value of its developments. It also engages experiential marketing through exclusive properties previews, lifestyle events, and virtual showrooms, providing potential buyers and investors with an immersive experience of the Megaworld lifestyle.

It employs a multi-tiered sales approach, leveraging its in-house sales team, accredited brokers, and strategic partnerships to reach a broad customer base. It caters to local buyers, overseas Filipino workers (OFWs), and foreign investors by offering flexible payment terms, investment incentives, and personalized property consultation. To strengthen its global reach, Megaworld actively participates in international roadshows, online property listings, and digital sales platforms, ensuring seamless transactions for buyers worldwide.

Megaworld maintains its position as a leading real estate developer in the Philippines through data-driven marketing, customer-centric sales strategies, and continuous innovation, ensuring sustained demand for its properties while strengthening brand loyalty among its customers.

GERI promotes and markets its real estate products to a wide range of clients by its in-house marketing group and marketing subsidiary, Megaworld Global-Estate, Inc. Real estate products in Global-Estate Properties, Inc. and Global-Estate Golf and Development, Inc. developments are sold thru third-party real estate brokers.

ELI markets its residential inventories, both pre-selling and ready-for-occupancy units, through its in-house sales teams and registered real estate salespersons, licensed real estate brokers and other external sales partners. It operates showrooms and exhibit booths in shopping malls, commercial centers and selected on-site projects.

With the real estate sector embracing digital transformation, ELI continues to enhance its marketing strategies by integrating both traditional and digital sales approaches. The post-pandemic landscape has reinforced the importance of hybrid sales techniques, wherein ELI combines in-person selling—such as leafleting, on-site presentations, and showroom manning—with aggressive online marketing. Supported by the Marketing Department, sales teams generate leads and close deals through targeted social media campaigns and digital advertising.

To streamline the home buying process, ELI has fully digitalized its reservation and documentation systems, offering virtual project presentations and seamless transaction platforms for clients. Its investment in digital marketing extends beyond social media, encompassing corporate and project-specific websites, online ads, and virtual condo tours. These efforts complement traditional out-of-home advertising such as billboards and print media placements, ensuring maximum visibility across various consumer touchpoints.

### **Travellers**

NWR engages in direct relationship-based marketing, which is targeted at specific market segments. The marketing team focuses on market research, surveys, promotions and events that can drive visitations and convert them to returning guests. The sales team is responsible for sales revenues and channel performance. In addition, NWR advertises in various types of media both domestically and overseas, including television, radio, newspapers, magazines, social media and billboards to promote general market awareness.

NWR uses a mix of different channels to reach the specific targets on gaming, lifestyle, and entertainment, such as:

- Direct sales - that comprises of three levels to provide clients with full service: (i) traditional sales, (ii) a business development team and (iii) in-house VIP host services.
- Indirect sales through junkets – to source high-end players in different regions.
- Indirect sales through travel and tour operators – these accredited operators create group travel packages with discounts, to bring in guests in NWR as part of their itineraries, and in return, receive commissions.
- City shuttles - free, convenient, hassle-free shuttle transport for member-players and member-consumers to NWR. The key locations are Quezon City, Batangas, Manila, Taguig, Marikina and Laguna.

NWR uses a comprehensive membership management and customer database system. NWR uses Dynamic Reporting System, a fully integrated real-time table games and slots monitoring system.

### **GADC**

McDonald's products are sold through McDonald's restaurants nationwide. There are 792 restaurants nationwide as of end-2024, 56% of which are owned by GADC while 44% are sub-franchised. Sixty-five new restaurants opened in 2024 across the country; while thirteen were permanently closed during the year. The highest concentration of McDonald's stores is in NCR, followed by the Southern Tagalog region. In most of its locations, McDonald's products can be ordered and delivered 24 hours a day through the "McDelivery" mobile app or "McDelivery" website "www.mcdelivery.com.ph" and through services from Grab Food, Food Panda and other third party food aggregator apps. More than 76% of restaurants are open 24/7 (24 hours every day).

## New Products or Services

The Group continuously pursues innovations to introduce new products or improve existing ones. The Group has supported its business growth through plant and store expansions, new construction projects and retail service amenities.

### **EMI**

**‘Andy Player Extra Smooth Whisky’**, was launched in August 2024 which serves as an excellent entry drink to the world of whisky. It is currently making waves in the Visayas and Mindanao regions, targeting Gen Z drinkers who prefer a light and smooth beverage.

**‘The Dalmore Luminary No.2’** was launched which includes a stunning glass sculpture that encapsulates the movement of the spirit within the stills at the Distillery.

**‘The Dalmore Distillery Select’** was launched as a collection of three limited edition whiskies available exclusively via The Dalmore website, and boutiques.

**‘Fettercairn 200th Anniversary Collection’** was created to mark the 200th Anniversary of the Distillery, and features six rare and very rare whiskies. Each whisky was selected to commemorate significant milestones in the distillery’s history. The set was presented in a hand-crafted case of Scottish Oak, produced by famed cabinet maker John Galvin. The collection is strictly limited to 10 sets, for the domestic markets.

**‘Invergordon’** is a single grain whisky produced at Whyte & Mackay’s whisky production facility in North Scotland. The brand was designed to be distinctive in the broader whisky/ey category and offered three aged statements: 14, 18 and 21 Year Old. It is currently available exclusively in the USA, where it has secured national distribution.

**‘Tamnavulin Port Cask Edition’** was released offering notes of ruby and fruits. This new product innovation was aimed at the chain retail channel.

### **Megaworld**

**Paragua Sands Hotel** is a 10-story hotel development and the second hotel development of Megaworld inside its 462-hectare Paragua Coasttown ecotourism township in San Vicente, Palawan. Paragua Sands Hotel will offer 313 guest rooms and suites in varied layouts, ideal for tourists and travelers visiting the picturesque town of San Vicente. These rooms will feature varying views of the nearby mountains and the nearby Pagdanan Bay. It will sit right beside Savoy Hotel Palawan and Oceanfront Premier Residences, the first hotel and residential condominium developments rising inside the township. The hotel’s façade will showcase gradient-colored balconies and walls with art murals inspired by modern contemporary art, which will further distinguish it from all the other surrounding developments.

**ArcoVia Hotel** is the second hotel development inside the ArcoVia City township in Pasig City. It is poised to rise as the tallest hotel development to date in Megaworld’s portfolio that will feature views of the Metro Manila skyline and the Antipolo mountains. The 31-story hotel development will offer 339 hotel suites will be located just across the Arco de Emperador and in front of the two-tower ArcoVia Palazzo and the 45-story 18 Avenue de Triomphe. ArcoVia Hotel will also feature a business center with workstations for those who need to squeeze in a bit of ‘workcation,’ as well as bike racks and charging stations and parking slots for electric vehicles at the basement parking floors in response to growing mobility platforms.

**Mactan World Museum** is a modern museum inside its 30-hectare The Mactan Newtown in Lapu-Lapu City, Cebu. It will feature an extensive collection of historic pieces, curated by Dannie Alvarez, president, Alliance

of Greater Manila Museums, Inc. (AGMMI) and former head of Committee on Museums of the National Commission for Culture and the Arts (NCCA). The museum will lend a visual retelling of the travel and arrival of Portuguese explorer Ferdinand Magellan and his crew in Mactan, his defeat against fearless tribal leader Lapu-Lapu, and the Hispanic heritage of the Manila Galleon trade. This collection highlights the friendship and rich cultural exchange between the Philippines and Spain during the past centuries.

**San Benito Private Estate** is a 25-hectare integrated active wellness township in partnership with the group that owns and operates the world-famous, multi-awarded The Farm at San Benito in Lipa, Batangas. It will be a low-density wellness community that offers residential village lots, low-rise residential condominiums, international brand hotel, sports and leisure hub, active adult center, community gardens, commercial shops inside an expansive nature park, as well as nature walk trails.

**Ilocandia Coasttown** is an 84-hectare premium mixed-use beachfront township along the western coastline of Laoag City. It will feature upscale residential developments, a shophouse district, and a commercial district, as well as its own town center that will serve as an iconic focal point of the entire development, and is only around 15 minutes away from Laoag International Airport. It is strategically located just adjacent to the world-famous Fort Ilocandia Hotel and it is also less than 30 minutes away from the historic Paoay Church.

**Saint-Marcel Residences** is a Parisian-inspired 17-storey residential condominium development inside its 35.6-hectare Capital Town township in the City of San Fernando, Pampanga. Saint-Marcel Residences will offer 361 'smart home' units and will be surrounded by a vibrant commercial strip, a sprawling plaza, and a soon-to-rise transport hub, while also being just about a two-minute walk away from the township's sprawling rainwater park.

**The Bellagio Palawan** is the first upscale residential condominium development inside its Baytown Palawan township in Puerto Princesa, Palawan. The 12-story The Bellagio Palawan will offer 188 'smart home' condo units, featuring the latest wireless smart home systems that can be accessed remotely using a dedicated phone app.

## Travellers

In 2024, the **Gordon Ramsay Bar & Grill**, a Gordon Ramsay brand, opened its first restaurant in the Philippines at Newport World Resorts which further cements Travellers' place as a global gourmet destination. This milestone partnership follows the rapid expansion of both brands in their respective fields.

## GADC

The year 2024 focused on regaining guest counts amidst increased competition and tighter consumer spending. As such, McDonald's Philippines zeroed down on Value, particularly on *Sulit Busog* Meals and the McDonald's App. The new *Sulit Busog* Meals which offered a variety of filling meals at an affordable price of Php99 was launched in quarter 2 and has since then contributed to 12% of the PMIX. The McDonald's App, on the other hand, continued to grow its user base with rotating always-on deals, increasing its contribution to systemwide guest count to 11.8%.

Aligned with the Accelerating the Arches framework, McDonald's Philippines also committed to its core offers. After the product renovation of burgers and chicken in 2023, a bolder and creamier McCafé Iced Coffee was launched in the third quarter of 2024.

Support for one of the biggest product platforms was sustained – communication for the bigger and better Chicken McDo continued and was endorsed by big names in the entertainment industry like Vice Ganda,

Dingdong Dantes, Marian Dantes and SB19. Likewise, we drove flavor excitement with a Chicken McDo line extension (Sweet BBQ Glazed Chicken) paired with McFlurry limited time offers during the Christmas holiday.

Beyond core menu improvements, limited-time offers and promotions continued to drive menu excitement. The year began with the launch of Spicy Wings paired with Sprite PeaChee Fruit Fizz, followed by a variety of McNuggets flavors, including Classic Ranch, Cheesy Smoked Chili, Fiery Garlic Aioli, and Sweet Chili Plum. The McCafé line expanded with the introduction of Cereal and Toasted Coconut variants. To close the year, McDonald's introduced all-new McFlurry treats in the fourth quarter with Tiramisu and Hazelnut McFlurry.

The delivery channel maintained a competitive position in the e-commerce space through always-on programs across McDelivery and third-party aggregators such as foodpanda and GrabFood, resulting in positive guest count comps. Accessibility was further strengthened in the Drive-Thru segment, with the successful opening of 65 new Drive-Thru locations.

Last but not the least, with the goal of building stronger relationships with kids and families, the McDonald's Kiddie Crew Workshop returned during summer and was able to recruit almost 27,000 kids while the 2024 Stripes Run drew a record breaking number of almost 11,000 runners! Proceeds of Stripes Run were donated to the Ronald McDonald House Charities Philippines Read-to-Learn program, a program which aims to teach basic reading skills to public schools across the country.

### Competition

In general, the Group believes that the high quality of all the products it sells/offers can effectively compete with other companies in their respective areas of competition.

### **EMI**

The group competes against established spirits companies. The principal competitive factors with respect to EMI's products include brand equity, product range and quality, price, ability to source raw materials, distribution capabilities and responsiveness to consumer preferences, with varying emphasis on these factors depending on the market and the product. EMI believes it has a track record of proven strength on these areas. Its ability to strengthen the selling power and premium image of EMI brands and to differentiate EMI from its competitors affects sales and profit margins. The Group believes it has a track record of proven strength on these areas.

The Philippine brandy market is dominated by 'Emperador' and 'Fundador', and 'Alfonso Brandy' which is being imported/distributed by Montosco Inc. With respect to gin, rum and other alcohol products, EMI primarily competes with other local gin and rum companies that also produce ready-to-serve alcoholic beverages as well as imported labels. The whisky segment in the Philippines is not well tapped at present, and EMI aims to revive this segment. EMI believes that its products are strongly positioned within their respective markets, as measured by market share and brand recognition. EMI believes its 'Emperador' brand is a status brand in the Philippines, and is associated with a certain level of success and sophistication that its potential customers aspire to. EMI believes that its range of well-established and highly recognized brands present significant barriers to new competitors, and are particularly important to its ability to both attract and maintain consumers.

The Fundador brands face strong competition in the Spanish market and internationally in the brandy and sherry businesses, among which are Osborne and Torres. In response, Fundador is strengthening its focus on international expansion as a strategic leverage to build more global brands. EMI aims to enhance its market presence and position Fundador as a leader in premium beverages worldwide. EMI management remains committed to monitoring market dynamics and competitor strategies to ensure we maintain and expand our competitive edge.

WMG, on the other hand, competes in the UK market and internationally. Competitors use brand strength together with price and product range to compete. The major Scotch whisky brand owners are Diageo, Pernod Ricard, William Grant, Edrington and Bacardi who are all materially larger than WMG. WMG can compete as they have differentiated brands in a fragmented Malt whisky market and their Blended Scotch brands are competitively priced. WMG management monitors market prices on an on-going basis and takes steps to safeguard the overall competitive position.

### **Pik-Nik**

Pik-Nik is still the number one brand of shoestring potatoes in the US. A Philippine local brand, Oishi, has fielded string potato snacks from potato starch in the local market.

### **Megaworld**

Megaworld operates in a highly competitive real estate industry in the Philippines, where it competes with local and international developers across multiple segments, including township development, residential, commercial, office, and hospitality. Megaworld pioneered the live-work-play township model, transforming urban development and solidifying its position as a leader in integrated, self-sustaining communities.

Megaworld competes with major property developers in investment, development, leasing and property management across Metro Manila and key provincial growth centers. Location, product quality, pricing, financing schemes, project execution, construction standards, brand reputation and customer service are the primary factors influencing competition in the real estate development business. Megaworld believes it holds competitive advantages in each of these categories due to its prime locations, innovative projects, high quality designs, flexible financing options, and strong after-sales services.

Megaworld attributes its strong residential sales to two main factors – (i) the popularity of its integrated townships and (ii) its consistent track record of launching over 800 residential buildings in the past two decades.

With respect to township developments, Megaworld considers Ayala Land, Inc. (“**ALI**”) to be its primary competitor, with large-scale mixed-use estates such as Global City, Nuvali, and Veramosa. Other competitors include SM Prime Holdings, Inc. (“**SMPH**”), which develops expansive mixed-use districts like SM Seaside City in Cebu and the Mall of Asia complex in Pasay, as well as Robinsons Land Corporation (“**RLC**”), which has integrated communities such as Bridgetowne and Montclair Estate. Filinvest Land, Inc. is also a competitor in this space with developments such as Filinvest City in Alabang and City di Mare in Cebu.

Megaworld competes across various residential market segments, ranging from luxury developments to affordable housing. In the luxury and high-end segment, the Company competes with ALI’s Ayala Land Premier, RLC’s Robinsons Luxuria, and Federal Land’s Grand Hyatt Residences. In the upper mid-market segment, competitors include ALI’s Alveo Land, RLC’s Robinsons Residences, and Rockwell land, while in the middle-income segment, Megaworld faces competition from ALI’s Avida Land, SMPH’s SMDC, RLC’s Robinsons Communities, and DMCI Homes. In the affordable housing market, the Company competes with ALI’s Amaia Land, 8990 Holdings’ Deca Homes, and PHINMA Properties.

Megaworld is also a leading office space developer and landlord in the Philippines, particularly in the Business Process Outsourcing (BPO) sector, where it competes with ALI’s Ayala Land Offices, SMPH’s SM Offices, and RLC’s Cyberscape buildings. In attracting multinational corporations and BPO firms. The demand for office space is driven by the country’s strong outsourcing industry, and the ability to offer high-quality office developments with modern amenities, 24/7 accessibility, and strategic locations is crucial in securing tenants. Megaworld has successfully developed key business districts such as Eastwood City, McKinley Hill, McKinley West, Uptown Bonifacio, and Iloilo Business Park, strengthening its position in this sector. In the retail sector, Megaworld competes with the country’s largest mall operators, including SM Supermalls, Ayala Malls, and



Robinsons Malls. However, the Company caters to a distinct market by positioning its developments as lifestyle malls rather than a traditional large-scale shopping centers. Megaworld Lifestyle Malls are designed as integrated lifestyle destinations that prioritize experience-driven retail, dining and entertainment within its townships. Unlike conventional enclosed shopping complexes, these malls feature open-air, pedestrian-friendly environments that seamlessly blend retail with leisure, creating a vibrant and engaging atmosphere for residents, office workers, and visitors.

In the hospitality and tourism sector, Megaworld faces competition from established hotel operators. Despite the competitive landscape, Megaworld continues to strengthen its position through its homegrown hospitality brands, including Richmonde Hotel, Belmont Hotel, Savoy Hotel, and Kingsford hotel. These hotels are strategically located within Megaworld townships and cater to a diverse range of travelers, including business professionals, leisure tourists, and event attendees.

One of Megaworld's key competitive advantages lies in its township development model, which it pioneered in the Philippines. Unlike traditional developers that focus solely on residential or commercial projects, Megaworld creates integrated urban communities where residents, workers, and visitors can seamlessly live, work, and enjoy leisure activities within a single development. While Ayala Land, SM Prime, and Robinsons Land have also ventured into township development, Megaworld remains at the forefront with its extensive portfolio of 35 townships and tourism estates covering 5,554 hectares across the country. Megaworld's ability to acquire large land parcels in strategic locations and transform them into self-sustaining communities has reinforced its leadership in this segment.

Despite the highly competitive landscape, Megaworld maintains its leadership position through several key strengths. It has one of the largest landbanks among Philippine developers, allowing it to sustain long-term growth and expand into new areas. Its township approach provides a holistic and convenient lifestyle experience, differentiating it from traditional real estate developments. With over three decades of experience, Megaworld has built a strong brand reputation for delivering high-quality projects that attract both end-users and investors.

GERI considers Ayala Land Premiere, Alveo, Filinvest Premiere, Landco and SM Prime among its significant competitors in its real estate development business. GERI competes with other developers in the acquisition of land or development rights to land in key growth areas in the country.

It aims to be the leading developer of integrated tourism and leisure estates in the Philippines. Its tourism projects are strategically located in Boracay and Laurel and Lian Batangas and Cavinti, Laguna and feature strategic master-planned communities integrated with resort amenities. GERI believes that its land bank, its real estate development experience, innovative real estate offerings and the solid financial backing of its parent, Megaworld Corporation, are its competitive advantages. Its massive land bank in tourist destinations such as Boracay Island, Laurel, Lian and Nasugbu, Batangas gives it a lead over its competitors and has enabled GERI to be a pioneer in master-planned integrated tourism developments.

ELI. Overall, what remains to be Empire East's competitive advantages are its price and payment terms, strategic locations, and innovative development concepts. These factors keep the ELI a strong player in the dynamic property industry.

## **Travellers**

NWR competes with both Philippine and foreign owned hotels and resorts. With respect to the gaming business, competition comes from casinos operated by government and other private companies.

In particular, there are facilities already built by three developers other than NWR that have been granted licenses by PAGCOR in Entertainment City, all of which are already open to the public. These three other licensees are: Melco Resorts and Entertainment (Philippines) Corporation; Tiger Resorts, Leisure and

Entertainment, Inc., Bloomberry Resorts Corporation. In addition, Westside City Integrated Resort is currently being developed in Entertainment City by the Company's co-Licensee, WCI.

While it has the first-mover advantage, NWR continues to develop other leisure and entertainment attractions to complement its gaming business expanding its hotel offerings by partnering with various international hotel brands, making its integrated resort a suitable family destination.

In addition, PAGCOR operates 9 gaming facilities across the Philippines and 33 satellite gaming facilities (which are smaller casinos and slots clubs). The Philippine gaming market also includes many other private casino and gambling operations, including seven licensed private casino operators in special economic zones ("**Ecozones**"). The Philippine gaming market is also comprised of other gambling competitors specializing in horse racing, cock fighting, lotteries, sweepstakes, online gaming operators and other smaller-scale gaming operators.

### **GADC**

McDonald's restaurants compete with a large and diverse group of restaurant chains and individual restaurants that range from independent local operators to well-capitalized national and international QSRs and convenience stores. GADC considers Jollibee Foods Corporation as its main competitor. 'Jollibee', a home-grown brand with more restaurants nationwide than McDonald's, offers Filipino-influenced dishes of chicken, burgers, spaghetti, and other menu items. Another competitor is 'KFC', a global brand from USA whose most popular product is its Original Recipe fried chicken served with gravy, rice and side dishes. Other competitors include 'Popeye's', 'Mang Inasal', 'Wendy's', 'Kenny Rogers', 'Burger King', 'Shakey's' and 'Pizza Hut'. Since 2005, GADC had opened more than 500 new restaurants and initiated marketing campaigns such as new product launches, promotions, emotive advertising campaigns and value initiatives. It also embarked on digital transformation journey that aims to continuously innovate and provide an elevated omni-channel customer experience (dine-in, take-out, delivery, drive-thru). GADC competes on taste, food quality, price or value for money, safety, cleanliness, accessibility, convenience, and customer service.

### Sources And Availability Of Raw Materials

#### **EMI**

The principal raw materials for the manufacture of the alcoholic beverage products are grapes from the group's vineyards and other suppliers, wine, grain and malts, distilled neutral spirit, brandy distillates (made from grapes), and water. It also requires a regular supply of glass bottles and packaging materials. Raw materials are sourced from subsidiaries and third-party suppliers. All of the water for blending in the Philippine operations is sourced from two deep wells located in the Santa Rosa, Laguna manufacturing facility. The facilities in Laguna are located on top of one of the best fresh water supplies in the Philippines. There is also a filtration system for the water it uses at its Laguna facilities.

EDI sources its bottles from AWGI, which produces a majority of the new glass bottles while the rest are imported from other suppliers or sourced using recycled returned bottles. EDI sources final packing materials such as carton boxes and closures from at least three different suppliers. AWGI canvasses suppliers once a year to seek the most competitive prices for its raw materials. While terms for different suppliers vary, AWGI generally orders raw materials to meet its projected supply requirements for one year and prices are subject to review on an annual basis. For imported raw materials, new purchase orders for supplies are generally sought two months prior to the expiration of existing purchase orders. For raw materials sourced in the Philippines, orders are finalized one month before existing orders terminate. The number of suppliers for major raw materials varies based on their capabilities and compliance. In addition, major raw materials' suppliers typically maintain a warehouse in close proximity to the plant to cover possible delays in shipments and to prevent delivery interruptions.

For production facilities in Scotland, the UK is the major source of cereals and dry goods such as bottles, labels, closures and cartons while casks are sourced from the USA (previously used for bourbon maturation) and from Spain (previously used for sherry maturation).

For production facilities in Spain, grapes come from own vineyards and from other suppliers as needed. For Mexico, grapes are sourced from various suppliers and *aguardientes* from Spain, Chile, Argentina and Australia.

EMI has not experienced and does not anticipate any significant difficulty in obtaining adequate supplies of raw materials and dry goods at satisfactory prices under its supply arrangements. There have been recent disruptions in global supply chains that extended lead times but these do not have material adverse impact on operations. EDI, Whyte and Mackay and Bodegas Fundador have long term relationships with its suppliers to meet the current business requirements.

### **Megaworld**

Megaworld ensures the steady supply of high-quality raw materials essential for its real estate developments through strategic sourcing and long-term partnerships with reputable local suppliers. It procures construction materials from trusted domestic suppliers to meet project specifications and maintain industry standards.

Megaworld follows a stringent procurement process that emphasizes cost efficiency, quality, and reliability. It implements a competitive bidding system, inviting multiple suppliers to participate in procurement tenders to secure the most cost-effective pricing while maintaining high standards. This process enables Megaworld to leverage its purchasing power, negotiate favorable terms, and ensure a consistent supply of materials for ongoing and future developments.

To mitigate potential supply chain disruptions, Megaworld maintains relationships with multiple suppliers and adopts strategic procurement practices, including bulk purchasing agreements and forward contracts. These measures help stabilize costs, ensure timely project execution, and optimize operational efficiency. It also conducts rigorous supplier evaluations and quality control assessments to ensure that all materials meet regulatory and industry standards.

In line with its commitment to sustainability, Megaworld prioritizes the use of environmentally friendly and responsibly sourced materials. It actively explores innovative construction methods, such as precast technology and energy-efficient building materials, to enhance sustainability while optimizing costs and construction timelines. Compliance with government regulations and industry standards governing the sourcing, transportation, and utilization of raw materials remains a priority, ensuring adherence to environmental and safety requirements.

The Megaworld Group has a broad base of suppliers from where it sources its construction materials and is not, and does not plan to be, dependent on any one or a limited number of suppliers.

### **Travellers**

Travellers has a large base of contractors and suppliers that provide construction, engineering and consulting services, and is not dependent on any one contractor or supplier. In 2024, the ten largest suppliers – Angel Singapore (Asia) Pte. Ltd, Joint Venture Audio Visual Lighting Inc., Royal Country Marketing, Fabtech International Corporation, Arjohn Chicken Enterprises, JC Seafoods Supply, Konsystek Builders, Inc., Pioneer Specialty Building Systems Inc., Conmaster Merchandising, and Excell Contractors & Developers, Inc.,- accounted for 27% of the total purchases for the year.

### **GADC**

Suppliers for McDonald's products are engaged following the McDonald's Corporation's global supply chain, which allows the purchase of food, beverages and restaurant supplies at competitive prices and quality consistent across all McDonald's markets worldwide. McDonald's works with third-party quality assurance laboratories around the world to ensure that its standards are consistently updated and upheld. In addition, McDonald's works closely with suppliers not just for assured supply but encouraging innovation, best practices sharing and continuous improvement. GADC also contracts the services of third parties for its other food supplies. GADC procures the services of a supply distribution center that provides purchasing, warehousing, delivery and other logistical support for the requirements of all of the McDonald's restaurants in the Philippines. GADC develops product specifications and continually monitors supplies to ensure compliance with McDonald's standards.

### **Pik-Nik**

Pik-Nik uses only fresh potatoes from California and Oregon, pure vegetable oil, the finest seasonings and never any preservatives. The suppliers of potatoes for Pik-Nik have two to seven-month contracts.

### Customer Dependence

The Group's businesses are not dependent upon a single or a few customers or tenants, the loss of which would not have a material adverse effect on the Company and its subsidiaries taken as a whole. There is also no customer that accounts for, or based upon existing orders will account for, 20% or more of sales.

### Transactions With and/or Dependence On Related Parties

The Company and its subsidiaries, in the ordinary course of business, engage in transactions with affiliates on an arm's length basis through transparent and ethical means. The Group strictly adheres to its policy that related party transactions are entered on terms comparable to those available from unrelated third parties and fair market value, with the goal of ensuring fairness and protecting best interests of the Group's stakeholders as well as preventing potential conflicts of interest. Inter-company transactions between and among the Company and its subsidiaries are eliminated in the consolidation process and thus are no longer reflected in the consolidated financial statements. These primarily consisted of the following:

- Cash advances for financial requirements. Entities within the Group obtain advances from time-to-time from the parent and/or other entities and associates for working capital or investment purposes. There are also certain expenses that are paid in behalf of other entities.
- Lease of manufacturing facilities. AGI leases the glass manufacturing plant property to AWGI.
- Lease of parcels of land.
- Lease of office spaces. Megaworld and MREIT leases out office and parking spaces to AGI, subsidiaries, and affiliates, while Empire East leases out warehouse facility to EMI subsidiary.
- Purchase and sale of real estate, services and rentals. Real estate properties are bought or sold based on price lists in force with non-related parties. Services are usually on a cost-plus basis allowing a margin ranging 20%-30%. Commissions for marketing services are based on prevailing market rates.
- Purchase and sale of raw materials, finished goods and services. These are done arm's length between subsidiaries in the normal course of business and settled through cash.
- Supply of glass bottles. AWGI supplies the new bottle requirements of EDI.
- Receivables from subsidiaries/franchisees. GADC supplies restaurant equipment, food, paper and promotional items to all franchisees at normal market prices through a third-party service provider.

Major related party transactions have been disclosed in Note 30 to the Audited Consolidated Financial Statements appearing in this report.

## Licenses, Trademarks, Franchises

In the Philippines, certificates of registration of trademarks issued by the Philippine Intellectual Property Office prior to the effective date of the Philippine Intellectual Property Code in 1998 are generally effective for a period of 20 years from the date of the certificate, while those filed after the Philippine Intellectual Property Code became effective are generally effective for a shorter period of 10 years, unless terminated earlier.

### **EMI**

EDI owns registered trademarks which are of material importance to the success of its business since they have the effect of developing brand identification and maintaining consumer loyalty. EDI's principal trademark is 'Emperador', which it purchased from Condis in 2007, in addition to associated patents, copyrights and goodwill and bottle designs for its brandy products. Its trademark for 'Emperador' has a fresh period of ten years expiring in 2025 after its renewal in 2015 with the Philippine Intellectual Property Office ("**Philippine IPO**"). It also registered the trademark for 'The BaR' flavored alcoholic beverage products in 2008, while the trademark for 'Emperador Deluxe' was registered with the Philippine IPO in 2015 for a period of ten years. The new Andy Player trademark is registered in 2015 for a period of ten years.

EDI trademarks for its brands, Emperador Brandy, Andy Player, The BaR and Zabana, are also registered in more than 30 countries, including, the European Union, USA, Canada, Australia, Japan, Vietnam, Taiwan, Hong Kong, Indonesia, Singapore, Laos, Cambodia, and Myanmar.

Whyte and Mackay owns approximately 800 trademarks worldwide, which include trademarks for its products: 'The Dalmore', 'Isle of Jura', 'Whyte & Mackay', 'Shackleton', 'Tamnavulin', 'Glayva', 'Claymore', 'John Barr' and 'Cluny' brands.

GES owns 9 registered trademarks in Spain and Bodegas Fundador around 850 registered trademarks worldwide for its brands 'Fundador', 'Tres Cepas', 'Terry Centenario' and 'Harveys'.

On January 19, 2017, GES acquired trademarks of well-known brands 'San Patricio', a dry Fino Sherry, and 'Espléndido' brandy. In 2017, DBLC acquired trademarks in two main geographies, Mexico and Spain. Registered in Mexico are trademarks for brandies 'Presidente', 'Don Pedro' and 'Azteca de Oro', wines and canes in Mexico and brandies in USA; and in Spain are trademarks for brandies 'Brandy Domecq' and 'Don Pedro' in Brazil and Colombia and sherry wine in Benelux.

Trademarks are typically renewed every 10 to 20 years cycles, depending on the validity term of the particular trademark.

### **Megaworld**

Megaworld owns the registered trademark over its name and new logo which was registered on 7 November 2019 and is valid until 7 November 2029. Megaworld has 107 registered trademarks over the names of its development projects. GERI has trademark registrations and/or applications for its corporate name and key projects. Although the brand is important, Megaworld and its subsidiaries do not believe that their operations or its subsidiaries' operations depend on any trademarks or any patent, license franchise, concession or royalty agreement.

### **Travellers**

Travellers holds a PAGCOR license to operate casinos and engage in gaming activities in two sites – in Newport City (Site B) where NWR is situated, and in Entertainment City (Site A) where Westside City is being developed. The term of the license is co-terminus with PAGCOR's franchise which will expire on July 11, 2033 and shall be renewed subject to the terms of the PAGCOR charter.

On March 18, 2013, **Westside City Inc. ("WCI")** entered into a deed of accession (the Deed of Accession), which was accepted, agreed and consented to by PAGCOR. Pursuant to the Deed of Accession, WCI acceded to the rights, title, interests and obligations of Travellers under the Provisional License and other relevant agreement with PAGCOR. Accordingly, PAGCOR recognized and included WCI as a co-licensee and co-holder of the Provisional License and other relevant agreements.

Further, on June 10, 2013, Travellers and WCI entered into a cooperation agreement (the Cooperation Agreement) which designates the parties' respective rights, interests and obligations under the Provisional License and other relevant agreements. Specifically, the parties agreed that WCI would have all the rights and obligations under the Provisional License with respect to Site A (Westside City) and that Travellers would have all the rights and obligations with respect to Site B (Newport City).

Accordingly, on June 28, 2013, PAGCOR issued an Amended Certificate of Affiliation and Provisional License certifying Travellers and WCI as co-licensees and co-holders of the Provisional License and other relevant agreements. On 23 September 2014, Travellers subscribed to common and preferred shares in WCI making it the effective owner of ninety five percent (95%) of WCI.

Travellers also has a non-exclusive non-transferable right and license within Metro Manila to the use of Marriott trademarks for hotel services and other related goods and services offered in connection with the hotel.

It has registered trademarks over "Passion," "Newport Performing Arts Theater," "Grand Opera House," "Grand Opera House Manila," "Ginzadon," "Newport Performing Arts Theater Bar," "The Terrace," "Laugh Laff Fun," "Musikat Records," "Oak Tree Inn," "The Grand Theatre of Manila," "Chill," "Grand Fiesta Manila," "The World of Luck," "Franks Craft Beers Manila," "Westford Inn," "Full House Theater Company," "Victoria Harbour Cafe," "Westside City," "Westside Theatre," "Herald Theatre," "Fortissimo Theatre," "Galaxy Theatre," "Excelsior Theatre," "Diamond Theatre," "Apollo Theatre," "Bohemia Theatre," "Crown Theatre," "OPPA Original Pilipino Performing Arts," "House Manila," "Front Row Theatre Management," "Silogue All Day Pinoy Comfort Food," "The Grand Bar and Lounge," "El Calle," "El Calle Food and Music Hall," "Newport Garden Wing," "Newport Grand Wing," "Silk Road Southeast Asian Cuisine," "Brain Boost Coffee Energy In A Cup," "Port Bar," "Kusina Sea Kitchens," "Freestyle Pool Bar," "Vega Pool Club," "Limitless," "BOLAHAN," "Eats-a-wrap," "Horizon Center," "Hua Yuan Brasserie Chinoise," "Madison Lounge & Bar," "Casa Buenas," "Make Each Moment Count," "Delishvery," "The L.O.V.E. Project," "Pinas Muna Tayo," "Frontliners Month," "Garden Wing Café," "Good News Muna," "The Exclusive Store," "Vubble," "Ktalks," "Unabakuna," "Jardin Garden Club," "Newport Parklet," "Thirllmakers Marketplace," "Good Jab," "ILOVEarth," "K-walks," "Newport World Resorts," "Newport Mansion," "Lucky Bites," "Level App," "The Whisky Library," "Grand Slots Club," "Children of Newport World Resorts Foundation," "Newport World Resorts Foundation Inc.," "KTALK," "ILOVEarth," "Play On @ NWR," "Play On Online Gaming," "Game On @ NWR," "Grand Club," "Fun Fiesta Jackpot Newport World Resorts," "Newport World Resorts Manila Millions Poker," "GTM Grand Theater Manila," "World Slots Online," "World Table Online," and their related devices which will expire on various dates in 2024-2031, and are renewable thereafter.

#### **GADC**

GADC has non-exclusive rights as a franchisee to use and adopt the McDonald's intellectual property in the Philippines, including trademarks, service marks, patents, copyrights, trade secrets and other proprietary information, some of which, including the trademarks for "McDonald's," the golden arches logo, Ronald McDonald and "Big Mac." The multi-unit franchise agreement contains provisions regulating GADC's use of such trademarks in accordance with McDonald's Corporation's franchise system. Following the expiration of the previous franchise term, GADC was granted a new 20-year franchise term with effect from 17 March 2025 under the multi-unit franchise agreement with MCD. It provides for a royalty fee based on a certain percentage of gross sales from the operations of all Company's restaurants, including those operated by the franchisees. Individual license arrangements granted to sub-franchisees generally include a lease and a license to use the

McDonald's System with a provision that it is subject to the expiration or early termination of the master franchise agreement.

## DESCRIPTION OF PROPERTIES

The following are the principal properties owned or leased by the Group, including those reserved for future developments as of December 31, 2024:

| Description                                                                 | Location                                     | Owned/Limitations on Ownership |
|-----------------------------------------------------------------------------|----------------------------------------------|--------------------------------|
| <b>Lots &amp; Facilities</b>                                                |                                              |                                |
| Brandy manufacturing facility                                               | Santa Rosa, Laguna                           | Owned                          |
| Brandy manufacturing facility-Annex                                         | Biñan, Laguna                                | Owned                          |
| Land                                                                        | Biñan, Laguna                                | Owned                          |
| Land                                                                        | Centro Baybay, Legazpi                       | Owned                          |
| Land                                                                        | Davao City                                   | Owned                          |
| Land                                                                        | Tanza, Cavite                                | Owned                          |
| Land                                                                        | Mandaue, Cebu                                | Owned                          |
| Land                                                                        | Mandurriao, Iloilo City                      | Owned                          |
| Alcohol distillery plants                                                   | Nasugbu and Balayan, Batangas                | Owned                          |
| Glass manufacturing plant                                                   | Canlubang Industrial Estate, Calamba, Laguna | Owned                          |
| Warehouse Town – a warehouse complex                                        | Caloocan City                                | Owned                          |
| Vineyard estates                                                            | Spain                                        | Owned                          |
| Bottling centers, wineries, Complex, distillery, warehouses                 | Spain                                        | Owned                          |
| Industrial facilities                                                       | Spain                                        | Owned by Joint venture         |
| Malt distilleries (4), grain distillery (1)                                 | Scotland, UK                                 | Owned                          |
| Bottling facility                                                           | Scotland, UK                                 | Owned                          |
| Maturation facility                                                         | Scotland, UK                                 | Owned                          |
| Warehouses                                                                  | Scotland, UK                                 | Owned; leased                  |
| Winery                                                                      | Mexico                                       | Owned                          |
| Several parcels for McDonald's use                                          | Various locations                            | Owned                          |
| Lot – Citiwood Heights                                                      | EDSA, Quezon City                            | Owned                          |
|                                                                             |                                              |                                |
| <b>Condominium Units and Subdivision Lots Under Development – Megaworld</b> |                                              |                                |
| 8 Sunset Boulevard                                                          | Westside City, Parañaque City                | Joint Venture                  |
| Arcovia Park Place (Arcovia Residential Condo 3)                            | Arcovia, Pasig City                          | Owned                          |
| Arden Westpark Village                                                      | Trece Martires City, Cavite                  | Joint Venture                  |
| Maple Grove Commercial District                                             | General Trias, Cavite                        | Owned                          |
| Vion Tower 1                                                                | Pasong Tamo, Makati City                     | Joint Venture                  |
| La Victoria Global Residences                                               | Mactan Newtown, Cebu                         | Owned                          |
| Park McKinley West (Phase 1,2)                                              | McKinley West, Fort Bonifacio                | Joint Venture                  |
| Uptown Arts                                                                 | Uptown Bonifacio, Taguig                     | Joint Venture                  |
| 18 Avenue de Triomphe                                                       | Arcovia City, Pasig City                     | Owned                          |
| Herald Parksuites (Two Regis Tower 2)                                       | The Upper East, Bacolod City                 | Owned                          |
| Arcovia Palazzo-Altea                                                       | Arcovia City, Pasig City                     | Owned                          |
| Arcovia Palazzo-Benissa                                                     | Arcovia City, Pasig City                     | Owned                          |
| Arden Botanical Village                                                     | Trece Martires City                          | Joint Venture                  |
| Kingsquare Residence                                                        | Sta. Cruz, Manila                            | Owned                          |



| Description                                              | Location                          | Owned/Limitations on Ownership |
|----------------------------------------------------------|-----------------------------------|--------------------------------|
| La Cassia Residences                                     | General Trias, Cavite             | Owned                          |
| The Pinnacle                                             | Iloilo City                       | Owned                          |
| The Pearl Global Residences                              | Mactan Newtown, Cebu              | Owned                          |
| One Manhattan                                            | The Upper East, Bacolod City      | Owned                          |
| Bayshore Residential Resort 2 Ph. 2                      | Westside City, Parañaque City     | Joint Venture                  |
| Bryant Parklane                                          | Pampanga City                     | Owned                          |
| Firenze Residences                                       | Iloilo Business Park, Iloilo City | Owned                          |
| Gentry Manor                                             | Westside City, Parañaque City     | Joint Venture                  |
| Grand Westside Hotel                                     | Westside City, Parañaque City     | Joint Venture                  |
| Maple Groove Park Village (lot B)                        | Maple Groove, Cavite City         | Joint Venture                  |
| Montrose Parkview                                        | Pampanga City                     | Owned                          |
| Northwin Main Street 1A                                  | Bulacan                           | Joint Venture                  |
| One Crown Suites                                         | Manila                            | Owned                          |
| Porto Hotel District and Mercato                         | Palawan                           | Owned                          |
| Shophouse District                                       |                                   |                                |
| Savoy Hotel Capital Town                                 | Pampanga City                     | Owned                          |
| Savoy Hotel Palawan                                      | Palawan                           | Owned                          |
| Sunny Coast Residential Resort                           | Westside City, Parañaque City     | Joint Venture                  |
| Two Regis                                                | The Upper East, Bacolod City      | Owned                          |
| Vion West (Vion Tower 2)                                 | Pasong Tamo, Makati City          | Joint Venture                  |
| <b>Condominium Units in Completed Projects–Megaworld</b> |                                   |                                |
| One Central                                              | Makati City                       | Owned                          |
| Greenbelt Madison                                        | Makati City                       | Owned                          |
| Greenbelt Chancellor                                     | Makati City                       | Owned                          |
| Greenbelt Radisson                                       | Makati City                       | Owned                          |
| Greenbelt Excelsior                                      | Makati City                       | Joint Venture                  |
| Greenbelt Hamilton 1 & 2                                 | Makati City                       | Owned                          |
| Paseo Parkview Suites 1,2                                | Makati City                       | Owned                          |
| Two Central                                              | Makati City                       | Owned                          |
| Paseo Heights                                            | Makati City                       | Owned                          |
| Three Central                                            | Makati City                       | Owned                          |
| The Manhattan Square                                     | Makati City                       | Joint Venture                  |
| Viceroy 1-4                                              | McKinley Hill                     | Owned                          |
| 115 Upper McKinley                                       | McKinley Hill                     | Joint Venture                  |
| McKinley Hill Garden Villas                              | McKinley Hill                     | Joint Venture                  |
| Tuscany Private Estate                                   | McKinley Hill                     | Joint Venture                  |
| Stamford Executive Residences                            | McKinley Hill                     | Owned                          |
| Morgan Suites Executive Residences                       | McKinley Hill                     | Owned                          |
| The Venice Luxury Residences - Alessandro                | McKinley Hill                     | Owned                          |
| The Venice Luxury Residences – Bellini                   | McKinley Hill                     | Owned                          |
| The Venice Luxury Residences – Carusso                   | McKinley Hill                     | Owned                          |
| The Venice Luxury Residences – Domenico                  | McKinley Hill                     | Owned                          |

| <b>Description</b>                      | <b>Location</b>               | <b>Owned/Limitations on Ownership</b> |
|-----------------------------------------|-------------------------------|---------------------------------------|
| The Venice Luxury Residences – Emanuele | McKinley Hill                 | Owned                                 |
| The Bellagio 1,2,3                      | Forbes Town Taguig City       | Joint Venture                         |
| Forbeswood Heights                      | Fort Bonifacio                | Joint Venture                         |
| Forbeswood Parklane 1 & 2               | Fort Bonifacio                | Joint Venture                         |
| 8 Forbestown Road                       | Fort Bonifacio                | Joint Venture                         |
| One Uptown Residence                    | Fort Bonifacio                | Joint venture                         |
| 8 Newtown Boulevard                     | Mactan Newtown, Cebu City     | Owned                                 |
| One Pacific Residence                   | Mactan Newtown, Cebu City     | Owned                                 |
| 150 Newport Boulevard                   | Newport City                  | Joint Venture                         |
| The Parkside Villas                     | Newport City                  | Joint Venture                         |
| The Residential Resort at Newport       | Newport City                  | Joint Venture                         |
| Palm Tree Villas -1 & 2                 | Newport City                  | Joint Venture                         |
| Eastwood Le Grand 1 - 3                 | Eastwood City                 | Owned                                 |
| Eastwood Parkview 1 & 2                 | Eastwood City                 | Owned                                 |
| 81 Newport Boulevard                    | Newport, Pasay City           | Joint Venture                         |
| 101 Newport Boulevard                   | Newport, Pasay City           | Joint Venture                         |
| One Eastwood Avenue 1 & 2               | Eastwood City, Quezon City    | Owned                                 |
| Grand Eastwood Palazzo                  | Eastwood City                 | Owned                                 |
| One Central Park                        | Eastwood City                 | Owned                                 |
| One Orchard Road Tower 1 - 3            | Eastwood City                 | Owned                                 |
| The Eastwood Excelsior                  | Eastwood City                 | Owned                                 |
| The Eastwood Lafayette 1,2,3            | Eastwood City                 | Owned                                 |
| One Lafayette Square                    | Makati City                   | Owned                                 |
| Two Lafayette Square                    | Makati City                   | Owned                                 |
| Marina Square Suites                    | Manila City                   | Owned                                 |
| Greenhills Heights                      | San Juan City                 | Joint Venture                         |
| Golfhill Gardens                        | Quezon City                   | Owned                                 |
| Manhattan Parkway 1-3                   | Quezon City                   | Joint Venture                         |
| Manhattan Heights– Tower A - D          | Quezon City                   | Joint Venture                         |
| Manhattan Parkview 1-3                  | Quezon City                   | Joint Venture                         |
| Manhattan Parkview Garden               | Quezon City                   | Joint Venture                         |
| Golf Hills Terraces                     | Old Balara, Quezon City       | Joint Venture                         |
| Kentwood Heights                        | Cubao, Quezon City            | Owned                                 |
| Narra Heights                           | Cubao, Quezon City            | Owned                                 |
| McKinley West Subdivision               | McKinley West, Taguig City    | Joint Venture                         |
| Savoy Hotel Mactan Newtown              | Mactan Newtown, Cebu City     | Owned                                 |
| El Jardin Del Presidente 1,2            | Quezon City                   | Owned                                 |
| 8 Wack Wack Road                        | Mandaluyong City              | Owned                                 |
| Wack Wack Heights                       | Mandaluyong City              | Owned                                 |
| Cityplace Binondo A&B                   | Manila City                   | Owned                                 |
| One Beverly Place                       | San Juan                      | Joint Venture                         |
| One Madison Place 1-3                   | Iloilo City                   | Owned                                 |
| The Venice Luxury Residences - Fiorenzo | Fort Bonifacio                | Owned                                 |
| Greenbelt Parkplace                     | Makati City                   | Owned                                 |
| Bayshore Residential Resort 1           | Westside City, Parañaque City | Joint Venture                         |
| Bayshore Residential Resort 2 Ph 1      | Westside City, Parañaque City | Joint Venture                         |
| Eastwood Park Residences                | Eastwood, Quezon City         | Owned                                 |

| <b>Description</b>                                 | <b>Location</b>                 | <b>Owned/Limitations on Ownership</b> |
|----------------------------------------------------|---------------------------------|---------------------------------------|
| Forbeshill Model House 1                           | Northhill Gateway, Bacolod City | Owned                                 |
| Forbeshill Model House 2                           | Northhill Gateway, Bacolod City | Owned                                 |
| Kingsford Hotel                                    | Westside City, Parañaque City   | Joint Venture                         |
| Manhattan Plaza                                    | Pedro Gil Manila                | Owned                                 |
| Olympic Heights (1-3)                              | Eastwood, Quezon City           | Owned                                 |
| The Salcedo Park ( 1& 2)                           | Makati City                     | Megaworld Globus                      |
| The Woodridge 1&2                                  | McKinley Hill, Taguig City      | Owned                                 |
| Savoy Hotel                                        | Newport, Pasay City             | Joint Venture                         |
| Brentwood Heights                                  | Parañaque City                  | Owned                                 |
| Sherwood Heights                                   | Parañaque City                  | Owned                                 |
| Uptown Ritz Residence                              | Fort Bonifacio, Taguig City     | Joint Venture                         |
| St. Moritz Private Estate 1 & 2                    | McKinley West, Fort Bonifacio   | Joint Venture                         |
| One Machester Place 1 & 2                          | Mactan Newtown, Cebu            | Owned                                 |
| Salcedo SkySuites                                  | Makati City                     | Owned                                 |
| Noble Place                                        | Binondo, Manila City            | Joint Venture                         |
| The Florence 1-3                                   | McKinley Hill                   | Owned                                 |
| Uptown Parksuites 1 & 2                            | Fort Bonifacio, Taguig City     | Joint Venture                         |
| The Albany Luxury Residences-Kingsley              | McKinley West, Fort Bonifacio   | Joint Venture                         |
| Lafayette Park Square                              | Iloilo City                     | Owned                                 |
| The Palladium                                      | Iloilo City                     | Owned                                 |
| The Ellis                                          | Makati City                     | Owned                                 |
| Eastwood Global Plaza Luxury Residences            | Eastwood, Quezon City           | Owned                                 |
| Saint Honore                                       | Iloilo City                     | Owned                                 |
| One Regis                                          | The Upper East, Bacolod City    | Owned                                 |
| The Verdin                                         | General Trias, Cavite           | Owned                                 |
| St. Mark Residences (VEN-Giovanni)                 | McKinley Hill                   | Owned                                 |
| The Albany Luxury Residences- Yorkshire            | McKinley Hill                   | Joint Venture                         |
| San Antonio Residences                             | Gil Puyat Ave., Makati City     | Owned                                 |
| Saint Dominique                                    | Iloilo City                     | Owned                                 |
| Manhattan Plaza Tower 2                            | Quezon City                     | Joint Venture                         |
| Chelsea Parkplace                                  | Pampanga City                   | Owned                                 |
| <b>Rental Properties - Megaworld<sup>(1)</sup></b> |                                 |                                       |
| Paseo Center                                       | Makati City                     | Owned                                 |
| The World Centre                                   | Makati City                     | Owned                                 |
| California Garden Square Retail                    | Mandaluyong City                | Owned                                 |
| City Place Retail Mall                             | Manila City                     | Owned                                 |
| Lucky Chinatown Mall                               | Manila City                     | Owned                                 |
| One Beverly Place Retail                           | San Juan                        | Owned                                 |
| Corinthian Hills Retail                            | Quezon City                     | Owned                                 |
| Global One                                         | Eastwood City                   | Owned                                 |
| Techno Plaza 1                                     | Eastwood City                   | Owned                                 |
| Techno Plaza 2 Units                               | Eastwood City                   | Joint Venture                         |
| 1800 Eastwood Avenue                               | Eastwood City                   | Owned                                 |
| 1880 Eastwood Avenue                               | Eastwood City                   | Owned                                 |
| Cyber One Units                                    | Eastwood City                   | Owned                                 |
| IBM Plaza                                          | Eastwood City                   | Owned                                 |

| <b>Description</b>                     | <b>Location</b>                   | <b>Owned/Limitations on Ownership</b> |
|----------------------------------------|-----------------------------------|---------------------------------------|
| ICITE                                  | Eastwood City                     | Owned                                 |
| Eastwood Citywalk                      | Eastwood City                     | Owned                                 |
| Eastwood Mall                          | Eastwood City                     | Owned                                 |
| Cyber Mall                             | Eastwood City                     | Owned                                 |
| E-Commerce Plaza                       | Eastwood City                     | Owned                                 |
| Eastwood Global Plaza Corporate Center | Eastwood City                     | Owned                                 |
| Commerce and Industry Plaza            | McKinley Hill                     | Ground Lease                          |
| One Campus Place                       | McKinley Hill                     | Ground Lease                          |
| 8 Campus Place                         | McKinley Hill                     | Ground Lease                          |
| 8 Upper McKinley                       | McKinley Hill                     | Owned                                 |
| Science Hub Towers                     | McKinley Hill                     | Ground Lease                          |
| The Venice Piazza                      | McKinley Hill                     | Ground Lease                          |
| Three World Square                     | McKinley Hill                     | Owned                                 |
| Two World Square                       | McKinley Hill                     | Owned                                 |
| One World Square                       | McKinley Hill                     | Owned                                 |
| McKinley Parking building              | McKinley Hill                     | Owned                                 |
| Venice Corporate Center                | McKinley Hill                     | Ground Lease                          |
| The Venice Canal Mall                  | McKinley Hill                     | Ground Lease                          |
| Woodridge Residences                   | McKinley Hill                     | Joint Venture                         |
| Tuscany Retail                         | McKinley Hill                     | Joint Venture                         |
| Southeast Asian Campus                 | McKinley Hill                     | Ground Lease                          |
| Burgos Circle                          | Fort Bonifacio, Taguig City       | Joint Venture                         |
| Uptown Parade                          | Uptown Bonifacio, Taguig City     | Joint Venture                         |
| Uptown Place Mall                      | Uptown Bonifacio, Taguig City     | Joint Venture                         |
| One World Center                       | Mactan Newtown, Cebu              | Owned                                 |
| Two World Center                       | Mactan Newtown, Cebu              | Owned                                 |
| Richmonde Tower                        | Iloilo Business Park, Iloilo City | Owned                                 |
| One Global Center                      | Iloilo Business Park, Iloilo City | Owned                                 |
| Emperador Steel Parking Building       | Fort Bonifacio, Taguig City       | Ground Lease                          |
| Uptown Place Towers                    | Uptown Bonifacio, Taguig City     | Joint Venture                         |
| 8 Newtown Boulevard                    | Mactan Newtown, Cebu              | Owned                                 |
| One Techno Place                       | Iloilo Business Park, Iloilo City | Owned                                 |
| Two Global Center                      | Iloilo Business Park, Iloilo City | Owned                                 |
| Festive Walk Mall Annex                | Iloilo Business Park, Iloilo City | Owned                                 |
| Festive Walk Office Tower              | Iloilo Business Park, Iloilo City | Owned                                 |
| Festive Walk Mall                      | Iloilo Business Park, Iloilo City | Owned                                 |
| Festive Walk Parade 2B                 | Iloilo Business Park, Iloilo City | Owned                                 |
| Mactan Alfresco                        | Mactan Newtown, Cebu              | Owned                                 |
| Tower One Plaza Magellan               | Mactan Newtown, Cebu              | Owned                                 |
| McKinley Hill (Phase 3) Lots           | McKinley Hill                     | Ground Lease                          |
| One West Campus                        | McKinley West, Taguig City        | Joint Venture                         |
| Two West Campus                        | McKinley West, Taguig City        | Joint Venture                         |
| Three West Campus                      | McKinley West, Taguig City        | Joint Venture                         |
| Five West Campus                       | McKinley West, Taguig City        | Joint Venture                         |
| Six West Campus                        | McKinley West, Taguig City        | Joint Venture                         |
| Eight West Campus                      | McKinley West, Taguig City        | Joint Venture                         |
| Ten West Campus                        | McKinley West, Taguig City        | Joint Venture                         |
| McKinley West Steel Deck Parking       | McKinley West, Taguig City        | Joint venture                         |
| 331 Building                           | Makati City                       | Owned                                 |
| Three Techno Place                     | Iloilo Business Park, Iloilo City | Owned                                 |

| <b>Description</b>                      | <b>Location</b>                         | <b>Owned/Limitations on Ownership</b> |
|-----------------------------------------|-----------------------------------------|---------------------------------------|
| 81 Newport Square                       | Newport City, Pasay City                | Joint Venture                         |
| Davao Finance Center                    | Davao Park District, Davao City         | Owned                                 |
| Arcovia Parade Retail 1 & 2             | Arcovia City, Pasig City                | Owned                                 |
| Two Techno Place                        | Iloilo Business Park, Iloilo City       | Owned                                 |
| Pacific World Tower                     | Mactan Newtown, Cebu                    | Owned                                 |
| The Newtown School of Excellence        | Mactan Newtown, Cebu                    | Owned                                 |
| World Commerce Place (Uptown Eastgate)  | Uptown Bonifacio, Taguig City           | Joint Venture                         |
| One Fintech Place                       | Iloilo City                             | Owned                                 |
| Two Fintech Place                       | Iloilo City                             | Owned                                 |
| One Le Grand Tower                      | McKinley West, Taguig City              | Joint Venture                         |
| Enterprise One                          | Iloilo Business Park, Iloilo City       | Joint Venture                         |
| Enterprise One                          | Iloilo Business Park, Iloilo City       | Owned                                 |
| International Corporate Plaza           | Iloilo Business Park, Iloilo City       | Joint Venture                         |
| International Finance Center            | Uptown Bonifacio, Taguig City           | Joint Venture                         |
| No. 1 Upper East Avenue                 | The Upper East, Bacolod City            | Owned                                 |
| No. 5 Upper East Avenue                 | The Upper East, Bacolod City            | Owned                                 |
| One Corporate Place                     | Cavite City                             | Owned                                 |
| One Republic Plaza                      | Davao Park District, Davao City         | Owned                                 |
| Pasudeco Tower 1                        | Pampanga                                | Owned                                 |
| <b>Hotels</b>                           |                                         |                                       |
| The Richmond Hotel <sup>(2)</sup>       | Mandaluyong City                        | Owned                                 |
| Eastwood Richmode Hotel <sup>(2)</sup>  | Quezon City                             | Owned                                 |
| Belmont Luxury Hotel                    | Newport City, Pasay City                | Joint Venture                         |
| Richmonde Hotel Iloilo                  | Iloilo Business Park, Iloilo City       | Owned                                 |
| Hotel Lucky Chinatown                   | Manila City                             | Owned                                 |
| <b>Condotels under development</b>      |                                         |                                       |
| Belmont Hotel Mactan                    | Mactan Newtown, Cebu                    | Owned                                 |
| Belmont Hotel Iloilo                    | Iloilo Business Park, Iloilo City       | Owned                                 |
| <b>Completed Projects – Empire East</b> |                                         |                                       |
| Little Baguio Gardens                   | San Juan, Metro Manila                  | Owned                                 |
| Laguna BelAir 1 and 2                   | Don Jose, Sta. Rosa, Laguna             | Joint Venture                         |
| Governors Place                         | Mandaluyong City                        | Joint Venture                         |
| Gilmore Heights                         | Gilmore Ave. cor N.Domingo, Quezon City | Joint Venture                         |
| Kingswood Tower                         | Makati City                             | Joint Venture                         |
| San Francisco Gardens                   | Mandaluyong City                        | Joint Venture                         |
| Greenhills Garden Square                | Santolan Road, Quezon City              | Owned                                 |
| Central Business Park                   | Manggahan, Pasig City                   | Owned                                 |
| Xavier Hills                            | Quezon City                             | Joint Venture                         |
| California Garden Square                | DM Guevarra Mandaluyong City            | Owned                                 |
| The Rochester                           | Pasig City                              | Owned                                 |
| Laguna BelAir 3                         | Biñan, Laguna                           | Owned                                 |
| Laguna BelAir 4                         | Sta. Rosa City                          | Owned                                 |
| San Lorenzo Place                       | Makati City                             | Joint Venture                         |
| The Sonoma                              | Sta. Rosa City                          | Joint Venture                         |
| The Cambridge Village                   | Cainta, Rizal                           | Owned                                 |

| <b>Description</b>                                                                         | <b>Location</b>              | <b>Owned/Limitations on Ownership</b> |
|--------------------------------------------------------------------------------------------|------------------------------|---------------------------------------|
| Little Baguio Terraces                                                                     | San Juan, Metro Manila       | Joint Venture                         |
| Ongoing Projects- Empire East                                                              |                              |                                       |
| Pioneer Woodlands                                                                          | Mandaluyong City             | Joint Venture                         |
| The Paddington Place                                                                       | Mandaluyong City             | Owned                                 |
| Covent Gardens                                                                             | Sta. Mesa, Manila            | Owned                                 |
| Kasara Urban Resort Residences                                                             | Eagle St., Pasig City        | Owned                                 |
| Southpoint Science Park                                                                    | Gimalas, Balayan, Batangas   | Owned                                 |
| Mango Tree Residences                                                                      | San Juan City                | Owned                                 |
| Empire East Highland City                                                                  | Pasig City and Cainta, Rizal | Joint Venture                         |
| Subdivisions, condominiums, condotels, townhouses and leisure development projects - GERI: |                              |                                       |
| 8 Sto. Domingo Place                                                                       | Quezon City                  | Joint Venture                         |
| Caliraya Springs                                                                           | Cavinti, Laguna              | Joint Venture                         |
| Cathedral Heights                                                                          | Quezon City                  | Joint Venture                         |
| Fairways & Bluewater                                                                       | Boracay, Aklan               | Owned                                 |
| Eastland Heights                                                                           | Antipolo City                | Joint Venture                         |
| Goldridge Estate                                                                           | Guiguinto, Bulacan           | Joint Venture                         |
| Holiday Homes                                                                              | Gen. Trias, Cavite           | Joint Venture                         |
| Magnificat Executive Village                                                               | Lipa, Batangas               | Joint Venture                         |
| Mango Orchard Plantation                                                                   | Naic, Cavite                 | Joint Venture                         |
| Manila Southwoods                                                                          | Carmona & GMA Cavite         | Joint Venture                         |
| Monte Cielo De Naga                                                                        | Naga City                    | Joint Venture                         |
| Monte Cielo De Peñafrancia                                                                 | Naga City                    | Joint Venture                         |
| Mountain Meadows                                                                           | Cagayan De Oro               | Joint Venture                         |
| Newcoast Village                                                                           | Malay, Aklan                 | Owned                                 |
| Newcoast Shophouse District                                                                | Malay, Aklan                 | Joint Venture                         |
| Newcoast Boutique Hotel                                                                    | Malay, Aklan                 | Joint Venture                         |
| Newport Hills                                                                              | Lian, Batangas               | Joint Venture                         |
| Nasugbu Harbour Town                                                                       | Nasugbu, Batangas            | Joint Venture                         |
| Pahara at Southwoods                                                                       | GMA, Cavite                  | Joint Venture                         |
| Palmridge Point                                                                            | Talisay, Batangas            | Joint Venture                         |
| Alabang West                                                                               | Las Piñas City               | Joint Venture                         |
| Plaridel Heights                                                                           | Plaridel, Bulacan            | Joint Venture                         |
| Puerto Del Mar                                                                             | Lucena City                  | Joint Venture                         |
| Residencia Lipa                                                                            | Lipa, Batangas               | Joint Venture                         |
| Riverina                                                                                   | San Pablo City               | Joint Venture                         |
| Savoy Hotel Boracay*                                                                       | Malay, Aklan                 | Owned                                 |
| Sta. Barbara Heights Residential Estate                                                    | Sta. Barbara, Iloilo         | Joint Venture                         |
| Sta. Barbara Heights Shophouse District                                                    | Sta. Barbara, Iloilo         | Joint Venture                         |
| Domaine Le Jardin                                                                          | Laurel, Batangas             | Owned                                 |
| Windsor Heights                                                                            | Tagaytay                     | Joint Venture                         |
| Vineyard Residences                                                                        | Laurel, Batangas             | Owned                                 |
| Holland Park                                                                               | Biñan, Laguna                | Joint Venture                         |
| Tulip Gardens                                                                              | Biñan, Laguna                | Joint Venture                         |
| Oceanway Residences                                                                        | Malay, Aklan                 | Owned                                 |

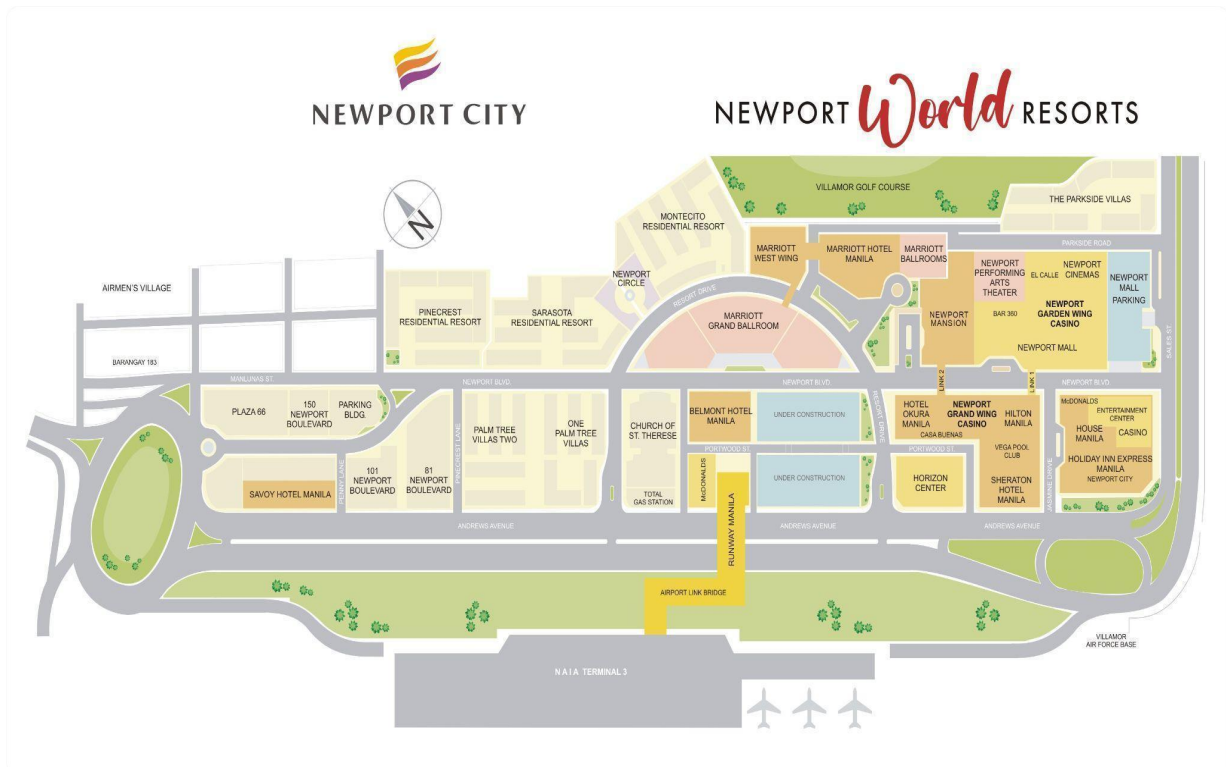
| <b>Description</b>                      | <b>Location</b>                  | <b>Owned/Limitations on Ownership</b> |
|-----------------------------------------|----------------------------------|---------------------------------------|
| Belmont Hotel Boracay*                  | Malay, Aklan                     | Owned                                 |
| Chancellor Hotel Boracay*               | Malay, Aklan                     | Owned                                 |
| Ocean Garden Villas                     | Malay, Aklan                     | Owned                                 |
| Lucerne at Domaine Le Jardin            | Laurel, Batangas                 | Owned                                 |
| The Belvedere                           | Laurel, Batangas                 | Owned                                 |
| Vineyard Manor                          | Laurel, Batangas                 | Owned                                 |
| Twin Lakes Hotel*                       | Laurel, Batangas                 | Owned                                 |
| The Hamptons Caliraya                   | Cavinti, Laguna                  | Joint Venture                         |
| The Fifth                               | Pasig City                       | Joint Venture                         |
| The Upland Estates                      | GMA, Cavite                      | Joint Venture                         |
| Arden Botanical Estate                  | Trece Martires City, Cavite City | Joint Venture                         |
| Sherwood Hills                          | Trece Martires City, Cavite City | Joint Venture                         |
| Countrywoods                            | Laurel, Batangas                 | Owned                                 |
| Capitol Plaza                           | Quezon City                      | Co-development                        |
| Lialto Beach and Golf Estates           | Lian, Batangas                   | Joint Venture                         |
| <b>Rental Properties- GERI</b>          |                                  |                                       |
| Southwoods Mall                         | Biñan, Laguna                    | Owned                                 |
| Southwoods Office Towers                | Biñan, Laguna                    | Owned                                 |
| Twin Lakes Shopping Village             | Laurel, Batangas                 | Owned                                 |
| Renaissance 1000 (Office Tower)         | Pasig City                       | Owned                                 |
| Alabang West Parade                     | Las Piñas City                   | Owned                                 |
| D'Olive                                 | Antipolo City                    | Owned                                 |
| Newcoast Beachwalk                      | Malay, Aklan                     | Owned                                 |
| <b>Hotels under Travellers</b>          |                                  |                                       |
| Marriott Hotel Manila                   | Newport City                     | Owned                                 |
| Holiday Inn Express Manila Newport City | Newport City                     | Owned                                 |
| Hilton Manila                           | Newport City                     | Owned                                 |
| Sheraton Manila Hotel                   | Newport City                     | Owned                                 |
| Hotel Okura Manila                      | Newport City                     | Owned                                 |
| Courtyard by Marriott Iloilo            | Iloilo City                      | Owned                                 |

**Notes:**

- (1) Lease terms and rental rates vary depending on the property and the lessee.
- (2) The Richmond Hotel and Eastwood Richmond Hotel are operated by a subsidiary of Megaworld.
- \* Hotel operations under GERI.

In addition, there are various operating lease agreements for McDonald's restaurant sites, offices and other facilities. These non-cancellable lease agreements are for initial terms of 5-40 years and, in most cases, provide for rental escalations, additional rentals based on certain percentages of sales and renewal options for additional periods of 5-25 years.

The following site map details the principal properties owned or leased by Travellers, including those reserved for future developments as of December 31, 2024.



While the Group has sufficient land for future development, it continuously seeks opportunities to acquire and develop land in prime locations through purchase, joint venture arrangements or otherwise.



## DESCRIPTION OF PERMITS AND LICENSES

This section outlines the major permits and licenses necessary to operate our business. AGI believes that it and its subsidiaries have all the applicable and material permits and licenses necessary to operate all its businesses as currently conducted and such permits and licenses are valid, subsisting, or pending renewal.

The list of material permits and licenses necessary for AGI and its subsidiaries to operate our respective business as of March 31, 2025 are set out below.

| <b>No.</b> | <b>Permit or License</b>           | <b>Issuing Agency</b>                                              | <b>Permit / License No.</b> | <b>Issue Date</b>          | <b>Expiration</b>  |
|------------|------------------------------------|--------------------------------------------------------------------|-----------------------------|----------------------------|--------------------|
| 1.         | Permit to Operate (Mayor's Permit) | Quezon City - Business Permits and Licensing Department            | 02-208323                   | February 13, 2025          | February 13, 2026  |
| 2.         | Barangay Clearance                 | Barangay Bagumbayan                                                | BC2025-03200810             | March 20, 2025             | March 20, 2026     |
| 3.         | Permit to Operate (Mayor's Permit) | Calamba, Laguna - Business Permits and Tricycle Franchising Office | 2025-05196                  | January 28, 2025           | December 31, 2025  |
| 4.         | Barangay Clearance                 | Barangay ng Canlubang                                              | 18-2025-0596                | January 28, 2025           | December 31, 2025  |
| 5.         | Certificate of Registration        | Bureau of Internal Revenue                                         | 003-831-302-000             | Valid from January 1, 1997 | No expiration date |

AGI's subsidiaries and affiliates have the following permits and licenses as of March 31, 2025:

### A. Emperador

| <b>No.</b> | <b>Permit or License</b>           | <b>Issuing Agency</b>                                   | <b>Permit/License No.</b> | <b>Issue Date</b> | <b>Expiration</b> |
|------------|------------------------------------|---------------------------------------------------------|---------------------------|-------------------|-------------------|
| 1.         | Permit to Operate (Mayor's Permit) | Quezon City - Business Permits and Licensing Department | 15-002946                 | February 13, 2025 | February 13, 2026 |
| 2.         | Barangay Clearance                 | Barangay Bagumbayan                                     | BC2025-03200809           | March 20, 2025    | March 20, 2026    |

| No. | Permit or License           | Issuing Agency             | Permit/License No. | Issue Date                  | Expiration         |
|-----|-----------------------------|----------------------------|--------------------|-----------------------------|--------------------|
| 3.  | Certificate of Registration | Bureau of Internal Revenue | 214-815-715-000    | Valid from December 6, 2001 | No expiration date |

B. Megaworld

| No. | Permit or Licenses                     | Issuing Agency                                        | Permit/License No.      | Issue Date         | Expiration        |
|-----|----------------------------------------|-------------------------------------------------------|-------------------------|--------------------|-------------------|
| 1   | Certificate of Incorporation           | Securities and Exchange Commission                    | 167423                  | August 24, 1989    | N/A               |
| 2   | Certificate of Registration            | Bureau of Internal Revenue - Large Taxpayers Division | TIN 000-477-103-111     | June 30, 1996      | N/A               |
| 3   | Certificate of Registration            | Bureau of Internal Revenue - Large Taxpayers Division | TIN 000-477-103-010     | November 6, 2013   | N/A               |
| 4   | Certificate of Registration            | Bureau of Internal Revenue - Large Taxpayers Division | TIN 000-477-103-00011   | November 6, 2013   | N/A               |
| 5   | Certificate of Registration            | Bureau of Internal Revenue - Large Taxpayers Division | TIN 000-477-103-022     | November 18, 2019  | N/A               |
| 6   | Certificate of Registration            | Anti-Money Laundering Council                         | DNFBP-20241005143408-5  | October 7, 2024    | October 7, 2026   |
| 7   | Certificate of Registration            | National Privacy Commission                           | PIC-009-064-2024        | November 29, 2024  | November 29, 2025 |
| 8   | Registry of Establishments             | Department of Labor and Employment                    | EIN: NCR-MPFO-1604-0312 | N/A                | N/A               |
| 9   | Employer's Data Record                 | Social Security System                                | 03-8791750-2            | N/A                | N/A               |
| 10  | Certificate of Registration            | Social Security System                                | 03-8791750-2-000        | October 17, 2019   | N/A               |
| 11  | Certificate of Registration            | Philippine Health Insurance Corporation               | 230-276000279           | September 18, 2017 | N/A               |
| 12  | Certificate of Employer's Registration | Pag-IBIG                                              | 20-129881000-0          | N/A                | N/A               |
| 13  | Mayor's Permit                         | City Government of Bacolod                            | 202562741               | April 29, 2025     | December 31, 2025 |

| No. | Permit or Licenses                                        | Issuing Agency                           | Permit/License No. | Issue Date       | Expiration        |
|-----|-----------------------------------------------------------|------------------------------------------|--------------------|------------------|-------------------|
| 14  | Business Permit (Two Fintech Extension office)            | Office of the City Mayor, City of Iloilo | C-2025-00214       | January 8, 2025  | December 31, 2025 |
| 15  | Business Permit (IBP Showroom)                            | Office of the City Mayor, City of Iloilo | E-2025-03248       | January 17, 2025 | December 31, 2025 |
| 16  | Business Permit (Retail 2)                                | Office of the Mayor, City of Lapu-Lapu   | 1602734            | January 13, 2025 | December 31, 2025 |
| 17  | Business Permit (The Mactan Newtown Showroom)             | Office of the Mayor, City of Lapu-Lapu   | 1608586            | February 3, 2025 | December 31, 2025 |
| 18  | Business Permit (Manila Marketing - Lucky Chinatown Mall) | City Government of Manila                | 2025-000049434     | April 10, 2025   | December 31, 2025 |
| 19  | Business Permit (Manila Marketing - Winford Interim Park) | City Government of Manila                | 2025-000049433     | April 10, 2025   | December 31, 2025 |
| 20  | Business Permit (Pasig Warehouse)                         | City of Pasig                            | 25-CGP-27259       | February 6, 2025 | December 31, 2025 |
| 21  | Mayor's Permit (Global Corporate Plaza)                   | Quezon City                              | 24-910876          | January 22, 2025 | January 22, 2026  |
| 22  | Mayor's Permit (Gateway Mall Showroom)                    | Quezon City                              | 23-908379          | April 30, 2025   | April 30, 2026    |
| 23  | Business Permit (Commerce and Industry Plaza)             | City of Taguig                           | 23-02964           | January 21 2025  | December 31, 2025 |
| 24  | Business Permit (Mckinley Hill Showroom)                  | City of Taguig                           | 24-01720           | January 21, 2025 | December 31, 2025 |
| 25  | Business Permit (Three World Square)                      | City of Taguig                           | 23-02970           | January 21, 2025 | December 31, 2025 |
| 26  | Business Permit (Two World Square)                        | City of Taguig                           | 23-02965           | January 21, 2025 | December 31, 2025 |
| 27  | Business Permit (Uptown Showroom)                         | City of Taguig                           | 23-02969           | January 21, 2025 | December 31, 2025 |
| 28  | Business Permit (Head Office)                             | City of Taguig                           | 20-004181          | January 20, 2025 | December 31, 2025 |

| No. | Permit or Licenses                 | Issuing Agency                                       | Permit/License No. | Issue Date       | Expiration        |
|-----|------------------------------------|------------------------------------------------------|--------------------|------------------|-------------------|
| 29  | Integrated LGU Permit (for branch) | City of General Trias                                | 1812               | Not Indicated    | December 31, 2025 |
| 30  | Mayor's Permit (for branch)        | Office of the City Mayor, City Government of Bacolod | 202559553          | March 3, 2025    | December 31, 2025 |
| 31  | Business Permit (for branch)       | Office of the City Mayor, City of Iloilo             | C-2025-00600       | January 14, 2025 | December 31, 2025 |
| 32  | Business Permit (for branch)       | Office of the Mayor, City of Lapu-Lapu               | 1604628            | January 21, 2025 | December 31, 2025 |
| 33  | Business Permit (for branch)       | City of Makati                                       | 16819              | January 22, 2025 | December 31, 2025 |
| 34  | Mayor's Permit (for branch)        | City of Mandaluyong                                  | 25-09103           | June 5, 2025     | December 31, 2025 |
| 35  | Business Permit (for branch)       | City Government of Manila                            | 2025-000015298     | January 16, 2025 | December 31, 2025 |
| 36  | Permit to Operate (for branch)     | Office of the Mayor, City of Pasay                   | 2853               | April 15, 2025   | December 31, 2025 |
| 37  | Mayor's Permit (for branch)        | City Government of Pasig                             | 25-CGP-06489       | January 24, 2025 | December 31, 2025 |
| 38  | Mayor's Permit (for branch)        | Quezon City                                          | 01-042940          | June 9, 2025     | June 9, 2026      |
| 39  | Mayor's Permit (for Pay parking)   | Quezon City                                          | 03-003727          | June 9, 2025     | June 9, 2026      |

#### C. Travellers

| No. | Permit or License               | Issuing Agency                                       | Permit/License No. | Issue Date        | Expiration       |
|-----|---------------------------------|------------------------------------------------------|--------------------|-------------------|------------------|
| 1   | SEC Certificate of Registration | Securities and Exchange Commission (SEC)             | CS200342649        | December 17, 2003 | Perpetual        |
| 2   | Provisional License             | Philippine Amusement and Gaming Corporation (PAGCOR) | 08-001             | June 2, 2008      | July 11, 2033    |
| 3   | eGaming License Operator        | Philippine Amusement and Gaming                      | EC-00357           | February 17, 2025 | February 5, 2028 |

| No. | Permit or License                                           | Issuing Agency                                       | Permit/License No.                 | Issue Date         | Expiration      |
|-----|-------------------------------------------------------------|------------------------------------------------------|------------------------------------|--------------------|-----------------|
|     |                                                             | Corporation (PAGCOR)                                 |                                    |                    |                 |
| 4   | BIR Certificate of Registration                             | Bureau of Internal Revenue (BIR)                     | 246-099-058-000                    | June 27, 2006      | N/A             |
| 5   | NPC Certificate of Registration (for Newport World Resorts) | National Privacy Commission (NPC)                    | PIC-001-566-2025                   | August 20, 2025    | August 20, 2026 |
| 6   | IPO Certificate of Registration (for Newport World Resorts) | Intellectual Property Office                         | 4-2022-00503283                    | April 14, 2022     | April 14, 2032  |
| 7   | AML Certificate of Registration                             | Anti-Money Laundering Council (AMLC)                 | PAGCOR/CEZA/AP ECO-2024051549703-B | May 16, 2024       | May 16, 2026    |
| 8   | Certificate of Registration                                 | Philippine Economic Zone Authority (PEZA)            | 08-03-T                            | December 16, 2008  | N/A             |
| 9   | Registry of Establishment                                   | Department of Labor and Employment (DOLE)            | NCR-MPFO-R-1208-332                | August 24, 2012    | N/A             |
| 10  | Letter of Issuance of PAG-IBIG Employer ID No.              | Home Development Mutual Fund                         | 200801790008                       | December 5, 2012   | N/A             |
| 11  | Certificate of Registration                                 | Philippine Health Insurance Corporation (Philhealth) | 001000016297                       | September 25, 2008 | N/A             |
| 12  | Certificate of Compliance                                   | Social Security                                      | 903-9223557-0                      | -                  | N/A             |

| <b>No.</b> | <b>Permit or License</b>                     | <b>Issuing Agency</b>                                   | <b>Permit/License No.</b> | <b>Issue Date</b> | <b>Expiration</b> |
|------------|----------------------------------------------|---------------------------------------------------------|---------------------------|-------------------|-------------------|
|            |                                              | System (SSS)                                            |                           |                   |                   |
| 13         | 2025 Permit to Operate as Hotel Management   | Pasay City Business Permits and Licensing Office (BPLO) | 01921                     | April 14, 2025    | December 31, 2025 |
| 14         | 2025 Permit to Operate as Importer           | Pasay City Business Permits and Licensing Office (BPLO) | 01922                     | April 14, 2025    | December 31, 2025 |
| 15         | 2025 Permit to Operate as Retailer           | Pasay City Business Permits and Licensing Office (BPLO) | 01923                     | April 14, 2025    | December 31, 2025 |
| 16         | 2025 Permit to Operate as Real Estate Lessor | Pasay City Business Permits and Licensing Office (BPLO) | 01924                     | April 14, 2025    | December 31, 2025 |
| 17         | 2025 Permit to Operate as Online Gaming      | Pasay City Business Permits and Licensing Office (BPLO) | 00219                     | March 28, 2025    | December 31, 2025 |

## REGULATORY FRAMEWORK

### ***Government Approval of Principal Products or Services***

#### **EMI**

Philippine local government legislations require a license to sell alcoholic beverages and prohibit the sale of alcoholic beverages to persons under 18 years of age or within a certain distance from schools and churches.

Advertising and marketing of alcoholic beverages are regulated by the **Ad Standards Council (“ASC”)**, the advertising industry body in-charge of screening and regulating content of advertising materials across all media. On October 15, 2024, the ASC issued Circular 2024-011, updating the guidelines for pre-screening promotional advertisements and collateral materials. Under the new provisions, pre-screening of promo ads is required only (1) if the material pertains to products in five must-screen categories, including alcohol beverages; (2) contains any of five specific claims (no. 1 or leadership, absolute, comparative, exclusivity, or superiority); (3) is to be aired on broadcast media (TV or radio) or out-of-home platforms (excluding in-store merchandising materials); or presents direct branded comparisons or includes elements of sexiness or violence. Similarly, collateral materials require pre-screening under the same conditions. Materials not meeting these criteria will generally be subject to post-screening. Additionally, collateral materials are now classified as in-store merchandising materials rather than out-of-home media and must undergo the full step 1 (S1 screening) and step 2 (S2 clearing) submission process if pre-screened.

EMI strictly follows the alcohol advertisement regulations issued by the ASC, in advertising its products in all platforms. EMI ensures that its communications target only those of legal drinking age and advocates to its consumers that EMI’s high-quality products should be enjoyed responsibly.

Approvals from the **Food and Drug Administration (“FDA”)** are required before EMI can manufacture a new product. In addition, all new products must be registered with the BIR prior to production.

On September 24, 2019, the FDA issued Circular No. 2019-006, which establishes guidelines for the commercial display, selling, promotion, and advertising of alcoholic beverages and beverages containing alcohol. The circular mandates that all such products, irrespective of packaging type, must be displayed in designated, conspicuous areas within retail establishments, clearly marked with "ALCOHOLIC BEVERAGES" signage. These products should not be placed alongside non-alcoholic items like juice drinks and must be inaccessible to children. Furthermore, all promotional and advertising materials must clearly indicate the presence of alcohol and must not be designed to appeal to children. Violations of these guidelines can result in fines ranging from ₱50,000 to ₱100,000, suspension of business authorization, and additional penalties for repeat or severe offenses.

The Ease of Doing Business and Efficient Government Service Delivery Act of 2018 or RA No. 11032, has had a positive impact on the amount of time it takes to acquire Licenses to Operate, Certificates of Product Registration, and any other permits and registrations relevant to the business which it will receive from the FDA. The maximum period set by this law for all government agencies is twenty (20) working days for “applications or requests involving activities which pose danger to public health, public safety, public morals, public policy, and highly technical application” with one extension allowed, if the same is provided for in the citizen’s charter of the relevant government agency.

The Group is in compliance, and not aware of any material deviation, with all applicable regulatory, environmental, health and safety regulations. All the products are registered and approved by the FDA. EMI monitors compliance of all stages of its production process with pertinent hygiene practices to ensure the high quality of its finished products. The Biñan Laguna production plant has been issued with a Good Manufacturing

Practice (“GMP”) certificate from the FDA on June 2, 2021(valid until October 3, 2025), while the Santa Rosa Laguna production plant received its GMP certificate on April 19, 2022 (valid until June 6, 2026).

WMG has an environmental policy which commits it to ensure that its activities are conducted in ways which comply with the law and, so far as is reasonably and commercially practicable, do not harm the environment. Its five distilleries and associated warehouses are extensively regulated under Customs and Excise licenses and regulations, Environmental Agency regulations on water abstractions, effluent discharges, air emissions and Health and Safety legislation.

Whyte and Mackay is in compliance, and not aware of any material deviation, with all applicable regulatory, environmental, health and safety regulations.

Bodegas Fundador has a firm commitment to guarantee the transformation and care of our planet based on respect for a sustainable economy, a lasting environment and a fair society. It is aware that its raw materials come from nature and its processes can result in environmental impacts on soil, water and air. Its activities would not be feasible without the support of the environment in which it operates and therefore consider it necessary to preserve the environment for its business to be viable long term. By that, it is its main interest to take care and respect the environment as one of the pillars of its business culture.

Bodegas Fundador builds this business culture in systems of management that constitute the unifying axis from which it articulates a process of continuous improvement in key business aspects: the safety and health of employees, with the standard ISO 45001,, quality of products with the standard ISO9001, and the environment with the standard ISO14001, corporate social responsibility with IQnet SR10, food safety with three of the most demanding standards in the industry, FSSC 22000, IFS and BRC food safety management systems, providing consumers assurance that our products are made under the strictest of quality controls that guarantee safety, accumulating more than 20 years of experience in these standards.

Bodegas Fundador implements its own Lean Management program, a model of management born in the Japanese automation industry, whose results have been such that the model has finished transcending the barriers of this industry to other sectors of activity with equally successful outcomes. Through the implementation of Lean program, it gets continuous and sustainable improvement in (among others) aspects such as safety and health, quality, the environment, the commitment of employees, team work or the efficiency of the processes, which synergize with other management systems mentioned above.

## **Megaworld**

Various government approvals need to be secured as part of the normal course of business, such as Environmental Compliance Certificate, development permits, license to sell, among others.

A barangay clearance and development permit from the local government unit (“**LGU**”) must be secured before commencing land development works. Before the start of structural construction activities, a building permit must be secured from the LGU. A Certificate of Registration and a License to Sell, both from the **Department of Human Settlements and Urban Development (“DHSUD”)**, must be secured before launching any selling activities. All subdivision and condominium plans for residential, commercial, industrial and other development projects are required to be filed with and approved by the DHSUD and the relevant LGU of the area where the project is situated. Approval of such plans is conditional on, among other things, the developer’s financial, technical and administrative capabilities. Alterations of approved plans, which affect significant areas of the project, such as infrastructure and public facilities, also require prior approval of the relevant government body or agency.

Subdivision or condominium units may be sold or offered for sale only after a License to Sell has been issued by the DHSUD. As a requisite for the issuance of a license to sell by the DHSUD, developers are required to file with the DHSUD surety bond, real estate mortgage or cash bond to guarantee the construction and



maintenance of the roads, gutters, drainage, sewerage, water system, lighting systems, and full development of the subdivision or condominium project and compliance with the applicable laws, rules and regulations. Real estate dealers, brokers and salesmen are also required to register with the DHSUD before they can sell lots or units in a registered subdivision or condominium project. Real estate brokers are required by DHSUD to take licensure examinations and attend continuing professional education programs.

Project permits and licenses to sell may be suspended, cancelled or revoked by the DHSUD, by itself or upon a verified complaint from an interested party, for reasons such as non-delivery of title to fully-paid buyers or involvement in fraudulent transactions. A license or permit to sell may only be suspended, cancelled or revoked after a notice to the developer has been served and all parties have been given an opportunity to be heard in compliance with the DHSUD's rules of procedure and other applicable laws.

On October 15, 2025, the DHSUD in Department Order No. 2024-017 amended the period for mandatory monitoring of new real estate development projects, stating that the inspection or investigations of real estate developments required to be registered with the DHSUD shall be conducted within the first year of the time of completion granted to the project to verify whether the development or construction of the project is in accordance with the approved plans, work schedule, and other requirements.

The Megaworld Group routinely applies for regulatory approvals for its projects and some approvals are pending. No existing legislation or governmental regulation, and the group is not aware of any pending legislation or governmental regulation that is expected to materially affect its business.

The Megaworld Group complies with all regulations applicable to the development and sale of its projects.

### **Travellers**

NWR operates its gaming activities through the license granted by PAGCOR, a government-owned and controlled corporation, which was granted the franchise to operate and license gaming casinos, gaming clubs and other similar recreation or amusement places, gaming pools, whether on land or sea, within the Philippines. The franchise of PAGCOR was extended for another 25 years after July 11, 2008, its original term.

The activities and operations of NWR are closely monitored by PAGCOR Monitoring Team (PMT) which maintains an office inside NWR where officials are stationed 24 hours a day. Travellers is in continuous close coordination with PAGCOR regarding compliance with its gaming concession and all applicable Philippine laws. It is also required to provide periodic reports to PAGCOR.

Shopping malls are regulated by the local government unit of the city or municipality where the shopping mall is located. Retail stores in shopping malls must secure a business permit before operating and must comply with the fire safety provisions and other applicable local ordinances. Operators of restaurants and other food establishments in shopping malls must also obtain a sanitary permit from the same local government unit where the shopping mall is located.

The operation of hotels is regulated by the Department of Tourism. NWR's hotels, Manila Marriott Hotel Holiday Inn Express Manila Newport City, Sheraton Manila Hotel, Hilton Manila, and Hotel Okura have each been granted a Certificate of Accreditation by the Department of Tourism.

### **GADC**

There are no special government approvals necessary for new food products apart from the standard Department of Trade and Industry permits for customer promotions.

## Effect of Existing or Probable Government Regulations

**Value Added Tax** is a business tax imposed and collected from the seller in the course of trade or business on every sale of properties (real or personal), lease of goods or properties (real or personal) or rendering of services. It is an indirect tax, thus, it can be passed on to the buyer. Current rate is 12% of net retail/sale price or service revenue.

On December 17, 2017, **Republic Act (“RA”) No. 10963**, known as the **Tax Reform for Acceleration and Inclusion (“TRAIN Law”)** was approved effective January 1, 2018. One of the amendments introduced is the lowering of the threshold amount for VAT on sale of residential lots and sale of house and lots. Sale of residential lots with gross selling price of P1.5 million or less, and residential house and lots with gross selling price of P2.5 million or less are not subject to VAT; provided that beginning January 1, 2021, the VAT exemption shall only apply to sale of real properties not primarily held for sale to customers, sale of real property utilized for socialized housing as defined by RA No. 7279, sale of house and lot, and other residential dwellings with selling price of not more than P2 million.

On March 26, 2021, **RA No. 11534**, known as the **Corporate Recovery and Tax Incentives for Enterprises Act (“CREATE Act”)** was approved effective April 11, 2021. It introduced reforms to the corporate income tax and incentives system, with significant ones retroactive to July 1, 2020. The Group considered this as a non-adjusting event and did not adjust the 2020 financial statements in accordance with the Act’s provisions, but the impact was taken up in subsequent periods. The major provisions include, among others:

- Reduction in income tax rate to 25% (from 30%) effective July 1, 2020 for domestic and foreign-resident corporations;
- Reduction in income tax rate to 20% for corporations with net taxable income not exceeding P5million and with total assets not exceeding P100million, excluding land where business office, plant and equipment are situated;
- Reduction in minimum corporate income tax to 1% (from 2%) from July 1, 2020 until June 30, 2023;
- Reduction in interest expense pairing to 20% (from 33%) of interest income subjected to final tax;
- Tax exemption of dividends received from foreign corporation provided that such funds are reinvested in business operations (working capital, capital expenditures, dividend payments, investment in domestic subsidiaries, infrastructure project) of the domestic corporation in the Philippines within the next taxable year, provided further that the domestic corporation directly holds at least 20% of outstanding shares of the foreign corporation for a minimum of two years at time of dividend distribution.
- The amendments to VAT-exempt sales of real properties under Section 109(1)(P) of the NIRC was vetoed by the President of the Philippines. As such, the changes to said provision from Republic Act No. 10963 or the “Tax Reform for Acceleration and Inclusion (TRAIN)” remained. Beginning January 1, 2021, the VAT exemption shall only apply to sale of real properties not primarily held for sale to customers or held for lease in the ordinary course of trade or business; sale of real property utilized for socialized housing as defined by Republic Act No. 7279, and sale of house and lot, and other residential dwellings with selling price, per Rev. Regs. No. 8-2021 issued on June 11, 2021, of not more than Php3,199,200.

## EMI

Philippine local government legislations require a license to sell alcoholic beverages and prohibit the sale of alcoholic beverages to persons under 18 years of age or within a certain distance from schools and churches. In addition, approvals from the FDA are required before the Company can manufacture a new product. In addition, all new products must be registered with the BIR prior to production.

In addition to VAT, the alcohol products which are manufactured in the Philippines for domestic sales or consumption, including imported items, are subject to excise taxes. The brandy products which are produced from locally processed distilled spirits from the juice, syrup or sugar of the cane are levied an excise tax on per proof liter. [A proof liter is a liter of proof spirits, which are liquors containing one-half of their volume of alcohol with a specific gravity of 0.7939 at 15°C].

**RA No. 11467** was signed into law on January 22, 2020 and took effect on January 1, 2020. Pursuant to R.A. No. 11467, excise taxes on distilled spirits shall be levied, assessed and collected as follows:

- a. Effective on January 1, 2020:
  - An ad valorem tax equivalent to 22.0% of the net retail price (excluding the excise tax and VAT) per proof; and
  - In addition to the ad valorem tax, a specific tax of P42.00 per proof li.
- b. Effective on January 1, 2021:
  - An ad valorem tax equivalent to 22.0% of the net retail price (excluding the excise tax and VAT) per proof; and
  - In addition to the ad valorem tax, a specific tax of P47.00 per proof li.
- c. Effective January 1, 2022:
  - An ad valorem tax equivalent to 22.0% of the net retail price (excluding the excise tax and VAT) per proof; and
  - In addition to the ad valorem tax, a specific tax of P52.00 per proof li.
- d. Effective January 1, 2023
  - An ad valorem tax equivalent to 22.0% of the net retail price (excluding the excise tax and VAT) per proof; and In addition to the ad valorem tax, a specific tax of P59.00 per proof liter.
- e. Effective January 1, 2024
  - An ad valorem tax equivalent to 22.0% of the net retail price (excluding the excise tax and VAT) per proof; and
  - In addition to the ad valorem tax, a specific tax of P66.00 per proof li.
- f. Effective January 1, 2025, the specific tax of P66.00 per proof liter shall be increased by six percent (6%) every year thereafter, while the ad valorem tax shall remain the same.

Medicinal preparations, flavoring extracts, and all other preparations, except toilet preparations, of which, excluding water, distilled spirits form the chief ingredient, are subject to the same tax as the chief ingredient.

The tax shall be proportionally increased for any strength of the spirits taxed over proof spirits, and the tax shall attach to this substance as soon as it is in existence as such, whether it be subsequently separated as pure or impure spirits, or transformed into any other substance either in the process of original production or by any subsequent process.

The net retail price shall mean the price at which the distilled spirits is sold on retail in at least five (5) major supermarkets in Metro Manila, excluding the amount intended to cover the applicable excise tax and the value-added tax. For distilled spirits which are marketed outside Metro Manila, the net retail price shall mean the price at which the distilled spirits are sold in at least five (5) major supermarkets in the region excluding the amount intended to cover the applicable excise tax and the value-added tax. This shall initially be provided by the manufacturer through a sworn statement and shall be validated by the Bureau of Internal Revenue (BIR)

through a price survey. The net retail price shall be determined by the BIR through a biannual price survey under oath.

The suggested net retail price means the net retail price (excluding excise tax and value-added tax) at which locally manufactured or imported distilled spirits are intended by the manufacturer or importer to be sold in major supermarkets or retail outlets in Metro Manila for those marketed nationwide, and in other regions, for those with regional markets. At the end of three months from the product launch, the BIR will validate the suggested net retail price of the new brand against the net retail price and determine the correct tax on newly introduced distilled spirits. After the end of nine months from such validation, the BIR shall revalidate the initially validated net retail price against the net retail price as of the time of revalidation in order to finally determine the correct tax on newly introduced distilled spirits.

Understatement of the suggested net retail price by as much as 15.0% of the actual net retail price results in the manufacturer's or importer's liability for additional excise tax equivalent to the tax due and the difference between the understated suggested net retail price and the actual net retail price.

Wines are levied, assessed and collected an excise tax of P50 per liter effective January 1, 2020, increasing by 6% every year thereafter. [Previously, the specific tax rate increased by 4% every year from January 1, 2014.]

**RA No. 10963** or the **Tax Reform for Acceleration and Inclusion ("TRAIN") Law**, which amends certain provisions in the Philippine Tax Code, took effect on January 1, 2018. Section 47 of the TRAIN Law, imposes an excise tax on sweetened beverages.

On July 25, 2018, **Revenue Regulations (RR) No. 20-2018** provided for the implementing rules and guidelines on the imposition of new taxes on sugar-sweetened beverages. Under RR 20-2018, sweetened beverages are defined as "non-alcoholic beverages of any constitution (liquid, powder, or concentrates) that are pre-packaged and sealed in accordance with the Food and Drug Administration standards that contain caloric and/or non-caloric sweeteners added by the manufacturers." For sweetened beverages that use purely caloric sweeteners, and purely non-caloric sweeteners, or a mix of caloric and non-caloric sweeteners, the tax rate per liter of volume capacity was P6. As for sweetened drinks using purely high fructose corn syrup or in combination with any caloric or non-caloric sweetener, the specific tax was P12 per liter.

The particular products covered by the new excise tax were the following: sweetened juice drinks; sweetened tea; all carbonated beverages; flavored water; energy and sports drinks; other powdered drinks not classified as milk, juice, tea, and coffee; cereal and grain beverages; as well as other non-alcoholic beverages that contain added sugar, while products using purely coconut sap sugar and purely steviol glycosides were exempt from the excise tax, as long as these "comply with the specifications as stated in the Philippine National Standard/Bureau of Agricultural and Fisheries Products Standards 76:2010 ICS 67.180 or latest updated standards.

On January 4, 2021, RR No. 10-2021 was issued to amend pertinent provisions of Section 10 of RR No. 20-2018. The amendment states that sweetened beverage products meant for export are still subject to excise tax when removed from the place of production. After paying the tax, the manufacturer can either: (1) apply for a tax credit or refund under Sections 204 and 229 of the Tax Code, or (2) choose to use the product replenishment scheme as provided in Section 6 of RR No. 3-2008, subject to certain conditions:

- (a) A permit shall be per shipment secured from the BIR Office where the manufacturer is registered or required to be registered as an excise taxpayer before the product is removed from the place of production;
- (b) The products removed from the place of production shall be directly transported, loaded aboard the international shipping vessel or carrier, and shipped directly to the foreign country of destination without returning to the Philippines;

- (c) Proof of exportation such as, but not limited to, the documents enumerated below, shall be submitted within thirty (30) days from the date of actual date of exportation. However, the concerned BIR Office may, upon written request by the taxpayer-exporter, grant a maximum of 30 days, one-time extension for the submission of such documents for meritorious reasons:
1. Export entry declaration duly filed with the Bureau of Customs;
  2. Commercial invoice;
  3. Packing list;
  4. Bill of lading;
  5. Cargo manifest, if applicable;
  6. Inward bank remittance in foreign currency acceptable to the *Bangko Sentral ng Pilipinas*;
  7. Any document showing proof that the products exported have actually arrived and unloaded in the foreign port of destination (e.g., certificate of discharge, import entry declaration duly received by the foreign port of entry, etc.); and
  8. Other necessary documents as may be reasonably required.
- (d) The prescribed phrase "EXPORTED FROM THE PHILIPPINES" is printed on each label that is attached/affixed on the primary container in a recognizable and readable manner.

Failure to submit proof of exportation within the prescribed period shall be construed as non-exportation of the particular articles; and therefore, the same shall be subjected to the corresponding applicable tax, inclusive of penalties. Relative thereto, subsequent issuance of export permits shall not be allowed unless the assessed applicable tax due on such unliquidated export including the applicable penalties shall have been paid. For this purpose, proof of payment of the aforesaid assessment shall accompany your subsequent application permit.

EMI's sweetened non-alcoholic products, Club Mix Lime Juice and Club Mix Apple Tea, are covered.

EDI currently substantially passed on to consumers said tax which forms part of the sales prices.

### ***Brandy de Jerez Regulations***

In Spain, the Andalusian Regional Department of Agriculture, Fisheries and Rural Development has approved the Order dated June 28, 2018, which contains the new *Technical File* regarding the Geographical Indication of "Brandy de Jerez", replacing the former Order dated February 9, 2015. This regulation contains the technical specifications of the products, compliance with which, must be verified to enable use of the protected name. On the other hand, the new *Operational Regulation of the Regulatory Board of "Brandy de Jerez"* has been approved by an Order dated February 16, 2018 issued by the Andalusian Regional Department of Agriculture, Fisheries and Rural Development, replacing the former Order dated June 13, 2005. The Geographic Indication "Brandy de Jerez" is protected in the European Union, in accordance with its registration as a protected geographical indication, as per regulation (EU) no. 2019/787 relating to the definition, description, presentation, labelling and protection of the geographic indication of spirit drinks.

The following EU Regulations amending Regulation (EU) 2019/787 have been adopted in 2021:

COMMISSION DELEGATED REGULATION (EU) 2021/1334 of May 27, 2021 amending Regulation (EU) 2019/787 of the European Parliament and of the Council as regards allusions to legal names of spirit drinks or geographical indications for spirit drinks in the description, presentation and labelling of other spirit drinks

COMMISSION DELEGATED REGULATION (EU) 2021/1335 of May 27, 2021 amending Regulation (EU) 2019/787 of the European Parliament and of the Council as regards the labelling of spirit drinks resulting from the combination of a spirit drink with one or more foodstuffs.

COMMISSION DELEGATED REGULATION (EU) 2021/1465 of July 6, 2021 amending Regulation (EU) 2019/787 of the European Parliament and of the Council as regards the definition of allusions to legal names of spirit drinks or geographical indications for spirit drinks and their use in the description, presentation and labelling of spirit drinks other than the spirit drinks to which allusion is made

The following EU Regulations amending Regulation (EU) 2019/787 have been adopted in 2022:

COMMISSION DELEGATED REGULATION (EU) 2022/1303 of 25 April 2022 amending Regulation (EU) 2019/787 of the European Parliament and of the Council as regards the definition of and requirements for ethyl alcohol of agricultural origin.

In order to be considered a Brandy de Jerez, it must be made according to the methods set down by the Regulating Council. The area of production and ageing of Brandy de Jerez must be exclusively within the Sherry triangle, which is defined by the boundaries of Jerez de la Frontera, Sanlúcar de Barrameda and El Puerto de Santa María, and bottling must be carried out exclusively in the wineries that are registered and authorized by the Regulating Council. Its production process is based on the solera system (seulo or floor) in oak butts previously seasoned with sherry. Different types of sherry give the brandy a different flavor. The traditional ageing system of criaderas (nurseries) and soleras (suelo or floor) must be used.

In Jerez, it is possible to use wine spirits of a higher degree of alcoholic content provided that the distillate or holandas does not exceed a maximum of the 50% of the alcoholic content of the finished product. The holandas must always represent 50% minimum of the final brandy. Brandy de Jerez can be classified into three categories as per its period of ageing:

1. Brandy de Jerez Solera – ageing for more than six months expressed in UBEs (Basic Ageing Unit)
2. Brandy de Jerez Solera Reserva - ageing for more than one year expressed in UBEs.
3. Brandy de Jerez Gran Reserva - ageing for more than three years expressed in UBEs.

*Spanish Royal Decree 164/2014, of March 14*, which establishes complementary rules for the production, designation, presentation and labeling of certain spirits.

### **Sherry Regulations**

The Protected Designation of Origin Jerez-Xeres-Sherry is protected in the European Union, in accordance with its registration as a Protected Designation of Origin, as per *regulation (EU) no 1308/2013* relating to establishing a common organization of the markets in agricultural products.

The *Delegated Regulation (EU) 2019/33* of the Commission, of 17 October 2018, which completes *Regulation (EU) No. 1308/2013* of the European Parliament and the Council, regulates applications for protection of appellations of origin, geographical indications and traditional terms of the wine sector, the opposition procedure, restrictions on use, amendments to the specifications, cancellation of protection, as well as labeling and presentation.

The *Delegated Regulation (UE) 2019/934* of 12 March 2019 supplementing Regulation (EU) No 1308/2013 of the European Parliament and of the Council as regards wine-growing areas where the alcoholic strength may be increased, authorized oenological practices and restrictions applicable to the production and conservation of grapevine products, the minimum percentage of alcohol for by-products and their disposal, and publication of OIV files.

The Andalusian Regional Department of Agriculture, Fisheries and Rural Development has approved the Order dated August 2, 2013, which contains the Product Specification regarding the Protected Designation of Origin “Jerez-Xérès-Sherry”. This regulation contains the technical specifications of the products, compliance with which, must be verified to enable use of the protected name.

The Andalusian Regional Department of Agriculture, Fisheries, Water and Rural Development has approved by Order of 4 October 2022, the applications for ordinary amendments to the specifications of the Protected Designation of Origin 'Jerez-Xérès-Sherry'.

On December 8, 2023, the new European wine labelling regulation comes into force in accordance with Regulation (EU) 2021/2117 which amends the CMO (Regulation (EU) 1308/2013). It establishes as compulsory mentions the nutritional information on the physical and electronic label (except for the energy value, which must always be on the physical label) and the list of allergens, which must always be on the physical label.

### ***Spanish excise duty***

Total duty and excise tax payment made up about 60% of the average price of a bottle of brandy (which are in the range of more than 36° alcoholic degrees). For Spirits (less than 36° alcoholic degrees), taxes represent about 50% of the average price of a bottle. For Sherry Wines, we are in two ranges again, less than 15° alcoholic degrees on 20% of the final prices and higher on 23% of a final price of a bottle of Sherry Wine. These ratios were updated at the end of 2016 by the Spanish Government, at a 5% increase from 2015 Spanish duty and excise tax rates were updated at the end of 2016 by the Spanish Government at a 5% increase from 2015.

The regulations governing special taxes are *Law 38/1992*, of December 28, on Special Taxes and *Royal Decree 1165/1995*, of July 7, which approves the Regulation on Special Taxes.

By order *HAC / 998 / 2019*, of September 23, 2019, the Spanish Ministry of Finance has modified the accounting of products subject to Special Manufacturing Taxes, whose entry into force was on January 1, 2020 with extension until 31st December 31, 2020.

On the other hand, Order *HAC/626/2020*, of 6 July 6, 2020, has modified the Order *HAC / 1271/2019*, of December 9, 2019, has approved the rules of development of the provisions of article 26 of the Regulation of Special Taxes, approved by Royal Decree 1165/1995, of July 7, on the new fiscal seals planned for derived beverages (Brandy and Spirits) , whose entry into force has been on January 1, 2020.

Finally, Royal Decree 399/2021, of June 8 amends in its First Final Provision the Regulation on Excise Duties, approved by Royal Decree 1165/1995, of July 7. The first paragraph of letter a) of section 2 and section 11 are amended, and section 12 and the last paragraph of section 13 of article 26 of the Regulation of Excise Duties, approved by Royal Decree 1165/1995 are repealed: Placement of the seals in any visible place on the container in such a way that they cannot be reused and allowing the reading of the electronic security code that they incorporate, as well as the request for the electronic cancellation of the security codes for the deactivation of tax marks.

### ***Amendment of the Food Chain Law***

In 2021, the Spanish Food Chain Law was amended by Law 16/2021 of December 14, in order to include the provisions of an EU Directive on unfair commercial practices in relations between companies in the agricultural and food supply chain. Among others, it requires from now onwards that the agreed price of the sale of products always covers production costs, to sign written contracts with regard to commercial transactions of more than 2,500 euros, broadens the catalog of prohibited unfair commercial practices and reinforces the sanctioning procedure.

### ***Scotch Whisky Regulations 2009***

**In the UK**, the *Scotch Whisky Regulations 2009* ("SWR") came into force on November 23, 2009, replacing the Scotch Whisky Act 1988 and the Scotch Whisky Order 1990. Whereas the previous legislation had only governed the way in which Scotch Whisky must be produced, the SWR also set out rules on how Scotch Whiskies must be labelled, packaged and advertised, as well as requiring Single Malt Scotch Whisky to be

bottled in Scotland, labelled for retail sale, from November 23, 2012. The SWR made clear that Scotch Whisky must be wholly matured in Scotland (i.e., it may not be matured in any country other than Scotland). They also require that all maturation must take place in an excise warehouse or in another permitted place regulated by Her Majesty's Revenue and Customs ("HMRC"). HMRC is appointed by the SWR as the competent authority for verification of Scotch Whisky.

Permitted place is defined in Regulation 4 of the SWR and includes any place to which spirits in an excise warehouse are moved for:

- Re-warehousing in another excise warehouse;
- Such temporary purposes and periods as HMRC allow;
- Scientific research and testing;
- Storage at other premises where under the Customs and Excise Acts goods of the same class or description may be kept without payment of excise duty; and
- Such other purposes as HMRC may permit.

It is only if all maturation of Scotch Whisky takes place under some form of HMRC control that they will be able to certify that the spirit is Scotch Whisky and, if any age is claimed, that the Scotch Whisky has been matured in the permitted size of oak casks for the period claimed.

The SWR also provide that the only type of whisky that may be manufactured in Scotland is Scotch Whisky. This is to prevent the existence of two "grades" of whisky in Scotland - one "Scotch Whisky" and the other "Whisky – product of Scotland". This is to ensure protection of "Scotch Whisky" as a distinctive product.

Regulation 3(2) defines five categories of Scotch Whisky which must appear clearly and prominently on every bottle of Scotch Whisky sold:

1. Single Malt Scotch Whisky – a Scotch Whisky distilled at a single distillery (i) from water and malted barley without the addition of any other cereals, and (ii) by batch distillation in pot stills. From 23 November 2012, Single Malt Scotch Whisky must be bottled in Scotland.
2. Single Grain Scotch-Whisky - a Scotch Whisky distilled at a single distillery (i) from water and malted barley with or without whole grains of other malted or unmalted cereals, and (ii) which does not comply with the definition of Single Malt Scotch Whisky.
3. Blended Scotch-Whisky - a blend of one or more Single Malt Scotch Whiskies with one or more Single Grain Scotch Whiskies.
4. Blended Malt Scotch-Whisky - a blend of Single Malt Scotch Whiskies, which have been distilled at more than one distillery.
5. Blended Grain Scotch-Whisky - a blend of Single Grain Scotch Whiskies, which have been distilled at more than one distillery.

Regulation 8 of the SWR makes it compulsory for every Scotch Whisky to bear on the front of the bottle and on any individual packaging the category to which the Scotch Whisky belongs. The category must appear as prominently as other descriptions of the Scotch Whisky.

It is an offence to promote a Scotch Whisky as belonging to a category to which it does not belong. Regulation 6 of the SWR makes it illegal to label, package, sell or advertise any drink as "Scotch Whisky" or "Scotch" in such a way to suggest indirectly that the drink is Scotch Whisky when it does not qualify as such.

Regulation 7 of the SWR also makes it illegal to export any type of Scotch Whisky in an oak or other wooden cask. It is permitted to continue to export Scotch Whisky in bulk using inert containers such as appropriate plastic drums or steel containers.

However, Regulation 7 of the SWR also makes it illegal for Single Malt Scotch Whisky to be exported from Scotland other than in a bottle labelled for retail sale.



SWR provided added legal protection for the traditional regional names with Scotch Whisky production, i.e. 'Highland', 'Lowland', 'Speyside', 'Campbeltown', and 'Islay'. These names can only appear on whiskies wholly distilled in those regions. A distillery name must not be used as a brand name on any Scotch Whisky which has not been wholly distilled in the named distillery. Labelling must not by any other means mislead consumers as to where the Scotch Whisky has been distilled. It is permissible to use other Scottish locality or regional names provided the Scotch Whisky has been entirely distilled in that place.

SWR maintains the long-standing rule on the use of age statements, i.e. the only age which may be stated is the age of the youngest Scotch Whisky in the product. When distillation or vintage year will be used, then only one year may be mentioned together with the year of bottling or age statement which must appear in the same field of vision as the year of distillation or vintage, and all of the whisky in the product must have been distilled in that vintage year.

There are a range of enforcement measures available for breach of the SWR from warning notices to criminal prosecutions. Provisions are also included for civil enforcement by interested parties.

### **UK excise duty**

Up to August 2023, total duty and excise tax payment made up about 70% of the average price of a bottle of whisky, at a rate of £28.74 per litre of pure alcohol and so the Spirit Duty you paid on a 1 litre bottle of 40% ABV is 40% of £28.74, or £11.50. In the Spring Budget of 2023, the Chancellor increased the duty rate on spirits<sup>2</sup> to £31.64 per litre of pure alcohol, meaning that of the £15.22 average price of a bottle of Scotch Whisky, £11.40 is collected in taxation through duty and VAT. The tax burden on the averaged priced bottle of Scotch Whisky has risen from 70% to 75% (Source: Scotch Whisky Association's Newsroom article dated March 15, 2023 in its website).

The Scottish Government has implemented a minimum price per unit of alcohol on products sold in Scotland<sup>3</sup>, which resulted in a significant increase to the price of a standard blended Scotch Whisky. The minimum is 50p per unit of alcohol which means the minimum retail selling price ("RSP") for a 1L bottle of 40% ABV whisky is £20. A similar policy has been introduced in England and Wales<sup>4</sup>. The Scotch Whisky Association continues to call for a review of the alcohol duty system to deliver fairness for Scotch Whisky which is a unique UK product.

### **USA Tariffs**

On October 18, 2019, the U.S. began to impose additional tariffs on certain products imported from the European Union (including the UK). In particular, Single Malt Scotch Whisky imported into the U.S. had to pay an import tariff in addition to the existing ones of 25% ad valorem, that is, 25% of the value of the product declared in customs.

In October 2020, the WTO allowed the EU to impose additional (retaliatory) tariffs to products from the US.

The US suspended tariffs on UK goods, including Scotch whisky, for four months starting March 4, 2021. In June 2021, a UK-U.S. deal on future aerospace subsidies was agreed which suspended the 25% tariff on single malt Scotch Whisky for a further five years. If the 25% tariff were re-imposed, we expect that its impact on our financial results would be limited and we would work with our importers and distributors to minimize disruption to our business.

### **Commercial and Cooperation Agreement between the European Union and the European Atomic Energy Community, on the one side, and the United Kingdom of Great Britain and Northern Ireland, on the other side**

The EU and the UK signed a commercial and cooperation agreement on December 24, 2020 (the "**Commercial and Cooperation Agreement**"), in force on January 1, 2021, in order to regulate their relationships due to the

Brexit, with regard to trade of goods and services, digital trade, intellectual property, public procurement, aviation and road transport, energy, fishing, coordination of social security, judicial cooperation and police in criminal matters, thematic cooperation and participation in European Union programs.

As of January 1, 2021, the UK leaves the Single Market and the Customs Union of the EU. As a result, it no longer benefits from the principle of the free movement of goods. Even with the new agreement in place, companies will face new trade barriers, which will lead to increased costs, new controls and will require adjustments to integrate supply chains from the EU and UK.

Both Parties have agreed to create an ambitious free trade area without tariffs or quotas applied to products, with regulatory and customs cooperation mechanisms, as well as provisions to guarantee a level playing field for open and fair competition, as part of a larger economic partnership. The provisions set out in the Agreement do not govern trade of goods between the EU and Northern Ireland, since these will be governed by the Protocol on Ireland and Northern Ireland included in the Exit Agreement of the UK (*Brexit*).

In particular with regard to Bodegas Fundador pending applications for registered trademarks in the EU, as a result of Brexit, no corresponding UK rights will be automatically created from EU trademark applications, so it will be necessary to file a UK application.

## **Megaworld**

**Presidential Decree (“PD”) No. 957, RA No. 4726 and Batas Pambansa (“BP”) Blg. 220** are the principal statutes that regulate the development and sale of real property as part of a condominium project or subdivision projects for residential, commercial, industrial and recreational purposes. The DHSUD is the administrative agency which, together with LGU, enforces these decrees and has jurisdiction to regulate the real estate trade and business.

All subdivision and condominium plans for residential, commercial, industrial and other development projects are required to be filed with the DHSUD and the pertinent LGU of the area in which the project is situated. Approval of such plans is conditional on, among other things, the developer’s financial, technical and administrative capabilities. Alterations of approved plans, which affect significant areas of the project, such as infrastructure and public facilities, also require the prior approval of the relevant government body or agency. The development of subdivision and condominium projects can commence only after the relevant government body has issued the required development permit.

The issuance of a development permit is dependent on, among other things: (i) compliance with required project standards and technical requirements which may differ depending on the nature of the project and (ii) issuance of the barangay clearance, the DHSUD locational clearance, Department of Environment and Natural Resources (“DENR”) permits and Department of Agrarian Reform (“DAR”) conversion or exemption orders, as discussed below. A bond equivalent to 10% of the total project cost is required to be posted by the project developer to ensure commencement of the project within one year from the issuance of the development permit.

Developers who sell lots or units in a subdivision or a condominium project are required to register the project with and obtain a license to sell from the DHSUD. Subdivision or condominium units may be sold or offered for sale only after a license to sell has been issued by the DHSUD.

Project permits and licenses to sell may be suspended, cancelled or revoked by the DHSUD, by itself or upon a verified complaint from an interested party, for reasons such as involvement in fraudulent transactions, misrepresentation about the subdivision project or condominium project in any literature which has been distributed to prospective buyers. A license or permit to sell may only be suspended, cancelled or revoked after a notice to the developer has been served and all parties have been given an opportunity to be heard in compliance with the HLURB’s rules of procedure and other applicable laws.

Real estate dealers, brokers and salesmen are also required to register and secure a certificate of registration with the HLURB before they can sell lots or units in a registered subdivision or condominium project. On June 29, 2009, **RA No. 9646 or the Real Estate Service Act of the Philippines** was signed into law. RA No. 9646 strictly regulates the practice of real estate brokers by requiring licensure examinations and attendance in continuing professional education programs.

Further, **RA No. 7279 (“Urban Development Housing Act”)**, as amended by **RA No. 10884 (“Balanced Housing Development Program Amendments”)**, requires developers of proposed subdivision projects to develop an area for socialized housing equivalent to at least 15% of the total subdivision area or total subdivision project cost and at least five (5%) of condominium area or project cost, at the option of the developer; within the same or adjacent regions, whenever feasible, and in accordance with the standards set by the HLURB (now DHSUD). Alternatively, the developer may opt to buy socialized housing bonds issued by various accredited government agencies or enter into joint venture arrangements with either the LGU or any of the housing agencies in socialized housing development.

**RA No. 6552, or the Maceda Law**, was promulgated to protect real estate buyers on installment basis (including residential condominium units but excluding industrial and commercial lots) by giving the buyers a total of at least 60-day grace period within which to pay any unpaid installments without any interest. RA No. 6552 also requires the sellers of real estate to give the buyers a refund of at least 50% of total payments made should the sale be cancelled provided the buyers have paid at least two years of installments. RA No. 6552 covers the business of the Company as it applies to all transactions or contracts involving the sale or financing of real estate through installment payments.

Pursuant to the **Anti-Money Laundering Act of 2001 (“AMLA”)**, as recently amended by **RA No. 11521**, which took effect on January 30, 2021, real estate developers (“REDs”) are now covered institutions. Thus, REDs are now required to report covered and suspicious transactions to the AMLC within the period prescribed by the law and its implementing rules and regulations. For REDs, a covered transaction involves a single cash transaction involving an amount in excess of Php7,500,000.00 or its equivalent in any other currency. Suspicious transactions are as defined under the AMLA and under Republic Act No. 10168 or the Terrorism Financing Prevention and Suppression Act of 2012, and their respective implementing rules and regulations. REDs are required to file with the AMLC a Covered Transaction Report (“CTR”) within five (5) working days from occurrence thereof, and a Suspicious Transaction Report (“STR”) within the next working day from occurrence thereof.

Shopping malls are regulated by the local government unit of the city or municipality where the shopping mall is located. Shopping mall operators must secure a mayor’s permit or municipal license before operating. Shopping mall operators must also comply with the provisions of **RA No. 9514 or the Fire Code**, and other applicable local ordinances. Shopping malls that have restaurants and other food establishments as tenants must obtain a sanitary permit from the Department of Health. Shopping malls that discharge commercial wastewater must apply for a wastewater discharge permit from the DENR. As a tourism-related establishment, shopping malls may obtain accreditation from the Department of Tourism (“DOT”). A shopping mall can only be accredited upon conformity with the minimum physical, staff and service requirements promulgated by the DOT.

Hotels and resorts follow national accreditation standards as promulgated by the DOT under **Memorandum Circular No. 2012-02** in May 2012, as amended by **Memorandum Circular No. 2024-0002** in March 2024, pursuant to the Tourism Act of 2009. The Memorandum Circular adopts the star grading system, with five levels of accommodation standards which are equivalent to one to five stars. For instance, a one-star rating will be granted to hotels which achieve 251 to 400 points (25% to 40% of the standards) and a five-star rating will be granted to hotels which achieve 851 to 1,000 points (85% to 100%) of the standards. Once an application for accreditation is filed, the DOT sends an inspection team to conduct an audit of the establishment and

determine compliance with its classification. The Certificate of Accreditation issued by the DOT is valid for two years, unless sooner revoked. The rights over the accreditation are non-transferable.

Certain investment properties are registered with PEZA, and this provides significant benefits to tenants. PEZA requirements for registration of an IT park or building differ depending on whether it is located in or outside Metro Manila. These requirements include clearances or certifications issued by the city or municipal legislative council, the DAR, the National Water Resources Board, and the DENR. The PEZA is a government corporation that operates, administers, and manages designated special economic zones (“Ecozones”) around the country. Ecozones are selected areas with highly developed or which have the potential to be developed into agro-industrial, commercial, banking, tourist/recreational, investment and financial centers. An Ecozone may contain any or all of the following: industrial estates, export processing zones, free trade zones, and tourist/recreational centers. There are several activities eligible for PEZA registration and incentives including, but not limited to, IT services, Tourism and Retirement activities. PEZA-registered enterprises located in an Ecozone are entitled to fiscal and non-fiscal incentives such as income tax holidays and duty free importation of equipment, machinery and raw materials. Retirement Ecozone developers/operators and retirement Ecozone facilities enterprises are entitled to fiscal and non-fiscal incentives.

The Group routinely secures the required government approvals for its projects during the planning and construction and marketing stages of project development, including operations of its malls and leased properties. The Megaworld Group is not aware of any pending government regulation that is expected to materially affect its business. The Megaworld Group believes it has obtained the required government approvals relevant for each project at its current state of development.

## **Travellers**

**RA No. 10927** was passed and became effective in July 2017 designating casinos as covered persons under **RA No. 9160 (“Anti Money Laundering Act”)**, as amended. The Casino Implementing Rules and Regulations was issued by the Anti-Money Laundering Council (“AMLC”) and Appropriate Government Agencies (“AGA”) in October 2017. Casinos shall report to the AMLC all suspicious transactions as defined by law and single casino cash transaction (i.e., receipt or pay out of cash by and of a casino, paid or received by or on behalf of a customer, or such other cash transactions that may be determined by AMLC and the AGA) involving an amount in excess of Five Million Pesos (Php5,000,000.00) or its equivalent in any other currencies within five (5) working days, unless the AMLC prescribes a different period not exceeding fifteen (15) working days, from the occurrence thereof. In August 2018, casinos were required to submit covered and suspicious transactions to the AMLC following the effectivity of AMLC’s Registration and Reporting Guidelines for Casinos. Casinos are likewise required to conduct customer due diligence (CDD) in accordance with **PAGCOR’s CDD Guidelines for Land-Based Casinos** effective November 2018.

Travellers is subject to 25% and 15% license fees, in lieu of all taxes, with reference to the income component of the gross gaming revenues, as provided under the Provisional License Agreement with PAGCOR. Although the Bureau of Internal Revenue (BIR) issued Revenue Memorandum Circular No. 33-2013 declaring that PAGCOR, its contractees and its licensees are no longer exempt from corporate income tax under the National Internal Revenue Code of 1997, as amended, the Supreme Court, on August 10, 2016, in *Bloomberry Resorts and Hotel, Inc. vs. BIR*, confirmed the legality of the aforesaid provision of the Provisional License subjecting NWR to 25% and 15% license fees, in lieu of all taxes, with reference to the income component of the gross gaming revenues, when it affirmed that “exemptions granted for earnings derived from the operations conducted under the franchise specifically from the payment of any tax, income or otherwise, as well as any form of charges, fees or levies, shall inure to the benefit of and extend to corporation(s), association(s), agency(ies), or individual(s) with whom the PAGCOR or operator has any contractual relationship in connection with the operations of the casino(s) authorized to be conducted under this Franchise, so it must be that all contractees and licensees of PAGCOR, upon payment of the 5% franchise tax, shall be exempted from all other taxes, including income tax realized from the operation of casinos.” This Decision has been affirmed with finality in the Supreme Court Resolution dated November 28, 2016, when it denied the Motion

for Reconsideration filed by the BIR. Consistent with the decision of the Supreme Court, last June 2018, PAGCOR advises that the Office of the Solicitor General issued a legal opinion stating that the tax exemption and imposition of 5% franchise tax in lieu of all other taxes and fees for gaming operations that was granted to PAGCOR extend to all PAGCOR contractees and licensees.

Travellers is registered with PEZA as a Tourism Economic Zone. Its PEZA-registered activities include the former Maxims Hotel, Newport Entertainment and Commercial Center, Marriott Hotel Manila, Holiday Inn Express Manila Newport City (formerly Remington Hotel), Marriott Grand Ballroom, Marriott West Wing, Hotel Okura Manila (formerly, Maxims II) and the Courtyard by Marriott Iloilo. As such, it is entitled to certain tax incentives. Hilton Manila and Sheraton Manila Hotel, through NWR's subsidiaries, are also included in Travellers' PEZA-registered activities.

## **GADC**

**RA No. 10963, known as the Tax Reform for Acceleration and Inclusion ("TRAIN")**, the first package of the comprehensive tax reform program ("CTRP") envisioned by Pres. Duterte's administration, seeks to correct a number of deficiencies in the tax system to make it simpler, fairer and more efficient. It took effect on January 1, 2018. Among its provisions is the imposition of excise tax on sugar-sweetened beverages ("SSB"), a measure meant to encourage consumption of healthier products to help promote a healthier Philippines. The products covered by the SSB excise tax under TRAIN are sweetened juice drinks, sweetened tea, all carbonated or non-alcoholic beverages with added sugar, including those with caloric and non-caloric sweeteners, flavored water, energy drinks, sports drinks, other powdered drinks not classified as milk. This additional per liter cost of volume capacity for soft drinks and juice drinks prompted GADC to reevaluate pricing of certain products. Changes in consumer spending and further pricing re-alignments remain as possibilities going forward. GADC will continue to prioritize its value strategy.

Also, based on RR13-2018, the amortization of the input VAT shall only be allowed until December 31, 2021, after which taxpayers with unutilized input VAT on capital goods purchased or imported shall be allowed to apply the same as scheduled until fully utilized: Provided, that in the case of purchase of services, lease or use of properties, the input tax shall be creditable to the purchaser, lessee or licensee upon payment of the compensation, rental, royalty or fee.

## **Others**

**RA No. 10667**, otherwise known as the **Philippine Competition Act** was passed into law on July 21, 2015 and took effect on August 8, 2015. It is the first antitrust statute in the Philippines, enacted to attain a more equitable distribution of opportunities, income and wealth by enhancing economic efficiency; promoting free and fair competition in trade, industry and all commercial economic activities; preventing economic concentration and penalizing all forms of anti-competitive agreements. The law applies to any person or entity engaged in any trade, industry or commercial economic activity in the Philippines. Moreover, the law applies to international trade activities which have direct, substantial and reasonably foreseeable effects on the trade, industry or commerce in the Philippines. On March 21, 2016, the Implementing Rules and Regulations ("IRR") of RA No. 10667 was issued to set forth the guidelines for the implementation of the said law.

The enactment of this law established the Philippine Competition Commission (PCC), the body primarily responsible for the implementation and enforcement of the PCA. The PCC is tasked with overseeing the behavior of business entities in the market and regulating activities such as mergers and acquisitions to ensure the maintenance of fair and healthy competition. The PCA expressly prohibits and penalizes the following:

- (a) Anti-competitive agreements between or among competitors that unreasonably restrain trade or competition, including those that fix prices, manipulate auction outcomes, or restrict other terms of trade. This encompasses practices such as cover bidding, bid suppression, bid

- rotation, market allocation, and other similar forms of bid rigging, as well as agreements that have the purpose or effect of substantially preventing, restricting, or lessening competition.
- (b) Conduct that constitutes an abuse of dominant position, which refers to actions by a dominant firm that substantially prevent, restrict, or lessen competition.
- (c) Mergers or acquisitions that are likely to substantially lessen, restrict, or prevent competition within a relevant market for goods or services.

An entity is presumed to hold a dominant market position if it controls at least 50% of the relevant product or geographic market. Moreover, entities engaging in mergers, acquisitions, or joint ventures are required to comply with the mandatory notification requirements of the PCC if their transactions meet the thresholds set under the PCA and its implementing rules. As of 1 March 2025, the PCC has adjusted the thresholds for mergers and acquisitions that will meet relevant thresholds of the size of party test reaching ₱8.5 billion and size of transaction test reaching ₱3.5 billion.

Failure to comply with these notification requirements prior to consummation renders the transaction void and subjects the parties to an administrative fine ranging from 1% to 5% of the transaction value.

The PCA also imposes substantial administrative penalties, with fines of up to ₱100 million for a first offense and up to ₱250 million for a second offense. Additionally, private individuals or entities adversely affected by violations of the PCA may file civil actions for damages against the responsible parties.

Finally, the law provides for criminal liability, particularly in cases involving price fixing and bid rigging among competitors, in addition to the administrative and civil sanctions prescribed under the PCA.

The Group takes into account the provisions of RA No. 10667 and ensures that its business decisions and operations are within the parameters set forth by the Philippine Competition Act and that its business objectives are aligned with the constitutional goals for the national economy.

**RA No. 10173**, or the **Data Privacy Act**, was enacted in 2012 to protect personal information in the information and communications systems in both the government and private sectors. It aims to protect the right to privacy while promoting free flow of information for growth and innovation. This law is intended to provide parameters for the collection, processing, retention and disposal of personal data. The law also provided for the creation of the National Privacy Commission (NPC), the government agency mandated to administer and implement RA No. 10173 and to monitor and ensure the country's compliance with the international standards of data protection. On September 9, 2016, the Implementing Rules and Regulations (IRR) for RA No. 10173 was issued.

The law mandates that processing of personal data should, in all cases, adhere to the general data privacy principles of transparency, legitimate purpose and proportionality. Violation of the provisions of the law is subject to civil and criminal penalties, which may range from P500 thousand to P5.0 million in fines and eighteen months to six years imprisonment term. Personal data refers to both personal information and sensitive personal information. Personal information refers to any information that can identify or ascertain the identity of an individual, including name and image of the individual. Sensitive personal information refers to information which has material impact on the well-being of the individual, including personal information about an individual's race, ethnic origin, marital status, age, color, religious and political affiliations, health, education, genetic, sexual life, information related to any court proceeding involving the individual, information issued by the government agencies peculiar to the individual and other information which may be specifically established by a law to be classified.

On March 1, 2021, the National Privacy Commission (NPC) announced that the validity of existing Data Protection Officer (DPO) registrations of Personal Information Controllers (PICs) and Personal Information Processors (PIPs) is extended to June 30, 2021. The validity of existing registrations was previously extended from March 8, 2020 to August 31, 2020, and thereafter to March 7, 2021. The NPC further extended the validity

of existing DPO registrations issued in 2019 and 2020 until March 8, 2022, due to delays in launching the eRehistro system. Registrations issued in 2021 were granted an additional extension until March 8, 2023. certificates of registration (CORs) effective until March 8, 2023, received a final extension up to July 10, 2023. In 2023, the NPC launched the National Privacy Commission Registration System (NPCRS), replacing the previous eRehistro platform. All PICs and PIPs are now required to register their DPOs and data processing systems (DPS) through the NPCRS. Each new registration is valid for one year from the issuance date and must be renewed within 30 days before expiration.

The Group is already compliant with RA No. 10173. It published its privacy policy and has implemented the necessary security measures to ensure the protection of the personal data that it is collecting and processing from its various stakeholders. Moreover, it is continuously working internally to monitor its compliance with RA 10173 and the rules, regulations and issuances of the NPC.

**RA No. 11595**, otherwise known as **An Act amending RA No. 8762 or the Retail Trade Liberalization Act of 2000** or RTLA, took effect on 21 January 2022. On 9 March 2022, the Department of Trade and Industry (DTI), in coordination with National Economic and Development Authority (NEDA) and the Securities and Exchange Commission (SEC), issued the Implementing Rules and Regulations (IRR) to RA No. 11595. The new law lowers the required paid-up capital for foreign retail enterprises and eases restrictions on foreign retailers to engage in retail trade in the country. Foreign retailer means a foreign national, partnership, association, or corporation of which more than forty percent (40%) of the capital stock outstanding and entitled to vote is owned and held by such foreign national, engaged in retail trade.

Some of the salient provisions introduced by RA No. 11595 are:

- It removed the categories under the RTLA and lowered the minimum paid-up capital requirements for foreign retailers. The minimum paid-up capital required of a foreign retailer is Twenty-Five Million Pesos (Php25,000,000.00). Further, the foreign retailer's country of origin must provide reciprocity to Filipinos.
- For foreign retailers having more than one (1) physical store, the new law decreased the minimum investment per store to Ten Million Pesos (Php10,000,000.00)
- Foreign retailers that prequalified prior to the effectivity of the new law whose foreign ownership exceeds eighty percent (80%) are no longer required to publicly offer thirty percent (30%) of their shares of stocks in the Philippines.
- Foreign retailers should determine the nonavailability of a competent, able, and willing Filipino citizen before engaging the services of a foreign national. Foreign retailers are also encouraged to have a stock inventory of products that are made in the Philippines.

**RA No. 11058** or the **Occupational Safety and Health Standards Law** was signed into law on August 17, 2018. It mandates employers, contractors or subcontractors and any person who manages, controls or supervises the work, to furnish the workers a place of employment free from hazardous conditions that are causing or are likely to cause death, illness or physical harm to the workers. It also requires to give complete job safety instructions or orientation and to inform the workers of all hazards associated with their work, health risks involved or to which they are exposed, preventive measures to eliminate or minimize the risks and steps to be taken in cases of emergency. An employer, contractor or subcontractor who willfully fails or refuses to comply with the Occupational Safety and Health Standards shall be administratively liable for a fine. Further, the liability of the employer, project owner, general contractor, contractor or subcontractor, if any, and any person who manages, controls or supervises the work, shall be solidary.

The Rules for Occupational Safety and Health Standards ("OSHS") issued by the Bureau of Working Conditions of the Department of Labor and Employment ("DOLE") establishes the threshold limit values ("TLV") for toxic and carcinogenic substances, which may be present in the atmosphere of the work environment. The TLV refer to the concentration of airborne substances that are considered safe for nearly all workers to be exposed to on a daily basis without harmful effects. These values are based on time-weighted averages over an eight-hour workday and a 48-hour workweek. Employee exposure to substances listed in the OSHS must either be within

the specified ceiling limit for that substance or must not go beyond the 8-hour time-weighted average limit, as the case may be.

To ensure employee safety, employers must provide protective gear for the eyes, face, hands, and feet, along with shields or barriers when needed due to hazardous processes, environments, or exposure to harmful substances. Employers are also responsible for making sure this protective equipment is adequate and properly maintained.

To ensure compliance with the OSHS, every establishment or place of employment will be inspected at least once a year. Special inspection visits may be authorized by the Regional Labor Office to investigate accidents, occupational illnesses or dangerous occurrences, especially those resulting in permanent total disability or death, to conduct surveys of working conditions for the purpose of evaluating and assessing environmental contaminants and physical conditions, or to conduct investigations, inspections or follow-up inspections upon request of an employer, worker or a labor union of the establishment.

Any violation of the provisions of the OSHS will be subject to the applicable penalties under the Labor Code, which imposes a fine of not less than ₱1,000.00 nor more than ₱ 10,000.00 or imprisonment of not less than three (3) months nor more than three (3) years, or both such fine and imprisonment, at the discretion of the court. If the offense is committed by a corporation, the penalty will be imposed upon the guilty officers of such corporation.

Further, employers are required to provide free medical and dental services based on the size of their workforce and whether the workplace is hazardous. For large industries with 200 to 600 employees, the employer must hire a part-time occupational health physician and a part-time dentist, each working four hours daily, six days a week, working in alternate periods. A full-time occupational health nurse and a full-time first aider are also required. Additionally, the employer must maintain an emergency clinic on-site, unless a hospital or dental clinic can be reached within 25 minutes and there are transport facilities available in case of emergencies.

The OSHS require every workplace to establish a health and safety committee. Employers must also create written safety policies that comply with OSHS and submit copies of these policies, along with details of the health and safety organization, to the DOLE within one month after forming or reorganizing the committee.

Moreover, the DOLE issued Department Order No. 198-18 which implemented Section 32 of RA 11058. The law seeks to safeguard all workers from injury, illness, or death by ensuring safe and healthy working conditions. It identifies construction industry workplaces as high-risk areas and guarantees workers' rights to report accidents, use personal protective equipment, and have access to safety signages and devices, among others.

The law requires the development of an Occupational Safety and Health (OSH) Program, which must be approved by the DOLE prior to construction. Any willful failure or refusal of an employer, contractor or subcontractor to comply with the OSH standards or a compliance order issued by the Secretary of Labor and Employment or his/her authorized representative shall be penalized with administrative fines.

On May 1, 2025, the DOLE issued Department Order No. 252-25, further revising the Implementing Rules and Regulations of RA 11058 and expanding its coverage to include all establishments located inside special economic zones and other investment promotion agencies, e.g., the Philippine Economic Zone Authority and the Clark Development Corporation; those engaged in contracting and subcontracting activities in the private and public sectors; and Government-owned or controlled corporations (GOCCS) without an original charter.

**RA No. 9367**, otherwise known as the **Biofuels Act of 2006**, provides for the mandatory use of biofuels. RA No. 9367 mandates that there shall be a minimum 1% biodiesel blend and 5% bioethanol blend by volume in all diesel and gasoline fuels, being distributed and sold in the country, provided that the biodiesel and bioethanol blends conform to the standards set forth under the Philippine National Standards. In order to encourage



investments in the biofuels industry, the government, in addition to applicable incentives and benefits under the existing laws, rules and regulations, provided for an incentive scheme which includes 0% specific tax on local and imported biofuels component per liter of volume, VAT exemption on the sale of raw material used in the production of biofuels, exemption from wastewater charges for water effluents for the production of biofuels and potential financial assistance from government financial institutions.

At present, the government, through the Sugar Regulatory Administration, Department of Energy, Bureau of Internal Revenue and Bureau of Customs, is working hand in hand with the private sector to further develop the biofuels industry, with the vision of producing enough biofuels for local and international distribution.

### **Compliance With Environmental Laws**

All Philippine development projects, installations and activities located in areas surrounding the Laguna Lake are subject to regulatory and monitoring powers of the Laguna Lake Development Authority (“LLDA”). Since the glass plant and the brandy manufacturing complex are located in this area, permits to operate are being renewed with LLDA on a yearly basis.

Development projects that are classified by Philippine law as environmentally critical or projects within statutorily defined environmentally critical areas are required to obtain an Environmental Compliance Certificate (“ECC”) prior to commencement. The Department of Environment and Natural Resources (“DENR”) through its regional offices or through the Environmental Management Bureau (“EMB”), determines whether a project is environmentally critical or located in an environmentally critical area. As a requisite for the issuance of an ECC, an environmentally critical project is required to submit an Environmental Impact Statement (“EIS”) to the EMB while a project in an environmentally critical area is generally required to submit an Initial Environmental Examination (“IEE”) to the proper DENR regional office. While the EIS or an IEE may vary from project to project, as a minimum, it contains all relevant information regarding the project’s environmental effects. The issuance of an ECC is a Government certification that the proposed project or undertaking will not cause a significant negative environmental impact; that the proponent has complied with all the requirements of the EIS System and that the proponent is committed to implement its approved Environmental Management Plan in the EIS or, if an IEE was required, that it shall comply with the mitigation measures provided therein.

RA No. 11898 or the Extended Producer Responsibility (EPR) Act of 2022 lapsed into law on July 23, 2022, and amended Republic Act No. 9003 or the Ecological Solid Waste Management Act of 2000. It is an Act institutionalizing the extended producer responsibility on plastic packaging waste. Through EPR, “obliged enterprises,” or through their Producer Responsibility Organizations, will have to recover or offset their generated plastic product footprint by 20 percent (20%) in 2023 to 80 percent (80%) by 2028. The EPR Law covers plastic packaging such as single or multi-layered plastics such as sachets, rigid plastic packaging products like food and drink containers, single use plastic bags, and polystyrene. Penalties for the non-compliance of EPR duties range from P5 million to P20 million, or “twice the cost of recovery and diversion of the footprint or its shortfall, whichever is higher”.

In Scotland, WMG has an environmental policy which commits it to ensure that its activities are conducted in ways which comply with the law and, so far as is reasonably and commercially practicable, do not harm the environment. In Spain, Grupo Emperador considers it necessary to preserve the environment for its business to be viable long term and it is its main interest to take care and respect the environment as one of the pillars of its business culture.

The Company and its subsidiaries have not incurred material costs to comply with environmental laws.

## BOARD OF DIRECTORS AND SENIOR MANAGEMENT

Directors are elected annually by the stockholders to serve until the election and qualification of their successors. All of the directors, including the three independent directors, Messrs. Jesli A. Lapus, Anthony T. Robles and Enrique M. Soriano III were elected in the last annual stockholders' meeting on June 19, 2025. No independent director has served for a cumulative term of nine years as of date.

The table below sets forth each member of the Company's Board as of July 31, 2025:

| <b>Name</b>                  | <b>Age</b> | <b>Citizenship</b> | <b>Position</b>                                      |
|------------------------------|------------|--------------------|------------------------------------------------------|
| Andrew L. Tan                | 75         | Filipino           | Chairman                                             |
| Kevin Andrew L. Tan          | 45         | Filipino           | President, Chief Executive Officer and Vice Chairman |
| Lourdes T. Gutierrez-Alfonso | 62         | Filipino           | Director                                             |
| Katherine L. Tan             | 73         | Filipino           | Director                                             |
| Jesli A. Lapus               | 75         | Filipino           | Lead Independent Director                            |
| Anthony T. Robles            | 70         | Filipino           | Independent Director                                 |
| Enrique M. Soriano III       | 58         | Filipino           | Independent Director                                 |

The table below sets forth the Company's executive officers as of June 19, 2025:

| <b>Name</b>         | <b>Age</b> | <b>Citizenship</b> | <b>Position</b>                                                                                       |
|---------------------|------------|--------------------|-------------------------------------------------------------------------------------------------------|
| Kevin Andrew L. Tan | 45         | Filipino           | Vice Chairman, President and Chief Executive Officer                                                  |
| Katherine L. Tan    | 73         | Filipino           | Treasurer                                                                                             |
| Dina D.R. Inting    | 65         | Filipino           | Chief Financial Officer, Corporate Information Officer, Compliance Officer, and Chief Audit Executive |
| Alan B. Quintana    | 57         | Filipino           | Corporate Secretary                                                                                   |
| Nelileen S. Baxa    | 46         | Filipino           | Assistant Corporate Secretary and Chief Risk Officer                                                  |

### **Andrew L. Tan** **Chairman of the Board**

Dr. Tan was first elected as a director of the company in 1995 (before its listing with the PSE on April 1999), he has served as Chairman of the Board since September 2006. He has also served as the Chief Executive Officer from September 2006 to June 2018 and as Vice-Chairman of the Board from August 2003 to September 2006. He holds position in the following other listed companies:

| <b>Listed Company</b> | <b>Position</b>      | <b>Date First Elected</b> | <b>Date Last Elected</b> | <b>No. of Term/ Years</b> |
|-----------------------|----------------------|---------------------------|--------------------------|---------------------------|
| Emperador Inc.        | Chairman Emeritus    | June 2025                 |                          | 0                         |
| Megaworld Corporation | Chairman             | Aug 2013                  | June 2024                | 11                        |
| Megaworld Corporation | Chairman             | May 2024                  |                          | 1                         |
|                       | Chairman & President | Aug 1989                  | May 2024                 | 35                        |

|                                                              |          |              |           |    |
|--------------------------------------------------------------|----------|--------------|-----------|----|
| Global-Estate Resorts, Inc.<br>(subsidiary of Megaworld)     | Chairman | January 2011 | June 2024 | 13 |
| Empire East Land Holdings, Inc.<br>(subsidiary of Megaworld) | Chairman | July 1994    | June 2025 | 30 |

He pioneered the live-work-play-learn model in the real estate development through the Megaworld Corporation's integrated township communities, fueling the growth of the business process outsourcing industry, food and beverage, and quick service restaurants industries. Dr. Tan is concurrently the Chairman of the Board and President of Megaworld Globus Asia, Inc., Megaworld Land, Inc., Mactan Oceanview Properties and Holdings, Inc., Richmonde Hotel Group International Limited, Twin Lakes Corporation, The Bar Beverage, Inc., Yorkshire Holdings, Inc. and Manila Bayshore Property Holdings, Inc. He is also Chairman of Megaworld Newport Property Holdings, Inc., Alliance Global Group Cayman Islands, Inc., Alliance Global Brands, Inc., Suntrust Properties, Inc., Adams Properties, Inc., Consolidated Distillers of the Far East, Inc., Townsquare Development Inc., Gilmore Property Marketing Associates, Inc., Megaworld Central Properties, Inc., Raffles & Company, Inc., Southwoods Mall, Inc., Eastwood Cyber One Corporation, and Emperador Distillers, Inc. He is the Chairman and Treasurer of The Andresons Group, Inc. and sits in the boards of Alliance Global-Infracorp Development, Inc., Megaworld Cayman Islands, Inc., Megaworld Cebu Properties, Inc., Travellers International Hotel Group, Inc. He is also the Vice-Chairman and Treasurer of Golden Arches Development Corporation and Golden Arches Realty Corporation and a Director and Treasurer of Andresons Global, Inc. He is the Chairman Emeritus of Megaworld Foundation, Inc., since January 2024. Dr. Tan graduated Magna Cum Laude with a degree of Bachelor of Science in Business Administration and was conferred Doctor of Philosophy in Humanities (Honoris Causa) from the University of the East.

**Kevin Andrew L. Tan**  
**President, CEO and Vice-Chairman**

Mr. Tan has been elected as Chief Executive Officer since June 2018 and Vice-Chairman since September 2018 and President since June 2024. He has served as Director since April 20, 2012. He holds position in the following other listed company:

| Listed Company                  | Position                                            | Date First Elected | Date Last Elected | No. of Term/ Years |
|---------------------------------|-----------------------------------------------------|--------------------|-------------------|--------------------|
| Emperador Inc.                  | Director                                            | Oct 2017           | June 2025         | 8                  |
| Empire East Land Holdings, Inc. | Director                                            | June 2015          | June 2025         | 10                 |
| Global-Estate Resorts, Inc.     | Director                                            | June 2014          | June 2024         | 10                 |
| Megaworld Corporation           | Executive Director                                  | October 2024       | -                 | 1                  |
|                                 | Executive Vice President and Chief Strategy Officer | Nov 2018           | June 2024         | 6                  |
| MREIT, Inc.                     | President and CEO                                   | Oct 2020           | June 2024         | 4                  |

He is concurrently the Chairman and President of Alliance Global-Infracorp Development, Inc. and Newport World Resorts Properties, Inc., Chairman of Travellers International Hotel Group, Inc. and Megaworld Foundation, Inc., Director and President of Townsquare Development, Inc., Director and Corporate Secretary of Alliance Global Brands, Inc., Director and Treasurer of Consolidated Distillers of the Far East, Inc. and Uptown Cinemas, Inc., and Director of Emperador Distillers, Inc., Anglo Watsons Glass, Inc., Yorkshire Holdings, Inc., The Bar Beverage, Inc., Emperador Brandy, Inc., New Town Land Partners, Inc., Eastwood Cyber One Corporation, Twin Lakes Corporation, Alcazar De Bana Holdings Company, Inc., Cocos Vodka Distillers

Philippines, Inc., Zabana Rum Company, Inc., and The Andresons Group Incorporated. He is also Chairman and CEO of Agile Digital Ventures, Inc., Megaworld Corporation's digital investment arm that is engaged in investing and building technology start-ups. He has over 11 years of experience in retail leasing, marketing and operations. He formerly headed the Commercial Division of Megaworld Corporation, which markets and operates the Megaworld Lifestyle Malls, including Eastwood Mall and The Clubhouse at Corinthian Hills in Quezon City, Venice Piazza at McKinley Hill and Burgos Circle at Forbestown Center, both in Fort Bonifacio, California Garden Square in Mandaluyong City, Newport Mall at Resorts World Manila in Pasay City, Lucky Chinatown Mall in Binondo, Manila, Uptown Mall in Uptown Bonifacio and Southwoods Mall in Laguna. Mr. Tan holds a Bachelor of Arts Major in Humanities with Professional Certificate in Management, from the University of Asia and the Pacific.

**Katherine L. Tan**  
**Director and Treasurer**

Ms. Tan has served as Director and Treasurer since February 2007. She holds positions in the following other listed companies:

| Listed Company        | Position  | Date First Elected | Date Last Elected | No. of Term/Years |
|-----------------------|-----------|--------------------|-------------------|-------------------|
| Megaworld Corporation | Director  | Aug 1989           | May 2024          | 35                |
|                       | Treasurer | Aug 1989           | June 1995         | 6                 |
| MREIT, Inc.           | Director  | May 2021           | June 2024         | 3                 |
| Emperador Inc.        | Treasurer | August 2013        | June 2025         | 12                |

She is the Chairman and President of Andresons Global, Inc. and Choice Gourmet Banquet, Inc. She is also Director/President of Consolidated Distillers of the Far East, Inc., Raffles and Company, Inc., and The Andresons Group, Inc. She is the Director/Treasurer of Alliance Global Brands, Inc., Emperador Brandy, Inc., Emperador Distillers, Inc., Progreen Agricorn, Inc., Cocos Vodka Distillers Philippines, Inc., Zabana Rum Company, Inc., and Yorkshire Holdings, Inc. She is also Director and Corporate Secretary of The Bar Beverage, Inc. and Director of Anglo Watsons Glass, Inc., Alcazar De Bana Holdings, Inc., Emperador International Limited, Kenrich Corporation, McKesterPik-Nik International Limited, Megaworld Cayman Islands, Inc., and Venezia Universal Limited. She served as Director of EMI from August 2013 to May 2022. She is the Treasurer of Newtown Land Partners, Inc. Ms. Tan graduated from St. Scholastica's College with a degree in Nutrition.

**Lourdes T. Gutierrez-Alfonso**  
**Director/President**

Ms. Gutierrez-Alfonso has been elected as Director in July 2024. She holds positions in the following other listed companies:

| Listed Company              | Position          | Date First Elected | Date Last Elected | No. of Term/Years |
|-----------------------------|-------------------|--------------------|-------------------|-------------------|
| Megaworld Corporation       | President         | June 2024          | June 2024         | 1                 |
| MREIT, Inc.                 | Director          | September 2021     | June 2024         | 3                 |
| Global-Estate Resorts, Inc. | Managing Director | March 2015         | June 2024         | 9                 |
|                             | Director          | June 2011          | June 2024         | 13                |

She is currently the President and is a member of the Management Executive Committee of Megaworld Corporation, and has been with Megaworld since 1990. Ms. Gutierrez-Alfonso is Chairman of the property

management company, First Oceanic Property Management, Inc. She serves as director in numerous affiliate companies including publicly-listed Global-Estate Resorts, Inc and MREIT, Inc. She is also a director of Suntrust Properties, Inc., Twin Lakes Corporation, Southwoods Mall, Inc., Mactan Oceanview Properties and Holdings, Inc., Megaworld Resort Estates, Inc., Megaworld Cebu Properties, Inc., Megaworld Oceantown Properties, Inc., Megaworld Bacolod Properties, Inc., Eastwood Cyber One Corporation, Davao Park District Holdings, Inc., and Prestige Hotels & Resorts, Inc. She is also currently the Chairman of Belmont Newport Luxury Hotels, Inc., Megaworld Global-Estate, Inc., and Savoy Hotel Manila, Inc. She is also a trustee and a Corporate Secretary of Megaworld Foundation, Inc. She has extensive experience in real estate and a strong background in finance and marketing. Ms. Gutierrez-Alfonso graduated cum laude from the Far Eastern University with the degree of Bachelor of Science major in Accounting in 1984. She is a certified public accountant by profession.

**Jesli A. Lapus**  
**Independent Director**

Dr. Lapus has served as Independent Director since June 2021. He holds position in the following other listed company:

| Listed Company | Position             | Date First Elected | Date Last Elected | No. of Term/ Years |
|----------------|----------------------|--------------------|-------------------|--------------------|
| Emperador Inc. | Independent Director | May 2021           | June 2025         | 4                  |

Dr. Lapus is currently Chairman and Independent Director of STI Education Services Group, Inc. since 2013 and Chairman of LSERV Corporation since 2012. He is Independent Director of Information and Technology Academy (iAcademy) since 2010, Philippine Life Financial Assurance Corporation since 2012, STI Education Systems Holdings, Inc. since 2013, and STI West Negros University, Inc. since 2022. He is a former Chairman of the Board of Investments, Philippine Exports Zone Authority, National Development Corporation, Export Development Council, Export Development Council, Micro, Medium and Small Enterprises Council (MSMED), Summer Institute of Linguistics (SIL) and Manila Tytana Colleges. He is a former Board Member of the Land Bank of the Philippines, Philippine Airlines, Meralco, and Union Bank of the Philippines; former Governor/Trustee of the Asian Institute of Management, Management Association of the Philippines, and Bankers Association of the Philippines; and former Advisor of Philplans First, Inc.

As a top executive in the private sector, he has successfully managed celebrated firms and a universal bank in attaining industry leadership. As the youngest President and CEO of the Landbank of the Philippines at 42 years old, Lapus steered the bank from number 18 to become the 3rd biggest in the banking industry. As the first Filipino and the youngest Managing Director of the German multinational company Triumph International (Phils.), Inc. from 1979-1985, he led it to become the biggest manufacturing operation of its kind in the world making it a top Philippine exporter and employer. At 23, he was the Chief Finance Officer (CFO) of the Ramcar Group where he engineered mergers and acquisitions which established Ramcar as the undisputed market leader in the country. At age 20, he was Auditor-in-Charge and Management Consultant at SGV & Co., CPA's (1969-1973).

Dr. Lapus has the distinction of having served in the cabinets of three (3) Philippine Presidents in the following capacities: Secretary of the Department of Trade and Industry, Secretary of the Department of Education, President and CEO of The Land Bank of the Philippines, and Undersecretary of the Department of Agrarian Reform. He had been elected member of the Philippine Congress for three consecutive terms in 1998-2007 where he spearheaded many famous legislation such as the 2005 Fiscal Reform Measures (EVAT, Sin Taxes, Tax Amnesty and Attrition Law).

Dr. Lapus has been elected by the 180-country international organization, the United Nations Educational and Scientific Council (UNESCO) in Paris, France as a member of its Executive Board. He also served as the President of the South East Asian Ministers of Education Council (SEAMEO).

Dr. Lapus received his Doctor of Public Administration (Honoris Causa) from the Polytechnic University of the Philippines and his Master in Business Management from the Asian Institute of Management and is a Certified Public Accountant. He also pursued his Post Graduate Studies in Investment Appraisal and Management from Harvard University, USA; Management of Transfer of Technology from INSEAD, France; Project Management from BITS, Sweden; Personal Financial Planning from UCLA, USA; and Cursos Internacionales from the Universidad de Salamanca, Spain.

**Anthony T. Robles**  
**Independent Director**

Mr. Robles has served as an Independent Director since June 2022. He is concurrently an Independent Director of MREIT Fund Managers, Inc. Mr. Robles is also a Bank Consultant of PBCOM and a Faculty Member (Finance Cluster) of Ateneo de Manila Graduate School of Business. Prior to his roles, Mr. Robles has served several other positions including the EVP Sector Head (Development Lending), Acting CEO / President, and Sector Head, Executive Vice President (Branch Banking) of the Development Bank of the Philippines, the President and Chief Operating Officer of DRS Global Technologies, Inc., the Executive Vice President (Retail Banking Group) of Chinatrust (Philippines), the Executive Vice President (Account Management Group) of Planters Development Bank, and the Senior Vice President-General Manager (Band 4) (Wealth Management Value Center) of Standard Chartered Bank (Philippines). Mr. Robles earned his B.A. in Commerce degree from University of Santos Tomas and his MBA in Financial Management from Ateneo de Manila University.

**Enrique M. Soriano III**  
**Independent Director**

Mr. Soriano has served as an Independent Director since June 2022. He holds position in the following other listed company:

| Listed Company | Position             | Date First Elected | Date Last Elected | No. of Term/ Years |
|----------------|----------------------|--------------------|-------------------|--------------------|
| Emperador Inc. | Independent Director | May 2016           | June 2024         | 8                  |

He is concurrently an Independent Director of MREIT Fund Managers, Inc., Travellers International Hotel Group, Inc., P.A. Properties, and GGTT Realty Corporation. He is currently the Executive Director of the Wong + Bernstein Group, an Asia Pacific based Strategic Advisory Firm that specializes on Family Governance and Next Generation Leadership. He is also a Senior Advisor at Family in Business Strategic Group, and a Senior Fellow on Governance at the IPMI International Business School in Jakarta and a member of the Singapore Institute of Directors. He also sits as a Director and/or Board advisor to 25 UHNW (ultra-high net worth families) in the ASEAN region. He is also a Columnist and Book Author.

He is a former World Bank/ International Finance Corporation Governance Consultant, Dean of Education at the Manual L. Quezon University, Senior Professor of Service and Global Marketing at the Ateneo Graduate School of Business, and Country President of Electronic Realty Associates (ERA Philippines.). His advocacy related to Real Estate Innovation, Strategic Management and Corporate Governance has made him a sought-after Senior Advisor to family owned businesses in Asia and resource speaker in international conferences in the US, Canada, UK, ASEAN and Africa. Due to his strategic advocacies, he has been recognized and invited to lecture and deliver talks at dozens of universities in Asia and North America, notably Harvard University and University of San Francisco. He writes a business column in several Philippine newspapers, in the US and a couple of business magazines in the EU and the Middle East. He is currently finishing his third book on Family Governance and Succession following his bestselling book entitled “Ensuring the Family Business Legacy: Powerful Insights About Leadership and Succession.”

He holds a B.A. in History, minor in Economics degree from the University of the Philippines, an MBA from De La Salle University, Doctorate Units at the UP National College of Public Administration and has an Executive Diploma in Directorships at the Singapore Management University. He also pursued Post Graduate Education specializing on Behavioral Finance at Harvard Kennedy School of Government and at the National University of Singapore Business School focusing on Asian Family Businesses. He was conferred Certified Professional Marketer by the Marketing Institute of the Philippines in 2016.

**Dina D.R. Inting**  
**Chief Financial Officer, Corporate Information Officer,**  
**Compliance Officer, and Chief Audit Executive**

Ms. Inting has served as Chief Financial Officer since January 1995 and at present its Compliance Officer, Corporate Information Officer and Chief Audit Executive. She holds position in the following other listed company:

| Listed Company | Position                                                                      | Date First Elected | Date Last Elected | No. of Terms/ Years |
|----------------|-------------------------------------------------------------------------------|--------------------|-------------------|---------------------|
| Emperador Inc. | Chief Financial Officer, Compliance Officer and Corporate Information Officer | Aug 2013           | June 2025         | 11                  |

She is currently a director of Progreen Agricornp, Inc. She gained an extensive experience in the fields of audit, comptrollership, treasury, finance, branch operations and personnel management from her previous employments in SGV & Co., Raffles & Company, Inc. and First Oceanic Property Management, Inc. She is a Cum Laude graduate of Bachelor of Science in Commerce major in Accounting, Honors Program, at the Philippine College of Commerce (Polytechnic University of the Philippines), holds a certificate in Organizational Development from the Ateneo de Manila University, and is a Certified Public Accountant.

**Alan B. Quintana**  
**Corporate Secretary**

Mr. Quintana has served as the Corporate Secretary since April 16, 2019. He is currently First Vice President for Legal – Landbank Management and Titling Department of Global-Estate Resorts, Inc. (“GERI”) since May 2018 and has been with GERI since 2011. He is a Director of Boracay Newcoast Federation, Inc., Sherwood Hills Development, Inc., Global Shelter, Inc., La Compañía de Sta. Barbara, Inc., Pioneer L-5 Realty Corporation, and Golden Sun Airways, Inc. He is the Corporate Secretary of Boracay Newcoast Resorts, Inc. and Alliance Global-Infracorp Development, Inc. Prior to GERI, he worked as Corporate Legal Counsel of Fil-Estate Properties, Inc. from 1995-2011. He has a degree in Bachelor of Science in Commerce Major in Accounting from the University of San Carlos and obtained his Bachelor of Laws degree from the San Beda College of Law.

**Nelileen S. Baxa**  
**Assistant Corporate Secretary and Chief Risk Officer**

Ms. Baxa has served as Assistant Corporate Secretary since October 08, 2020 and its Chief Risk Officer since July 18, 2024. She holds position on the following other listed companies:

| Listed Company                 | Position                                              | Date First Elected | Date Last Elected | No. of Terms/ |
|--------------------------------|-------------------------------------------------------|--------------------|-------------------|---------------|
| Suntrust Resort Holdings, Inc. | Corporate Secretary and Corporate Information Officer | Oct 2020           | Oct 2024          | 4             |

|                             |                               |          |           |   |
|-----------------------------|-------------------------------|----------|-----------|---|
| Megaworld Corporation       | Assistant Corporate Secretary | Oct 2020 | June 2025 | 4 |
| Global-Estate Resorts, Inc. | Assistant Corporate Secretary | Oct 2020 | June 2025 | 4 |

Ms. Baxa is currently a Senior Accounting Manager of Megaworld Corporation (MEG) and has been with MEG for twenty-one (21) years. She is a Certified Public Accountant with over twenty two (22) years of experience in the fields of accounting and finance. Ms. Baxa concurrently serves as a Director of Bordeaux Properties, Inc., Langham Properties, Inc., Rowenta International, Inc., and Venetian Properties, Inc. She is also the Corporate Secretary of Era Real Estate Exchange, Inc., New Town Land Partners, Inc., Anglo Watsons Glass, Inc., and Oceanic Realty Group International, Inc. Ms. Baxa obtained her Bachelor's Degree in Accountancy from the University of Santo Tomas.

### Significant Employees

The Company does not have employees who are not executive officers but expected to make significant contributions to the business.

### Family Relationships

1. Chairman Andrew L. Tan is married to Treasurer/Director Katherine L. Tan;
2. Kevin Andrew L. Tan, their son, is the President, CEO and Vice Chairman of the Company. He is also the Executive Director of MEG and the President and Chief Executive Officer of MREIT, Inc.;
3. Kendrick Andrew L. Tan, another son, is the Corporate Secretary and Executive Director of EDI, and Director/Executive Director of EMI;
4. Both siblings are currently serving as directors of AWGI, Newtown Land Partners, Inc., and Yorkshire Holdings, Inc.

### Involvement in Legal Proceedings

The Company has no knowledge of any of the following events that occurred during the past five (5) years up the date of this report that are material to an evaluation of the ability or integrity of any director or executive officer or control person of the Company:

1. Any bankruptcy petition filed by or against any business of which such person was a general partner or executive officer either at the time of the bankruptcy or within two years prior to that time;
2. Any conviction by final judgment in a criminal proceeding, domestic or foreign, or being subject to a pending criminal proceeding, domestic or foreign, excluding traffic violations and other minor offenses;
3. Being subject to any order, judgment, or decree, not subsequently reversed, suspended or vacated, of any court of competent jurisdiction, domestic or foreign, permanently or temporarily enjoining, barring, suspending or otherwise limiting his involvement in any type of business, securities, commodities or banking activities; and
4. Being 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, and the judgment has not been reversed, suspended, or vacated.

## EXECUTIVE COMPENSATION

### Executive Compensation

#### Name and Principal Position



Andrew L. Tan, Chairman  
Kevin Andrew L. Tan, Vice Chairman, CEO and President  
Katherine L. Tan, Treasurer  
Dina D.R. Inting, CFO, CIO, Compliance Officer, and Chief Audit Executive  
Alan B. Quintana, Corporate Secretary  
Nelileen S. Baxa, Asst. Corporate Secretary and Chief Risk Officer

The officers receive fixed salary on a monthly basis from the respective subsidiaries or businesses they principally handle. Hence, for years 2024, 2023, and 2022, no compensation was received from AGI, the holding company, and neither will there be for 2025.

### Compensation of Directors

In a board resolution passed in November 2007, members of the Company's Board of Directors began to receive per diem allowance for attendance in board meetings. The following table identifies the compensation of each of the incumbent Board of Directors and officers.

| <b>Name and Principal Position</b>                        | <b>Allowance/<br/>Per Diem<br/>2022<br/>(P) '000</b> | <b>Allowance/<br/>Per Diem<br/>2023<br/>(P) '000</b> | <b>Allowance/<br/>Per Diem<br/>2024<br/>(P) '000</b> | <b>Allowance/<br/>Per Diem<br/>2025<br/>(P) '000<br/>(estimate)</b> |
|-----------------------------------------------------------|------------------------------------------------------|------------------------------------------------------|------------------------------------------------------|---------------------------------------------------------------------|
| Andrew L. Tan, Chairman                                   | 75                                                   | 75                                                   | 75                                                   | 75                                                                  |
| Kevin Andrew L. Tan, Vice Chairman, and CEO and President | 75                                                   | 75                                                   | 75                                                   | 75                                                                  |
| Katherine L. Tan, Director and Treasurer                  | 75                                                   | 75                                                   | term ended                                           | term ended                                                          |
| Kingson U. Sian, President (COO)                          | 1,950                                                | 2,025                                                | [retired] 750                                        | retired                                                             |
| Jesli A. Lapus, Independent Director                      | 135                                                  | 75                                                   | 615                                                  | 645                                                                 |
| Anthony Robles, Independent Director                      | 165                                                  | 345                                                  | 795                                                  | 645                                                                 |
| Enrique Soriano III, Independent Director                 | 135                                                  | 255                                                  | 795                                                  | 645                                                                 |
| Winston S. Co, Director                                   | 75                                                   | n/a                                                  | n/a                                                  | n/a                                                                 |
| Sergio R. Ortiz-Luis Jr., Independent Director            | 135                                                  | n/a                                                  | n/a                                                  | n/a                                                                 |
| Dina D.R. Inting                                          | none                                                 | none                                                 | none                                                 | none                                                                |
| Alan B. Quintana                                          | none                                                 | none                                                 | none                                                 | none                                                                |
| Nelileen S. Baxa                                          | none                                                 | none                                                 | none                                                 | none                                                                |
| <b>Total (of above)</b>                                   | <b>2,820</b>                                         | <b>2,925</b>                                         | <b>3,105</b>                                         | <b>4,110</b>                                                        |

### Employment Contracts, Termination of Employment and Change-In-Control Arrangements

There are no employment contract between the Company and a named executive officer; and no compensatory plan or arrangement, including payments to be received from the Company, with respect to a named executive officer, that results or will result from the resignation, retirement or any other termination of such executive's employment with the Company and its subsidiaries or from a change-in-control of the Company or a change in the named executive officer's responsibilities following a change-in-control and amount involved, including all periodic payments or installments, that exceeds P2.5 million.

### Warrants and Options

The Company has an Executive Stock Option Plan (the "Plan") approved by the Board of Directors of the Company and by stockholders (holding at least 2/3 of the outstanding capital stock) on July 27, 2011 and September 20, 2011, respectively. The purpose of the Plan is to enable the key Company executives and senior

officers who are largely responsible for its further growth and development to obtain an ownership interest in the Company, thereby encouraging long-term commitment to the Company. The Plan is being administered by the Corporate Governance Committee (the “Committee”) of the Board.

Stock options may be granted within ten (10) years from the adoption of the Plan and may be exercised within seven (7) years from date of grant. The exercise price shall be at a 15% discount from the volume weighted average closing price of the Company’s shares for nine (9) months immediately preceding the date of grant. The options shall vest within three (3) years from date of grant and the holder of an option may exercise only a third of the option at the end of each year of the three (3) year period. The Company shall receive cash for the stock options.

As of March 31, 2025, no vested option has been exercised and the number of unexercised stock options is 59,100,000 common shares.

An option holder may exercise in whole or in part his vested option provided, that, an option exercisable but not actually exercised within a given year shall accrue and may be exercised at any time thereafter but prior to the expiration of said option’s life cycle. As of this time, the Company cannot determine if options can be exercised with less than forty percent (40%) of the total price of the shares so purchased. The Company does not provide or arrange for loans to enable qualified participants to exercise their options.

## MARKET PRICE OF THE COMPANY'S COMMON STOCK AND RELATED STOCKHOLDER MATTERS

### Market Information

The Company's common shares are traded on the PSE under the symbol of AGI. The closing price of the said shares on March 31, 2025 is P6.08. The trading prices of the said shares for each quarter within the last two years and subsequent interim period are set forth below (Source: PSE Research Dept.):

|      | 2023  |       |       |       | 2024  |       |      |      | 2025 |
|------|-------|-------|-------|-------|-------|-------|------|------|------|
|      | Q1    | Q2    | Q3    | Q4    | Q1    | Q2    | Q3   | Q4   | Q1   |
| High | 13.14 | 14.28 | 13.46 | 12.50 | 11.78 | 10.40 | 9.79 | 9.90 | 8.99 |
| Low  | 11.36 | 11.82 | 11.68 | 9.54  | 9.46  | 8.25  | 8.50 | 8.58 | 5.90 |

### Dividends in the Two Most Recent Years and Subsequent Interim Period

It is the Company's policy to periodically declare a portion of its unrestricted retained earnings as dividend usually in the third quarter of each year. The declaration of dividends depends upon the Company's earnings, cash flow and financial condition, among other factors. The Company may declare dividends out of its unrestricted retained earnings only. Unrestricted retained earnings represent the net accumulated earnings of the Company, with its capital unimpaired, which are not appropriated for any other purpose. The Company may pay dividends in cash, by the distribution of property, or by the issue of shares of stock. Cash dividends are subject to the approval by the Board of Directors ("BOD"). Stock dividends are subject to the approval by both the BOD and at least two-thirds (2/3) of the outstanding capital stock of the stockholders at a stockholders' meeting called for such purpose.

On December 1, 2023, the Company declared cash dividends of Php0.15 per share payable on January 12, 2024 to all stockholders of record as of December 18, 2023. On December 10, 2024, the Company declared cash dividends of Php0.10 per share payable on January 24, 2025 to all stockholders of record as of December 27, 2024.

### Recent Sales or Issuance of Unregistered or Exempt Securities, Including Recent Issuance of Securities Constituting an Exempt Transaction, Within the Past Three Years

The Company does not have any recent sales or issuance of unregistered or exempt securities, including issuance of securities constituting an exempt transaction in the past three years.

## PRINCIPAL SHAREHOLDERS

### Shareholders

As of July 31, 2025, the Company has 841 stockholders, including nominees, holding 8,814,705,479 common shares and the Top Twenty Stockholders were as follows:

| Rank | Stockholder                                | No. of Shares Held | Per Cent to Total |
|------|--------------------------------------------|--------------------|-------------------|
| 1    | The Andresons Group, Inc.                  | 4,768,263,994.00   | 54.09             |
| 2    | PCD Nominee Corporation (Non-Filipino)     | 1,423,571,923      | 16.15             |
| 3    | PCD Nominee Corporation (Filipino)         | 1,259,872,393      | 14.29             |
| 4    | Altavision Resources, Inc.                 | 887,678,334        | 10.07             |
| 5    | Yorkshire Holdings, Inc.                   | 255,773,508        | 2.90              |
| 6    | Eastwood Property Holdings, Inc.           | 112,600,000        | 1.28              |
| 7    | Andrew L. Tan                              | 63,684,349         | 0.72              |
| 8    | Andresons Global, Inc.                     | 30,088,596         | 0.34              |
| 9    | Megaworld Cebu Properties, Inc.            | 10,000,000         | 0.11              |
| 10   | Lucio W. Yan &/Or Clara Y. Yan             | 1,000,000          | 0.01              |
| 11   | First Centro, Inc.                         | 364,200            | 0.00              |
| 12   | Jianhua Su                                 | 202,500            | 0.00              |
| 13   | American Wire & Cable Co., Inc.            | 200,000            | 0.00              |
| 14   | Ramon C. Garcia                            | 100,000            | 0.00              |
| 15   | Rupesh S. Narvekar                         | 100,000            | 0.00              |
| 16   | Pacifico B. Tacub                          | 90,000             | 0.00              |
| 17   | Sang Won Lee                               | 52,500             | 0.00              |
| 18   | Victoriano G. Sy Jr.                       | 32,749             | 0.00              |
| 19   | AF-Consult Ltd (Philippines) Branch Office | 29,400             | 0.00              |
| 20   | Elvira M. Cruz or Bernardo A. Cruz         | 20,000             | 0.00              |

PCD Nominee Corporations (Non-Filipino and Filipino) is comprised of several nominees and the participants with 5% or more are indicated in Section *Security Ownership of Certain Record and Beneficial Owners* on page [•].

## SECURITY OWNERSHIP OF CERTAIN RECORD AND BENEFICIAL OWNERS

Security Ownership of Record and Beneficial Owners owning more than 5% of the Company's outstanding common stock as of July 31, 2025:

| <i>Title of Class</i> | <i>Name and Address of Record Owner &amp; Relationship w/ Issuer</i>                                                                                                       | <i>Name of Beneficial Owner &amp; Relationship w/ Record Owner</i>   | <i>Citizenship</i> | <i>No. of Shares</i>       | <i>Percent Owned</i> |
|-----------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------|--------------------|----------------------------|----------------------|
| Common                | THE ANDRESONS GROUP, INC.<br>7/F 1880 Eastwood Avenue, Eastwood City Bagumbayan, Quezon City, <sup>3</sup>                                                                 | THE ANDRESONS GROUP, INC. (TAGI)                                     | Filipino           | 4,768,263,994              | 54.09                |
| Common                | YORKSHIRE HOLDINGS, INC.<br>18 <sup>th</sup> Floor Alliance Global Tower 26 <sup>th</sup> Street cor. 11 <sup>th</sup> Avenue, Uptown Bonifacio, Taguig City <sup>47</sup> | YORKSHIRE HOLDINGS, INC. (YHI)                                       | Filipino           | 1,143,451,842 <sup>5</sup> | 12.97                |
| Common                | PCD NOMINEE CORPORATION (NON-FILIPINO)<br>29th Floor, BDO Equitable Tower<br>8751 Paseo de Roxas, Makati City 1226                                                         | THE HONGKONG AND SHANGHAI CORP. LTD. – CLIENTS' ACCT. (Non-Filipino) | Non-Filipino       | 605,128,366                | 6.86                 |

Security Ownership of Management as of July 31, 2025

| <i>Title</i> | <i>Name of Beneficial Owner</i>                               | <i>Citizenship</i> | <i>Amount</i> | <i>Percent</i> |
|--------------|---------------------------------------------------------------|--------------------|---------------|----------------|
| Common       | Andrew L. Tan ( <i>Chairman of the Board</i> )                | Filipino           | 63,684,349    | 0.722%         |
| Common       | Anthony T. Robles ( <i>Independent Director</i> )             | Filipino           | 1             | 0.000%         |
| Common       | Enrique M. Soriano III ( <i>Independent Director</i> )        | Filipino           | 1             | 0.000%         |
| Common       | Katherine L. Tan ( <i>Director</i> )                          | Filipino           | 1             | 0.000%         |
| Common       | Jesli A. Lapus ( <i>Independent Director</i> ).               | Filipino           | 1             | 0.000%         |
| Common       | Kevin Andrew L. Tan ( <i>Director</i> )                       | Filipino           | 1             | 0.000%         |
| Common       | Lourdes T. Gutierrez-Alfonso ( <i>Director</i> )              | Filipino           | 1,100         | 0.000%         |
| Common       | Dina D.R. Inting ( <i>CFO, CIO &amp; Compliance Officer</i> ) | Filipino           | 2,758         | 0.000%         |

<sup>3</sup> Mr. Andrew L. Tan is the Chairman of the Board of TAGI, is authorized to appoint proxy to vote for the shares.

<sup>47</sup> Mr. Andrew L. Tan, Chairman of YHI is authorized to appoint proxy to vote for the shares which includes direct and indirect beneficial ownership through Altavision Resources, Inc.

<sup>5</sup> includes direct and indirect common shares.

|                                             |  |            |        |
|---------------------------------------------|--|------------|--------|
| Directors and Executive Officers as a Group |  | 63,688,212 | 0.722% |
|---------------------------------------------|--|------------|--------|

## **RELATED PARTY TRANSACTIONS**

The Company's policy with respect to related party transactions is to ensure that these are entered into at arm's length basis, on terms comparable to those available to unrelated third parties. All transactions involving related parties are conducted in strict adherence to the principle of arm's length dealings to ensure that the same are executed at fair market value, with the goal of ensuring fairness and the best interests of the Company's stakeholders, as well as preventing potential conflicts of interests.

Except for the material related party transactions described in the Notes to the Consolidated Financial Statements of the Company and subsidiaries for the years 2024, 2023, and 2022, (please see as filed with this Prospectus in the Financial Statements), there has been no material transaction during the last two years, nor is there any material transaction currently proposed, to which the Company was or is to be a party, in which any director or executive officer, or any nominee for election as director, or any stockholder holding more than ten percent (10%) of the Company's voting shares, and any member of the immediate family (including spouse, parents, children, siblings, and in-laws) of any such director or nominee for election as director, executive officer, or stockholder holding more than ten percent (10%) of the Company's voting shares had or is to have a direct or indirect material interest.

## THE PHILIPPINE STOCK MARKET

### The Exchange

The PSE is the only stock exchange in the Philippines. It is one of the oldest stock exchanges in Asia, having been in continuous operation since the establishment of the Manila Stock Exchange in 1927. The PSE previously maintained two (2) trading floors, one in Makati City and the other in Pasig City, which were linked by an automated trading system that integrated all bid and ask quotations from the bourses. In February 2018, the PSE transferred to its new office located at the PSE Tower, Bonifacio Global City, Taguig City. The PSE Tower houses the PSE corporate offices and a single, unified trading floor.

### Brief History

The Philippines initially had two (2) stock exchanges, the Manila Stock Exchange, which was organized in 1927, and the Makati Stock Exchange, which began operations in 1963. Each exchange was self-regulating, governed by its respective board of governors elected annually by its members.

Several steps initiated by the Government have resulted in the unification of the two (2) bourses into the PSE. The PSE was incorporated in 1992 by officers of both the Makati and the Manila Stock Exchanges. In March 1994, the licenses of the two (2) exchanges were revoked. The PSE previously maintained two (2) trading floors, one in Makati City and the other in Pasig City, which were linked by an automated trading system that integrated all bid and ask quotations from the bourses. In February 2018, the PSE transferred to its new office located at the PSE Tower, Bonifacio Global City, Taguig City. The PSE Tower houses the PSE corporate offices and a single, unified trading floor.

In June 1998, the SEC granted the PSE “Self-Regulatory Organization” status, allowing it to impose rules as well as implement penalties on erring trading participants and listed companies. On August 8, 2001, PSE completed its demutualization, converting from a non-stock member-governed institution into a stock corporation in compliance with the requirements of the SRC. The PSE has an authorized capital stock of 120.0 million, consisting of 120 million shares with a par value of ₱1.00 per shares, of which ₱84.9 million was subscribed and fully paid-up as of October 5, 2018. Each of the 184 member-brokers was granted 50,000 shares of the new PSE at a par value of ₱1.00 per share. In addition, a trading right evidenced by a “Trading Participant Certificate” was immediately conferred on each member broker allowing the use of the PSE’s trading facilities. As a result of the demutualization, the composition of the PSE Board of Governors was changed, requiring the inclusion of seven (7) brokers and eight (8) non-brokers, one of whom is the president. On December 15, 2003, the PSE listed its shares by way of introduction at its own bourse as part of a series of reforms aimed at strengthening the Philippine securities industry.

Classified into financial, industrial, holding firms, property, services, and mining and oil sectors, companies are listed either on the PSE’s Main Board or the Small, Medium and Emerging Board. Recently, the PSE issued Rules on Exchange Traded Funds (“**ETF**”) which provides for the listing of ETFs on an ETF Board separate from the PSE’s existing boards. Previously, PSE allowed listing on the First Board, Second Board or the Small and Medium Enterprises Board. With the issuance by the PSE of Memorandum No. CN-No. 2013-0023 dated June 6, 2013, revisions to the PSE Listing Rules were made, among which changes are the removal of the Second Board listing and the requirement that lock-up rules be embodied in the articles of incorporation of the issuer.

Each index represents the numerical average of the prices of component stocks. The PSE has an index, referred to as the PHISIX, which as at the date thereof reflects the price movements of selected stocks listed on the PSE, based on traded prices of stocks from the various sectors. The PSE shifted from full market capitalization to free float market capitalization effective April 3, 2006 simultaneous with the migration to the free float index and the renaming of the PHISIX to PSEi. The PSEi includes 30 selected stocks listed on the PSE. In July 2010, the PSE’s new trading system, now known as PSE Trade, was launched.



In December 2013, the PSE Electronic Disclosure Generation Technology (“**PSE EDGE**”), a new disclosure system co-developed with the Korea Exchange, went live. PSE EDGE provides a dedicated portal for listed company disclosures and offers a free-to download mobile application for easy access by investors.

In June 2015, the PSE shifted to a new trading system, the PSEtrade XTS, which utilizes NASDAQ's Xstream Technology. The PSEtrade XTS, which replaced the NSC trading platform provided by NYSE Euronext Technologies SAS, is equipped to handle large trading volumes. It is also capable of supporting the future requirements of the PSE should more products and services be introduced.

In November 2016, the PSE received regulatory approvals to introduce new products in the stock market – the 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. With the increasing calls for good corporate governance, PSE has adopted an online daily disclosure system to improve the transparency of listed companies and to protect the investing public.

The PSE launched its Corporate Governance Guidebook in November 2010 as another initiative of the PSE to promote good governance among listed companies. It is composed of 10 guidelines embodying principles of good business practice and based on internationally recognized corporate governance codes and best practices.

In August 2020, the PSE formally introduced Real Estate Investment Trust (REIT) products as a new asset class for listing. The acceptance of REITs expanded the capital market by providing investors with access to income-generating real estate assets while offering property developers an opportunity for capital recycling or an alternative source of funding. The introduction of REITs also enhanced market depth and aligned the Philippines with global investment practices, further strengthening the role of the PSE as the country’s central marketplace for securities trading.

The table below sets forth movements in the composite index from 2008 to 2024, and shows the number of listed companies, market capitalization, and value of shares traded for the same period:

#### **Selected Stock Exchange Data**

| <b>Calendar year</b>   | <b>Composite index at closing</b> | <b>Number of listed companies</b> | <b>Aggregate market capitalization</b> | <b>Combined value of turnover</b> |
|------------------------|-----------------------------------|-----------------------------------|----------------------------------------|-----------------------------------|
| <i>(in ₱ billions)</i> |                                   |                                   |                                        |                                   |
| 2008                   | 1,872.9                           | 246                               | 4,072.2                                | 763.9                             |
| 2009                   | 3,052.7                           | 248                               | 6,032.2                                | 994.2                             |
| 2010                   | 4,201.1                           | 253                               | 8,866.1                                | 1,207.4                           |
| 2011                   | 4,372.0                           | 253                               | 8,697.0                                | 1,422.6                           |
| 2012                   | 5,812.7                           | 254                               | 10,930.1                               | 1,771.7                           |
| 2013                   | 5,889.8                           | 257                               | 11,931.3                               | 2,546.2                           |
| 2014                   | 7,230.6                           | 263                               | 14,251.7                               | 2,130.1                           |
| 2015                   | 6,952.1                           | 265                               | 13,465.1                               | 2,151.4                           |
| 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                           | 268                               | 16,705.3                               | 1,772.6                           |
| 2020                   | 7,139.7                           | 274                               | 15,888.9                               | 1,770.9                           |
| 2021                   | 7,122.6                           | 276                               | 18,081.1                               | 2,233.1                           |
| 2022                   | 6,566.4                           | 288                               | 16,560.0                               | 1,790.0                           |

|      |         |     |          |         |
|------|---------|-----|----------|---------|
| 2023 | 6,450.0 | 283 | 16,740.2 | 1,474.8 |
| 2024 | 6,528.8 | 283 | 20,007.6 | 1,490.0 |

## Trading

The PSE is a double auction market. Buyers and sellers are each represented by stockbrokers. To trade, bids or ask prices are posted on the PSE's electronic trading system. A buy (or sell) order that matches the lowest asked (or highest bid) price is automatically executed. Buy and sell orders received by one broker at the same price are crossed at the PSE at the indicated price. Transactions are generally invoiced through a confirmation slip sent to customers on the trade date (or the following trading day). Payment of purchases of listed securities must be made by the buyer on or before the third trading day after the trade.

Generally, equities trading on the PSE starts at 9:30 a.m. until 12:00 p.m., when there will be a one-and-a-half hour lunch break. In the afternoon, trading resumes at 1:30 p.m. and ends at 3:30 p.m., with a 10-minute extension during which transactions may be conducted, provided that they are executed at the last traded price and are only for the purpose of completing unfinished orders. Trading days are Monday to Friday, except legal holidays and days when the BSP clearing house is closed and such other days as may be declared by the Philippine SEC or the PSE, to be a non-trading day.

Minimum trading lots range from five (5) shares to one million shares depending on the price range and nature of the security traded. The minimum trading lot for our Common Shares is 100 shares. Odd-sized lots are traded by brokers on a board specifically designed for odd-lot trading.

To maintain stability in the stock market, daily price swings are monitored and regulated. Under current PSE regulations, whenever an order will result in a breach of the trading threshold of a security within a trading day, the trading of that security will be frozen. Orders cannot be posted, modified or cancelled for a security that is frozen. In cases where an order has been partially matched, only the portion of the order that will result in a breach of the trading threshold will be frozen. Where the order results in a breach of the trading threshold, the following procedures shall apply:

- In the event the static threshold is breached, the PSE will accept the order, provided the price is within the allowable percentage price difference under the implementing guidelines of the revised trading rules (i.e., 50% of the previous day's reference or closing price, or the last adjusted closing price). Otherwise, such an order will be rejected. In cases where the order is accepted, the PSE will adjust the static threshold to 60%. All orders breaching the 60% static threshold will be rejected by the PSE;
- In the event the dynamic threshold is breached, the PSE will accept the order if the price is within the allowable percentage price difference under the existing regulations (i.e., 20% for security cluster A and newly-listed securities, 15% for security cluster B and 10% for security cluster C). Otherwise, such an order will be rejected by the PSE.

## Non-Resident Transactions

When the purchase/sale of Philippine shares involves a non-resident, whether the transaction is effected in the domestic or foreign market, it will be the responsibility of the shareholder's BSP-licensed custodian bank that will file and process the application for registration of the equity investment. It is the custodian bank that issues the certification of registration on behalf of the BSP. Under BSP rules, all registered foreign investments in Philippine securities including profits and dividends, net of taxes and charges, may be repatriated with foreign exchange sourced from the Philippine banking system.

## Settlement

The Securities Clearing Corporation of the Philippines (“**SCCP**”) is a wholly owned subsidiary of the PSE and was organized primarily as a clearance and settlement agency for SCCP-eligible trades executed through the facilities of the PSE. SCCP received its permanent license to operate on January 17, 2002. It is responsible for: (i) synchronizing the settlement of funds and the transfer of securities through delivery versus payment, as well as clearing and settlement of transactions of clearing members, who are also PSE Trading Participants; (ii) guaranteeing the settlement of trades in the event of a PSE Trading Participant’s default through the implementation of its “Fails Management System” and administration of the Clearing and Trade Guaranty Fund; and (iii) performance of risk management and monitoring to ensure final and irrevocable settlements of trades.

Previously, SCCP settled PSE trades on a three-day rolling settlement environment, which means that settlement of trades takes place 3 trading days after the transaction date (“**T+3**”). The deadline for settlement of trades was 12:00 noon of T+3. However, since August 24, 2023, the SCCP has transitioned into and has implemented a T+2 settlement cycle (“**T+2**”). For a two-week transition period, which lasted until September 11, 2023, the settlement deadline was extended by one hour. Since September 12, 2023, transactions have been subject to the regular settlement deadline of 12:00 noon.

Securities sold should be in scripless form and lodged under the book-entry system of the PDTC. Each PSE trading participant maintains a cash settlement account with one of the ten existing settlement banks of SCCP, which are Asia United Bank Corporation, BDO Unibank, Inc., China Banking Corporation, Deutsche Bank, EastWest Banking Corporation, The Hong Kong Shanghai Banking Corporation Limited, Maybank Philippines Inc., Metropolitan Bank and Trust Company, Rizal Commercial Banking Corporation, and Unionbank of the Philippines. Payment for securities bought should be in good, cleared funds and should be final and irrevocable. Settlement is presently on a broker level.

SCCP implemented its Central Clearing and Central Settlement (“**CCCS**”) system on May 29, 2006. CCCS employs multilateral netting, whereby the system automatically offsets “buy” and “sell” transactions on a per issue and a per flag basis to arrive at a net receipt or a net delivery security position for each clearing member. All cash debits and credits are also netted into a single net cash position for each clearing member. Novation of the original PSE trade contracts occurs, and SCCP stands between the original trading parties and becomes the central counterparty to each PSE-eligible trade cleared through it.

On March 27, 2023, the SCCP successfully transitioned its clearing and settlement system (“**C&S**”) to the Millennium Post Trade solution provided by LSEG Technology, a subsidiary of the London Stock Exchange Group. According to the PSE, the new C&S system can accommodate any settlement cycle and multi-currency assets and is capable of settlement of multiple trade dates in a single settlement date. The post trade infrastructure uses ISO industry messaging standard and provides its users with comprehensive collateral management information. The C&S system is also connected to the PSE trading engine, which will make real time marking to market possible in the future.

## Scripless Trading

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

All listed securities at the PSE have been converted into book-entry settlement in the PDTC. The depository service of the PDTC provides the infrastructure for lodgment (deposit) and upliftment (withdrawal) of securities, pledge of securities, securities lending and borrowing and corporate actions including

shareholders' meetings, dividend declarations and rights offerings. The PDTC also provides depository and settlement services for non-PSE trades of listed equity securities. For transactions on the PSE, the security element of the trade will be settled through the book-entry system, while the cash element will be settled through the current settlement banks, BDO, Rizal Commercial Banking Corporation, Metropolitan Bank and Trust Company, Deutsche Bank, HSBC Philippines, Unionbank of the Philippines and Maybank Philippines, Inc.

In order to benefit from the book-entry system, securities must be immobilized into the PDTC system through a process called lodgment. Lodgment is the process by which shareholders transfer legal title (but not beneficial title) over their shares of stock in favor of PCD Nominee, a corporation wholly owned by the PDTC whose sole purpose is to act as nominee and legal title holder of all shares of stock lodged into the PDTC. "Immobilization" is the process by which the warrant or share certificates of lodging holders are canceled by the transfer agent and the corresponding transfer of beneficial ownership of the immobilized shares to PCD Nominee will be recorded in the Issuer's registry. This trust arrangement between the participants and PDTC through PCD Nominee is established by and explained in the PDTC Rules and Operating Procedures approved by the SEC. No consideration is paid for the transfer of legal title to PCD Nominee. Once lodged, transfers of beneficial title of the securities are accomplished by way of book-entry settlement.

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

Any beneficial owner of shares who wishes to trade his interests in the shares must course the trade through a participant. The participant can execute PSE trades and non-PSE trades of lodged equity securities through the PDTC system. All matched transactions in the PSE trading system will be fed through the SCCP, and into the PDTC system. Once it is determined on the settlement date (trading date plus two (2) trading days) that there are adequate securities in the securities settlement account of the participant-seller and adequate cleared funds in the settlement bank account of the participant-buyer, the PSE trades are automatically settled in the CCCS system, in accordance with the SCCP and PDTC Rules and Operating Procedures. Once settled, the beneficial ownership of the securities is transferred from the participant-seller to the participant-buyer without the physical transfer of stock certificates covering the traded securities.

If a shareholder wishes to withdraw his stockholdings from the PDTC System, the PDTC has a procedure of upliftment under which PCD Nominee will transfer back to the shareholder the legal title to the shares lodged. The uplifting shareholder shall follow the Rules and Operating Procedures of the PDTC for the upliftment of shares lodged under the name of PCD Nominee. The transfer agent shall prepare and send a Registry Confirmation Advice to the PDTC covering the new number of shares lodged under PCD Nominee. The expenses for upliftment are for the account of the uplifting shareholder.

The difference between the depository and the registry would be on the recording of ownership of the shares in the issuing corporations' books. In the depository set-up, shares are simply immobilized, wherein customers' certificates are canceled and a confirmation advice is issued in the name of PCD Nominee to confirm new balances of the shares lodged with the PDTC. Transfers among/between broker and/or custodian accounts, as the case may be, will only be made within the book-entry system of PDTC. However, as far as the issuing corporation is concerned, the underlying certificates are in the nominee's name. In the registry set-up, settlement and recording of ownership of traded securities will already be directly made in the corresponding issuing company's transfer agents' books or system. Likewise, recording will already be at the beneficiary level

(whether it be a client or a registered custodian holding securities for its clients), thereby removing from the broker its current “de facto” custodianship role.

### **Amended Rule on Lodgment of Securities**

On June 24, 2009, the PSE apprised all listed companies and market participants through Memorandum No. 2009-0320 that commencing on July 1, 2009, as a condition for the listing and trading of the securities of an applicant company, the applicant company shall electronically lodge its registered securities with the PDTC or any other entity duly authorized by the SEC, without any jumbo or mother certificate in compliance with the requirements of Section 43 of the SRC. In compliance with the foregoing requirement, actual listing and trading of securities on the scheduled listing date shall take effect only after submission by the applicant company of the documentary requirements stated in the amended rules on Lodgment of Securities of the PSE.

Further, the PSE apprised all listed companies and market participants on May 21, 2010 through Memorandum No. 2010-0246 that the Amended Rule on Lodgment of Securities under Section 17 of Article III, Part A of the Revised Listing Rules of the PSE shall apply to all securities that are lodged with the PDTC or any other entity duly authorized by the SEC.

For listing applications, the amended rule on lodgment of securities is applicable to (a) the shares/securities of the applicant company in the case of an initial public offering; (b) the shares/securities that are lodged with the PDTC, or any other entity duly authorized by the SEC in the case of a listing by way of introduction; (c) new securities to be offered and applied for listing by an existing listed company; and (d) additional listing of securities of an existing listed company.

Pursuant to the said amendment, the PDTC issued an implementing procedure in support thereof to wit:

- For a new company to be listed at the PSE as of July 1, 2009, the usual procedure will be observed but the transfer agent of the company shall no longer issue a certificate to the PCD Nominee but shall issue a Registry Confirmation Advice, which shall be the basis for the PDTC to credit the holdings of the depository participants on the listing date
- On the other hand, for an existing listed company, the PDTC shall wait for the advice of the transfer agent that it is ready to accept surrender of PCD Nominee jumbo certificates and upon such advice the PDTC shall surrender all PCD Nominee jumbo certificates to the transfer agent for cancellation. The transfer agent shall issue a Registry Confirmation Advice to the PDTC evidencing the total number of shares registered in the name of the PCD Nominee in the listed company’s registry as of the confirmation date.

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

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

- the offer shares/securities of the applicant company in the case of an initial public offering;
- the shares/securities that are lodged with the PDTC, or any other entity duly authorized by the PSE in the case of a listing by way of introduction;
- new securities to be offered and applied for listing by an existing listed company; and
- additional listing of securities of an existing listed company.

### **Issuance of Certificated Shares**

On or after the listing of the shares on the PSE, any beneficial owner of the shares may apply to PDTC through his broker or custodian-participant for a withdrawal from the book-entry system and return to the conventional paper-based settlement. As stated above, if a shareholder wishes to withdraw his stockholdings from the

PDTC System, the PDTC has a procedure of upliftment under which PCD Nominee will transfer back to the shareholder the legal title to the shares lodged. The uplifting shareholder shall follow the Rules and Operating Procedures of the PDTC for the upliftment of shares lodged under the name of PCD Nominee. The transfer agent shall prepare and send a Registry Confirmation Advice to the PDTC covering the new number of shares lodged under PCD Nominee. The expenses for upliftment are for the account of the uplifting shareholder.

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

### **Amended Rule on Minimum Public Ownership**

Pursuant to the amended rules on minimum public ownership (“**MPO**”) promulgated by the PSE and approved by the SEC, companies listed prior to December 6, 2017 are required at all times to maintain a minimum percentage of listed securities held by the public of 10.00% of the listed companies' issued and outstanding common shares, exclusive of any treasury shares, or as such percentage as may be prescribed by the PSE. The determination of whether shareholdings are considered public or non-public is based on: (a) the amount of shareholdings and its significance to the total outstanding shares; (b) purpose of investment; and (c) extent of involvement in the management of the company.

The shares held by the following are generally considered as held by the public: (i) individuals whose shares are not of significant size and which 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 which 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 has significant holdings (i.e., shareholdings by an owner of 10% or more are excluded and considered non-public); and (vi) social security funds.

If an investment in a listed company is meant to partake of sizable shares for the purpose of gaining substantial influence on how the company is being managed, then the shareholdings of such investors are considered non-public. Ownership of 10.00% or more of the total issued and outstanding shares of a listed company is considered significant holding and therefore non-public.

Listed companies which become non-compliant with the minimum public ownership requirement will be suspended from trading for a period of not more than six (6) months and will be automatically delisted if it remains non-compliant with the said requirement after the lapse of the suspension period. Suspended or delisted shares will not be traded on the exchange. In addition, sale of shares of listed companies that do not maintain the MPO are not considered publicly listed for taxation purposes and should, therefore, be subjected to capital gains tax and documentary stamp tax.

On December 1, 2017, the SEC issued SEC Memorandum Circular No. 13, Series of 2017 (“**SEC MC 13-2017**”) on the rules and regulations on minimum public ownership on initial public offerings.

Under SEC MC 13-2017, companies filing a registration statement pursuant to Sections 8 and 12 of the SRC and with intention to list their shares for trading in an exchange shall apply for registration with a public float of at least 20.00% of the companies' issued and outstanding shares. It shall, at all times, maintain an MPO of at least 20.00%. If the MPO of the company falls below 20.00% at any time after registration, such company shall bring the public float to at least 20.00% within a maximum period of 12 months from the date of such fall.

Furthermore, notwithstanding the quarterly public ownership report requirement of the PSE, a company is required to establish and implement an internal policy and procedure to monitor its MPO and to immediately report to the SEC within the next business day if its public float level has fallen below 20.00%. The company must submit to the SEC within ten (10) days after knowledge about the deficiency in its MPO, a time-bound business plan describing the steps that the company will take to bring the public float to at least 20.00% within a maximum period of twelve (12) months from the date of such decline. The company must submit to the SEC a public ownership report and progress report on the submitted business plan within fifteen (15) days after the end of each month until such time that its public float reaches the required level.

The minimum public ownership requirement is also a requirement for the registration of securities. Non-compliance with these requirements may subject publicly listed companies to administrative sanctions, including suspension and revocation of their registration with the SEC. Since the Company was already publicly traded as of October 26, 2010, the 20.00% MPO requirements of SEC MC 13-2017 are not currently applicable to the Company. Accordingly, the Company is currently subject to the 10.00% minimum public ownership requirement.

On August 4, 2020, the PSE issued Guidelines on MPO Requirement for Initial and Backdoor Listings, effective immediately. Under said guidelines, companies applying for initial listing through an IPO are required to have a minimum public offer size of 20% to 33% of its outstanding capital stock, as follows:

| <b>Market Capitalization</b> | <b>Minimum Public Offer</b>       |
|------------------------------|-----------------------------------|
| Not exceeding ₱500M          | 33% or ₱50M, whichever is higher  |
| Over ₱500M to ₱1B            | 25% or ₱100M, whichever is higher |
| Over ₱1B                     | 20% or ₱250M, whichever is higher |

A company listing through an IPO is required to maintain at least 20% public ownership level at all times, whether the listing is initial or through backdoor listing. For companies doing a backdoor listing, the 20% MPO requirement shall be reckoned from the actual issuance or transfer (as may be applicable) of the securities which triggered the application of the Backdoor Listing Rules or from actual transfer of the business in cases where the Backdoor Listing Rules are triggered by a substantial change in business.

On 26 May 2022, the PSE issued the Revised Rules on Backdoor Listing. Under the Revised Rules, a backdoor-listed company is required to conduct a public offering of at least ten percent (10%) of its issued and outstanding shares within one year from the completion of the transaction giving rise to the backdoor listing.

#### **Disclosure of Price Range for Follow-on Offerings of Common Shares and Exchange Traded Funds**

On March 22, 2019, the additional rules of the PSE for follow-on offerings and stock rights offerings of common shares and exchange traded funds (“**ETFs**”) became effective. Under the additional rules on rights offerings, an applicant company shall be required to disclose in the prospectus an offer price range consisting of a floor price and a cap, upon filing of the listing application. Furthermore, the floor price must be lower than or equal to the disclosed market price.

#### **Scriptless Shares**

The Revised REIT IRR provides that all the shares of a REIT shall be in uncertificated form. The REIT is required to engage a duly licensed transfer agent to monitor subsequent transfer of the shares. The transfer agent shall ensure that the shares are traceable to the names of the shareholders or investors for their own benefit and not for the benefit of any non-public shareholders. The REIT shall make the necessary arrangement with a central securities depository on the recording of its shareholders under a Name-On Central Depository arrangement.

## **Voluntary and Involuntary Delisting Rules**

On December 1, 2020, PSE issued Memorandum Circular No. 2020-0104 (“**C.N. 2020-0104**”) on the amendments to the voluntary delisting rules. Under C.N. 2020-0104, the delisting must be approved by: (i) at least two-thirds of the entire membership of the Board, including the majority, but not less than two, of all of its independent directors; and (ii) stockholders owning at least two-thirds of the total outstanding and listed shares of the listed company.

Further, the number of votes cast against the delisting proposal should not be more than 10% of the total outstanding and listed shares of the listed company.

As regards the tender offer price, the minimum tender offer price shall 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 Rule 19.2.6 of the implementing regulations of the SRC; or (ii) the volume weighted average price of the listed security for one year immediately preceding the date of posting of the disclosure of the approval by the listed company’s Board of Directors of the listed company’s delisting from the PSE.

A listed company may also be involuntarily delisted based on the grounds set out in applicable PSE regulations. A decision of the PSE to involuntarily delist a company shall be rendered after the latter has been given the opportunity to be heard and to present evidence and arguments.

## **Short Selling Rules**

On October 2, 2023, the PSE announced that the PSE Guidelines for Short Selling Transactions shall take effect immediately and that it would officially launch its short selling program on October 23, 2023. The implementation of the PSE Guidelines for Short Selling Transactions was eventually launched on 6 November 6, 2023.

Under the PSE Guidelines for Short Selling Transactions, as amended, securities that are eligible for short selling are limited to PSEi constituents, MidCap Index constituents, Dividend Yield Index constituents, and exchange traded funds. An eligible security must maintain a ratio of short interest to outstanding shares at less than or equal to 10% or as may be prescribed by the PSE. The “short interest” or the “outstanding short position” refers to the cumulative number of shares of a security sold short that have not yet been closed out, adjusted for corporate actions as may be applicable.

The PSE trading system shall not accept short selling orders for ineligible securities. Only PSE trading participants are allowed to enter short selling orders. Clients who want to place short selling orders must course these orders through their respective trading participants. Prior to entering the short selling order, the trading participant is required to determine that the client has entered into the necessary borrowing arrangements for the eligible securities subject of the short sale. Trading participants must also comply with the uptick rule under Section 3 of SRC Rule 24.2-2 and Section 5.2(b) of the Revised Trading Rules of the Exchange, or relevant revisions thereto.

The requirements of the PSE and the Philippine SEC on securities borrowing and lending should be complied with by the short seller for purposes of complying with the PSE Trading Rules prohibition against “naked short sales.”

## **Rules on Volume Weighted Average Price (“VWAP”) Trading**

On 1 February 2024, the PSE issued a memorandum on the SEC’s approval of the PSE Rules on VWAP Trading. A VWAP Transaction is a pre-arranged transaction executed by a trading participant for different clients, at the volume weighted average price of a security, through the VWAP trading facility of the PSE.



## PHILIPPINE TAXATION

*The following is a general description of certain Philippine tax aspects of the investment in the Warrants and exercise of such Warrants to acquire the Underlying Shares. This general description does not purport to be a comprehensive description of the Philippine tax aspects of the Warrants nor the Underlying Shares and no information is provided regarding the tax aspects of acquiring, owning, holding or disposing of the Warrants or the Underlying Shares under applicable tax laws of other applicable jurisdictions and the specific Philippine tax consequence in light of particular situations of acquiring, owning, holding and disposing of either the Warrants or Underlying Shares in such other jurisdictions. This discussion is based upon laws, regulations, rulings, and income tax conventions (treaties) in effect at the date of this Prospectus.*

*The tax treatment of a prospective investor may vary depending on such investor's particular situation and certain investors may be subject to special rules not discussed below. This summary does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to invest or exercise of the Warrants and does not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as dealers in securities) may be subject to special taxes.*

**EACH PROSPECTIVE ELIGIBLE SHAREHOLDER AND WARRANTHOLDER, AS APPLICABLE SHOULD CONSULT ITS OWN TAX ADVISOR AS TO THE PARTICULAR TAX CONSEQUENCES OF THE ACQUISITION, OWNERSHIP, EXERCISE AND DISPOSITION OF THE WARRANTS AND UNDERLYING SHARES, INCLUDING THE APPLICABILITY AND EFFECT OF LOCAL AND NATIONAL OR FOREIGN TAX LAWS.**

The following is a general description of certain Philippine tax aspects of the investment in the Warrants or Underlying Shares. It is based on the present provisions of the Tax Code, as amended by Republic Act No. 10963, otherwise known as the Tax Reform for Acceleration and Inclusion Law (“**TRAIN Law**”), which took effect on 1 January 2018, and Republic Act No. 11534, otherwise known as the Corporate Recovery and Tax Incentives for Enterprises Act (“**CREATE Act**”), which took effect on 11 April 2021 (TRAIN Law and CREATE Act, collectively, the “**Philippine Tax Code**”), and the regulations promulgated thereunder and judicial and ruling authorities in force as of the date of this Prospectus, all of which are subject to changes occurring after such date, which changes could be made on a retroactive basis.

As used in this section, the term “resident alien” refers to an individual whose residence is within the Philippines and who is not a citizen thereof. A “non-resident alien” is an individual whose residence is not within the Philippines and who is not a citizen thereof. A non-resident alien who is actually in the Philippines for an aggregate period of more than 180 days during any calendar year is considered a non-resident alien engaged in trade or business in the Philippines”; otherwise, such non-resident alien who is actually within the Philippines for an aggregate period of 180 days or less during any calendar year is considered a non-resident alien not doing business in the Philippines. A “domestic corporation” is created or organized under the laws of the Philippines. A “resident foreign corporation” is a non-Philippine corporation engaged in trade or business in the Philippines. A “non-resident foreign corporation” is a non-Philippine corporation not engaged in trade or business in the Philippines but derives income from sources within the Philippines.

The Warrants and the Underlying Shares are intended to be listed in the PSE Main Board.

### *Corporate Income Tax*

A domestic corporation is subject to a corporate income tax of 25% of its taxable income (gross income less allowable deductions) from all sources within and outside the Philippines except, among others, (a) interest income from Philippine currency bank deposits and yield or any other monetary benefit from deposit substitutes, trust funds, and similar arrangements as well as royalties from sources within the Philippines, which are subject to final withholding tax rate of 20%; and (b) interest income from a depository bank under the expanded foreign currency deposit system which is subject to a final tax at the rate of 15%.

On May 29, 2025, President Ferdinand R. Marcos Jr. signed into law Republic Act No. 12214, otherwise known as the Capital Markets Efficiency Promotion Act (CMEPA), which will take on effect on July 1, 2025, following its complete publication in the Official Gazette or in at least one (1) newspaper of general circulation. The CMEPA introduced, among others, the reduction of the stock transaction tax on the sale or exchange of listed shares of domestic corporations from 0.6% to 0.1% of the gross selling price or gross value in money of the shares sold or exchanged. In addition, the stock transaction tax applies to transactions in both the local and foreign stock exchanges. The CMEPA also introduced a significant reduction in the documentary stamp tax on the original issuance of shares. Previously set at 1% of par value (or consideration in case of shares with no par value), the rate has been decreased to 0.75%.

A minimum corporate income tax of 2% of the gross income as of the end of the taxable year is imposed on a domestic corporation beginning on the fourth taxable year immediately following the year in which such corporation commenced its business operations, when the 2% minimum corporate income tax is greater than the corporate income tax due from such corporation.

Nevertheless, any excess of the minimum corporate income tax over the ordinary corporate income tax shall be carried forward and credited against the latter for the three immediately succeeding taxable years. Furthermore, subject to certain conditions, the minimum corporate income tax may be suspended with respect to a corporation which suffers losses on account of a prolonged labor dispute, force majeure, or legitimate business reverses.

On 26 March 2021, President Rodrigo Roa Duterte signed into law Republic Act No. 11534, otherwise known as the Corporate Recovery and Tax Incentives for Enterprises (CREATE) Act, which introduced significant reforms to the corporate income tax (CIT) and tax incentive systems in the Philippines. The law took effect on 1 July 2020 for domestic and resident foreign corporations, and on 1 January 2021 for non-resident foreign corporations. Under the CREATE Act, the regular CIT rate for domestic and resident foreign corporations was reduced from 30% to 25%. A lower CIT rate of 20% was also established for domestic corporations whose net taxable income does not exceed ₱5,000,000.00 and whose total assets do not exceed ₱100,000,000.00, exclusive of land on which the business's facilities are located.

Additionally, the minimum corporate income tax (MCIT) rate was temporarily reduced from 2% to 1% for the period of 1 July 2020 to 30 June 2023. Beginning 1 July 2023, the MCIT reverted to 2%. The MCIT is levied annually on the gross income of domestic and resident foreign corporations when the amount payable under the regular CIT is lower than the 2% MCIT. Any excess of MCIT over the normal income tax may be carried forward and applied against the regular tax liability for the three (3) immediately succeeding taxable years.

On 11 November 2024, President Ferdinand R. Marcos, Jr. enacted Republic Act No. 12066, also known as the Corporate Recovery and Tax Incentives for Enterprises to Maximize Opportunities for Reinvigorating the Economy Act or the CREATE MORE Act, which shall take effect 15 days after its publication. This law introduces substantial enhancements to the fiscal incentive framework for Registered Business Enterprises (RBEs). Notable amendments include:

1. The reduction of the CIT rate for RBEs availing of the Enhanced Deduction (ED) regime, from 25% to 20%;
2. The establishment of a new Registered Business Enterprise Local Tax (RBELT), capped at 2% of gross income, which shall be imposed in lieu of all local taxes, fees, and charges applicable to RBEs under the Income Tax Holiday (ITH) and ED regimes;
3. The extension of the maximum period for availment of incentives for qualified RBEs from seventeen (17) years to twenty-seven (27) years; and
4. The exemption of RBEs under the 5% Special Corporate Income Tax (SCIT) and those availing of enhanced deductions from all national and local taxes, fees, and charges.

## **Tax on Trade of the Warrants**

### *Capital Gains Tax*

Net capital gains realized from the sale, exchange, or disposition of the Warrants effected outside of the facilities of the PSE by a Filipino citizen, a resident alien, a non-resident alien doing business in the Philippines, a non-resident alien not engaged in trade or business in the Philippines, a resident foreign corporation or a non-resident corporation other than a dealer in securities during each taxable year are subject to final withholding tax of 15% on net capital gains realized.

Foreign individuals and corporations may avail of preferential tax rates or exemptions provided under the applicable tax treaty. An application for tax treaty relief must be filed with and approved by the BIR in order that such preferential tax rates or exemptions apply. A prospective investor should consult its own tax advisor with respect to the applicable rates under the relevant tax treaty.

The transfer of the Warrants shall not be recorded in the books of the Company unless the BIR certifies that the capital gains tax, estate or donor's tax (if any) and documentary stamp tax relating to the sale or transfer have been paid or, where applicable, tax treaty relief has been confirmed by the International Tax Affairs Division of the BIR in respect of the capital gains tax or other conditions have been met.

Transactions involving the sale or disposition of Warrants through a stock exchange are instead subject to the stock transaction tax.

### *Stock Transaction Tax*

With the passage of the CMEPA and upon its effectivity on July 1, 2025, a sale, barter, exchange, or other disposition of the Warrants effected through the facilities of the PSE by a resident or a non-resident individual or by a domestic or foreign corporation, other than a dealer in securities, is subject to a stock transaction tax at the rate of 0.1% of the gross selling price or gross value in money of the Warrants sold, bartered, exchanged, or otherwise disposed, unless an applicable treaty exempts such sale from the said tax. Said tax shall be paid by the seller or transferor. The stock transaction tax is classified as a percentage tax and is paid in lieu of capital gains tax. Gains on any such sale or disposition are not subject to income tax.

It is the responsibility of the stock broker who facilitated the sale to collect and remit the applicable tax to the BIR within five (5) banking days from the date of collection. The broker must also submit a weekly return to the relevant stock exchange containing a declaration of all taxable transactions and the corresponding taxes remitted. For return on sales, the collection and remittance of the tax shall follow rules issued by the Secretary of Finance, upon recommendation of the BIR Commissioner. In such cases, tax remittance must be made within a maximum of ten (10) banking days.

### *Documentary Stamp Tax*

The transfer of Warrants is subject to a documentary stamp tax equivalent to 50% of the documentary stamp tax paid upon the original issue of the Warrants. However, the sale, barter, or exchange of the Warrants listed on the PSE, if made through the facilities of the PSE, shall be exempt from documentary stamp tax.

The CMEPA has amended the rate of the documentary stamp tax on every original issue of Warrants to be 0.75% of the consideration for the issuance of such Warrants. Nevertheless, the sale, barter, or exchange of the Warrants listed on the PSE, if made through the facilities of the PSE, shall remain to be exempt from documentary stamp tax.

### *Value Added Tax*

VAT of 12% may generally be imposed on the gross income earned by dealers in securities on the sale of Warrants and on the commission earned by the PSE-registered broker, which is generally passed on to the client.

#### **Tax on Dividends on the Underlying Shares following the exercise of the Warrant and listing of such Underlying Shares**

Cash and property dividends actually or constructively received from a domestic corporation by individual shareholders who are either Philippine citizens or resident aliens are subject to a final withholding tax at the rate of 10%. On the other hand, cash and property dividends actually or constructively received by non-resident alien individuals engaged in trade or business in the Philippines are subject to a final withholding tax on dividends derived from Philippine sources at the rate of 20% of the gross amount, subject to applicable preferential tax rates under tax treaties in force between the Philippines and the country of domicile of such non-resident alien individual. Non-resident alien individuals not engaged in trade or business in the Philippines are subject to a final withholding tax on dividends derived from Philippine sources at the rate of 25% of the gross amount, subject, however, to the applicable preferential tax rates under tax treaties executed between the Philippines and the country of residence or domicile of such non-resident foreign individuals.

Cash and property dividends received from a domestic corporation by another domestic corporation or by resident foreign corporations are not subject to tax. On the other hand, cash and property dividends received by a non-resident foreign corporation from a domestic corporation are subject to a 25% final withholding tax, which dividend tax rate may be reduced to 15% if the country in which the non-resident foreign corporation is domiciled allows a credit against the tax due from the non-resident foreign corporation, for taxes deemed to have been paid in the Philippines equivalent to 15%, which represents the difference between the regular income tax rate and the 15% tax rate on dividends. Moreover, the reduced dividend tax rate may be further minimized if tax treaty relief is available to the non-resident foreign corporation. Depending on the country of residence of the non-resident foreign corporation, with which the Philippines has an existing tax treaty, the tax rate may go as low as 10%.

Stock dividends distributed pro rata to any holder of the Common Shares are not subject to Philippine income tax. However, the subsequent sale, exchange or disposition of Common Shares received as stock dividends by the holder is subject to either the capital gains tax or stock transaction tax. For sale of domestic shares not listed in the stock exchange, a tax rate of 15% is imposed on net capital gains. On one hand, if the share is listed and the same is sold through the PSE, a tax rate of 0.1% of the gross selling price or gross value in money of the shares of stock sold is imposed in lieu of the net capital gains tax.

The Philippine tax authorities have prescribed certain procedures through Revenue Memorandum Order No. 014-21, for availment of tax treaty relief. Assuming the payments to be made by the Issuer are subject to withholding tax, a non-Philippine holder may avail of the lower withholding tax rates allowed under an applicable tax treaty with the Philippines by submitting to the Issuer the following: (a) duly accomplished BIR Form No. 0901 indicating the basis for the preferential tax treaty rate; (b) Tax Residency Certificate for the relevant period duly issued by the tax authority of the residence of the non-Philippine holder; (c) original consularized or apostilled Special Power of Attorney (SPA) of the signing officer; or SPA issued by the non-Philippine holder to his/her authorized representative, which shall expressly state and include the authority to sign the BIR Form No. 0901; and (d) the tax treaty and the relevant provision therein relied upon by the non-Philippine holder in availing of the lower withholding tax rates; and (e) such other documents as may be required by the BIR including the supporting documents required under RMO No. 14-2021.

In case the Company used the regular tax rates applicable under the Tax Code, non-resident foreign corporations or individuals who intend to obtain a confirmation of entitlement to treaty benefits may file a Tax Treaty Relief Application ("TTRA") with ITAD after it has received the dividends with supporting documents specified in RMO No. 14-2021 in relation to RMC No. 77-2021. If the BIR determines that the withholding tax rate applied is higher than the rate that should have been applied, the BIR will issue a certificate confirming

the non-resident income recipient's entitlement to treaty benefits, and the non-resident may apply for a refund of excess withholding tax with the BIR within the two-year period provided in Section 229 of the Tax Code. The claim for refund of the holder may be filed simultaneously with the tax treaty relief application.

However, because the refund process in the Philippines could be cumbersome, requiring the filing of an administrative claim and the possible filing of a judicial appeal, it may be impractical to pursue such refund.

### **Sale, Exchange or Disposition of the Underlying Shares following the exercise of the Warrant and listing of such Underlying Shares**

#### *Capital Gains Tax*

Net capital gains realized from the sale, exchange, or disposition of the Underlying Shares following the exercise of the Warrant effected outside of the facilities of the PSE, by a Filipino citizen, a resident alien, a non-resident alien doing business in the Philippines, a non-resident alien not engaged in trade or business in the Philippines, a resident foreign corporation or a non-resident corporation other than a dealer in securities during each taxable year are subject to a tax of 15% on net capital gains realized.

Non-resident foreign individuals and corporations may avail of preferential tax rates or exemptions provided under the applicable tax treaty. An application for tax treaty relief must be filed (and approved) by the Philippine BIR International Tax Affairs Division ("ITAD") in order to obtain such exemption under a tax treaty. A prospective investor should consult its own tax advisor with respect to the applicable rates under the relevant tax treaty.

Any subsequent transfer of the Underlying Shares following the exercise of the Warrant shall not be recorded in the books of the Company unless the BIR certifies that the capital gains and documentary stamp taxes relating to the sale or transfer have been paid or, where applicable, tax treaty relief has been confirmed by the BIR ITAD in respect of the capital gains tax or other conditions have been met.

#### *Taxes on Transfer of Shares Listed and Traded at the PSE*

Similarly, based on the CMEPA and upon its effectivity on July 1, 2025, a sale, barter, exchange, or other disposition of the Underlying Shares following the exercise of the Warrant effected through the facilities of the PSE by a resident or a non-resident individual or by a domestic or foreign corporation, other than a dealer in securities, is subject to a stock transaction tax at the rate of 0.1% of the gross selling price or gross value in cash of the Underlying Shares following the exercise of the Warrant sold, bartered, exchanged, or otherwise disposed, unless an applicable treaty exempts such sale from the said tax. The said tax shall be paid by the seller or transferor. The stock transaction tax is classified as a percentage tax and is paid in lieu of capital gains tax. Gains on any such sale or disposition are not subject to income tax. In addition, a value added tax of 12% is imposed on the commission earned by the PSE-registered broker who facilitated the sale, barter, exchange, or disposition through the PSE, which is generally passed on to the client.

### **Documentary Stamp Tax on the Underlying Shares**

Under the CMEPA and upon its effectivity on July 1, 2025, the original issuance of the Underlying Shares upon exercise of the Warrants is subject to a documentary stamp tax of 0.75% of the par value of such Underlying Shares.

The transfer of shares is subject to a documentary stamp tax of ₱1.50 for each ₱200.00, or a fractional part thereof of the par value of the shares transferred. However, the sale, barter, or exchange of the Underlying Shares listed on the PSE, if made through the facilities of the PSE, shall be exempt from documentary stamp tax.

The documentary stamp tax must be paid by the transferor of the Underlying Shares. However, if such transferor enjoys exemption from the documentary stamp tax, the transferee who is not exempt shall be directly liable for the documentary stamp tax.

### **Estate and Gift Taxes**

The transfer of the Underlying Shares following the exercise of the Warrant upon the death of an individual holder to his heirs by way of succession, whether such holder was a citizen of the Philippines or an alien and regardless of residence, is subject to Philippine estate taxes at 6% of the net estate. Individual and corporate holders, whether or not citizens or residents of the Philippines, who transfer the Underlying Shares by way of gift or donation are liable to pay Philippine donor's tax on such transfer at the rate of 6% of the of the total gifts in excess of ₱250,000.00 during the year.

The estate or donor's taxes payable in the Philippines may be credited with the amount of any estate or donor's taxes imposed by the authority of a foreign country, subject to limitations on the amount to be credited, and the tax status of the donor. The estate and donor's taxes, however, shall not be collected in respect of intangible personal property, such as the Underlying Shares following the exercise of the Warrant: (a) if the deceased at the time of his death or the donor at the time of his donation was a citizen and resident of a foreign country which at the time of his death or donation did not impose a transfer tax of any character, in respect of intangible personal property of citizens of the Philippines not residing in that foreign country; or (b) if the laws of the foreign country of which the deceased or donor was a citizen and resident at the time of his death or donation allows a similar exemption from transfer or death taxes of every character or description in respect of intangible personal property owned by citizens of the Philippines not residing in that foreign country.

In case the Underlying Shares are transferred for less than adequate and full consideration in money or money's worth, except if transferred in the ordinary course of business (i.e., a bona fide transaction, at arm's length, and free from any donative intent), the amount by which the fair market value of the transferred Underlying Shares exceeded the value of the consideration may be deemed a gift and donor's taxes may be imposed on the transferor of the Underlying Shares.

### **Taxation Outside the Philippines**

Under Philippine law, the Underlying Shares are considered as situated in the Philippines and the gain derived from their sale is entirely from Philippine sources; hence such gain is subject to Philippine capital gains tax and the transfer of such shares by gift (donation) or succession is subject to the donor's or estate taxes, each as described above. Sales or other dispositions of the Underlying Shares through the facilities of the PSE by a resident or a non-resident holder, other than a dealer in securities, are, however, subject to a stock transaction tax at the rate of 0.1% of the gross selling price or gross value in money of the shares of stock sold or otherwise disposed, unless an applicable treaty exempts such sale from said tax. In case the Underlying Shares become listed and traded through a foreign stock exchange, based on the CMEPA, the sale, barter, exchange or disposition thereof through such foreign stock exchange shall be similarly subject to the stock transaction tax at the same rate.

## **LEGAL MATTERS**

All legal opinion/matters in connection with the issuance of the Warrants, which are subject of this Offer, shall be passed upon by, Picazo Buyco Tan Fider & Santos for AGI, and Angara Abello Concepcion Regala & Cruz Law Offices for the Sole Underwriter.

The legal counsels will not receive any direct or indirect interest in the Company or in any securities thereof (including options, warrants or rights thereto) pursuant to or in connection with the Offer.

## INDEPENDENT AUDITORS

P&A Grant Thornton (the “**Independent Auditors**”) has audited the consolidated financial statements as at and for the years ended December 31, 2024, 2023 and 2022, in accordance with Philippine Standards on Auditing (“**PSA**”). In compliance with Revised Securities Regulation Code Rule 68, Part I, 3(B)(ix), Rotation of External Auditors, which adopted the provisions on long association of external auditors (including partner rotation) with public-interest-entity audit client as prescribed in the Code of Ethics for Professional Accountants in the Philippines, and as adopted by the Company, the engagement partners are rotated or changed every seven years (‘time-on’ period). The lead engagement partner for 2024 and 2023 is Mr. Ramilito L. Nañola while the lead engagement partner for 2022 was Mr. Romualdo V. Murcia III.

P&A, as principal auditors, issued an unqualified opinion on the consolidated financial statements. As such, there had been no disagreements with them on any accounting principles or practices, financial disclosures, and auditing scope or procedure.

The external auditor will not receive any direct or indirect interest in the Company or in any securities thereof (including options, warrants or rights thereto) pursuant to or in connection with the Offer.

### External Audit Fees and Services

#### Audit and Audit-Related Fees

The following table sets out the aggregate fees billed for each of the last three (3) years for professional services rendered by P&A.

|                                  | 2024             | 2023             | 2022             |
|----------------------------------|------------------|------------------|------------------|
| Audit and non-audit-related fees | Php 3,325,000.00 | Php 3,100,000.00 | Php 3,000,000.00 |

In 2024, P&A was engaged to provide in-house training on Corporate Governance, for which P&A billed P0.10 million. Other than this, there were no separate tax fees billed and no other products and services provided by P&A to AGI for the last two fiscal years.

All the above services have been approved by the Audit Committee through the internal policies and procedures of approval. The Audit Committee is composed of Anthony T. Robles as Chairman, and Enrique M. Soriano III and Andrew L. Tan as members. The appointments were endorsed to and approved by the Board of Directors, and then by the stockholders at the annual stockholders’ meetings.



## **INDEX TO FINANCIAL STATEMENTS**

Annex A – Alliance Global Group, Inc.’s audited consolidated financial statements as at December 31, 2024 and for each of the three (3) years in the period ended December 31, 2022, 2023, and 2024.